IN THE CHANCERY COURT FOR THE DAVIDSON COUNTY TENNESSEE

AMANI REED and		
JULIE REED,)	
Plaintiffs,)	
)	
v.)	No.
)	JURY DEMAND
UNIVERSITY SCHOOL OF NASHVILLE,)	
and JOHN DOES,)	
Defendants.)	

COMPLAINT

Plaintiffs Amani Reed and Jules Reed ("Plaintiffs" or "Mr. Reed" or "Mrs. Reed"), by and through his undersigned counsel, as and for his Complaint in this action against Defendant University School of Nashville, Inc. ("Defendant" or "USN") and multiple unknown trustees of USN, hereby allege as follows:

NATURE OF THE CLAIMS

1. This is an action for monetary damages to claims for monetary damages for breach of contract, promissory fraud, fraud/intentional misrepresentation, negligent misrepresentation, promissory estoppel, intentional infliction of emotional distress, negligent infliction of emotional distress, defamation, and breach of fiduciary duty. Plaintiffs demand a jury.

PARTIES

- 2. Plaintiff Amani Reed ("Mr. Reed") is a resident and citizen of Davidson County, Tennessee.
- 3. Plaintiff Julie Reed ("Mrs. Reed") is the wife of Amani Reed and a resident and citizen of Davidson County, Tennessee. (Collectively, Mr. and Mrs. Reed are referred to herein as "Plaintiffs.")

- 4. Defendant University School of Nashville, Inc. ("USN") is a kindergarten through 12th grade private school and a Tennessee nonprofit corporation with a principal address 2000 Edgehill Road, Nashville, Tennessee 37212.
- 5. Defendants "John Doe" are the Trustees (the "Voting Trustees") who voted to terminate Mr. Reed and are sued in their official and individual capacities. Plaintiffs will amend the Complaint to specifically name them once USN identifies them.

JURISDICTION & VENUE

6. The Court has original jurisdiction over this action pursuant to Tenn. Code Ann. § 16-11-102 and 115. Venue is proper in this district pursuant to Tenn. Code Ann. § 16-11-114 because a substantial part of the events or omissions giving rise to this action, including the unlawful employment practices alleged herein, occurred in this district.

FACTS

- 7. In October 2021, Amani Reed signed a contract (the "Contract") to serve as Director of the University School of Nashville effective July 1, 2022.
- 8. On July 1, 2022, he started his employment at USN.
- 9. As Director, Mr. Reed was a corporate officer of USN and an *ex officio* member of its Board of Trustees (the "USN Board" or "Board").
- 10. As an *ex officio* member of the USN Board, per the bylaws he did not have a right to vote on matters before the Board. However, he had all other rights and privileges of a Board member, including the right to attend and speak at meetings.
- 11. Mr. Reed identifies as African American.
- 12. Mr. Reed was the first African American and first person of color to serve as Director at USN.

- 13. In this position, Mr. Reed was the chief executive of USN and reported directly to the USN Board of Trustees (the "USN Board").
- 14. On the evening of December 24, 2024, as he was sitting down for Christmas Eve dinner with his family, an Ad Hoc Committee comprised of Trustees of the USN Board advised him that it was going to recommend his termination to the USN Board "for cause" under his employment agreement.
- 15. The day before Mr. Reed received the first indication that USN might claim he was negligent in his involvement with the Masullo Investigation and the ensuing crisis.
- 16. Prior to receiving the notice on Christmas Eve, USN had not disciplined or counseled Mr. Reed regarding his job performance.
- 17. Prior to receiving the notice on Christmas Eve, USN had not provided any written warning or notice of unacceptable job performance.
- 18. During his two years at USN, the USN Board awarded Mr. Reed his full discretionary bonuses for job performance, including as recently as July 20, 2024.
- 19. On or around January 7, 2025, USN communicated that the Board voted to terminate Mr. Reed's employment "for cause."
- 20. The document attached hereto as <u>Exhibit A</u> is a version of a contract provided by USN purporting to be the enforceable employment agreement between Mr. Reed and USN.
- 21. <u>Exhibit A</u> is not the Contract Mr. Reed signed because it is missing the severance language that was in the document he signed.
- 22. <u>Exhibit A</u> is clearly a defective document because in 6(a) it refers to "Section 7(e)" to find compensation to which Mr. Reed would be entitled if USN terminated him without cause or

if he resigned for good reason. There is no Section 7(e) and there is no other section that describes any severance type of compensation.

- 23. When USN provided notice to Mr. Reed on Christmas Eve that the Ad Hoc Committee was recommending his termination for cause, he asked for the Ad Hoc Committee to provide the factual basis for its recommendation.
- 24. The Ad Hoc Committee refused to do so.
- 25. The USN Board meeting was scheduled for January 3rd. Mr. Reed asked for an opportunity to appear before the Board and discuss their concerns and the committee's recommendation.
- 26. The USN Board denied his request.
- 27. Mr. Reed requested to know why the USN Board denied his request.
- 28. The USN Board refused to do so.
- 29. Upon information and belief, a USN Board has never before denied a request from a Director, officer, or Board member to appear and speak with it about an issue as significant as Mr. Reed's termination.
- 30. Thus, upon information and belief, Mr. Reed is the first Director, officer, or Board member to be denied such a request to appear before the USN Board.
- 31. The USN Board's refusal to allow Mr. Reed to speak at its meeting violated his rights and privileges as a member of the Board.
- 32. Therefore, the USN Board's refusal to allow Mr. Reed to appear and speak at its meeting was a breach of the Trustees' fiduciary duties owed to USN and to Mr. Reed.

- 33. It has long been a policy and practice of USN to allow employees who are suspected of committing an act that could constitute a basis for "for cause" termination to know the allegations against them and to have an opportunity to respond to the allegations against them.
- 34. This USN policy and practice is consistent with basic American concepts of fairness and due process.
- 35. This USN policy and practice is consistent with human resource best practices.
- 36. Thus, upon information and belief, Mr. Reed is the first USN employee to be denied the allegations that constitute the basis for his "for cause" termination and/or to have an opportunity to respond to the allegations.
- 37. By refusing to provide the reasons for the Ad Hoc Committee's recommendation and refusing to allow Mr. Reed to appear before the USN Board, USN violated its own policy, its own historic practice, human resource best practices, and basic principles of fairness and due process and the members of the USN Board and Ad Hoc Committee breached their fiduciary duties to USN and Mr. Reed.
- 38. While the termination letter cited grounds for termination by quoting language from Exhibit A, the letter provided no factual basis to support those grounds for his termination.
- 39. Specifically, the termination letter quotes the following termination grounds from <u>Exhibit</u> A:
 - a. an action or inaction which had and likely will continue to have a material adverse effect on your ability to effectively perform your duties or on the financial prospects or condition of USN;
 - b. neglect of duty and the business of USN;
 - c. gross or willful negligence; and

- d. any conduct tending to reflect discredit upon USN, or upon the Director, or tending to seriously impair your continued usefulness as the chief administrative official of USN.
- 40. The USN termination letter cites no factual basis for Mr. Reed's termination because there are no factual grounds for his termination.
- 41. However, as set forth in detail below, if the Trustees had to function under the same standards, their acts and omissions would constitute "cause" for their termination.
- 42. Assuming arguendo that Exhibit A reflects the "cause" definitions contained in Mr. Reed's Contract, USN's termination of Mr. Reed on January 7, 2025, was a breach of his Contract because "cause" did not exist as it is defined in the Contract.
- 43. USN's breach of the Contract directly caused actual and consequential damages to Mr. Reed, for which USN is liable.
- 44. After his termination, Mr. Reed, through legal counsel, asked USN to provide the facts upon which the USN Board relied to determine "cause" existed to terminate his employment.
- 45. To date, USN has not provided any facts to support its claim that cause existed to terminate Mr. Reed.
- 46. To date, USN has not provided any facts to support its decision to terminate Mr. Reed because no such facts exist.
- 47. To date, Mr. Reed does not know what facts USN relied upon to terminate him "for cause."
- 48. USN's policy and historic practice is and has been to provide an employee it is terminating "for cause" pursuant to an employment agreement the factual basis for its decision.

- 49. USN's termination of Mr. Reed "for cause" without providing the factual basis for doing so violates the policy and practice of USN.
- 50. Providing the factual basis to an employee who is being terminated pursuant to a "for cause" employment agreement is a best practice of human resources.
- 51. USN's termination of Mr. Reed "for cause" without providing the factual basis for doing so violates this best practice of human resources.
- 52. Thus, upon information and belief, Mr. Reed is the first USN employee to be terminated "for cause" pursuant to an employment agreement without providing the factual basis for doing so.
- 53. In reply to Mr. Reed's inquiries, the only basis that USN has stated for his termination is that it is "in the report."
- 54. On January 7, 2025, the same day as Mr. Reed's termination, USN published an attorney-client privileged investigative report authored by attorneys at Barnes & Thornburg law firm (the "B&T Report).
- 55. Barnes & Thornburg law firm ("B&T") were paid by USN to conduct a months-long investigation (the B&T investigation) into an earlier investigation that had led to the termination of a faculty member, Dr. Dean Masullo (the "Masullo Investigation") and the ensuing public relations crisis.
- 56. The B&T Report released on January 7, 2025, was the result of the investigation.
- 57. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members had violated USN's Code of Business Conduct and Ethics Policy.
- 58. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members did not follow USN's Code of Business Conduct and Ethics Policy.

