



EPISODE 04: Should Libel Be A Crime? And Why The Latest Odd Connection to the Murdaugh Case Needs a Serious Look...

[00:00:02] **Mandy Matney:** I don't know what the solution is when it comes to criminalizing or decriminalizing libel and slander in the United States. But I am disturbed at what we have found as we dug into the history of how it has been used to silence true seekers. And as advocates for free speech, this is something that we really need to talk about. My name is Mandy Matney. This is *True Sunlight*, a podcast exposing crime and corruption previously known as the *Murdaugh Murders Podcast*. This episode of *True Sunlight* is written by journalist Liz Farrell and produced by David Moses.

[00:01:01] **Mandy Matney:** So to start off this episode, we have some Luna shark updates to share. I want to tell y'all that our research team has been super pesky doing some deep digging into several stories of crime and corruption across the country and we are excited to roll those out within the next few months. As we were writing this episode, my sweet husband David, who is eager for us to open up new boxes and uncover crimes outside of South Carolina, asked me in the most respectful way why we keep talking about South Carolina cases. And I started to cry when I thought about it. The truth is, I'm not ready to move on to other cases in Missouri, Virginia, Maryland and beyond because I don't feel like we've changed enough here in our home state—it's just a wound that won't close.

[00:01:54] **Mandy Matney:** Alex Murdaugh was convicted of murder, something most of us here never imagined happening ever. But what about everybody else? What about the public officials whose names have come up over and over again in this investigation—the ones who still have a whole lot of power? What about everybody who knew about these crimes and did nothing to stop it? What about Judge Carmen Mullen? Why can't anyone in our government at least say if they're investigating her or not? What about the elected officials involved in the Jeroid Price debacle? Will they ever face consequences or are we just going to pretend like everything is fine there too? What about Judge Casey Manning, who we have an update about by the way; our new superstar reporter Beth Braden got extra pesky after our last episode aired. In that episode we told you about Justin Jones, the man who



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shot a victim in the back twice while he had an ankle monitor. The man who hired State Representative Todd Rutherford and somehow, days after he was sentenced to 15 years for a slew of charges including attempted murder, he got his sentence reduced to just six years by Judge Casey Manning. In that episode, we told you about how Beth got the runaround from officials just trying to figure out whether or not there was a hearing in this matter, aka if they followed the law and notified the victim that all of this was going down. Well, solicitor Byron Gibson called Beth back himself this week and said that Manning had already signed the order reducing the sentence before a hearing could even be set so that victims could be present and speak, which is pretty much the same thing that happened in the Jeroid Price case and is apparently illegal. Essentially, Gibson tossed the political hot potato and blamed Judge Manning. So if that is true, then what is going on here? Why would Judge Casey Manning, as his last act as judge, stick his neck out for at least two apparently dangerous criminals who happen to be represented by a powerful lawyer-lawmaker? And where are the authorities to investigate this? Where are Governor Henry McMaster and Attorney General Alan Wilson, who pretended like they cared about this a month ago when it was a lot more popular. We need answers.

[00:04:39] **Mandy Matney:** I know I know. I feel like a broken record. Even my husband is tired of me saying the same things over and over again, but I can feel it—we are close to change. And I know that a lot of evil people want us to stop looking at South Carolina crime and they want us to stop exposing its many layers of corruption. We cannot let them win. We have to keep going. We will soon move to expose other crimes in other states. But the spotlight on South Carolina isn't going anywhere until real change happens. And I need to say this: thank you to our listeners, especially our premium supporters for sticking with us and allowing us to do this kind of journalism that is time consuming and head spinning but ultimately, life changing. With your support, we are making a difference here in SC and eventually beyond. And speaking of South Carolina, while I was in this spiral of feeling like nothing is



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ever going to change, and the work that I've done is worthless. I found a story about two teenagers in my county getting arrested for libel and we need to talk about this. Taking on corruption is inherently a risk filled mission. Journalists know this. And we've certainly learned this lesson the hard way over the past four years. One risk that's constantly looming in the background, apart from the obvious, is the possibility of getting accused of defamation in a civil suit. It's just a reality for journalists who cover serious topics that need sunlight on them, especially when they involve powerful lawyers. But the fact of the matter is this—corrupt people tend to be corrupt. It's kind of their thing. So when your reporting exposes them, they sometimes do corrupt things like use the court system as a way to retaliate. They do this to try to discredit reporters and intimidate them out of exposing more wrongdoings. That is why libel law is something drilled into us from the start as baby reporters, not only to protect ourselves, but also to protect the people who we write about from getting libeled.

