

Second Amended Complaint (Doc. 54, filed Aug. 10, 2026) paired with Defendants' Answer (Doc. 55, filed Aug. 24, 2026)

Illustrated edition: images embedded in the Second Amended Complaint have been inserted beside the complaint paragraphs they accompany.

This is a paragraph-by-paragraph pairing of all numbered allegations, 1 through 225. Text has been extracted from the PDFs and whitespace normalized; wording is otherwise preserved. Editorial quotation marks previously placed around entire Complaint and Answer blocks have been removed, while quotation marks appearing in the source filings are retained. The Complaint allegations are allegations, and the Answer states Defendants' litigation positions.

I. INTRODUCTION

Complaint: The Second Amended Complaint contains an unnumbered Introduction describing the action as arising from an alleged longstanding pattern of forced labor, coercive disciplinary practices, and emotional abuse at Hyde School.

Hyde response: Defendants deny the allegations in the Introduction to the SAICAC.

II. PARTIES

PARAGRAPH 1

Complaint:

Upon information and belief, Defendant Hyde School is a 501(c)(3) organization that was chartered in the State of Maine in 1966. Hyde's principal address is 616 High Street, Bath, ME 04530. Defendant Laura Gauld is the President and Principal Officer of Hyde.

Defendants' Answer:

Defendants deny that Laura Gauld is the "President" or "Principal Officer" of Hyde. Defendants admit the remaining allegations in Paragraph 1.

PARAGRAPH 2

Complaint:

Upon information and belief, Defendant Laura Gauld is the President, Head of School, and Principal Officer of Hyde. Laura Gauld is a resident of Sagadahoc County in the State of Maine. Laura Gauld is married to Defendant Malcolm Gauld.

Defendants' Answer:

Defendants deny that Laura Gauld is the "President" or "Principal Officer" of Hyde. Defendants admit the remaining allegations in Paragraph 2.

PARAGRAPH 3

Complaint:

Upon information and belief, Defendant Malcolm Gauld is the son of the late Joseph Gauld, the founder of Hyde. Malcolm Gauld was the President of Hyde from 1998 to 2018. He was the headmaster of Hyde from 1987-1998. He is the current Executive Director of Hyde. Malcolm Gauld is a resident of Sagadahoc County in the State of Maine.

Defendants' Answer:

Defendants deny that Malcolm Gauld was the "headmaster" of Hyde from 1987-1998 or that he is the "current Executive Director of Hyde." Malcolm Gauld's title at Hyde from 1987-1998 was "Head of School." Further, he is the current Executive Director of the Hyde Institute, a separate organization from Defendant Hyde School. Defendants admit the remaining allegations in Paragraph 3.

PARAGRAPH 4

Complaint:

Plaintiff Jessica Fuller is an individual residing in Palm Beach County, Florida.

Defendants' Answer:

Defendants deny the allegations in Paragraph 4 for lack of knowledge or information sufficient to form a belief as to the truth of the matters alleged.

III. JURISDICTION AND VENUE

PARAGRAPH 5

Complaint:

This Court has original subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because claims asserted in the Complaint arise under the Trafficking and Victims Protection Reauthorization Act (18 U.S.C. §§ 1589 et seq) and civil remedies provision of 18 U.S.C. § 2255.

Defendants' Answer:

Defendants admit that the SAICAC purports to assert claims arising under, inter alia, 18 U.S.C. § 1589 and 18 U.S.C. § 2255 but deny liability under those statutes. The remaining assertions in Paragraph 5 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 5.

PARAGRAPH 6

Complaint:

This Court has original subject matter jurisdiction over this Class Action pursuant to 28 U.S.C. § 1332(d) because of the following:

- a. The named Plaintiff and Defendants are citizens of different states pursuant to 28 U.S.C. § 1332(d)(2)(A).
- b. Pursuant to 28 U.S.C. § 1332(d)(2), the aggregate amount of the Class Members' claims substantially exceeds \$5,000,000.00.
- c. Upon information and belief, the Proposed Class substantially exceeds 100 persons.

Defendants' Answer:

Defendants deny the allegations in Paragraph 6, subparagraphs (a) – (c), for lack of knowledge or information sufficient to form a belief as to the truth of the matters alleged. The remaining assertions in Paragraph 6 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 6.

PARAGRAPH 7

Complaint:

This Court has personal jurisdiction over all Defendants based on Federal Rule of Civil Procedure 4(k)(1)(C) and the nationwide service of process provision of 18 U.S.C. § 2255. Plaintiff was a minor at the time of trafficking and asserts claims under 18 U.S.C. §§ 1589, 1590 and 2255. 18 U.S.C. § 2255 provides for nationwide service of process for such claims.

Defendants' Answer:

Defendants admit that the SAICAC purports to assert claims under 18 U.S.C. §§ 1589, 1590, and 2255 but deny liability under those statutes. The remaining assertions in Paragraph 7 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 7.

PARAGRAPH 8

Complaint:

This Court has general jurisdiction over Hyde because it is a Maine entity with its principal place of business located in Maine.

Defendants' Answer:

Defendants admit that Hyde is a Maine entity with its principal place of business in Maine. The remaining assertions in Paragraph 8 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 8.

PARAGRAPH 9

Complaint:

This Court has general jurisdiction over all Gauld Defendants because they are all residents of Maine.

Defendants' Answer:

Defendants admit that Laura and Malcolm Gauld are residents of Maine. The remaining assertions in Paragraph 9 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 9.

PARAGRAPH 10

Complaint:

This Court has specific jurisdiction over all Gauld Defendants because they are alleged to have committed torts and conduct in violation of both state and federal trafficking laws from within Maine, and their violative conduct from within Maine is the basis for the claims of Plaintiff and the Class Members.

Defendants' Answer:

Defendants admit that the SAICAC alleges that Laura and Malcolm Gauld have engaged in conduct in violation of federal trafficking laws, although they deny the truth of those allegations. Defendants deny that the SAICAC asserts tort claims against Laura or Malcolm Gauld or that they committed violations of state trafficking laws. The remaining assertions in Paragraph 10 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the remaining allegations in Paragraph 10.

PARAGRAPH 11

Complaint:

Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 (b)(2) because a substantial part of the acts giving rise to the violations alleged herein occurred in this judicial district.

Defendants' Answer:

The assertions in Paragraph 11 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 11.

IV. FACTUAL ALLEGATIONS

A. Summary of Class Allegations

1. Hyde Has Always Been a Profitable Gauld Family Enterprise

PARAGRAPH 12

Complaint:

Joseph Gauld founded Hyde in 1966. Upon information and belief, he developed Hyde's curriculum, which the school still uses today.

Defendants' Answer:

Defendants admit that Joseph Gauld founded Hyde in 1966 and developed its initial curriculum. Defendants deny that Hyde still uses the curriculum developed by Joseph Gauld.

PARAGRAPH 13

Complaint:

Upon information and belief, Joseph Gauld was intricately involved with Hyde up until his death in 2023. He was Hyde's president, a teacher, an executive, and a benefactor to the school.

Defendants' Answer:

Defendants admit that Joseph Gauld served at various times as a teacher, executive, and benefactor of Hyde. Defendants otherwise deny the allegations in Paragraph 13.

PARAGRAPH 14

Complaint:

Joseph Gauld founded Hyde as a "character development" school. He went on to write several books on the topic and was a frequent national lecturer. Upon information and belief, Joseph Gauld was a supporter of Hyde up until his death.