- 59. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, the USN Board did not rigorously enforce USN's Code of Business Conduct and Ethics Policy.
- 60. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members had violated USN's Conflict of Interest Policy.
- 61. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members did not follow USN's Conflict of Interest Policy.
- 62. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, the USN Board did not rigorously enforce USN's Conflict of Interest Policy.
- 63. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members breached their duty of confidentiality.
- 64. The B&T Report on pages 53 54 concluded, in relation to the Masullo Investigation, USN Board members had failed to "appreciate" or "uphold" their fiduciary duties.
- 65. In this context, "appreciate" is synonymous with "understand."
- 66. In this context, "uphold" is synonymous with "fulfill."
- 67. The B&T Report on page 54 concluded that these failures of the Board "eroded the community's confidence and trust in the Board and its ability to manage the current crisis."
- 68. Accordingly, on page 55 the B&T report recommended that the Trustees receive remedial training on how to be a Trustee and appreciate and uphold their fiduciary obligations.
- 69. In Tennessee, a nonprofit director or trustee's is required by law to understand and perform their fiduciary duties before starting their service as a director or trustee. *See*, Tenn. Code Ann. § 48-58-301(a).

- 70. Under Tennessee law, a nonprofit director or trustee's failure to appreciate or uphold their fiduciary duties is so serious it can result in personal liability against the director or trustee for harm to the nonprofit that result from the failure. *See*, Tenn. Code Ann. § 48-58-301(c).
- 71. Under Tennessee, a nonprofit director or trustee is not immune from personal liability for arising from the conduct of affairs of the nonprofit if their actions were willful, wanton, or gross negligence. *See*, Tenn. Code Ann. § 48-58-601(c).
- 72. Understanding and fulfilling one's fiduciary duties in Tennessee is not difficult because the Tennessee Attorney General and Secretary of State publish a 28-page guidebook called "What Every Nonprofit Board Member Should Know." The guidebook is free of charge and easily findable on the internet.
- 73. Therefore, the USN Board and its Trustees were grossly negligent in not appreciating or upholding their fiduciary duties.
- 74. Therefore, the USN Trustees referred to in the B&T Report committed a violation of law so serious that it could result in personal liability against them for harm that resulted to USN.
- 75. The B&T Report also concluded that the "crisis" it was investigating resulted from Board's decision to reject a meeting request from the student who made the allegations against Dr. Masullo (the "Student") and share information that she was requesting. On page 37 the B&T Report states: ". . . eventually, the Board chose not to share this information. While facts related to employment decisions are generally maintained in confidence to reduce risk and avoid public scrutiny, there was no legal obligation preventing the School from discussing the reasons why Masullo was terminated or the specific policies he violated. Had the School shared this information with Student 1 and others closely involved in her Disclosure, we believe it is unlikely the School would find itself in the situation it is in today." (Emphasis added.)

- 76. The B&T Report did not conclude that Mr. Reed had violated any law, ethical standards, code of conduct, USN policies, or fiduciary duty while employed at USN.
- 77. Therefore, the B&T Report concludes that the USN Board, and not Mr. Reed, is responsible for the crisis that ensued from the Masullo Investigation.
- 78. Every action or inaction Mr. Reed took in relation to the Masullo Investigation was consistent with existing USN policies.
- 79. The B&T Report did, however, contain disparaging judgments and opinions of Mr. Reed related to his leadership during the investigation and termination of Dr. Masullo.
- 80. Specifically, the actions for which the B&T report criticized Mr. Reed were taken in fulfillment of his duties as the Director and chief executive officer of USN.
- 81. The actions for which the B&T report criticized Mr. Reed complied with existing USN policy during the Masullo Investigation and his termination.
- 82. Mr. Reed was a corporate officer of USN, as reflected in its official filings with the Internal Revenue Service.
- 83. As such, he had the same fiduciary duties as Trustees under the Tennessee Nonprofit Corporation Act to act in good faith, to use due care, and to exercise a duty of loyalty. *See*, Tenn. Code Ann. § 48-58-403(a).
- 84. The B&T report criticized Mr. Reed for listening too much to the advice of attorneys and public relations professionals USN retained to advise during the investigation and termination.
- 85. However, this criticism runs directly counter to the TNCA which states that corporate officers, Mr. Reed, in discharging his fiduciary duties "is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: . . . Legal counsel, public accountants, or other persons as to matters

the officer reasonably believes are within the person's professional or expert competence." *See,* Tenn. Code Ann. § 48-58-403(c).

- 86. The TNCA also provides in the same chapter: "An officer is not liable for any action taken as an officer or any failure to take any action, if the officer performed the duties of office in compliance with this section." *See*, Tenn. Code Ann. § 48-58-403(e).
- 87. Thus, under the reasoning of the B&T Report, Mr. Reed should have violated USN policy and waived the immunity he is granted under the TNCA by disregarding and deviating from the experts hired to advise USN.
- 88. The B&T report criticized Mr. Reed for waiting until the investigation was complete before terminating Dr. Masullo.
- 89. At the time of the Masullo Investigation, the USN policy and practice was and had been to not share information about ongoing investigations until they were complete and to maintain confidentiality of human resource decisions.
- 90. The reason was because incomplete investigations do not have reliable information to share and sharing information about human resource decisions creates litigation risks for USN and the students and employees involved in the investigation.
- 91. The USN policy was and had been to wait until an investigation was complete to terminate an employee for cause.
- 92. This was because, if the employee sued for lack of cause, USN would want to have all the reasons to justify the termination decision. If USN terminates based upon only the first reason, the other reasons would be irrelevant in defending the lawsuit.

- 93. Thus, under the reasoning of the B&T Report, Mr. Reed should have violated USN policy, deviated from legal advice, and terminated Dr. Masullo before the investigation was complete and all grounds for termination were known.
- 94. If Mr. Reed had done so, he would have violated his fiduciary duty of due care as an officer and Trustee of USN.
- 95. Had Mr. Reed deviated from USN policies, acted against the advice of the investigators and PR consultant, and/or terminated Dr. Masulo before the investigation was complete, he would have committed negligence that could warrant termination.
- 96. Upon information and belief, USN has never terminated an employee before for following USN policy, fulfilling their fiduciary duties, and/or or adhering to risk management best practices.
- 97. Thus, upon information and belief, Mr. Reed is the first employee to be terminated for following USN policy, fulfilling their fiduciary duties, and/or adhering to risk management best practices.
- 98. During the Masullo Investigation, Mr. Reed consulted with the USN Board chair, Eric Kopstain, regularly so that Mr. Kopstain, on behalf of the USN Board, could approve decisions Mr. Reed proposed related to the matter and so the USN Board stayed apprised of significant developments.
- 99. The B&T criticisms of Mr. Reed pertain to matters and actions of which Mr. Kopstain knew and approved.
- 100. The B&T criticisms of Mr. Reed pertain to matters and actions to which Mr. Kopstain never objected or attempted to change in his role of USN Board chair.

- 101. By virtue of his role as a representative and agent of the USN Board, Mr. Kopstain's knowledge and notice of a matter or information concerning USN is knowledge and notice to the USN Board.
- 102. Upon information and belief, USN has never terminated or disciplined a Director before for taking actions of which the USN Board and USN Board chair knew, approved, and/or did not object.
- 103. Thus, upon information and belief, Mr. Reed is the first Director terminated or disciplined for taking actions of which the USN Board and USN Board chair knew, approved, and/or did not object.
- 104. The actions of the USN Board to deny a Director an opportunity to know the factual allegations that support "cause" for his termination, to deny him an opportunity to respond to the allegations, to deny him an opportunity to appear before the USN Board and speak with it before an important vote, to deny him information like the factual basis for his "for cause" termination after termination, to criticize or terminate him for following USN policy and risk management best practices, to criticize or terminate him for actions consistent with his fiduciary duties, and to criticize or terminate him for actions of which the USN Board and USN Board chair knew, approved, and/or voiced no objection has each, individually, never before occurred in its history of prior Directors.
- 105. In 2021, Mr. Reed was completing his tenth year as Head of School at The School at Columbia ("Columbia") in New York, New York.
- 106. At Columbia, he expanded the school's student enrollment to 530, recruited and supported teachers, led curricular change and innovation, managed the renovation of facilities, and stewarded its relationship with Columbia University.

- 107. At Columbia, Mr. Reed was never disciplined for any performance issues or any other issues related to his employment.
- 108. In 2020 and 2021, USN conducted an exhaustive search to replace its retiring Director and, after screening hundreds of candidates, offered the position to Mr. Reed.
- 109. USN offered Mr. Reed the job and he accepted the opportunity because he and his family wanted to leave New York after the stressful years of the Covid Pandemic.
- 110. Mr. Reed negotiated the terms of the Contract with the USN chair.
- 111. USN offered and Mr. Reed accepted a compensation package that included salary, retirement benefits, health insurance, housing at a home owned by USN at 3600 Woodmont Blvd., Nashville ("the Housing Benefit"), and an annual discretionary bonus of 10% of his salary.
- 112. The Housing Benefit was a material term of the Contract to Mr. Reed and a major component of his compensation package, and he relied upon USN's representation that it would be provided when he agreed to the Contract.
- 113. USN offered and Mr. Reed accepted a contractual term that USN would pay Mr. Reed eighteen months' severance if he were terminated without "cause" or resigned for "good reason."
- 114. Mr. Reed and the USN chair agreed that USN could only avoid paying severance benefits if he were terminated for cause.
- 115. Severance was a material term of the Contract to Mr. Reed, and he relied upon USN's representation that it would be provided when he agreed to the Contract.
- 116. Mr. Reed signed his Contract with USN in October 2021.