[00:06:59] **Mandy Matney:** Knowing the law and making constant efforts to fact check and source our stories and correct errors of facts is actually a major element of what sets train journalists apart from the average person posting what they might call news reports online. Contrary to popular belief, journalists usually don't just hear something and then report it as is without confirming the information they're hearing. Meaning we don't state things as fact that we know to be untrue, or that we've made no efforts to vet. It's not really a fine line either. For instance, there's a big difference between publishing a story that offers conjecture about someone's purported role in a murder and purported sexuality for no other reason than to embarrass or harm that person in question, or to get the scoop versus reporting on the fact that the son of a powerful man's name was mentioned over and over in a murder investigation because of a rumored affair with a victim in a highly relevant case that by appearance, and by appearance only, seems to be unsolved as a result of this connection. There are plenty of obtuse people out there who refuse to see that difference because it doesn't suit their narratives. Nevertheless, it's an important distinction, so we will continue making it.



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Believe it or not, there are also a number of people who believe that journalism is when a reporter gets told something over coffee or gets an anonymous tip sent to their inboxes and they run with it without doing any investigation whatsoever into whether or not the thing that they were told is actually true. In fact, that is a tactic that team Murdaugh tried to use early on. shopping stories with unattributed bits of information that put Alex in a more favorable light and hoping that there would be bites. They were also known for dropping strategic pieces of information that ended up being absolutely wrong. We never bought it. Not once. We never backed down even when it was terrifying to report the truth knowing that this family that we were reporting on had a pocket full of powerful lawyers that they could deploy at any moment just to intimidate us. But in the past four years, during those millions of decisions weighing the what ifs on whether or not to report something, we never once considered the potential for criminal libel or slander charges. We never thought that one of the worst things that could happen to us was that the Murdaughs or anyone else powerful who we were reporting on could possibly make a couple phone calls and get us arrested for what we published. Silly me—I thought that that stuff happened in places that weren't protected by the First amendment. Until last week.

[00:10:04] **Liz Farrell:** A story popped up Friday in *The Island Packet Newspaper* about two South Carolina 19 year olds: Raven Benjamin of Lady's Island and Zachary Chandler of Yemassee. Raven and Zachary had just been arrested and each charged with two counts of criminal libel and slander for an Instagram account they allegedly created impersonating a former teacher of theirs. These charges are so rarely filed that it caught our attention and a look through the history of how these charges have been used in South Carolina made us wonder what was happening here. It was wild to us because a. don't even get us started on the untruthful things that get posted online that are put up there with the sole purpose of harming someone's character, and b. criminal charges? We'll get into that. But first, we want to distress this. While it is alarming to us as journalists that there is a mechanism in place for corrupt people to exploit the system by targeting those who dare

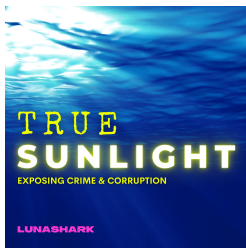


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speak out against them, we also can see why having criminal charges related to slander and libel might be necessary given how easy it is for lives to be ruined online by people who seek to do so. We begin asking questions about this case because of how unusual it was to see these charges and frankly, it worried us to think my god the powers that be in the Murdaugh case had this tool in their war chest this entire time?

[00:11:38] **Liz Farrell:** We started thinking about the ordinary citizens we know who speak out at public meetings or who feel harassed by their local governments because they dared to ask questions and it was scary to think that this big rusty old door was opening on this rusty old law at the exact same time as the Murdaugh world is collapsing and certain people are perhaps feeling desperate. Obviously, they would have used it if they could have—which call us paranoid—made us wonder if this is a law that was being dusted off for a reason. Now listen, this is the Murdaugh case. You could literally tell us that he was in the process of trying to train his dogs to pick pockets at the Hampton county watermelon festival and we'd be like, plausible. In our entire careers neither of us has ever seen someone get criminally charged with libel and slander. In my 20 years reporting on the low country I never once heard it mentioned as a possibility. That's because no one was being charged with this law. Raven's and Zachary's charges represent four of the five charges or cases—each charge is referred to as a case when it comes to prosecuting them—that have existed in Beaufort County since May 1995. Meaning prior to their arrest, there had only been one case of criminal libel and slander in the county. That makes the law pretty esoteric, in our opinion. In other words, something only known to a small and specific community, like lawyers, for instance.