Defendants' Answer:

Defendants admit that Joseph Gauld wrote several books, that he has given lectures nationally, and that he was a supporter of Hyde until his death. Defendants otherwise deny the allegations in Paragraph 14.

PARAGRAPH 15

Complaint:

Hyde promotes Joseph Gauld as its founder, but more than that, as its continuing source of traditions, vision, and inspiration. Hyde sent this message to its community of students and alumni following Joseph Gauld's death in 2023:

Today, Hyde carries on with the core traditions of the founder's vision. The school's mission is to **Develop Character to Discover Unique Potential**. There is no more important work than to make a difference in the lives of so many students and families. We will continue to be inspired by the Founder who started it all with the statement, "Every individual is gifted with a unique potential that defines a destiny."

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 6, associated with Paragraph 15.

Defendants' Answer:

Paragraph 15 purports to characterize and quote from a message that speaks for itself and requires no answer. Defendants further admit that Hyde refers to Joseph Gauld as the school's founder. Defendants otherwise deny the allegations in Paragraph 15.

PARAGRAPH 16

Complaint:

Joseph Gauld had a decades-long pattern of making troubling statements that reflected Hyde's culture of student abuse and exploitation. His published writings and public statements demonstrate the racist, misogynistic, and abusive philosophy that became and remain foundational to Hyde's operations.

Defendants' Answer:

Defendants deny the allegations in Paragraph 16.

PARAGRAPH 17

Complaint:

In 1973, Joseph Gauld published *A Courage to Grow*, a collection of weekly columns promoting his character development model. In one chapter titled *Slap May Be Just What Child Needs*, Gauld

bragged about calling a 16-year-old prospective student a “brat,” slapping her three times for “screaming at me,” then threatening to throw her in a pond if she didn’t apologize. In another column titled Learning By Digging a Pit, he previewed Hyde’s forced labor practices, describing a punishment where he made a student “dig a very deep pit to figuratively bury your old image” and “work on the grounds and live by yourself until you are proven ready to join the Hyde community again.”

Defendants’ Answer:

Defendants admit that Joseph Gauld wrote a weekly column in the Maine Sunday Telegram more than fifty years ago called “The Courage to Grow,” the contents of which speak for themselves and require no answer. Defendants otherwise deny the allegations in Paragraph 17. Defendants further answer that Joseph Gauld is deceased, is not a party to this lawsuit, and does not speak for Defendants.

PARAGRAPH 18

Complaint:

In a column titled The Black “I-Q” Joseph Gauld posited with “confidence in what I have found: whites [are] more developed in some intellectual areas, particularly academics” and that we should all “consider the domination of the black in fields of expression like music and sports.” After all, “why would the black man have the same ‘I.Q.’ as a white?”

Defendants’ Answer:

Paragraph 18 purports to quote from a column authored by Joseph Gauld more than fifty years ago which speaks for itself and requires no answer. Defendants otherwise deny the allegations in Paragraph 18. Defendants further answer that Joseph Gauld is deceased, is not a party to this lawsuit, and does not speak for Defendants.

PARAGRAPH 19

Complaint:

Multiple Class Members describe Joseph Gauld as having been viewed internally as the enduring figurehead of Hyde. Multiple Class Members report physical mistreatment, including being slammed into walls or grabbed at Hyde. Multiple Female Class

Members report being called derogatory terms, including “sluts”, by Mr. Gauld or in his presence.

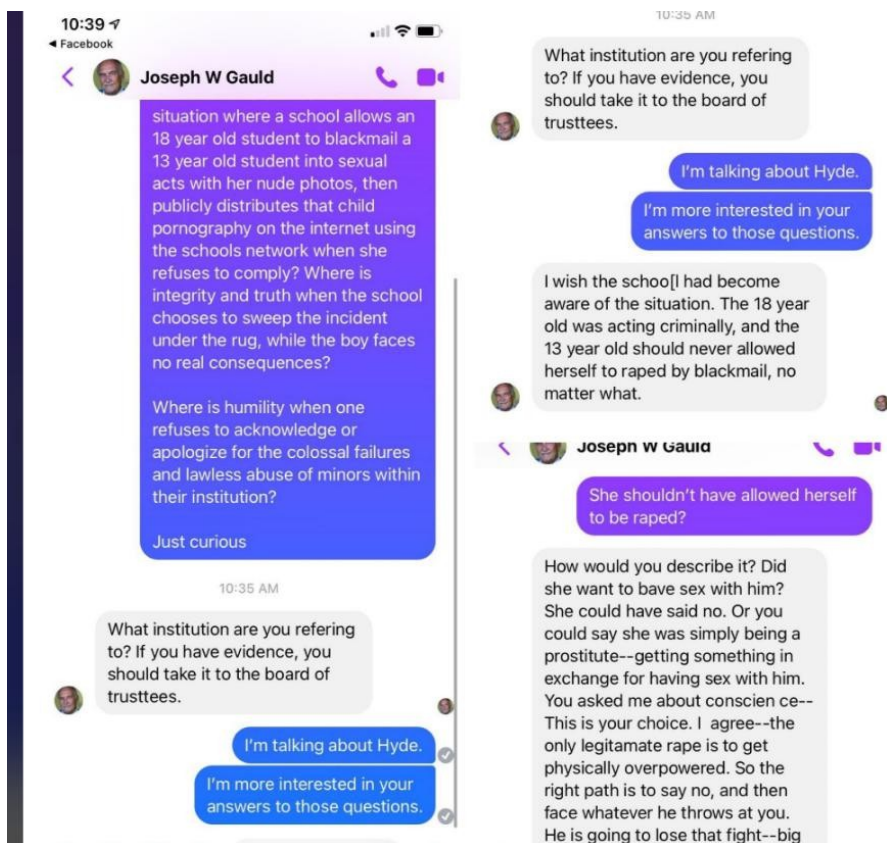
Defendants’ Answer:

Defendants deny the allegations in Paragraph 19 for lack of knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 20

Complaint:

Upon information and belief, Joseph Gauld’s tenure at Hyde ended in 2021 after Facebook comments about a 13-year-old female student who was allegedly blackmailed into sending nude photos. Joseph Gauld stated the child should “never have allowed herself to be raped by blackmail” and that “the only legitimate rape is to get physically overpowered.”



Defendants' Answer:

Paragraph 20 purports to characterize and excerpt from a communication between Joseph Gauld and an unknown person. The Defendants were not a party to this communication and therefore deny the allegations regarding the communication in Paragraph 20 for lack of knowledge or information sufficient to form a belief as to the truth of the matters alleged. Defendants further answer that Joseph Gauld is deceased, is not a party to this lawsuit, and does not speak for Defendants. Defendants admit that Joseph Gauld retired from Hyde in 2021. Defendants otherwise deny the allegations in Paragraph 20.

PARAGRAPH 21

Complaint:

Following this incident, Hyde characterized Joseph's comments as "hurtful, puzzling, and inappropriate" while maintaining they would "forever be indebted to him for his vision and courage," demonstrating the school's continued reverence for his abusive philosophy even after his departure.

Defendants' Answer:

Paragraph 21 purports to quote from a document that speaks for itself and requires no answer. Defendants further deny the allegation that Hyde "demonstrat[ed] the school's continued reverence for his abusive philosophy even after his departure."

PARAGRAPH 22

Complaint:

Upon information and belief, for nearly sixty years, the Gauld family has operated Hyde as a coordinated enterprise, with each Defendant playing a role in the systematic recruitment, manipulation, and exploitation of students while sharing in the financial benefits generated by Hyde's operations.