- 117. Based upon his signing the Contract in October 2024, he provided notice to his employer, Columbia, that he was ending his employment. Because he lived in Columbia University housing, he also was giving notice that he would be moving from the housing.
- 118. In December 2021, Mr. Reed visited Nashville and toured the house owned by USN in which he was to live as the Housing Benefit.
- 119. USN's Director had lived in the house for years and was still residing there. Therefore, USN had actual knowledge of the house's condition.
- 120. After Mr. Reed toured the house with the USN chair, USN determined that the house was not in acceptable condition, and it would take approximately \$1 million to renovate the home to acceptable condition.
- 121. Based upon the condition of the house and cost of renovating, USN advised Mr. Reed that it would not provide him with the Housing Benefit per the Contract.
- 122. USN's notifying Mr. Reed that it would not provide the Housing Benefit was a material breach of the Contract.
- 123. Mr. Reed would not have agreed to the Contract had USN not promised the Housing Benefit because it was a major value and benefit to Mr. Reed.
- 124. Mr. Reed reasonably relied upon this representation to his detriment when he gave notice of termination to his employer in October 2021.
- 125. USN made its promise to provide the Housing Benefit to Mr. Reed, upon which Mr. Reed reasonably relied when he entered the Contract, with actual and/or constructive knowledge and/or reckless disregard for the truth of the houses' condition, and Mr. Reed suffered economic losses as a result. This action constitutes promissory fraud on the part of USN for which USN is liable to Mr. Reed as legal damages.

- 126. USN made its promise to provide the Housing Benefit to Mr. Reed, upon which Mr. Reed reasonably relied when he entered the Contract and terminated his employment and housing at Columbia; with actual and/or constructive knowledge of its and/or reckless disregard for the truth of the houses' condition, and Mr. Reed suffered economic damages as a result. This action constitutes fraud/intentional misrepresentation on the part of USN for which USN is liable to Mr. Reed as legal damages.
- 127. USN's actions of promissory fraud and fraud/intentional misrepresentation were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which it is liable.
- 128. In the alternative, USN made its promise to provide the Housing Benefit to Mr. Reed, upon which Mr. Reed reasonably relied when he entered the Contract and terminated his employment and housing at Columbia, with actual and/or constructive knowledge of its condition and/or reckless disregard for the truth of the houses' condition, and Mr. Reed suffered economic damages as a result. This action constitutes negligent misrepresentation on the part of USN for which USN is liable to Mr. Reed as legal damages.
- 129. USN's actions of negligent misrepresentation were reckless thereby entitling Mr. Reed to punitive damages for which it is liable.
- 130. In March 2022, USN provided Mr. Reed with an addendum (the "Addendum") that eliminated the Housing Benefit from Mr. Reed's Contract.
- 131. Because Mr. Reed had provided notice of termination of his employment and housing to Columbia six months before, he believed his only alternatives were to sign the Addendum or to face being unemployed and without a home in a few months. He therefore signed the Addendum under duress.

- 132. Because of USN's breach of the Contract, Mr. Reed had to sell another property he owned as an investment and obtain a mortgage to buy a home in Nashville, which resulted in economic expenses and costs.
- 133. USN's breach of his Contract, promissory fraud, fraud/intentional misrepresentation, and negligent misrepresentation caused the economic loss of selling his investment property and incurring the costs of a mortgage, resulting in economic damages for which it is legally liable to Mr. Reed.
- 134. When the Addendum was signed, USN verbally assured Mr. Reed that his salary would be increased because, due to the lack of the Housing Benefit, his total compensation did not comply with the compensation plan adopted by the USN Board. Mr. Reed reasonably relied upon this assurance.
- 135. USN's compensation plan adopted by the USN Board stated that USN would pay its Directors within the 75th percentile of USN's peers.
- 136. This compensation polciy's benchmark was the basis for USN and Mr. Reed when they negotiated his compensation package in October 2021.
- 137. When USN eliminated the Housing Benefit, Mr. Reed's total compensation package fell below the 75th percentile.
- 138. After USN delayed increasing his salary, Mr. Reed repeatedly asked USN's chairs about the adjustment.
- 139. As an excuse for the delay, the USN chairs pointed to the fact that USN in a short span had a succession of chief financial officers.
- 140. Most recently, Mr. Kopstain replied each time that his salary would be increased effective July 2024 to comply with the compensation plan.

- 141. USN never increased his salary as promised.
- 142. USN's failure to adjust his salary to compensate for the loss of the Housing Benefit constitutes breach of contract, directly caused economic loss to Mr. Reed for which it is liable to Mr. Reed as legal damages.
- 143. USN made its promise to adjust his salary to compensate for the loss of the Housing Benefit, upon which Mr. Reed reasonably relied to not claim breach of Contract, with knowledge that it would not do so, and Mr. Reed suffered economic damages as a result. This action constitutes promissory fraud on the part of USN.
- 144. USN made its promise to adjust his salary to compensate for the loss of the Housing Benefit, upon which Mr. Reed reasonably relied to not claim breach of Contract, with knowledge that it would not do so, and Mr. Reed suffered economic damages as a result. This action constitutes fraud on the part of USN.
- 145. USN's actions of promissory fraud and fraud/intentional misrepresentation were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which it is liable.
- 146. In the alternative, made its promise to adjust his salary to compensate for the loss of the Housing Benefit, upon which Mr. Reed reasonably relied to not claim breach of Contract, and should have known it would not do so, and Mr. Reed suffered economic damages as a result. This action constitutes negligent misrepresentation on the part of USN.
- 147. USN's actions of negligent misrepresentation were reckless thereby entitling Mr. Reed to punitive damages for which it is liable.
- 148. As a board of a Tennessee nonprofit corporation, the USN Board is and, at all times relative to this complaint, was the highest level of leadership at USN.

- 149. This fact is evinced in Exhibit A, which states that Mr. Reed was to "carry out his duties in accordance with the law and the directives of the USN Board of Trustees, the By-laws, and policies of USN."
- 150. As trustees of a Tennessee nonprofit corporation, each USN Trustee owe and, at all times relative to this complaint, owed the fiduciary duties of duty of good faith, duty of due care, and duty of loyalty to USN.
- 151. Under Tennessee law, fiduciary duty is the highest level of duty one can owe another person or entity.
- 152. The role of a board of directors or trustees of a nonprofit corporation in Tennessee includes reviewing and approving the organization's mission and strategic direction and adopting fiscal and governance policies to comply with laws and mitigate risks.
- 153. The role of a chief executive of a nonprofit corporation in Tennessee is to run the day to day operations of the nonprofit consistent with the policies and strategic directives adopted by the board of directors or trustees.
- 154. For a nonprofit chief executive, violation of policies created by the board constitutes an offense that could warrant termination.
- 155. The role of a chief executive of a nonprofit corporation in Tennessee does not include running the board or ensuring that it is doing its job.
- 156. In the United States, it is an established best practice for nonprofit boards to have a succession plan for the chief executive officer.
- 157. The B&T Report on pages 51 53 concluded that the USN Board failed to have a specific succession plan for the transition from Mr. Reed's predecessor to Mr. Reed.

- 158. The B&T Report on pages 51 53 concluded that the USN Board failure to have a specific succession plan led to its being unprepared for the crisis that followed the Masullo Investigation.
- 159. The B&T Report on pages 50 54 portrays the USN as weak and ineffectual due to its overreliance on the prior Director, "unprepared," "a glorified PTA," "clubby," "lacks credibility and the USN community's trust," and generally ignorant of its role, duties, and legal obligations.
- 160. On information and belief, not all Voting Trustees read pages 50 54 of the B&T Report prior to voting to terminate Mr. Reed.
- 161. Voting Trustees who voted to terminate Mr. Reed before reading pages 50 54 of the B&T Report committed gross negligence and breached their fiduciary duties.
- 162. The majority of Trustees did not have an opportunity to read the 78-page B&T Report until the same January 6, 2024, meeting in which it voted to terminate Mr. Reed for cause.
- 163. Based upon the B&T Report's findings on pages 50 54 and the lack of opportunity to digest and discuss the B&T Report's findings, the USN Board was not qualified to decide to terminate a Director "for cause" on January and committed gross negligence and breached their fiduciary duties in doing so.
- 164. In the United States, it is an established best practice for nonprofit boards to set strategic goals and review them annually.
- 165. In the United States, it is an established best practice for nonprofit boards to adopt a "strategic plan" to set strategic goals and measure the nonprofit's success in achieving those goals.
- 166. Since Mr. Reed began his employment at USN, the USN Board did not have, nor did it adopt a strategic plan.

- 167. Because USN had no strategic plan, during the two years of Mr. Reed's employment the USN Board's focus was on developing a strategic plan.
- 168. During Mr. Reed's first year of employment at USN, the USN Board was not effective in performing its role.
- 169. During Mr. Reed's first year of employment at USN, the Board chair was not reliable keeping scheduled meetings with him and appeared to lack the experience, knowledge and support to lead the USN Board.
- 170. Mr. Reed was therefore not surprised when, in the summer of 2023, USN Trustees removed and replaced the Board chair with Eric Kopstain.
- 171. Mr. Reed heard Trustees and other members of the USN community refer to the chair's removal as a "coup" (the "Coup").
- 172. To help the USN Board improve its performance, Mr. Reed took Mr. Kopstain to a conference at the National Association of Independent Schools to attend a seminar that taught lessons of good governance practices by examining case studies where nonprofit boards failed and adopt professional development practices on good governance for Independent Schools.
- 173. To help the USN Board improve its performance, Mr. Reed also recommended that USN Board retain a consultant.
- 174. Mr. Reed suggested to Mr. Kopstain that the two of them meet each week to discuss USN's most pressing issues. Mr. Kopstain agreed, and they set a regular day and time.
- 175. Mr. Kopstain's attendance at the weekly meetings, however, was sporadic and he often missed or cancelled.
- 176. Mr. Kopstain's frequent absences from these meetings was detrimental to USN and the USN Board.