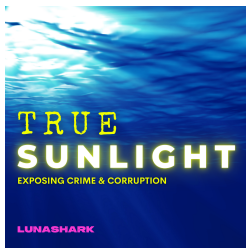
[00:13:18] **Mandy Matney:** So that is where our heads were at when we were first reading this story. Immediately, it stood out to us as strange. And then we got to the part of the story that piqued our interest even more—Raven and Zachary had graduated from Lowcountry Montessori School in Port Royal. Port Royal, you might remember, is where the boat crash was. Port Royal



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Police Officers were the only ones wearing body cameras that night. And well, poof that footage allegedly doesn't exist because the officers allegedly forgot to turn on their cameras. Neither of those things have anything to do with this story, they're just interesting facts to note. Well, let me rephrase that we, should know better after four years of this as far as we know, those two things have nothing to do with the story. At any rate, the libel slander charges involved two graduates of Lowcountry Montessori for a post they allegedly made about two Lowcountry Montessori employees that made us sit up and take an even more closer look because, of course, there is a Murdaugh connection to this story—of course there is. Lowcountry Montessori has been on our radar for over a year now for a few reasons. The first is who the registered agent of the schools LLC is: Cory Fleming. The second is who the incorporator of the school is: Cory Fleming's wife Eve Fleming. Eve also sat on that board that helped create Lowcountry Montessori, a public charter school, in 2013. Eve is also listed as the nonprofit's acting chairman of the board in a South Carolina Secretary of State Office's filing from July 2014. And she's also the registered agent of the school's Limited Partnership, which she filed for in July 2014 and dissolves on July 9, 2021, which was unfortunately for her just one month after the murders of Maggie and Paul.

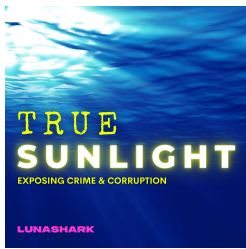
[00:15:34] **Liz Farrell:** Now, Cory's and Eve's roles in this school are not suspicious in and of themselves. They are two parents who live in Beaufort County, at least one of their kids went to E.C. Montessori School, which was a private school that shut down due to lack of enrollment right around the time that Lowcountry Montessori opened. Cory and Eve are also lawyers who have every right to volunteer their time and offer their services to whoever they want. I mean, Eve is still a lawyer, Cory, obviously, is not one. But of course, there's a twist in this story. There's a few of them. First is who joined the school board in 2019 according to school minutes; that would be Yemassee Police Chief Greg Alexander, remember him? The man who said he is not a cat because he doesn't cover up no do do. The police chief who was once accused of stealing 1000s of dollars that were seized in a traffic stop but who was found not guilty by a Hampton County jury after Alex Murdaugh and his



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father, the former solicitor, sat on his side of the courtroom to show their support. The man who randomly received \$5,000 from Alex Murdaugh in the weeks after the murders of Maggie and Paul? The man who allegedly drove Alex's brother, John Marvin Murdaugh, to Moselle that night because the truck John Marvin had been driving allegedly broke down—he is on the school board. And one more thing, in 2017 investigative reporter and editor Gina Smith of *The State Newspaper* reported on Lowcountry Montessori school's involvement in the EB-5 immigration program.

[00:17:14] **Liz Farrell:** Here is how Gina's story starts. "A handful of South Carolina charter schools finally in new school buildings are poised to pay out millions in taxpayer dollars to middlemen, developers and foreign investors who want green cards. The money paid in the form of high interest rent payments on the new school facilities has some critics saying that the state's taxpayers are getting duped. Money they believe is paying for South Carolina students' education is instead going to this relatively new network of out of state players or charging high interest rates as well as wealthy Chinese nationals searching for a quicker path into the country. Chinese nationals you say? Yes friends, we are back in jellyfish gambit territory. But before we get into all of that, let's talk more about libel and slander because we want you to understand just how rare these charges are in South Carolina. Since 1983. There have been a grand total of 88 defamation charges across the state—88 charges in 40 years. 76 percent of those cases were dismissed almost immediately, many times within months, sometimes within days. That in and of itself is incredibly telling. Cases tend to sit on the docket for years in South Carolina. But more than three quarters of the defamation charges in this state went away almost as quickly as they were filed. When charges have actual merit, they do not tend to go away, especially not that fast. When charges are used to bully people, however, they might disappear after the point has been made. After the powerful person in the equation, the one with the ability to make charges like that happen, has decided the person who said the thing about them that they didn't like has suffered enough. So here's the thing about criminal defamation, the law is pretty loose and open to interpretation.



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But there are a few sticky points that would be rather difficult to prove. Here's David with the law.

[00:19:15] **David Moses:** Any person who shall with malicious intent, originate, utter circulate or publish any false statement or matter concerning another the effect of which shall tend to injure such person in his character or reputation, shall be guilty of a misdemeanor.