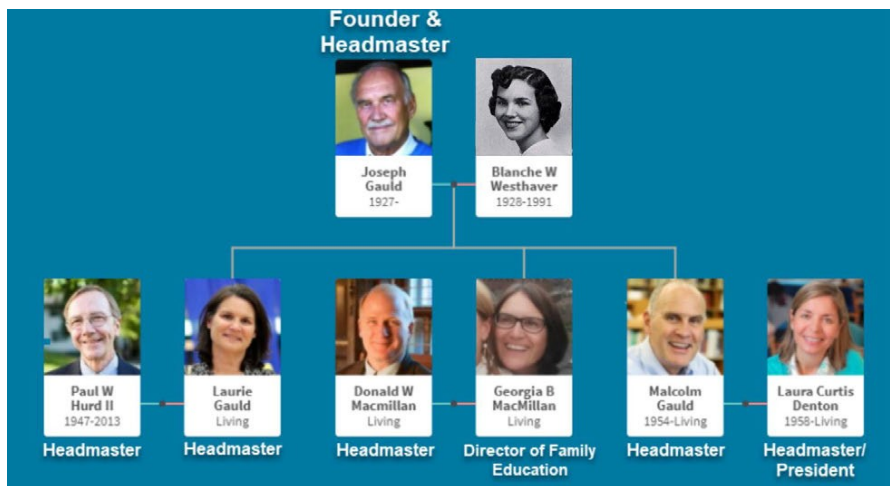


Image reproduced from Second Amended Complaint, Doc. 54, PDF page 9, associated with Paragraph 22.

Defendants' Answer:

Defendants deny the allegations in Paragraph 22.

PARAGRAPH 23

Complaint:

Upon information and belief, since approximately 2004, Malcolm Gauld has held multiple executive positions at Hyde, averaging over \$250,000 annually. In 2020 alone, Hyde paid Malcolm Gauld \$1,509,153 as Executive Director.

Defendants' Answer:

Defendants admit that Malcolm Gauld has held multiple executive positions at Hyde. Defendants otherwise deny the allegations in paragraph 23.

PARAGRAPH 24

Complaint:

Upon information and belief, Laura Gauld has held executive positions at Hyde since 2004, progressing from Executive Director to Family Education Director to Headmaster to her current role as President. In 2021, Hyde paid her over \$310,000.

Defendants' Answer:

Defendants admit that Laura Gauld has held executive positions at Hyde, including President, and that Hyde paid her \$310,000 in 2021. Defendants otherwise deny the allegations in paragraph 24.

PARAGRAPH 25

Complaint:

Upon information and belief, Hyde generated \$13.3 million in revenue and held \$23.1 million in assets in 2005, growing to over \$43 million in assets by 2020 despite revenue fluctuations.

Defendants' Answer:

Defendants deny the allegations in Paragraph 25.

PARAGRAPH 26

Complaint:

Hyde's annual tuition is currently approximately \$68,300. The tuition has been above \$50,000 for years.

Defendants' Answer:

Defendants admit the allegations in Paragraph 26.

2. Hyde's Deceptive Marketing and Recruitment Scheme

PARAGRAPH 27

Complaint:

For decades, Defendants engaged in a marketing scheme designed to entice parents of struggling tens to pay tens of thousands of dollars in annual tuition under false promises of specialized and innovative education.

Defendants' Answer:

Defendants deny the allegations in Paragraph 27.

PARAGRAPH 28

Complaint:

At all relevant times, Defendants marketed Hyde as a place where students' strengths are built upon, not broken down, claiming the school is "established on the belief that every individual is gifted with a unique potential that defines a destiny" and committed to "character development, open and effective communication, and personal integrity."

Defendants' Answer:

Defendants admit that at certain times Hyde has publicly stated that it “was established on the belief that ‘every individual is gifted with a unique potential that defines a destiny’” and that “At the heart of the Hyde education is a commitment to character development, open and effective communication, personal integrity and impactful leadership.” Defendants otherwise deny the allegations in Paragraph 28.

PARAGRAPH 29

Complaint:

At all relevant times, Hyde promised to instill in graduates its five core values: courage, integrity, leadership, curiosity and concern, marketing itself as fundamentally different from other boarding schools and therapeutic programs.

Q. How does Hyde differ from a therapeutic school?

A: Therapeutic schools seek to remedy a particular unresolved matter, typically a psychological or cognitive diagnosis, with the belief that once the problem is remedied, the individual will then be prepared to resume life in the mainstream.

Hyde seeks to build upon a student's strengths with the belief that a holistic way-of-life can help students manage or resolve life's current and future problems as a residual benefit of pursuing a new path.

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 10, associated with Paragraph 29.

Defendants' Answer:

Defendants admit that at certain times Hyde has publicly stated that “courage; integrity; leadership; curiosity; and concern” are the “cornerstones” of Hyde's curriculum. Defendants further answer that Paragraph 29 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack know or information sufficient to form a belief as

to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 29.

PARAGRAPH 30

Complaint:

At all relevant times, Hyde utilized a surveillance system called “Brother’s/Sister’s Keeper,” through which students were required to report infractions to the administration. Hyde markets the Keeper system as promoting “meaningful relationships and accountability,” but it actually creates an environment of constant fear and mutual surveillance

Defendants’ Answer:

Defendants admit that at certain times Hyde has utilized an educational approach called “Brother’s Keeper,” “Sister’s Keeper,” and “Other’s Keeper” but deny the characterization of this approach in Paragraph 30. Defendants otherwise deny the allegations in Paragraph 30.

PARAGRAPH 31

Complaint:

Malcolm Gauld described Brother’s Keeper as requiring students to report infractions, warning that if they failed to do so, they would “find themselves in the same disciplinary boat” as the student committing the infraction. Plaintiff and Class Members report that students who failed to report infractions, and students who were reported on, under Brother’s Keeper were put on “Work Crew.”

Defendants’ Answer:

Defendants deny the allegations in Paragraph 31 because they do not specify where, when, or to whom Malcolm Gauld made the alleged statements and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged. Defendants deny the remaining allegations in Paragraph 31.

PARAGRAPH 32

Complaint:

At all relevant times, “Work Crew” was Hyde’s forced labor punishment system in which Hyde students would perform labor for no pay, sometimes in extreme weather conditions.

THE ALTERNATIVE TO EXPULSION

So... If a school doesn't rely on expulsion, how can it appropriately penalize transgressions? At Hyde, should you find yourself on the receiving end of BK, you will likely be "campused" and/or spend some time on what we call Work Crew. This may find you cleaning windows, picking up litter, or raking leaves during times when your peers might be kicking back and enjoying themselves.

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 11, associated with Paragraph 32.

Defendants' Answer:

Paragraph 32 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 32.

PARAGRAPH 33

Complaint:

Plaintiff and Class Members report that Malcolm Gauld downplayed the punitive forced labor scheme at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 33.

PARAGRAPH 34

Complaint:

Malcolm Gauld described Hyde as "such a forgiving place" but noted that "it may not feel like it when you're out shoveling walkways in February after a Maine snowstorm."

Defendants' Answer:

Defendants deny the allegations in Paragraph 34 because they do not specify where, when, or to whom Malcolm Gauld made the alleged statements and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged..

PARAGRAPH 35

Complaint:

Malcolm Gauld dismissed concerns about punishing teenagers with forced labor, stating: "While physical labor has a bad rap these days, we've come to value its therapeutic, restorative effect" and warning that "At Hyde we may not expel you, but we may make you wish we did." Malcolm Gauld claimed that this surveillance system actually maintained safety, asserting that "a strong BK culture makes it very difficult for egregious, harmful, abusive behavior to continue."