- 177. After the Coup, the USN Board remained fragmented with Trustees unclear about their roles and responsibilities.
- 178. This fragmentation continued to undermine the effectiveness of the USN Board under Mr. Kopstain.
- 179. Mr. Reed noticed that Trustees often leaked confidential documents and discussions from Board meetings and that neither Mr. Kopstain, nor any other Trustee, addressed the issue.
- 180. As a board of a nonprofit corporation, the USN Board is and, at all times relative to this complaint, was ultimately responsible for creating policies to comply with laws and to reduce risk to USN.
- 181. As a board of a nonprofit corporation, the USN Board has and, at all times relative to this complaint, had a fiduciary duty to ensure that policies existed to comply with laws and to reduce risk to USN.
- 182. The USN Board is and, at all times relative to this complaint, was ultimately responsible for identifying risk to USN's students.
- 183. The USN Board has and, at all times relative to this complaint, had a fiduciary duty to identify risk to USN's students.
- 184. The USN Board is and, at all times relative to this complaint, was ultimately responsible for reducing risk to USN students.
- 185. The USN Board is and, at all times relative to this complaint, had a fiduciary duty to reduce risk to USN students.
- 186. The USN Board is and, at all times relative to this complaint, was ultimately responsible for ensuring that policies exist to reduce the risk to USN students.

- 187. The USN Board has and, at all times relative to this complaint, had a fiduciary duty to ensure policies exist to reduce risk to USN students.
- 188. The USN Board is and, at all times relative to this complaint, was ultimately responsible for ensuring policies exist to reduce the risk of faculty sexual misconduct to USN's students.
- 189. The USN Board has and, at all times relative to this complaint, had a fiduciary duty to ensure that policies exist to reduce the risk of faculty sexual misconduct to USN's students.
- 190. The USN Board is and, at all times relative to this complaint, was ultimately responsible for creating a risk management plan for USN.
- 191. Sexual misconduct risk management is a component of a risk management plan for a nonprofit $K 12^{th}$ grade school.
- 192. Having a sexual misconduct risk management plan is a best practice for a nonprofit K 12th grade school.
- 193. During Mr. Reed's employment at USN, the USN Board never created or adopted a sexual misconduct risk management plan or policy.
- 194. A sign of an effective sexual misconduct risk management is that oversight is assigned to the organization's risk committee.
- 195. During Mr. Reed's employment, the USN Board never had a risk committee.
- 196. During Mr. Reed's employment at USN, the USN Board never raised the issue of faculty sexual misconduct as a topic or priority at a USN Board meeting.
- 197. During Mr. Reed's employment at USN, USN had a risk management plan that addressed how the school was to respond to a general crisis.
- 198. Mr. Reed followed this policy to respond to the Masullo crisis.

- 199. By not ensuring that a sexual misconduct risk management policy existed the Trustees of the USN Board breached their fiduciary duties.
- 200. By not ensuring that a sexual misconduct risk management policy existed, the Trustees of the USN Board failed to follow best practices for a nonprofit K -12th grade school.
- 201. The adoption of a sexual misconduct risk management policy was the sole responsibility of the USN Board and their failure to do so constitutes gross negligence.
- 202. By terminating Mr. Reed and publishing his termination, USN and the Voting Trustees defamed Mr. Reed and cast him in a false light to deflect blame for their own gross negligence and breaches of fiduciary duty that contributed to the crisis that followed the Masullo Investigation.
- 203. USN and the Voting Trustees' defamation of Mr. Reed directly caused him to suffer economic loss in lost wages, loss of future earnings, and other costs for which they are liable as legal damages.
- 204. USN and the Voting Trustees' defamation of Mr. Reed was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.
- 205. On May 2nd, 2024, a senior student at USN (the "Student") advised faculty members that she believed she had been subjected to inappropriate behavior by faculty member Dr. Dean Masullo, who was her teacher for her senior study program.
- 206. At the time, Dr. Masullo had worked at USN approximately fifteen years and had no history of any serious performance issues or any misconduct reports.
- 207. The faculty members reported the Student's report to senior administration at USN.
- 208. The senior administrators met with the Student and heard her report.

- 209. The Student reported that Dr. Masullo had acted inappropriately towards her.
- 210. The Student did not report that Dr. Masullo had sexually assaulted her.
- 211. The senior administrators understood the allegations could constitute violations of USN policies regarding faculty conduct with students.
- 212. The senior administrators immediately called Mr. Reed, who was attending a Leadership Nashville event in downtown Nashville.
- 213. Leadership Nashville is an elite and exclusive professional organization for community leaders.
- 214. Mr. Reed was a member of the Leadership Nashville in an effort to establish networking presence in the city and to build social capital among the city's leaders.
- 215. Mr. Reed immediately left the event and returned to USN to address the Student's complaint.
- 216. On his way back to USN, Mr. Reed called and notified Mr. Kopstain of the Student's report.
- 217. Mr. Reed spoke with the assistant head of school, Quinton Walker, about the Student's report.
- 218. Mr. Reed knew immediately that the situation was serious and that an independent investigation would need to be conducted by outside investigators.
- 219. Mr. Reed also knew that Dr. Masullo was a widely respected and revered faculty member of fifteen years with no history of prior issues.
- 220. Therefore Mr. Reed, with less than two years' experience at USN, knew he needed to ensure that USN carefully followed its policies regarding investigations and responding to crises

so that the many USN students, parents, and faculty admirers of Dr. Masullo would have confidence in the investigation.

- 221. Mr. Reed notified Mr. Kopstain, the USN chair, of the Student's report.
- 222. Throughout the investigation, Mr. Reed kept the USN Board, through Mr. Kopstain, apprised of the investigation's progress.
- 223. Mr. Reed was aware that USN had recently been in litigation prior to his arrival that was complicated by the fact that an independent investigation had not been conducted by outside investigators and school policies had not been followed.
- 224. The Student previously had dated Mr. Reed's son for three months before Mr. Reed's son ended the relationship.
- 225. Based on this history, Mr. Reed was immediately concerned that the Student may feel uncomfortable with his being the administrative point of contact for her and her family.
- 226. Mr. Reed also was concerned that given his son's past relationship with the Student, his serving as the administrative point of contact for the Student, her family, and the outside investigators created a risk his involvement could be viewed as a conflict of interest or that he was biased in one way or the other.
- 227. Therefore, Mr. Reed had Dr. Walker serve as the administrative point of contact during the Masullo Investigation that followed.
- 228. In this role, Dr. Walker created USN's written plan of action and met with the Student, her parents, and Care Team member Michael Hansen on May 2, 2024.
- 229. An immediately necessary step was removing Dr. Masullo from any contact with USN students and to place him on immediate suspension.
- 230. Dr. Masullo was at that time leading a mock trial team in Delaware.

- 231. Dr. Walker and another faculty member flew to Delaware the day after the report was made so that Dr. Masullo was removed from contact with students and placed on suspension.
- 232. Another immediately necessary step was to determine whether any law required USN to report Dr. Masullo's alleged conduct to law enforcement or a government agency.
- 233. USN retained law firm Fisher Phillips on May 2, 2024 to advise on this issue.
- 234. No law required USN to report the allegations because the Student was eighteen years old during her entire senior year, which is when Dr. Masullo's reported misconduct had occurred.
- 235. The Fisher Phillips' team was led by attorney Marie Scott and assisted by attorney Courtney Leyes.
- 236. These attorneys are experienced and qualified investigators with regards to investigations such as the one involving the Student and faculty member at USN.
- 237. Ms. Scott immediately began the investigation and conducted the first interviews within a week of the initial report.
- 238. Pursuant to the USN plan of action, the Student selected Jeff Edmonds and Michael Hansen, two faculty members to serve as her "Care Team" to support for her during the investigation.
- 239. At least one of these two faculty members were present at all key interviews and meetings with the Student.
- 240. USN provided counseling services to the Student during the summer of the investigation and paid for outside counseling sessions at the end of the summer.
- 241. Ms. Scott provided her cell phone information to the Student so that the Student could call or text her at any time if she had any questions.

- 242. The Student availed herself of this opportunity and texted and called Ms. Scott on several occasions.
- 243. After the Student graduated in mid-May, aside from a vacation to Europe, she still came to campus almost on a daily basis during May and June because she was completing a mural art project in the hallways that lasted.
- 244. USN placed no restriction on where she could go on campus or with whom she could speak.
- 245. On May 7th, 2024, the Student went to Mr. Reed's office because she was concerned that other students and people in the USN community would learn that she was the student who made the report against Dr. Masullo and that Dr. Masullo would return to campus.
- 246. Mr. Reed assured her that everything was being done to protect her identity from disclosure.
- 247. Mr. Reed assured her that an investigation was underway and that it was a necessary process.
- 248. Mr. Reed assured her that Dr. Masullo would not return to USN while the investigation was underway.
- 249. Mr. Reed told her that she should hear from the investigators very soon about her interview.
- 250. Mr. Reed was open and sympathetic to the Student during this meeting.
- 251. On May 9, 2024, Ms. Scott interviewed the Student and four witnesses she identified who were also USN students. Mr. Hensen was the Care Team supporter for the Student and Dr. Edmonds was for the four witnesses.
- 252. The Student requested another meeting with Mr. Reed on May 23rd, 2024, and they met.