[00:19:34] **Liz Farrell:** The key words here are malicious intent, false statement or matter, and the effect of which shall tend to injure. It's kind of a ridiculous law as it's written and in our opinion, unconstitutional insofar as it infringes on people's First Amendment rights, but like we've said, we can also see a purpose for it. So right now there are seven defamation charges pending in South Carolina including the four recent charges filed against two Beaufort County 19 year olds. They caught our attention not only because of the potential Murdaugh connection but because of how rare these charges are. Most of the 88 charges we found were filed before the year 2000. In the past 10 years there have only been 16 charges. That means that the decision to charge Raven Benjamin and Zachary Chandler represents a full one-fourth of all defamation charges filed since 2012 in the state, which makes the decision to file those charges rather interesting, right? So far, it seems like the arrests of Raven and Zachary were warranted though. According to Major Angela Viens, who is the spokesperson for the Beaufort County Sheriff's Office, deputies received a report in January from a former employee of Lowcountry Montessori about a fake Instagram account. This former employee is one of the victims in the case, another employee at the school had seen the account and also called deputies to report it. So apparently the account seemed like it belonged to a former LMS co-worker, not the person who called law enforcement. The fake account appeared to be real and even included pictures and videos of that co-worker from a valid account.

[00:21:13] **Liz Farrell:** Major Viens told us that a post on this fake account implicated the co-worker and the former employee who had called



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investigators in, “inappropriate behavior that would have affected them both professionally and personally.” Major Viens did not say what that behavior was. The former employee who called investigators reported the account Instagram and Instagram quickly took it down. Major Viens said, “the content posted on the fake account, being that both are educators, could have severely ruined their professional and personal reputations since both appear to have very clean employment backgrounds. She also said neither employee had any involvement with law enforcement and the post had implicated one of the educators as having arrest warrants and included accusations of other crimes. Major Viens said not only did this account and posts on the account contain defaming information, legal process revealed that the person that created the account exchanged direct messaging content with other individuals from the account that was derogatory and defaming, mainly about the person he was pretending to be. The arrest came after subpoenas were returned from Instagram, Google and the local internet service provider. Sergeant Jennifer Snider of the Beaufort County Sheriff's Office, who by the way is one of the most thorough and tireless investigators in the state of South Carolina and needs to be in charge of everything in my opinion, then learned that the fake account was created as retaliation against one of the teachers for incidents that occurred while Raven and Zachary were both students at the school.

[00:22:52] **Mandy Matney:** Something we need to be clear about—defamatory statements are not statements that people don't like to hear or read about themselves. They are calculated lies that are stated as fact by people who know the information is false, but broadcast in a way that is meant to cause harm to the person the words are about. For instance, publishing conjecture about the paternity of someone's child could be considered criminally defamatory if evidence existed to show that the person did that with malice and an intent to harm. Publishing information contained in public documents would not be considered criminally defamatory, or it shouldn't be. Which brings us back to the law being used as a bullying tactic. We're covering this today because we want people to have the power to take back



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their justice systems from corruption. It's important to understand this from all angles, to know the laws that could trip you up if you're not careful in your approach. According to the ACLU, there are 24 states in the US that, "make it a crime to publicly say mean things about people with penalties ranging from fines to imprisonment." According to the ACLU, these laws violate the First Amendment and are disproportionately used against people who criticize public officials or government employees. Here is David reading an important article by the ACLU and *The Nation*.

[00:24:31] **David Moses:** In Minnesota, there were 121 criminal defamation prosecutions and 16 convictions between 2006 and 2014. In Wisconsin, there were 61 criminal defamation prosecutions between 1991 and 2007. In Virginia, there were at least 300 criminal defamation convictions between 1993 and 2008. Although many criminal defamation prosecutions concern disputes between private individuals, a sizable number involved criticism of local public officials.

[00:25:05] **Mandy Matney:** In fact, the ACLU is currently asking the US Supreme Court to rule on a criminal libel case in New Hampshire where a man was arrested for calling a local police chief a "dirty cop" on Facebook. I shouldn't be shocked by this, but I am. Again. How is this happening in the United States? the land of the free where our very first amendment, which seems like it was the first priority, establishes a freedom of speech and press for its citizens. In South Carolina, we found that in the few defamation cases that ended up being prosecuted, and there were 10 altogether, the sentences were either not publicly listed or consisted of a fine or probation. The law allows for a sentence up to one year in prison and up to a \$5,000 fine. Could you imagine getting imprisoned for a year because you said some things that a powerful person didn't like hearing? What would those conversations with your cellmate be like? What are you in for? I stole millions from clients then killed my wife and son. Oh, me? I had the audacity to report on that. Like we said, in addition to this law being used to bully ordinary citizens, it is also used to intimidate journalists out of speaking up against corrupt people, like this



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horrible case we found. When we talk about criminal libel law in South Carolina, we have to talk about a man named Jim Fitts, a South Carolina newspaper columnist who was jailed for two days on a criminal libel charge in 1988. So what did he do exactly to get arrested? According to reporting by the *Herald Sun*, Jim Fitts wrote a column called “My Vote Isn't for Sale,” accusing two Williamsburg, South Carolina lawmakers, Senator Frank McGill and State Representative B.J. Gordon, of stealing from local taxpayers in one of South Carolina's poorest counties at the time. Jim Fitts, who was Black, wrote that if every Black person in Williamsburg County stole every day for the rest of their lives, they couldn't have stolen as much as Gordon and McGill have stolen from taxpayers during their time in power.