Defendants' Answer:

Defendants deny the allegations in Paragraph 35 because they do not specify where, when, or to whom Malcolm Gauld made the alleged statements and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 36

Complaint:

Upon information and belief, the Gauld Defendants all went to Hyde, and they claim everyone else should as well. This distinction is used in marketing to sell Hyde as distinguishable from "therapeutic schools."

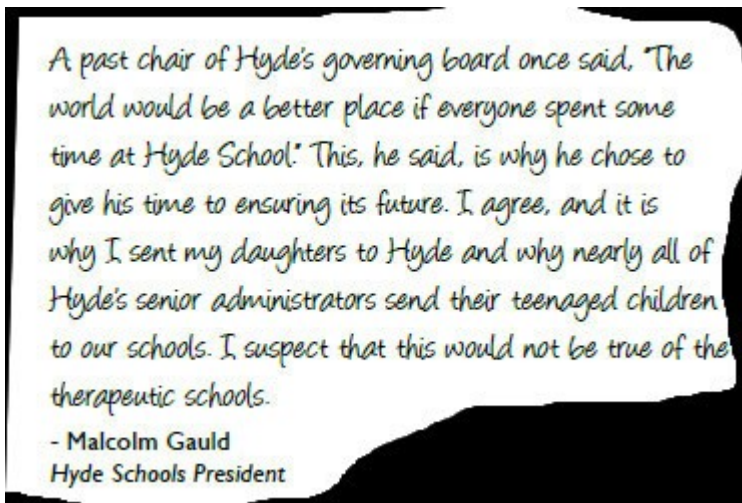


Image reproduced from Second Amended Complaint, Doc. 54, PDF page 12, associated with Paragraph 36.

Defendants' Answer:

Defendants admit that Laura and Malcolm Gauld attended Hyde. Defendants further answer that Paragraph 36 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 36.

PARAGRAPH 37

Complaint:

Defendants consistently marketed Hyde as the only legitimate model for troubled teens, distinguishing themselves from therapeutic schools and claiming their character development approach is superior to traditional therapy or education.

Defendants' Answer:

Defendants deny the allegations in Paragraph 37.

3. Plaintiff and Class Members Report that Hyde Abused and Labor Trafficked Students for Decades

PARAGRAPH 38

Complaint:

At all relevant times, Hyde promoted its punitive disciplinary model as essential for student growth and development.

Defendants' Answer:

Defendants deny the allegations in Paragraph 38.

PARAGRAPH 39

Complaint:

Plaintiff and Multiple Class Members report that Hyde emotionally, physically, and psychologically abused students to break down their sense of self and ensure compliance.

Defendants' Answer:

Defendants deny the allegations in Paragraph 39.

PARAGRAPH 40

Complaint:

Plaintiff and Multiple Class Members report that Hyde students were subjected to regular surveillance, fear of public humiliation, forced self-disclosure, emotional manipulation, threats of punishment, and isolation.

Defendants' Answer:

Defendants deny the allegations in Paragraph 40.

PARAGRAPH 41

Complaint:

Plaintiff and Multiple Class Members report that attack therapy was a central component to Hyde's curriculum. In it, students often sat in a circle while staff and peers screamed verbal attacks at them.

Defendants' Answer:

Defendants deny the allegations in Paragraph 41.

PARAGRAPH 42

Complaint:

Plaintiff and Multiple Class Members report that Hyde students were forced to admit traumatizing and embarrassing facts to their peers, often from a stage to a large group.

Defendants' Answer:

Defendants deny the allegations in Paragraph 42.

PARAGRAPH 43

Complaint:

Plaintiff and Multiple Class Members report that the Defendants often punished students who refused compliance, with punishment including excessive exercise and forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 43.

PARAGRAPH 44

Complaint:

Plaintiff and Multiple Class Members report that they experienced a culture of sexism and racism at Hyde. Multiple Class Members

report that staff called female students 'sluts,' gay students 'faggots,' and Asian students 'chinks.'

Defendants' Answer:

Defendants deny the allegations in Paragraph 44.

PARAGRAPH 45

Complaint:

Plaintiff and Multiple Class Members report that the Defendants blamed students for their negative experiences, often telling them they choose to have mental illness and were responsible for their own trauma.

Defendants' Answer:

Defendants deny the allegations in Paragraph 45.

PARAGRAPH 46

Complaint:

Plaintiff and Multiple Class Members report that the Defendant(s) physically abused students. Multiple Class Members describe being slammed into walls by Hyde staff, choked, grabbed, and pushed to the ground.

Defendants' Answer:

Defendants deny the allegations in Paragraph 46.

PARAGRAPH 47

Complaint:

Hyde's disciplinary system centered on punishment, with Brother's Keeper serving as the primary mechanism for surveillance of students.

Defendants' Answer:

Defendants deny the allegations in Paragraph 47.

PARAGRAPH 48

Complaint:

Class Members were required to report other students' infractions to the administration. Plaintiff and Multiple Class Members report that Defendants would engage in abusive measures to extract confessions when none were forthcoming.

Defendants' Answer:

Defendants deny the allegations in Paragraph 48.

PARAGRAPH 49

Complaint:

Multiple Class Members report being taken to a basement and forced to hold a “lightbulb” pose, which meant they had to stand on one leg with their hands facing out, facing the ceiling with their eyes open, and not blink. Multiple Class Members report that Hyde staff would crank the heat in the room, and no one could rest until a confession was made.

Defendants' Answer:

Defendants deny the allegations in Paragraph 49.

PARAGRAPH 50

Complaint:

Plaintiff and Multiple Class Members report how exercise was generally the first line of punishment at Hyde. Students were placed on “5:30.” Plaintiff and Multiple Class Members report how during 5:30, students were subjected to forced exercise.

5:30 The basic form of student accountability for ethical infractions and poor attitudes. Requires students to rise at 5:30 AM and perform basic chores around campus prior to breakfast.

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 14, associated with Paragraph 50.

Defendants' Answer:

Paragraph 50 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 50.

PARAGRAPH 51

Complaint:

Plaintiff and Multiple Class Members report that 5:30 exercises often resulted in students passing out, vomiting, and/or injuring themselves. Students were forced to run on broken toes, with shin

splints, in freezing conditions, and even with untreated asthma attacks.

Defendants' Answer:

Defendants deny the allegations in Paragraph 51.

PARAGRAPH 52

Complaint:

Multiple Class Members report that students were forced to exercise in sync in the middle of the night, in the snow, without gloves or coats. They further report that those who fell out of sync were often punished, and the group could not stop until exercise was completed in sync for a set period of time. They report how students were often freezing, at risk of frostbite, and vomiting.

Defendants' Answer:

Defendants deny the allegations in Paragraph 52.

PARAGRAPH 53

Complaint:

Class Members report how a student was forced to run after injuring her hip in a car accident. According to reports, staff called this student "fat" when she refused to comply.

Defendants' Answer:

Defendants deny the allegations in Paragraph 53.

PARAGRAPH 54

Complaint:

Class Members report how a student was forced to make another student do sit-ups in dog feces without being allowed to clean herself afterward.

Defendants' Answer:

Defendants deny the allegations in Paragraph 54.

PARAGRAPH 55

Complaint:

The next step in the punishment cycle was called "2-4" for when "5:30 will not suffice."