- 253. Ms. Scott, Dr. Edmonds, and Mr. Hansen also attended this meeting.
- 254. Mr. Reed was open and sympathetic to the Student during this meeting.
- 255. During this meeting, Mr. Reed told the Student that he was sorry for what she was having to go through that he admired her bravery coming forward with her report, and that he appreciated how willing her and her friends have been to meet.
- 256. Mr. Reed also explained that USN's policy was to follow the investigative process, and they have to be meticulous to make sure the investigation is done right.
- 257. Mr. Reed told the Student that he would meet with her whenever possible.
- 258. The Student asked for an "independent investigation" and Mr. Reed explained that Ms. Scott was independent because she is not an employee of the school, is only retained to investigate, will not represent USN in any related litigation, and is not controlled or influenced by him or any other USN leader.
- 259. Dr. Edmonds stated: "It is so easy to love USN and to love [the Student]."
- 260. After the meeting, Mr. Reed counseled Dr. Edmonds that his statement was inappropriate, particularly in light of the current investigation.
- 261. On June 20, 2024, Ms. Scott met with the Student and advised her that USN had decided to terminate the faculty member.
- 262. On July 1, 2024, the Student posted on Instagram that she had reported the misconduct of Dr. Masullo to USN and criticized the school's response.
- 263. On July 3rd, 2024, USN met with Dr. Masullo to deliver his notice of termination.
- 264. On July 3rd, 2024, Mr. Reed presented a separation agreement to Dr. Masullo that had been reviewed and approved by the USN Board chair.

- 265. On July 3rd, 2024, Dr. Masullo signed the separation agreement that included a release of claims against USN and the Student.
- 266. Mr. Reed and the USN Board had agreed that a separation agreement was in the best interest of the Student because it included a release of any and all claims Dr. Masullo could bring against her.
- 267. The Student asked again to meet with Mr. Reed and he agreed to meet on July 10, 2024.
- 268. She indicated that another alumnus would attend.
- 269. Mr. Reed reached out to her father and invited him as well.
- 270. When the meeting occurred, attorney Alex Little, the other alumnus' mother and an unidentified person on the phone also attended unannounced.
- 271. Mr. Reed asked Mr. Little if he was acting as her attorney, and he said "no." He stated he was acting as her "translator."
- 272. Mr. Reed had no prior notice that these other individuals would attend the meeting.
- 273. Mr. Reed was concerned that these other people attended the meeting but still conducted the meeting.
- 274. The next day, Mr. Little announced that he was serving as the Student's attorney.
- 275. Throughout the investigation, Mr. Reed met with the Student every time she requested a meeting.
- 276. The Student requested that USN identify the policies that Dr. Masullo had violated that led to his termination and to label his misconduct as "grooming."
- 277. Mr. Reed and the USN Board declined to identify the policies that Dr. Masullo had violated because the existing USN policy was not to comment on employee terminations.

- 278. Mr. Reed and the USN Board did not label Dr. Masullo's misconduct as "grooming" because the existing USN policy was not to comment on employee terminations and the investigators did not find sufficient evidence to determine Dr. Masullo's intent behind his actions.
- 279. Mr. Reed and the USN Board did not identify the policies Dr. Masullo's violated and did not label his misconduct as "grooming" because it would violate USN policy and doing so would create legal risk to USN and the Student because it would be after the execution date of Dr. Masullo's release and therefore not covered by the release of claims.
- 280. Regarding this request by the Student, the B&T Report stated, "... eventually, the Board chose not to share this information. While facts related to employment decisions are generally maintained in confidence to reduce risk and avoid public scrutiny, there was no legal obligation preventing the School from discussing the reasons why Masullo was terminated or the specific policies he violated. Had the School shared this information with Student 1 and others closely involved in her Disclosure, we believe it is unlikely the School would find itself in the situation it is in today."
- 281. Thus, the B&T Report concluded that the USN Board is responsible for the crisis that ensued after the Masullo Investigation.
- 282. In August 2024, the Student asked to appear before the USN Board of Trustees to discuss the investigation.
- 283. The USN Board initially ignored her request.
- 284. The USN Board refused to meet with her.
- 285. The USN Board later admitted it made a mistake by not meeting with her.

- 286. Had the USN Board met with the Student when she requested the meeting in August 2024, the crises that resulted from the Student's dissatisfaction with the Masullo Investigation likely would not have occurred.
- 287. On August 12th, 2024, the Student's attorney, Alex Little wrote a letter to the USN Board of Trustees excoriating it for its refusal to meet with the Student.
- 288. The letter stated: "the only person willing or allowed to speak to [the Student] with any connection to USN was Mrs. Scott."
- 289. This statement is untrue because Mr. Reed had met with her all three times she requested a meeting.
- 290. This statement is untrue because the Student was on campus almost daily doing art and photography projects in May, June and July 2024 and was not restricted in any way on campus or speaking to anyone.
- 291. This statement is also untrue because she had two faculty members Jeff Edmonds and Michael Hansen who were serving as her faculty support and were present at all meetings and interviews. The B&T report specifically concluded that Dr. Edmonds was present at every meeting she had with the investigators.
- 292. The letter stated: "Nothing the school has done over the past few months reflects any awareness that this matter involves something more than an employment issue."
- 293. This statement is untrue because she had a Care Team from day one comprised of two faculty members she selected.
- 294. This statement is untrue because Mr. Reed and other senior administrators met with the Student on numerous occasions to offer and provided in-school counseling support.

- 295. This statement is also untrue because Mr. Reed authorized USN's paying for psychological therapy for the Student related to the trauma she experienced from Dr. Masullo's misconduct.
- 296. This statement is also untrue because Mr. Reed met with her on May 23, 2024, and specifically apologized for the stress she was under and stated that he admired her courage for coming forward.
- 297. The letter stated: "The so-called independent investigation of Dr. Masullo was in fact an investigation to help the school justify firing him and a tool to keep the school out of hot water. It was not, in fact, an independent investigation, it did nothing to protect or assist [the Student], and it had no concern for other students who may have been impacted by Dr. Masullo's egregious behavior."
- 298. This statement is untrue because the investigation was conducted by independent investigators, the investigation led to the termination of Dr. Masullo, and the investigators followed up with all other students and alumni identified by the Student.
- 299. This statement is untrue because the investigators and administrators met with the Student every time she requested and were in regular contact with her via text and phone.
- 300. This statement is untrue because on May 2, 2024, the very day she reported her concern, USN formed a Care Team of faculty members she picked to support her during the investigation and they were present at every meeting and interview.
- 301. The letter stated: "Mrs. Scott and later Director Reed told [the Student] and her parents that the reason that all communication had to be routed through Mrs. Scott was because she was conducting an "independent investigation" of Dr. Masullo's behavior. But that was not remotely true."

- 302. This statement is untrue because when USN retained a third-party to investigate and did nothing to influence the work of the investigation it is, by definition, "independent."
- 303. This statement is untrue because if the school had required the Student to route communication through the school, then it would have created a risk that the investigation would not be independent.
- 304. This statement is untrue because the Student routed communication through Jeff Edmonds and Michael Hansen frequently.
- 305. The letter stated: "A true "independent" investigation would align with the best practices recommended by organizations like the Southern Association of Independent Schools."
- 306. This is untrue because the Southern Association of Independent Schools has not recommended any best practices regarding investigations. Moreover, there were no known or established "best practices" regarding such investigations in May 2024. While a task force of the National Association of Independent Schools had published a report on sexual misconduct investigations of faculty, the report begins by stating: "This report is not intended as a detailed, stand-alone tactical plan for schools to address sexual abuse and educator sexual misconduct." It also states: "The statements herein are recommendations, not mechanical mandates."
- 307. The letter stated: "Nor would other USN parents, faculty, and students have any reason to disbelieve Director Reed's email of July 12, which claimed that he engaged 'independent third-party experts."
- 308. Mr. Reed's email was true because, by hiring Ms. Scott at Fisher Phillips, USN had hired an expert attorney who was a third-party and who conducted an investigation that was independent from the influence of USN.
- 309. The USN Board knew that the above-stated allegations in Mr. Little's letter were untrue.

- 310. On September 9, 2024, Dr. Edmonds wrote a letter to the USN Board that was highly critical of Mr. Reed's involvement with the Dr. Masullo investigation.
- 311. Dr. Edmond's letter contained the same defamatory statements that Mr. Little's letter contained.
- 312. Dr. Edmonds had a source of bias against Mr. Reed, which the B&T Report concluded was the reason for his letter.
- 313. Dr. Edmonds had applied for the Head of High School at USN, which would have been a major promotion.
- 314. In April 2024, Mr. Reed selected someone else for the position.
- 315. In protest, on April 24, 2024, Dr. Edmond's wife wrote a long email to Mr. Reed and copied to the USN Board and other undisclosed members of the community stating that his decision was not "just or right" and that Dr. Edmond's qualifications were far superior to the person selected for the position.
- 316. Mr. Reed also had counseled Dr. Edmonds after the May 23rd meeting in which he had made the statement, "It's so easy to love [the Student]."
- 317. In an attempt to turn public scorn against Mr. Reed, Mr. Little and Dr. Edmonds provided their letter to the USN community, which were picked up by local new organizations.
- 318. In September 2024, the USN Board of Trustees hired Sims Funk law firm to provide advice regarding handling the public controversy created by Mr. Little and Dr. Edmonds regarding the investigation.
- 319. Sims Funk hired Barnes & Thornburg to conduct a new investigation into the first investigation, which was the B&T Investigation.