[00:27:33] **Mandy Matney:** Three days after he wrote the column for *The Voice*, an independent newspaper that he owned, the Sheriff of Williamsburg County, who of course, knew Jim Fitts told him to come down to the jail and talk. Then, he was arrested and jailed for two and a half days, according to the state newspaper. His bond was \$40,000, which is insane. The total fine if found guilty at the time was for \$5,000. And get this, guess who signed his arrest warrants? The two lawmakers who he wrote about. Now, here is where it gets really crazy. Let's talk about those two lawmakers. Well, because of the absurdity of the situation, Jim Fitts' arrest story wound up in the *New York Times*. According to a 1988 *New York Times* article, both lawmakers McGill and Gordon were in their positions of power for more than 15 years at the time. And get this, the McGill family was described by a local to the times as a “dynasty.” Literally, they use that word which sent chills straight down my spine. In fact, Frank McGill's son was the mayor of Kingstree, the largest town in Williamsburg County, and by the way home to America's favorite judge, the Honorable Clifton Newman. Anyway, according to *The New York Times*, the McGill family ran the whole county holding positions as prosecutors, city attorneys, and the school superintendent. A local told *The Times*, “nobody else wants to run because they don't want to hurt their good reputation by being involved with those people. They are good at manipulating people. And we have a record here of coercion and control because there are so many people



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who are uneducated and have so few options.” I know I know we're going down a little rabbit hole here, but stay with me because wow, that sounds familiar. This is important because we are currently peeling back layers in the history of the Murdaugh family to figure out how so many people helped enable a monster and allowed a man and his family to get away with so much for so long. In the South Carolina story from 1988, the question is what kind of lawmaker would have the gall to get a newspaper editor arrested for calling him a political thief? Well, the kind of lawmaker whose whole family runs city hall, the courts, and the school board. The kind of lawmaker who feels untouchable. So while Jim Fitts admitted that he didn't have a journalism background, and he could have articulated his claims in a way that was more polished, he stood by what he said. And it looks like he was onto something.

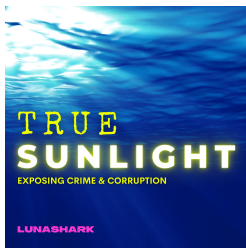
[00:30:29] **Mandy Matney:** A July 1988 state newspaper article by Maureen Shurr shined a light on representative Gordon, who used his position as head of a development center funded by “the Department of Mental Retardation,” that is literally what they called it back then, to give himself 1000s of dollars in interest free loans and cashing at least one \$12,000 grant for his personal funds in money that was supposed to go to that center. His buddy Miguel, the one from the family dynasty, also apparently got \$14,000 from the same grant, and the article wasn't clear where that money went, which is sketch. Remember that Russell Laffitte was on that Hampton County disability and special needs board? We still wonder what he did in his role there. And we have to because we have found a pattern amongst these powerful good ole boys like Alex Murdaugh, they pick the weakest to steal from. They aren't used to being called out for their wrongdoings, and they try to fight the truth with intimidation tactics that often blow up in their faces, which was the case in 1988. After the media shined the lights on Jim Fitts' arrest, McGill and Gordon dropped the charges against him. But SLED open up an investigation into Gordon's alleged criminal activity, which likely scared him into dropping his bid for reelection that year. He was eventually charged by the FBI for vote selling and Operation Lost Trust, another shameful part of South Carolina's history involving massive political corruption that I'm sure we will talk about



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again. So it sounds like maybe, just maybe, they used the libel law to get Jim Fitts arrested, because there was truth to what he was saying and the truth scared them. Jim Fitts, along with the South Carolina Press Association and another newspaper editor who was arrested for libel in 1990, filed a lawsuit in 1991 that prompted a federal judge to rule that South Carolina's criminal libel law was unconstitutional. In an article covering the federal judge's ruling quoted experts who said that the criminal libel law is antiquated, actually stemming from the 1800s when, "lawmakers reasoned it was better for gentlemen to have an editor jailed than it was to shoot it out with him." Um, what? But here is the thing, even after the federal judge ruled it was unconstitutional, the law that apparently was established as a better option than a duel, still hasn't changed, which should be no surprise to anyone who follows South Carolina politics. Apparently, when a federal judge rules a law as unconstitutional it's more like a suggestion to not enforce the law and signals lawmakers to change it. But of course, our good ole boy lawmakers didn't change the law. They kept it in because they knew that they could use it to intimidate the public and the press.