Two-Four, 2-4 When 5:30 will not suffice. A stricter form of discipline which suspends the student from the regular curricular program and requires him/her to perform work duties around campus during school hours with breaks during meal hours. The student is expected to earn his/her way back into the regular program

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 15, associated with Paragraph 55.

Defendants' Answer:

Paragraph 55 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 50.

PARAGRAPH 56

Complaint:

Plaintiff and Multiple Class Members report that students spent significant amounts of time on 2-4, often for weeks at a time. During this time, they attended little to no classes and did little to no schoolwork.

Defendants' Answer:

Defendants deny the allegations in Paragraph 56.

PARAGRAPH 57

Complaint:

Plaintiff and Multiple Class Members recall how, while on 2-4, students were often forced into isolation, forbidden from speaking to other students or attending classes, and put under severe food restrictions, such as being limited to just peanut butter and jelly sandwiches.

Defendants' Answer:

Defendants deny the allegations in Paragraph 57.

PARAGRAPH 58

Complaint:

Multiple Class Members report being forced to “earn his/her way back into the regular program” from 2-4 by performing forced labor for Defendants in all weather conditions.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 58.

PARAGRAPH 59

Complaint:

Multiple Class Members report the following examples of labor 2-4 students were forced to do, often for weeks at a time, including in Maine winter conditions:

- a. shovel snow from all walkways and common areas on Hyde’s campus;
- b. dig holes;
- c. landscape Hyde’s campus by moving rocks around campus;
- d. clear out the Hyde school basement that had visible signs stating asbestos was present;
- e. build walls and other structures on Hyde’s campus to be used by other students and staff;
- f. landscape staff members’ homes, including, on information and belief, Gauld family members’ homes;
- g. landscape the Hyde campus by gardening, clearing pathways, and cutting grass;
- h. pick up dead birds and animals around campus;
- i. clean the entire Hyde campus, including bathrooms, without protective gear;
- j. work at local farms;
- k. clear brush and cut trees down on the acreage surrounding campus;
- l. clean lint off theater seats until the lint ball reached an acceptable size;

Defendants’ Answer:

Defendants deny the allegations in Paragraph 59 including subparagraphs (a) – (l).

PARAGRAPH 60

Complaint:

Hyde and Defendant Malcolm Gauld boasted about said forced labor:



Malcolm Gauld ▶ Hyde School Alumni

May 5, 2017 · 

Out my window... Photos that Need No Explanation (At least not to this group... 🙄) #onlyathyde







Ashley Pelletier and 102 others

169 Comments

 Like

 Comment

 Send

Defendants' Answer:

Defendants admit that Paragraph 60 shows a social media post by Malcolm Gauld, which speaks for itself. Defendants otherwise deny the allegations in Paragraph 60.

PARAGRAPH 61

Complaint:

Plaintiff and Multiple Class Members report how students who refused or were physically unable to work as required were punished with additional forced labor or exercise.

Defendants' Answer:

Defendants deny the allegations in Paragraph 61.

PARAGRAPH 62

Complaint:

Multiple Class Members report how the Defendants would threaten them with 2-4 for reporting medical conditions, asking for psychological help, running away, threatening to run away, asking for medicine, or refusing medicine.

Defendants' Answer:

Defendants deny the allegations in Paragraph 62.

PARAGRAPH 63

Complaint:

Multiple Class Members recall being told they had "lost food privileges" when they refused to work.

Defendants' Answer:

Defendants deny the allegations in Paragraph 63.

PARAGRAPH 64

Complaint:

Multiple Class Members report how Defendants forced students to improve and maintain wilderness properties that Hyde owned and marketed to prospective students.

Tude Trip A wilderness camp/work project of 4 to 7 days duration. A group of 10 to 12 students develop teamwork under the supervision of a faculty member. Usually a disciplinary measure for students who exhibit unacceptable attitudes on 2-4 but is sometimes utilized for other students whom the faculty believe could benefit from such a challenge.

Image reproduced from Second Amended Complaint, Doc. 54, PDF page 17, associated with Paragraph 64.

Defendants' Answer:

Paragraph 64 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 64.

PARAGRAPH 65

Complaint:

At all relevant times, Hyde has owned a wilderness property in Eustis, Maine that is currently called the Lennox Outdoor Leadership Center.

Defendants' Answer:

Defendants admit the allegations in Paragraph 65.

PARAGRAPH 66

Complaint:

At all relevant times, Hyde has marketed the Eustis property as part of its summer leadership program, for which it charges a separate tuition fee.

Defendants' Answer:

Defendants deny the allegations in Paragraph 66.

PARAGRAPH 67

Complaint:

At all relevant times, Hyde has marketed the Eustis property to prospective students, stating students “travel to the Lennox Outdoor Leadership Center for a three-day outdoor adventure orientation...” where they get to “know each other through hiking, canoeing, and other team building activities.”

Defendants’ Answer:

Defendants admit that the quoted language appears on Hyde’s website, which speaks for itself. Defendants otherwise deny the allegations in Paragraph 67.

PARAGRAPH 68

Complaint:

Upon information and belief, Defendants have marketed the Eustis property as a benefit to increase revenue.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 68.

PARAGRAPH 69

Complaint:

Upon information and belief, Defendants have charged summer students extra tuition fees to access the Eustis property, and Defendants have used the property to increase enrollment.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 69.

PARAGRAPH 70

Complaint:

Upon information and belief, Hyde used Tude Trip, and similar wilderness forced labor punishments, to gain free labor to maintain and improve attractions that Hyde used to generate revenue.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 70.

PARAGRAPH 71

Complaint:

Multiple Class Members recall how the Defendants would force them to camp at Eustis property for days on end without adequate clothes or food. Multiple Class Members recall being limited to just a few handfuls of trail mix per day, which Defendants called “gorp,” while camping and working at the Eustis property.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 71.

PARAGRAPH 72

Complaint:

Multiple Class Members recall being forced to create their own shelters at the Eustis property. Multiple Class Members report being forced to sleep in the snow for days.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 72.

PARAGRAPH 73

Complaint:

Multiple Class Members recall being forced to build structures on the Eustis property. Multiple Class Members report that Defendants forced students to pull logs and manually assemble structures. Upon information and belief, Defendants have used these structures to provide services to other students during the summer programs and orientation.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 73.

PARAGRAPH 74

Complaint:

Multiple Class Members recall being forced to clear trails and brush from the Eustis property in the late winter to prepare it for spring and summer.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 74.

PARAGRAPH 75

Complaint:

Multiple Class Members recall being forced to maintain Seguin Island as punishment.

Defendants' Answer:

Defendants deny the allegations in Paragraph 75.

PARAGRAPH 76

Complaint:

Seguin Island is a small island off the coast of Maine. Upon information and belief, Defendants had a contract with the owners of the island under which Defendants had access to it to provide services to students and provided free student labor in exchange.

Defendants' Answer:

Defendants admit that Seguin Island is a small island off the coast of Maine. Defendants otherwise deny the allegations in Paragraph 76.

PARAGRAPH 77

Complaint:

For decades, Hyde students were forced to clear brush, move boulders, and other hard labor on Sequin Island.