- 320. An attorney at B&T had previously solicited the job of conducting the new investigation by emailing a USN Trustee.
- 321. Through September and October, Mr. Reed repeatedly suggested that either he or USN needed to publicly respond and correct the misinformation and disinformation being spread though the community.
- 322. Mr. Kopstain and USN's attorney repeatedly told him that he could not respond and that USN would wait until the B&T Report came out to respond.
- 323. The Tennessee Rules of Professional Responsibility are the ethical rules that govern attorneys licensed in Tennessee.
- 324. Rule 1.13 of the Tennessee Rules of Professional Responsibility require that any attorney who represents an organization as a client must advise any officer, director, or employee of the organization (which it defines as a "constituent") of any potential conflicts of interest the constituent may have with the organization or that the interests of the constituent and organization may be adverse, and that the constituent may wish to retain separate counsel.
- 325. Mr. Reed was a constituent of USN during the B&T Investigation.
- 326. Despite repetedly communicating with him, no USN attorney ever made a disclosure to Mr. Reed consistent with Rule 1.13.
- 327. In addition, Mr. Kopstain repeatedly advised Mr. Reed during the B&T Investigation that his interests and USN's "are aligned."
- 328. Mr. Kopstain's orders for Mr. Reed not to respond to the misinformation and disinformation spreading around the USN community and Nashville, the fact he assured Mr. Reed that his and USN's interests "were aligned," and the fact that nobody ever advised Mr. Reed that his interests were potentially adverse to USN's interests are consistent with and imply

- a strategy to allow the vilification of Mr. Reed to foment so he could serve as the scapegoat for the USN Board.
- 329. Until December 23, 2024, nobody ever indicated or advised Mr. Reed that there was a potential or actual conflict of interest between him and USN, or that his interests and USN's were potentially or actually adverse.
- 330. On October 29, 2024, Mr. Reed was scheduled to be interviewed by B&T attorneys as part of their investigation.
- 331. That morning, Mr. Reed received a notice from the Southern Association of Independent Schools that a complaint had been filed regarding his involvement with the initial investigation into the Student's complaint.
- 332. The SAIS notice stated that the B&T attorneys had interviewed the Student and told her that the conduct of Dr. Masullo was "obviously grooming."
- 333. On a telephone call that morning with the B&T attorney, Mr. Reed asked about this statement and whether he had stated to the Student during her interview that the conduct of the fact then member was "obviously grooming."
- 334. The attorney advised Mr. Reed that he had made this statement during the interview to the Student to provide her some comfort because, he said, "this investigation is victim centered."
- 335. Announcing a factual conclusion before the investigation is complete is not consistent with best practices for conducting a professional and objective investigation.
- 336. Influencing a witness by sharing a factual conclusion with her interview and long before the investigation is not consistent with best practices for conducting a professional and objective investigation.

- 337. Mr. Reed met with the B&T attorneys the afternoon of October 29, 2024, and provided his interview.
- 338. Mr. Reed was open and honest in his responses.
- 339. Prior to, during, and after his interview, Mr. Reed had no reason to believe that his job was in jeopardy or at risk.
- 340. On December 22, 2024, Mr. Reed reviewed the B&T Report at the Sims Funk offices.
- 341. Regarding the following criticisms raised by Alex Little and other critics, the Report found:
 - a. No evidence Mr. Reed lied to community about the Fisher Phillips investigators being "independent"
 - b. No evidence of sexual contact by Dr. Masullo of the Student or any other student
 - c. No evidence of other students or alumni being subjected to similar misconduct
 - d. No evidence Mr. Reed tried to "cover up" a crime
 - e. No legal duty existed to report the issue to authorities
 - f. No evidence Mr. Reed ignored the Student when she tried to wave to him through his office window
 - g. Mr. Reed apologized to the Student and her family at the May 23rd meeting
 - h. The investigators told the Student and Jeff Edmonds on June 20th that Dr. Masullo would be terminated
 - i. There is no legal definition of "grooming." The report opined that the former teacher's actions were "likely grooming" and "consistent with RAINN's factors for identifying grooming" but never conclusively opined or stated that Dr. Masullo 's actions were grooming.

- 325. On December 23, 2024, upon learning that his employment may be at risk, Mr. Reed retained legal counsel to advise on his possible termination.
- 326. Mr. Reed, through counsel, suggested to USN's attorney that he and the Student's family get together informally to attempt to talk through their issues and concerns.
- 327. On December 24, 2024, USN's attorneys advised that the meeting would not happen because the Student's father "wanted Amani's head on a platter."
- 328. During the same call, the attorney also advised that the Student's family wanted Jeff Edmonds to replace Mr. Reed.
- 329. After denying Mr. Reed's request to appear before the USN Board, USN's attorneys told Mr. Reed he could prepare a statement to the USN Board and that its attorneys would provide the statement to the full board prior to its voting to terminate him.
- 330. On January 5, 2024, Mr. Reed's statement was delivered to USN's attorneys.
- 331. January 6, 2024, the Board met to vote on the ad hoc committee's recommendation to terminate Mr. Reed's employment.
- 332. The Board voted on terminated Mr. Reed without following the requirements for addressing disputes in his Contract.
- 333. Upon information and belief, the full USN Board did not receive Mr. Reed's full statement prior to voting whether to terminate Mr. Reed on January 6, 2024.
- 334. Upon information and belief, each Trustee did not read Mr. Reed's statement document prior to voting whether to terminate him on January 6, 2024.
- 335. On January 6, 2024, the USN Board received an executive summary of the B&T Report.
- 336. Upon information and belief, each Trustee did not read the entire B&T Report document prior to voting to terminate Mr. Reed on January 6, 2024.

- 337. Under Tennessee law, nonprofit directors and trustees' fiduciary duties require them to carefully read all the material they receive, be informed about every major action that the nonprofit takes and be proactive about reviewing materials in a timely manner.
- 338. Under Tennessee law, nonprofit directors and trustees have a duty to disclose material information to the rest of the board. If a director or trustee is aware of information that they believe could affect or require a board decision, they must share it with fellow board members, unless they cannot legally do so.
- 339. Upon information and belief, on January 6, 2025, some Trustees possessed Mr. Reed's statement document and did not share the information with the other Trustees prior to voting to terminate his employment.
- 340. The Trustees who possessed Mr. Reed's statement document and did not share the information with the other trustees on January 6, 2025, violated their fiduciary duty owed to USN to do so.
- 341. On January 6, 2025, the Trustees who possessed Mr. Reed's statement document and did not read it prior to voting for his termination breached their fiduciary duty to USN because they failed to read the material they received and be fully informed before deciding on termination.
- 342. On January 6, 2025, the Trustees who did not read the B&T Report prior to voting for his termination breached their fiduciary duty to USN because they failed to read the material they received and be fully informed before deciding on termination.
- 343. The USN Board's actions were consistent with its pattern of failing to "appreciate" or "uphold" they fiduciary duties and constitute gross negligence.
- 344. Again, by terminating Mr. Reed and publishing his termination, USN and the Voting Trustees defamed Mr. Reed and cast him in a false light to deflect blame for their own gross

negligence and breaches of fiduciary duty that contributed to the crisis that followed the Masullo Investigation.

- 345. USN and the Voting Trustees' defamation of Mr. Reed directly caused him to suffer economic loss in lost wages, loss of future earnings, and other costs for which they are liable as legal damages.
- 346. USN and the Voting Trustees' defamation of Mr. Reed was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.
- 347. The actions of USN, its Trustees, and agents have been needlessly punitive, cruel, belittling and demeaning and intended to inflict emotional distress on Mr. Reed and his family.
- 348. USN waited until the evening of Christmas Eve to advise Mr. Reed that the Ad Hoc Committee was recommending his termination to the USN Board.
- 349. The timing of the notice was unnecessary and intended to maximize his and his family's emotional distress.
- 350. The USN Board's refusal to meet with him to let him express his concerns was punitive, cruel, belittling and demeaning.
- 351. USN's refusal to provide the factual basis for his termination is cruel and demeaning.
- 352. Mr. Kopstain's ordering him not to respond to the misinformation and disinformation circulated around USN and Nashville at large for months caused excruciating stress and emotional to both Mr. and Mrs. Reed.
- 353. Mrs. Reed isolated herself at home after she was accosted by a woman at a grocery store. The stranger asked if she was Amani reed's wife, and she replied "yes." The woman replied, "Go back to f***king New York!"

- 354. In the void of information that Mr. Kopstain and the USN Board allowed to grow, students and faculty believed the slanderous things said about Mr. Reed, leading to student walk outs, protests, and a faculty vote of no confidence.
- 355. The actions and inactions of Mr. Kopstain and the USN Board caused the student walk outs, protests, and the faculty vote of no confidence.
- 356. To a career educator with 30 years of experience like Mr. Reed, watching students to whom you dedicate your life to is excruciatingly painful and stressful and caused enormous mental and emotional stress.
- 357. As the date of filing this Complaint, despite repeated requests, Mr. Reed has not been allowed to return to his office to retrieve his personal belongings, nor has USN arranged delivery or them.
- 358. These acts by USN are punitive, cruel, belittling and demeaning and intended to inflict emotional distress on Mr. Reed and his family.
- 359. Mr. Reed's Contract contained a provision that stated, "at all times during and after the Term of Employment" neither Mr. Reed nor USN would "make disparaging comments (or induce or encourage others to make disparaging comments) about the other"
- 360. Prior to the release of the B&T Report, Mr. Reed repeatedly notified USN's attorneys that a release of the B&T Report with disparaging comments about him would breach the non-disparagement provision in its contract.
- 361. USN and the Voting Trustees, with full knowledge and intent to breach the Contract, published the B&T Report, which constituted breach of contract, for which they are laible to Mr. Reed.