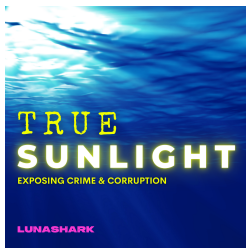
[00:33:41] **Liz Farrell:** Okay, so before we dive back into that Murdaugh connection we were talking about we wanted to start by saying that Eve Fleming, Cory's wife, has not been implicated in anything he was up to according to our reporting so far. Additionally, none of our reporting has shown that she was aware of anything he was up to. That said, we also want to remind you that Cory Fleming has now testified that he knew that he was helping Alex steal money from the Satterfield family's settlement. From the settlement that technically Cory was in charge of procuring for his client. He is now admitting to doing this. He can argue the technicalities when it comes to how much money he thought was getting stolen or when it comes to what he knew about the scheme, but here's the only fact that matters to us right now—before admitting that he knew he was helping Alex steal some of that money, he denied knowing it. He denied it a lot. And back when he was denying it, when we were first covering the Satterfield story, people lashed out at us for even suggesting something might be up with him. People



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lashed out at us for pointing out that hey, it's no coincidence that Cory was representing Connor Cook in the direct aftermath of the boat crash. And oh, look, that was a set-up from Alex too. I'm making this clear because remarkably, there are still people out there who think that us to asking questions about Cory's involvements, or pointing out some dots that might connect, is misguided on our part. As if we're looking for ways to attack poor innocent Cory, who let's just say it, has a bad case of Alex face. Don't believe us? Look at those photos side by side guys, they could be brothers. Anyway, at this point in the game, we have far more experience being right when we follow our instincts than we do being wrong. And the way we see Alex Murdaugh, his co-conspirators and alleged co-conspirators is like this: they are people with very dirty hands and therefore everything they have touched needs to be checked for stains. Everything, including a low country school dedicated to the mission of providing a, "authentic Montessori education building a foundation for lifelong learning."

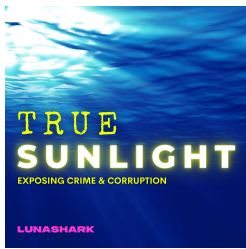
[00:35:53] **Liz Farrell:** So let's talk about the school. This strange little libel slander story reminded us of a rabbit hole we had started going down in early March 2022. It is one of the many Murdaugh-related topics we have planned for you and we're going to keep sneaking them in where we can before things heat up again in court. So Lowcountry Montessori is a pre-K through 12th grade school and has just over 300 students. According to their latest publicly available tax filings they employ around 70 people. According to statistics from the South Carolina Department of Education, the school ranks low in overall testing, math proficiency and reading proficiency. It's at this point that I should mention that in addition to being an opinion and humor columnist, I was also the education editor at the *Island Packet Newspaper* and Lowcountry Montessori was covered in that beat. In November 2015, journalist Rebecca Lurye reported that Lowcountry Montessori had been found to be "non-compliant" by the State Public Charter School District that summer because it "did not meet a state law that 75 percent of its teachers be certified." The school was cited for failing to ensure that all teachers were trained in the Montessori method, for failing to report on the certification of



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the teachers in a timely manner and therefore not giving the state school district enough time to verify the certification status of the teachers, for not properly recording student attendance and grades and for not participating the state's program for assessing teachers performances, which the state said delayed teachers professional development. According to Lurye, “the charter school also experienced issues with student performance and financial safeguards. Since its opening, LMS has been plagued by complaints from parents behind the scenes about what seems to be a general sense of perhaps chaos at the school meaning just overall disorganization and lack of communication. Like we said the school is run by the former director of the area's private Montessori school, which closed around the time that this public Montessori school opened. According to Lurye’s report, in November 2015 LMS only had 20 percent of its classes taught by “highly qualified teachers,” which compared to 90 percent to 100 percent similar schools. The director told Lurye that she was basically “building a plane while flying.” Around the same time, according to Lurye’s report, the state found that the school's bank accounts had more than \$250,000 in them, which was the maximum that could be insured and that the school had no formal procedures for signing off on purchases. And the state's audit found that “certain transactions were not recorded properly.” While the school said at the time that it had either fixed or was working to fix its problems, Lurye noted that there was one issue that the school had no plans to remediate in that moment, and that was the preparation of financial statements. Lurye wrote, “the school said it considers the risk of incomplete or inaccurate statements ‘tolerable’ when compared to the cost of further training.”