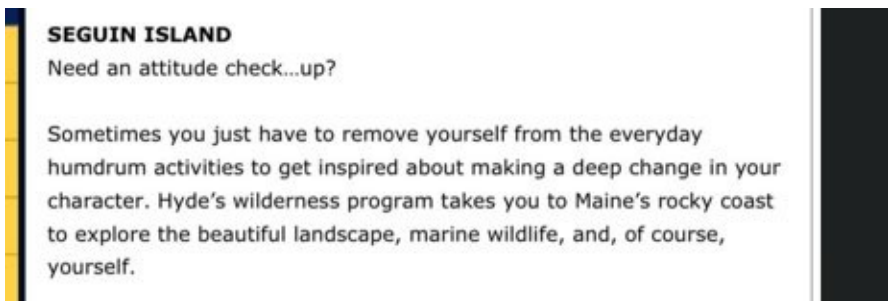


Image reproduced from Second Amended Complaint, Doc. 54, PDF page 19, associated with Paragraph 77.

Defendants' Answer:

Paragraph 77 purports to excerpt from a document the source, author, and date of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged and therefore deny them. Defendants otherwise deny the allegations in Paragraph 77.

PARAGRAPH 78

Complaint:

Defendants forced Hyde students to build a stone walkway from the beach.

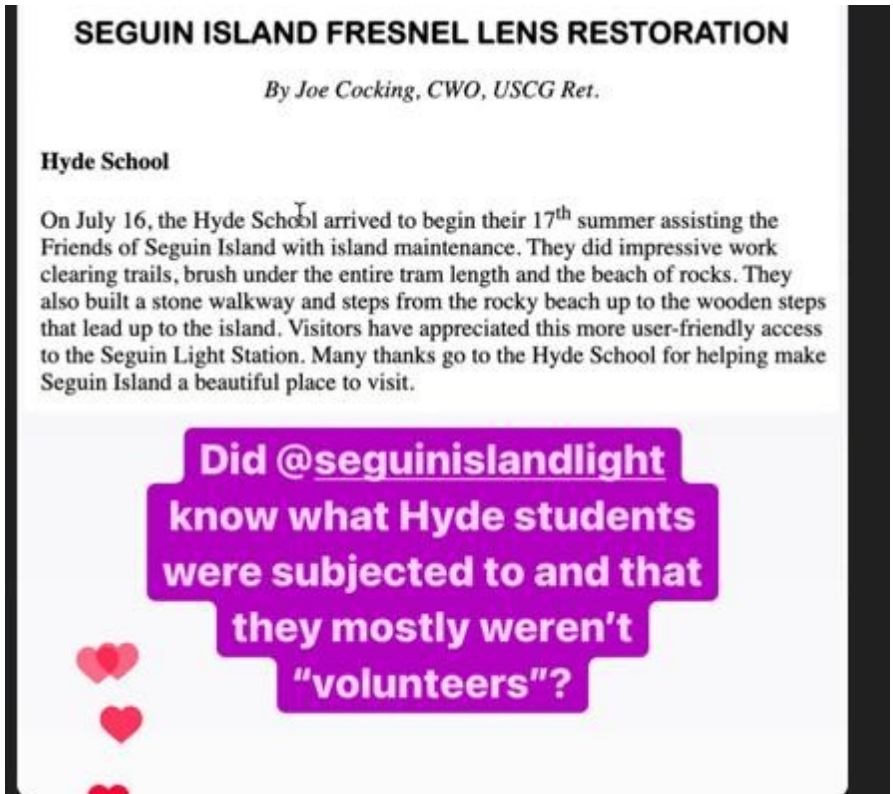


Image reproduced from Second Amended Complaint, Doc. 54, PDF page 19, associated with Paragraph 78.

Defendants' Answer:

Defendants deny the allegations in Paragraph 78 because it purports to quote from and characterize a document or social media post that was not alleged to be authored by Defendants and the source of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged. Defendants otherwise deny the allegations in Paragraph 78.

PARAGRAPH 79

Complaint:

As they continue to do with the Eustis property, Defendants profited from their association with Seguin Island by being able to offer it as a campground and summer activity to prospective students. Upon information and belief, this increased revenue at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 79.

PARAGRAPH 80

Complaint:

Upon information and belief, Defendants profited from the forced labor of students.

Defendants' Answer:

Defendants deny the allegations in Paragraph 80.

PARAGRAPH 81

Complaint:

Upon information and belief, Defendants utilized forced labor to maintain the Eustis property by forcing students to live in extreme and dangerous conditions on meager rations while clearing brush, building structures, and cleaning paths.

Defendants' Answer:

Defendants deny the allegations in Paragraph 81.

PARAGRAPH 82

Complaint:

Multiple Class Members report that the Defendants transported students to private properties off campus where students were forced to clean and landscape.

Defendants' Answer:

Defendants deny the allegations in Paragraph 82.

PARAGRAPH 83

Complaint:

Upon information and belief, the Defendants benefited from this free forced labor by not having to pay normal wages to laborers.

Defendants' Answer:

Defendants deny the allegations in Paragraph 83.

PARAGRAPH 84**Complaint:**

Upon information and belief, the Defendants manipulated students and families into thinking this forced labor was “character development” and that it was teaching them morality, responsibility, and giving them an appreciation and respect for community and hard work.

Defendants' Answer:

Defendants deny the allegations in Paragraph 84.

PARAGRAPH 85**Complaint:**

Upon information and belief, the Defendants manipulated students and families into believing this forced labor was required for them to develop and grow.

Defendants' Answer:

Defendants deny the allegations in Paragraph 85.

PARAGRAPH 86**Complaint:**

Defendants continue to mischaracterize and deny the abuse that the Plaintiff and Class Members endured at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 86.

PARAGRAPH 87**Complaint:**

Upon information and belief, the Defendants have never admitted or acknowledged the abuse and trafficking that the Plaintiff and Class Members endured at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 87.

PARAGRAPH 88

Complaint:

Upon information and belief, the Defendants have maintained that the abuse and trafficking were “character development” and that the Plaintiff and Class Members’ depictions of their abuse “does not reflect the school, the philosophy, or the people we have experienced as alumni, as parents, and as current and former faculty and staff.”

Defendants’ Answer:

Defendants deny the allegations in Paragraph 88 because they do not specify when, where, by whom, or to whom the alleged statements were made, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 89

Complaint:

Multiple Class Members report that this consistent denial by Hyde has prevented many students from accurately understanding that their own experiences at Hyde as abuse.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 89 for lack of knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 90

Complaint:

Members of Hyde's Board of Governors have made public statements in recent weeks alleging that the law firm(s) representing the Plaintiff and Class Members are “angling for a big payday”.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 90 because it purports to reference statements that were not alleged to have been made by Defendants and the source of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 91

Complaint:

Member(s) of Hyde's Board of Governors have made public statements in recent weeks alleging that the law firm(s) representing the Plaintiff and Class Members are "bullies":



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It seems the reporting about Hyde followed a ready-fire-aim process. We think the school and our Maine community demand a thoughtful follow-up. This is a law firm angling for a big payday. We hope Hyde stands up to these bullies and that that's the angle for the next story.

Tom and Mary Moore

Harpswell

*Editor's note: Tom Moore is a member of the Hyde School **board of governors**. Mary Moore, a former teacher at Hyde, served as the school's director of family education.*



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what we allow commenting on some stories and not on others.

*Image reproduced from Second Amended Complaint, Doc. 54, PDF
page 21, associated with Paragraph 91.*

Defendants' Answer:

Defendants deny the allegations in Paragraph 91 because it purports to quote from and characterize a document or social media post that was not alleged to have been authored by Defendants and the source of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged.

PARAGRAPH 92**Complaint:**

Upon information and belief, a practicing attorney and member of the Hyde Board of Governors, made similar public statements which characterized Plaintiff and Class Members' allegations of abuse as "reasonable punishment" and further characterized the instant action something that "makes me laugh" because the Class Members would receive about "1-100" dollars.