- 362. USN's collective punitive actions evince a clear intent to harm, intent to disrespect, and a careless disregard for the wellbeing of Mr. Reed and his family's and constitute intentional infliction of emotional distress, which has directly caused severe emotional distress to Mr. and Mrs. Reed, for which USN is liable.
- 363. USN's actions were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.
- 364. The B&T Report's disparaging comments were untrue and defamatory and placed Mr. Reed in a false light. By publishing the disparaging comments, USN defamed Mr. Reed and caused a loss of reputation, personal humiliation, impairment of standing in the community, and mental anguish, for which it is liable.
- 365. This defamation of Mr. Reed was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which USN is liable.
- 366. USN also published summaries of the 78-page B&T Report on January 7th that minimized the report's scathing criticism of the USN Board.
- 367. USN's "Board Summary Independent Investigation Report on Dean Masullo Matter" (the "Board Summary") does not mention that the B&T Report found that Trustees violated the Code of Conduct and Ethics and Conflicts of Interest Policy.
- 368. The Board Summary does not state that the Report concluded that "Board members failed to appreciate their fiduciary obligations" and "failed to uphold them."
- 369. Instead, the Board Summary simply states that the Report found, "The Board did not rigorously enforce good governance practices or adhere to the duty of confidentiality."
- 370. Thus, the Board Summary intentionally mispresents the B&T report's finding and deflects blame from the Board as the ultimate school leaders by stating the report concluded "the

- school likely could have prevented the community crisis had it been transparent with her." This is inaccurate because the B&T Report states that "the Board" chose not to be transparent.
- 371. The Board Summary also did not mention that the B&T Report exonerated Mr. Reed for the defamatory statements made by Alex Little and Jeff Edmonds.
- 372. The Board Summary also exaggerated the B&T Report's disparaging opinions regarding Mr. Reed's conduct.
- 373. The Board Summary inaccurately states that Mr. Reed did not inform the Board about the Student's report until two weeks after she made it and he characterized it as a "personnel matter."
- 374. In fact, the Board knew about the Student's report because its chair, Mr. Kopstain, knew about the Student's report on day one.
- 375. In fact, Mr. Reed discussed with the Board at their first meeting after the Student's report that it involved allegations of inappropriate conduct and discussed the details.
- 376. Thus, USN's publishing the Board Summary deflected blame for the USN Board's own gross negligence and breaches of fiduciary duty that contributed to the crisis that followed the Masullo Investigation and defamed Mr. Reed and cast him in a false light.
- 377. This defamation of Mr. Reed directly caused him to suffer loss of reputation, personal humiliation, impairment of standing in the community, and mental anguish, for which it is liable, and other costs for which they are liable as legal damages.
- 378. USN's defamation of Mr. Reed was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.
- 379. The economic harm inflicted by being terminated without severance, coupled with the impact of having to liquidate investments and savings to purchase his house after USN breached

the Housing Benefit clause of his Contract, Mr. Reed has had to take early withdraws from his qualified retirement savings accounts to pay his bills and keep his son in college. These early withdraws not only result in severe tax penalties but also inflict severe emotional pain and distress.

- 380. Neither Mr. Reed nor Mrs. Reed have slept well, if at all, since Christmas Eve. The strain has greatly impacted their health and wellness.
- 381. Both Mr. and Mrs. Reed have suffered emotional breakdowns as a result of USN's amd the Voting Members' actions.
- 382. A mid-year termination of a head of school for a K-12 institution creates tremendous stigma for him or her because it is a drastic action that implies gross misconduct or incompetence.
- 383. Mr. Reed had planned to continue to work for another fifteen years.
- 384. The prospect of his getting any employment in education has been greatly diminished if not eliminated by the tortious and unlawful acts of USN and the Voting Trustees.
- 385. When they chose to terminate Mr. Reed, USN and the Voting Trustees were fully aware that their decision would have a devastating effect on his career and create tremendous emotional strain for him and Mrs. Reed.
- 386. Their public defamation of Mr. Reed has greatly compounded the disastrous effect on his career.

Cause of Action I – Breach of Contract

- 387. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 388. Assuming arguendo that <u>Exhibit A</u> contains the "for cause" language of Mr. Reed's Contract, the USN breached the Contract by:

- a. terminating his employment "for cause" when no factual basis for cause existed;
- b. failing to provide the Housing Benefit as promised in the Contract; and
- promising to increase his salary to compensate for the loss of the Housing Benefit,
 which it never did.
- 389. These actions constitute breach of contract for which USN is liable to Mr. Reed.
- 390. USN's breach of contract directly caused actual and consequential damages to Mr. Reed for which USN is liable to Mr. Reed as legal damages.

Cause of Action II – Promissory Fraud

- 391. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 392. USN entered a Contract of employment with Mr. Reed that promised the Housing Benefit in a house it owned and represented was in good condition when it had actual knowledge that its condition was unacceptable. Therefore, USN made a promise to induce Mr. Reed into the Contract when it knew that the house was in unacceptable condition. As signed, Mr. Reed would not have entered the Contract without the Housing Benefit. Mr. Reed reasonably relied upon the promise of the Housing Benefit when he entered the Contract and reasonably relied to his detriment when he put in his notice to terminate his job and housing at Columbia in New York, New York. USN then repeatedly mispresented, to Mr. Reed, as recently as August 2024 through Mr. Kopstain, that it would increase his salary to make up for the loss of the Housing Benefit from his compensation package and restore it to the 75th percentile of its compensation policy. USN never did so and never intended to do so. These actions by USN had the desired effect of forestalling Mr. Reed from asserting his legal rights to recover damages for promissory estoppel. 393. These actions constitute promissory fraud on the part of USN for which USN is liable to Mr. Reed as legal damages.

- 394. USN's promissory fraud directly caused actual and consequential damages to Mr. Reed for which USN is liable to Mr. Reed as legal damages.
- 395. USN's promissory fraud was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.

Cause of Action III – Fraud/Intentional Misrepresentation

- 396. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 397. USN entered a Contract of employment with Mr. Reed that promised the Housing Benefit in a house it owned and represented was in good condition when actually it had actual knowledge that its condition was unacceptable. That the Housing Benefit would be provided was a material term of the Contract and Mr. Reed would not have entered the Contract without the Housing Benefit. Therefore, USN made a material representation to Mr. Reed with actual knowledge or, in the alternative, recklessly disregarded the truth of the statement and the condition of the house, which could have been inspected at any time prior to negotiating the terms of the Contract. Mr. Reed reasonably relied upon the promise of the Housing Benefit to his detriment when he put in his notice to terminate his job and housing at Columbia in New York, New York. USN then repeatedly mispresented, to Mr. Reed, as recently as August 2024 through Mr. Kopstain, that it would increase his salary to make up for the loss of the Housing Benefit from his compensation package and restore it to the 75th percentile of its compensation policy. USN never did so and never intended to do so. These actions by USN had the desired effect of forestalling Mr. Reed from asserting his legal rights to recover damages for its fraud. 398. These actions constitute fraud on the part of USN for which USN is liable to Mr. Reed as legal damages.

- 399. USN's fraud directly caused actual and consequential damages to Mr. Reed for which USN is liable to Mr. Reed as legal damages.
- 400. USN's fraud was intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which they are liable.

Cause of Action IV – Negligent Misrepresentation

- 401. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 402. In the alternative, USN entered a Contract of employment with Mr. Reed that promised the Housing Benefit in a house it owned and represented was in good condition when actually it could have and should have known by using reasonable diligence and care that its condition was unacceptable. That the Housing Benefit would be provided was a material term of the Contract and Mr. Reed would not have entered the Contract without the Housing Benefit. Therefore, USN misrepresented to Mr. Reed a material fact when it could have and should have exercised reasonable care and inspected the house at any time prior to negotiating the terms of the Contract. As signed, Mr. Reed reasonably relied upon the promise of the Housing Benefit to his detriment when he put in his notice to terminate his job and housing at Columbia in New York, New York. USN then repeatedly mispresented, to Mr. Reed, as recently as August 2024 through Mr. Kopstain, that it would increase his salary to make up for the loss of the Housing Benefit from his compensation package and restore it to the 75th percentile of its compensation policy. USN never did so and never intended to do so. These actions by USN had the desired effect of forestalling Mr. Reed from asserting his legal rights to recover damages for its negligent misrepresentation.
- 403. These actions constitute negligent misrepresentation on the part of USN for which USN is liable to Mr. Reed as legal damages.

- 404. USN's fraud directly caused actual and consequential damages to Mr. Reed for which USN is liable to Mr. Reed as legal damages.
- 405. USN's negligent misrepresentation was reckless thereby entitling Mr. Reed to punitive damages for which they are liable.

Cause of Action V – Breach of Fiduciary Duty

- 406. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 407. As an officer of USN and an *ex officio* member of the USN Board, Mr. Reed had a right and an obligation to appear at meetings and speak to the Board on matters that affect USN. He also has a right and obligation to assert a breach of fiduciary duty claim against other Trustees when they breach their fiduciary duties.
- 408. Each USN Trustee, individually, owes to USN fiduciary duties of due care, good faith, and loyalty and must deliberate and act according to those fiduciary duties as an individual.