[00:39:16] **Mandy Matney:** So back to Fleming's involvement. As we said, Eve Fleming dissolved the school's limited partnership in July 2021, according to the Secretary of State's office. Cory H. Fleming Esquire, however, remains the registered agent of the school’s LLC, which is interesting because his law license has been suspended for almost two years now and last month, he pleaded guilty in federal court for helping Alex Murdaugh steal money, while also telling the court that he was relinquishing his law license in both South



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Carolina and Georgia. Seems like something the school might want to reconsider if the school has changed Registered Agents than it has, according to the Secretary of State spokesperson Shannon Wiley, failed to file the proper paperwork for that. Another issue the school might want to sort out is that the Secretary of State's office website lists the Lowcountry Montessori School as a suspended charity. Luna Shark journalist Beth Braden spoke with the South Carolina Secretary of State's office on Wednesday about the school's status. According to Wiley, LMS's charity status was suspended for failure to file its financial report from the fiscal year ending in June 2021. It was originally due on November 15, 2021, but they filed an extension for May 15, 2022. At that time, they submitted only a single page of IRS Form 990 and it was rejected. They have been assessed a \$2,000 fine for this violation. LMS has not filed their annual financial report for fiscal year ending in June 2022. It was due November 15, but they also filed a six month extension. May 15, 2023 came and went with no filing. Notice of that violation was just sent within the last couple months. There has not been a fine assessed in the last violation.

[00:41:14] **Liz Farrell:** Okay, let's talk a little more about the 2017 report about Lowcountry Montessori's involvement in the EB-5 program. According to journalist Gina Smith, with *The State* newspaper, LMS received \$1.5 million from three foreign investors to build its school building that opened in 2016. It was an arrangement put together by American Charter Development in Utah which also secured the school another \$4 million in loans. The school then leased back the property from ACD at a 9 percent annual rate of the school's total construction costs. Here's what Gina wrote, "if the school were to make only the minimum payments over the course of the 20 year lease, \$5.6 million of its \$10.3 million in lease payments would be interest." Again, this is taxpayer money we're talking about. That brings us to another entity registered in South Carolina, something called RM Lowcountry Montessori SC LLC. The Registered Agent is a legal entity management company called CT Corporate System and the LLC is registered out of Newcastle, Delaware. Now why would a public South Carolina school seem to have an LLC registered out of Delaware? We're not sure but Delaware is seen as a corporate friendly



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environment that allows business owners to register their entities without having to list their names, without having to have a minimum bank balance, without having to pay state taxes and a whole host of other friendly terms like that. Also not for nothing, but what does RM stand for? Hmm, RM, where have I heard these initials before? Hey, it's a question worth asking. But I am just kidding. RM are the initials of Rosemawr Management which we'll get to in a second. Rm Lowcountry Montessori SC LLC was registered in Delaware in October 2019 and in South Carolina in November 2019—right before RM Lowcountry Montessori SC LLC bought the school. Then on December 29, 2021—a year after the LLC sold the property to the school—a man named B.Z. Halberstam shut the LLC down.

[00:43:32] **Liz Farrell:** Again, we mention this only because of the timing of these things and the Murdaugh connected players involved. When you look into the grand scheme of what else was happening in Alex Murdaugh's world in late December 2021, it included other end-of-the-year filings at the Secretary of State's Office, including the incorporation of Parker Law Group and several Limited Partnerships for Alex's former partners and his brother. Okay, so in November 2019, RM Lowcountry Montessori SC LLC purchased Lowcountry Montessori School from Education Capital Solutions LLC for just under \$5.3 million. One year later RM Lowcountry Montessori sold it to Lowcountry Montessori School, the registered agent of which is Cory Fleming, for just over \$7.3 million according to county records. In one year, the value of that school went up by \$2 million. Not a bad investment right? Then a year later RM Lowcountry Montessori SC LLC shut down its business entity in South Carolina. So who is B.Z. Halberstam? Well he does not appear to be with CT Corporation System the Registered Agent for RM Lowcountry Montessori SC LLC. CT Corporation by the way is also the Registered Agent for Education Capital Solutions LLC which sold the school's property to RM Lowcountry. I know it's hard to follow. Rather B.Z. Halberstam is the CEO of a group called Rosemawr management, which according to their website is an established alternative investment management firm focused on investing in the US municipal not for profit and sustainable infrastructure sectors. Nice.



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Like I said they made a great investment in this taxpayer funded property that unfortunately for them is operated by a nonprofit connected to one of Alex Murdaugh's admitted co-conspirators that originally had investors linked to a controversial federal program plagued by claims of fraud and abuse, which basically allows wealthy Chinese nationals the ability to invest in American businesses in exchange for visas, at a low performing school that has been cited before for its financial record keeping problems and fined for its failure to file annual reports with the state.