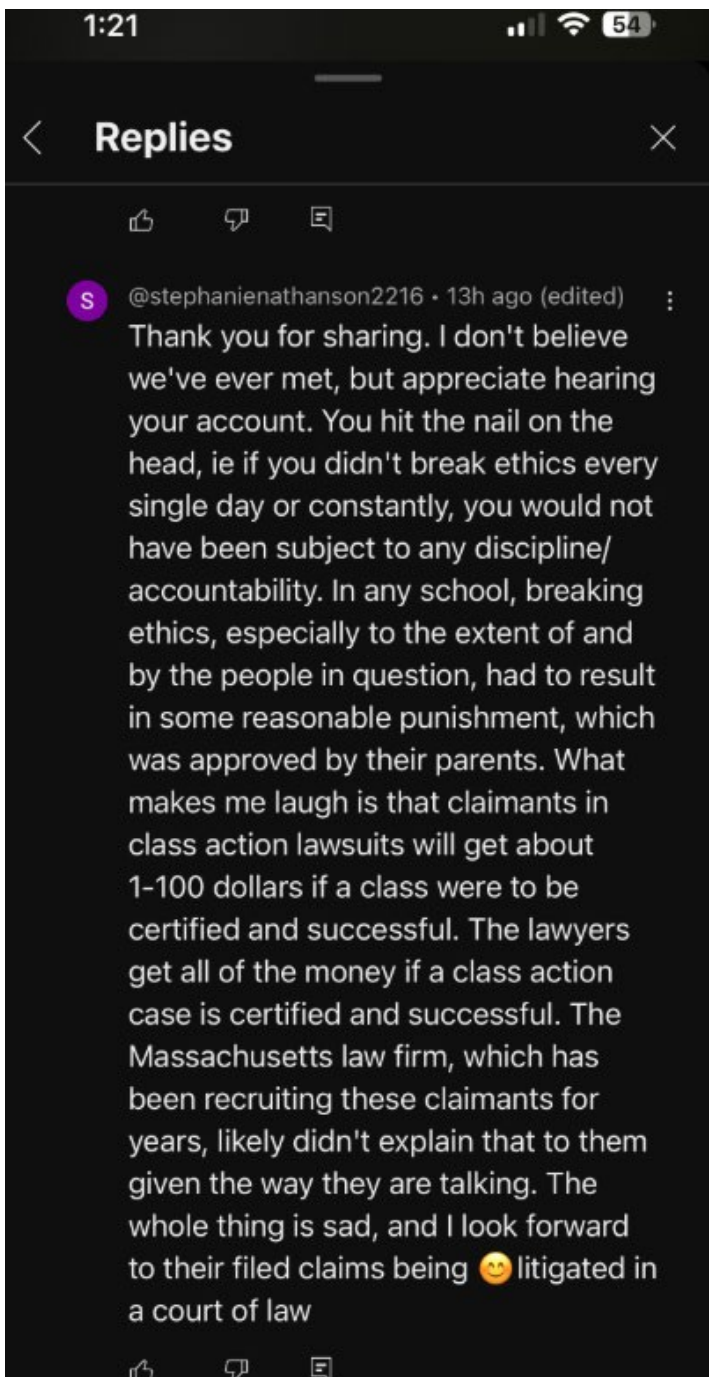


Image reproduced from Second Amended Complaint, Doc. 54, PDF page 22, associated with Paragraph 92.

Defendants' Answer:

Defendants deny the allegations in Paragraph 92 because it purports to quote from and characterize a document or social media post that was not alleged to have been authored by Defendants and the source of which is not identified, and Defendants lack knowledge or information sufficient to form a belief as to the truth of the matters alleged.

B. Hyde's Conspiracy to Exploit Students**PARAGRAPH 93****Complaint:**

Upon information and belief, from its founding, the Gauld family has operated Hyde as a coordinated enterprise described to maximize profits through the exploitation of vulnerable minors placed in their care.

Defendants' Answer:

Defendants deny the allegations in Paragraph 93.

PARAGRAPH 94**Complaint:**

Upon information and belief, the conspiracy involves multiple family members who have held executive positions, made key policy decisions, shared financial benefits, and actively participated in concealing the nature of Hyde's operations from families and regulators.

Defendants' Answer:

Defendants deny the allegations in Paragraph 94.

PARAGRAPH 95**Complaint:**

Evidence of this conspiracy includes:

- a. Multi-generational family control of most, if not all, key positions at the school;
- b. Shared financial benefits
- c. Coordinated marketing that concealed abusive practices;
- d. Joint decision-making on disciplinary policies that facilitated forced labor;
- e. Collective efforts to silence victims and prevent reporting.”

C. Hyde’s Abuse and Coercion of Ms. Fuller

Defendants’ Answer:

Defendants deny the allegations in Paragraph 95 including subparagraphs (a) – (e).

PARAGRAPH 96

Complaint:

Ms. Fuller was 16-17 years old when she attended Hyde from approximately July 2014 through February 2015.

Defendants’ Answer:

Defendants admit that Paragraph 96 contains Ms. Fuller’s approximate ages and dates of attendance at Hyde.

PARAGRAPH 97

Complaint:

Ms. Fuller reports that the Defendants abused and neglected her while she was at Hyde.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 97.

PARAGRAPH 98

Complaint:

Ms. Fuller reports that she was physically restrained with excessive force and without justification at Hyde. Fuller reports that each restraint was traumatizing and physically harmful.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 98.

PARAGRAPH 99

Complaint:

Ms. Fuller reports that the Defendants forced her to exercise excessively.

Defendants' Answer:

Defendants deny the allegations in Paragraph 99.

PARAGRAPH 100

Complaint:

Ms. Fuller reports that the Defendants forced her to exercise when she was sick and injured to the point of further injury, collapse, and vomiting.

Defendants' Answer:

Defendants deny the allegations in Paragraph 100.

PARAGRAPH 101

Complaint:

Ms. Fuller experienced a mental health crisis while at Hyde which she attributes to the Defendants' abuse and neglect.

Defendants' Answer:

Defendants deny the allegations in Paragraph 101.

PARAGRAPH 102

Complaint:

Ms. Fuller reports that she was refused prescribed psychiatric medication during said mental health crisis, then was left alone for long periods of time.

Defendants' Answer:

Defendants deny the allegations in Paragraph 102.

PARAGRAPH 103

Complaint:

Ms. Fuller reports that the Defendants emotionally abused her at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 103.

PARAGRAPH 104

Complaint:

Ms. Fuller reports that the Defendants regularly surveilled her, or forced other students to surveil her, including during private moments such as using the bathroom or showering.

Defendants' Answer:

Defendants deny the allegations in Paragraph 104.

PARAGRAPH 105

Complaint:

Ms. Fuller reports that the Defendants restricted and monitored her contact with family.

Defendants' Answer:

Defendants deny the allegations in Paragraph 105.

PARAGRAPH 106

Complaint:

Ms. Fuller reports that the Defendants restricted her ability to report abuse.

Defendants' Answer:

Defendants deny the allegations in Paragraph 106.

PARAGRAPH 107

Complaint:

Ms. Fuller reports that the Defendants punished students who questioned their tactics or behavior with 2-4 forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 107.

PARAGRAPH 108

Complaint:

Ms. Fuller reports that the Defendants blamed her for her own struggles, telling her that her trauma, mental illness, and mistreatment were her fault.

Defendants' Answer:

Defendants deny the allegations in Paragraph 108.