 Failure to do so can result in personal liability against him or her as an individual.
- 409. Members of the USN Board of Trustees breached their fiduciary duties owed to USN and committed gross negligence when they:
 - a. failed to appreciate and fulfill their fiduciary duties during the Masullo Investigation, as determined by their own attorneys in the B&T Report;
 - violated their own Code of Ethics and Conflict of Interest Policy during the Masullo
 Investigation, as determined by their own attorneys in the B&T Report;
 - c. failed to meet with the Student and share information regarding the Masullo Investigation, which led to the ensuing crisis after the Masullo Investigation, as determined by their own attorneys in the B&T Report;

- d. failed to adopt fundamental and basic policies like a strategic plan, which consumed both years of Mr. Reed's tenure and still is not accomplished;
- e. failed to identify risks typical to a K − 12 school and ensure that policies existed to mitigate those risks and respond to them;
- f. failed to have a risk committee to adequately address the needs of complex nonprofit like USN;
- g. failed to respond to the specific misinformation and disinformation campaign during the months of August, September, October, November and December 2024 when they knew defamation was being committed against them and Mr. Reed;
- h. ordered Mr. Reed not to respond to the specific misinformation and disinformation campaign during the months of August, September, October, November and December 2024 when they knew defamation was being committed against them and Mr. Reed;
- failed to publicly support Mr. Reed during August, September, October, November and December 2024;
- j. denied Mr. Reed his fundamental right as an employee, officer, and Board member to know the allegations against him upon which the Ad Hoc Committee recommended his termination;
- k. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to respond to the allegations against him upon which the Ad Hoc Committee recommended his termination;

- 1. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to appear before it and speak regarding his concerns about the ad hoc recommendation of termination prior to voting on his termination;
- m. failing to review all relevant materials prior to voting to terminate Mr. Reed;
- n. not sharing all relevant materials with other Trustees prior to voting to terminate Mr.
 Reed;
- o. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to know the factual basis of his termination after it terminated him;
- p. intentionally breaching the non-disparagement clause of Mr. Reed's Contract by publishing the B&T Report and the Board Summary.
- q. defaming Mr. Reed by publishing the B&T Report and publishing the Board summary of the B&T Report;
- r. misleading the USN community public by publishing the Board summary of the B&T Report;
- s. failing to be honest and accountable about the Board's sole responsibility for the crisis that ensued after the Masullo Investigation.
- 410. These actions constitute breach of fiduciary duty for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed as legal damages.
- 411. These breaches of fiduciary duty directly caused actual and consequential damages, loss of earning capacity, reputational harm, emotional distress, loss of enjoyment of life, loss of reputation, and humiliation to Mr. Reed for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed as legal damages.

412. These breaches of fiduciary duty were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which USN and the Voting Trustees, in their individual and personal capacities, are liable.

Cause of Action VI – Promissory Estoppel

- 413. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 414. After breaching Mr. Reed's Contract by not providing the Housing Benefit, USN promised as recently as ______, 2024 to increase his salary to compensate for the loss of the Housing Benefit, which it never did. Mr. Reed reasonably relied on this promise by not asserting his breach of contract claim or promissory fraud, fraud, and negligent misrepresentation claims.
- 415. These actions constitute promissory estoppel for which USN is liable to Mr. Reed.
- 416. These actions directly caused actual and consequential damages to Mr. Reed for which USN liable to Mr. Reed as legal damages.

Cause of Action VIII – Defamation & False Light Invasion of Privacy

- 417. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 418. USN, acting through the Ad Hoc Committee, Members of the USN Board, and its agents defamed Mr. Reed by publishing the B&T Report, the Board Summary and the Letter to the PDS/USN Community. The B&T Report itself contains defamatory statements that Mr. Reed made mistakes regarding the Masullo Investigation that are unsupported by facts.
- 419. The Board Summary and Letter to the PDS/USN Community defamed Mr. Reed and cast him in a false light by:
 - a. mispresenting by statement and implication that the Report found Mr. Reed responsible for the crisis that ensued after the Masullo Investigation; and

- b. omitting the fact that the Report found the USN Board, not Mr. Reed, ultimately responsible for the crisis by breaching their fiduciary duties, failing to provide information to the Student, failing to be prepared for a sexual misconduct investigation and responding to the ensuing crisis, failing to have an adequate succession plan, and failing to have possess the trust and confidence of the USN community.
- 420. These actions constitute defamation for which USN is liable to Mr. Reed as legal damages.
- 421. These actions constitute false light invasion of privacy for which USN is liable to Mr. Reed as legal damages.
- 422. These actions directly caused loss of earning capacity, reputational harm, emotional distress, loss of enjoyment of life, loss of reputation, humiliation, mental anguish and distress as legal damages.
- 423. These actions were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed to punitive damages for which USN is liable.

Cause of Action IX – Intentional Infliction of Emotional Distress

- 424. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 425. USN, acting through the Ad Hoc Committee, Members of the USN Board, and its agents engaged in an outrageous and intentional effort to defame Mr. Reed. USN's own attorneys in the B&T Report concluded that the Board had failed to prepare to prevent and respond to a sexual misconduct crisis by adopting adequate policies and that the ensuing crisis would not have likely happened if the Board had met with the Student and answered two questions. The effect of their effort was to deflect blame from the Board for its sole reasonability for causing the crisis.

426. USN, acting through the Ad Hoc Committee, Members of the USN Board, and its agents, acted cruelly, punitively, unethically, unprofessionally and disrespectfully towards Mr. Reed with knowledge and reckless disregard for the emotional and mental anguish it would inflict on Mr. Reed and Mrs. Reed.

427. These actions include:

- a. failed to respond to the specific misinformation and disinformation campaign during the months of August, September, October, November and December 2024 when they knew defamation was being committed against them and Mr. Reed;
- b. ordered Mr. Reed not to respond to the specific misinformation and disinformation campaign during the months of August, September, October, November and December 2024 when they knew defamation was being committed against Mr. Reed and that fomented a hostile environment against him and Mrs. Reed among students, faculty, parents, and Nashville at-large;
- c. ordered Mr. Reed not to respond to the specific misinformation and disinformation campaign during the months of August, September, October, November and December 2024 when they knew defamation was being committed against Mr. Reed and that Mr. Reed's national reputation as a leader in his field was being negatively impacted;
- d. failed to publicly support Mr. Reed during August, September, October, November and December 2024;
- e. denied Mr. Reed his fundamental right as an employee, officer, and Board member to know the allegations against him upon which the Ad Hoc Committee recommended his termination;

- f. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to respond to the allegations against him upon which the Ad Hoc Committee recommended his termination;
- g. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to appear before it and speak regarding his concerns about the ad hoc recommendation of termination prior to voting on his termination;
- h. denied Mr. Reed his fundamental right as an employee, officer, and *ex officio* Board member to know the factual basis of his termination after it terminated him;
- i. intentionally breaching the non-disparagement clause of Mr. Reed's Contract by publishing the B&T Report and the Board Summary;
- j. defaming Mr. Reed by publishing the B&T Report and publishing the Board summary of the B&T Report;
- k. referring to his son in USN 's announcement to of his termination after he requested from the USN attorneys that they not mention his son out of respect for his privacy and they assured him they would not do so;
- committing all these acts and omission with full knowledge that Mr. Reed's mid-year termination would destroy his 30-year career and have a devastating impact on his and Mrs. Reed's financial condition, economic future, and emotional and mental health; and
- m. after repeated requests, and as of the day of filing this complaint, ignoring his requests to access or receive his personal property and effects from his office, now ten days after his termination.

- 428. These actions constitute intentional infliction of emotional distress for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed and Mrs Reed as legal damages.
- 429. These actions directly caused actual and consequential damages, mental pain, anguish and suffering to Mr. Reed and Mrs. Reed for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed and Mrs. Reed as legal damages.
- 430. These actions were intentional, fraudulent, malicious, and/or reckless thereby entitling Mr. Reed and Mrs. Reed to punitive damages for which USN and the Voting Trustees, in their individual and personal capacities, are liable.

Cause of Action IX - Negligent Infliction of Emotional Distress

- 431. Plaintiffs incorporate herein paragraphs 1 386 herein.
- 432. USN, acting through the Ad Hoc Committee, Members of the USN Board, and its agents defamed Mr. Reed. USN's own attorneys in the B&T Report concluded that the Board had failed to prepare to prevent and respond to a sexual misconduct crisis by adopting adequate policies and that the ensuing crisis would not have likely happened if the Board had met with the Student and answered two questions. The effect of their effort was to deflect blame from the Board for its sole reasonability for causing the crisis.
- 433. USN, acting through the Ad Hoc Committee, Members of the USN Board, and its agents, acted cruelly, punitively, unethically, unprofessionally and disrespectfully towards Mr. Reed without due care for the emotional and mental anguish it would inflict on Mr. Reed and Mrs. Reed.

- 434. USN and the Voting Members through the actions set forth in paragraph 427 above, committed negligent infliction of emotional distress for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed and Mrs. Reed as legal damages.
- 435. These actions directly caused actual and consequential damages, mental pain, anguish and suffering to Mr. Reed and Mrs. Reed for which USN and the Voting Members, in their individual and personal capacities, are liable to Mr. Reed and Mrs. Reed as legal damages.
- 436. These actions were reckless thereby entitling Mr. Reed and Mrs. Reed to punitive damages for which USN and the Voting Trustees, in their individual and personal capacities, are liable.

Prayers for Relief

Wherefore, premises considered, Plaintiffs request this Court enter an Order of Judgment in favor of Plaintiffs containing the following:

- 1. finding Defendant USN liable to Plaintiff Amani Reed for promissory fraud, fraud/intentional misrepresentation, negligent misrepresentation, breach of contract, and promissory estoppel;
- 2. finding Defendant USN and the Voting Trustees, joint and severally, liable to Plaintiff
 Amani Reed for breach of fiduciary duty, defamation, and false light invasion of privacy;
- finding Defendant USN and the Voting Trustees, joint and severally, liable to Plaintiffs
 Amani Reed and Julie Reed for intentional infliction of emotional distress and negligent
 infliction of emotional distress;
- 4. awarding Plaintiff Amani Reed \$16,000,000 in damages for direct/actual damages and indirect/consequential damages;

- 5. awarding Plaintiff Amani Reed \$5,000,000 in compensatory damages for mental anguish, emotional distress, and pain and suffering;
- 6. awarding Plaintiff Julie Reed \$1,000,000 in compensatory damages for mental anguish, emotional distress, and pain and suffering;
- 7. awarding Plaintiff Amani Reed the maximum amount of punitive damages available under the law;
- 8. awarding Plaintiff Julie Reed the maximum amount of punitive damages available; and
- 9. other and further relief as the court may deem to be just and proper.

Respectfully submitted,

T. McKee Law, PLLC

/s Todd C. McKee

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