[00:45:52] **Liz Farrell:** Beth reached out to LMS director Amy Horn by email, which, according to news stories, seems to be Amy's preferred method of contact from reporters. Beth asked her about the Instagram case, why Cory Fleming is still listed as the school's registered agent, whether the school had refinanced its loans as Amy had told Gina Smith in 2017 that the school was working on doing, and about the school's suspension as a charitable organization in South Carolina. As of the recording of this podcast Wednesday afternoon, Amy had not responded to that email. Okay, so here's some more interesting timing stuff for you. Around the same time that the plans for chartering Lowcountry Montessori School were taking shape in 2013, a Chinese connected seafood company named Millenarian Trading Company was scouting locations for a jellyball operation and Beaufort County and the town of Port Royal were looking at potential deals to bring the jellyfish trade to the area. Why? Because jellyfish is apparently considered a delicacy in some Asian countries. Remember the jellyfish gambit from Episode 31 of *Murdaugh Murders Podcast*? We're not going to get into the finer details of the jellyfish operation again here because all we're saying is that it's interesting timing. LMS was taking shape with one of Alex Murdaugh's admitted co-conspirators around the same time that a Chinese-led effort was happening to build a "jellyfish processing plant" in remote areas of Beaufort County and Port Royal that were connected to Alex and his alleged drug trafficker friend Barrett Boulware—along with at least two partners at PMPED, which was also around the same time that the plan went bust leaving these perhaps hopeful investors looking for alternative investment opportunities.



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Oh and Greg Alexander became a member of the board at LMS the same year that RM Lowcountry Montessori bought the school property in what seems like an investment of a lifetime. And according to the school's minutes, one of Greg's first orders of business as a new board member of the school was to point the school toward an auditor out of Colombia. Interesting area of expertise for a police chief connected to Alex Murdaugh, right?

[00:48:12] **Mandy Matney:** Okay, so what does all of this mean? Is this just us drawing connections with markers, or are we actually going somewhere with it? Obviously, we don't have solid answers yet. But we are hoping that this leads investigators to follow the stains left by those who have dirt on their hands. The two biggest questions in the Murdaugh corruption case, besides what happened to Steven Smith and Gloria Satterfield are what did Alex do with the money and who else is involved? We are not saying Lowcountry Montessori played any role in Alex's schemes. There is no evidence that we've seen to suggest that type of connection, but given Cory Fleming and Greg Alexander's connections to the school, the school's records, its connection with the EB-5 program and the murmurings we hear about charter schools being used as toxic grounds for predatory financial practices, we have to mention it as a potential area of interest for investigator. Interesting that a local police report about two teenagers and an alleged Instagram plot could have led us down this road, right? And we're glad it did because even with all of our experience, this criminal libel slander thing was new for both of us, and we're torn. One, we want people to know that these laws exist and we urge all of you to go to the ACLU's website to find out if your state is one of the states that criminalize libel and slander. If you're going to take on the good ole boys it's best to be prepared and we are learning as we go here. No one, especially not public officials and the people who hold positions of power and influence the public realm, should be able to use the law to bully people out of exposing the truth, speaking up for what is right and making noise for victims and for meaningful change. Being pesky is not a crime. Exposing the truth is not a crime.



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[00:50:28] **Mandy Matney:** One of the first things I learned at KU journalism school that I repeat myself over and over and over again, is that the best defense against libel is the truth. But two, the harassment that we have experienced online, while mostly just insulting and really juvenile, includes defamatory statements made about us as journalists and professionals. So we understand at that level, why it could be important to have some sort of law that protects people from online harassment, especially when it is done by people who hide behind fake profiles. And the third thing, making this very complicated, is the bots. If labeling and slandering a teacher and a counselor through Instagram can be a crime then so should paying for a service to create and use bots to harass people online, especially people who are simply doing their jobs or trying to make the little corners of the earth better places. There is a reason behind what these bots and paid trolls are doing. We're still working to expose the bot slash paid troll angle of this story because it is important and so beyond people talking bad about me and Liz online. These people are working tirelessly to malign us and the victims in this case in an apparent attempt to stop us from what we are doing. Why would people spend their days and nights harassing Sandy Smith? Why do they want to bully her into silence? Are they the ones afraid of Stephen's case getting solved? There is a reason behind what these bots and trolls are doing. There is always a reason. If SLED and the FBI would follow the clues the way that Sergeant Snider did to find out who is behind these pro-Murdaugh trolls, I think we could get a lot of answers in this case. And if they don't, we have a group of super smart and pesky women working hard to identify these accounts for the sake of safety because spreading hateful and false information is dangerous and should be taken seriously. We need to be clear on that. So the answer to the question should libel be a criminal offense is complicated. But regardless, our communication laws are so outdated and reflect a world that no longer exists. If we want to truly change the justice system in South Carolina. We need more laws who support those who tell the truth and less laws that were created as an alternative to dueling newspaper editors, my gosh. And we need more lawmakers who encourage exposing the



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truth and less lawmakers who use the law to bully and intimidate others on behalf of the powerful, stay pesky Stay tuned and stay in the sunlight.

[00:53:48] **Mandy Matney:** *True Sunlight* is created by me Mandy Matney, co hosted by journalist Liz Farrell and produced by my husband David Moses. *True Sunlight* is a Luna Shark production. Right Luna?

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