PARAGRAPH 109**Complaint:**

Ms. Fuller reports that the Defendants encouraged peer criticism, which subjected her to a constant barrage of peer and staff criticism.

Defendants' Answer:

Defendants deny the allegations in Paragraph 109.

PARAGRAPH 110**Complaint:**

Ms. Fuller reports that the Defendants required her to participate in attack therapy where she was subjected to verbal abuse, forced disclosures of past trauma, and humiliation in group settings.

Defendants' Answer:

Defendants deny the allegations in Paragraph 110.

PARAGRAPH 111**Complaint:**

Ms. Fuller reports that the Defendants threatened her with exercise and 2-4 forced labor if she did not participate in attack therapy.

Defendants' Answer:

Defendants deny the allegations in Paragraph 111.

PARAGRAPH 112**Complaint:**

Ms. Fuller reports that she was subjected to shame, ridicule, and humiliation because of Defendants' constant threats of forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 112.

PARAGRAPH 113

Complaint:

Ms. Fuller reports that the Defendants' coercive and abusive tactics caused her to internalize guilt and shame, which has led to serious and long-lasting psychological pain and suffering.

Defendants' Answer:

Defendants deny the allegations in Paragraph 113.

PARAGRAPH 114

Complaint:

Ms. Fuller reports that the rather than address and care for her depression and trauma, the Defendants subjected Ms. Fuller to the "2-4" disciplinary forced labor system described herein.

Defendants' Answer:

Defendants deny the allegations in Paragraph 114.

PARAGRAPH 115

Complaint:

Ms. Fuller reports that she spent an excessive amount of time relegated to 2-4. Ms. Fuller reports that while on 2-4, Defendants isolated her from other students, forbade her from speaking, restricted her access to food and water, and publicly shamed and humiliated her in front of other students.

Defendants' Answer:

Defendants deny the allegations in Paragraph 115.

PARAGRAPH 116

Complaint:

Ms. Fuller reports that the Defendants required her to work under threat of physical and emotional harm, deprivation of food and housing, and further forced labor without pay.

Defendants' Answer:

Defendants deny the allegations in Paragraph 116.

PARAGRAPH 117

Complaint:

Ms. Fuller reports that under threat of physical and emotional harm, deprivation of food and housing, and further punishment, Defendants forced her to perform a variety of unpaid labor that benefited Defendants, including but not limited to:

- a. Pulling weeds on the Hyde campus;
- b. Gardening the Hyde campus;
- c. Cutting the grass on the Hyde campus;
- d. Cleaning campus facilities and buildings;
- e. Cleaning toilets while a rag and bleach while sick;
- f. Pushing and pulling heavy wheel barrels for long periods of time.

Defendants' Answer:

Defendants deny the allegations in Paragraph 117 including subparagraphs (a) – (f).

PARAGRAPH 118

Complaint:

Ms. Fuller has suffered significant physical and emotional injuries because of Defendants' abuse and neglect, including but not limited to depression, anxiety, hypervigilance, difficulty trusting others, difficulty forming and maintaining relationships, sleep disturbances, gastrointestinal issues, back pain, substance abuse challenges, interruption and delay of education, loss of earning capacity, among other harms.

Defendants' Answer:

Defendants deny the allegations in Paragraph 118.

PARAGRAPH 119

Complaint:

At all relevant times, the Defendants knew or should have known that vulnerable teenage students struggling with mental health issues, such as Ms. Fuller, are particularly vulnerable and open to impression.

Defendants' Answer:

Defendants deny the allegations in Paragraph 119.

PARAGRAPH 120

Complaint:

Upon information and belief, the Defendants manipulated that vulnerability to achieve and demand compliance and surrender.

Defendants' Answer:

Defendants deny the allegations in Paragraph 120.

PARAGRAPH 121

Complaint:

Ms. Fuller reports that she was subjected to coercion and manipulation as described above while at Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 121.

PARAGRAPH 122

Complaint:

Ms. Fuller reports that the Defendants broke her down until she complied and accepted the Hyde way as reality.

Defendants' Answer:

Defendants deny the allegations in Paragraph 122.

PARAGRAPH 123

Complaint:

Ms. Fuller reports that the Defendants coerced her into believing that the abuse and neglect she suffered at Hyde was a legitimate and innovative form of behavioral modification and education.

Defendants' Answer:

Defendants deny the allegations in Paragraph 123.

PARAGRAPH 124

Complaint:

Ms. Fuller reports that she was coerced into believing that Defendants were trying to help her.

Defendants' Answer:

Defendants deny the allegations in Paragraph 124.

V. CLASS ALLEGATIONS

PARAGRAPH 125

Complaint:

Plaintiffs bring this action as a class action pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure. Primary Class Defined As: All persons who were students at Hyde School and subjected to forced labor by Defendants while at Hyde and either (1) such forced labor occurred on or after July 12, 2015, or (2) were minors when subjected to such forced labor and have not reached the age of 28 as of July 11, 2025. Subclass Defined As: All other persons who were students at Hyde School and subjected to forced labor by Defendants while at Hyde but are not included in the Primary Class.

Defendants' Answer:

Defendants admit that Plaintiff purports to bring this action as a class action pursuant to Federal Rule of Civil Procedure 23(b)(3). Defendants deny that the allegations in the SAICAC support certification of a class, or that either the Primary or Subclass defined in Paragraphs 125 and 126 are appropriate for certification.

PARAGRAPH 126

Complaint:

Excluded from the Classes are Defendants, their affiliates, employees, officers, and directors, and the Judge(s) assigned to this case.

Defendants' Answer:

Defendants deny that the allegations in the SAICAC support certification of a class, or that either the Primary or Subclass defined in Paragraphs 125 and 126 are appropriate for certification.

PARAGRAPH 127

Complaint:

Plaintiffs reserve the right to modify, change, or amend the Class definitions set forth above based on discovery and further investigation.

Defendants' Answer:

Defendants deny that the allegations in the SAICAC support certification of a class, or that either the Primary or Subclass defined in Paragraphs 125 and 126 are appropriate for certification.

PARAGRAPH 128**Complaint:**

Numerosity. The requirements of Rule 23(a)(1) are satisfied because there are too many Class Members for joinder of all of them to be practicable. Upon information and belief, the total number of Class Members far exceeds 100 in number.

Defendants' Answer:

The assertions in Paragraph 128 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 128.

PARAGRAPH 129**Complaint:**

Commonality. The claims of the Class Members raise numerous common issues of fact and/or law, thereby satisfying the requirements of Rule 23(a)(2). These common legal and factual questions may be resolved without the necessity of resolving individualized factual disputes concerning individual Class Members.

Defendants' Answer:

The assertions in Paragraph 129 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 129.

PARAGRAPH 130**Complaint:**

Common Questions Predominate. This action involves common questions of law and fact to the class, including:

- i. Whether Defendants' conduct violated the forced labor and trafficking provisions of the TVPRA (18 U.S.C. §§ 1584, 1589, 1590)
- ii. Whether Defendants' violations of the TVPRA caused harm to the Class Members;
- iii. The nature of damages available to Plaintiffs and members of the putative class, including the applicability of compensatory and/or punitive damages.

Defendants' Answer:

The assertions in Paragraph 130 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 130 and subparagraphs (i) – (iii).

PARAGRAPH 131

Complaint:

Common Questions Predominate. This action involves common questions of law and fact to the class, including:

- i. Whether Defendants used and/or threatened Plaintiff and other Class Members with physical restraint, serious harm, coercion, and/or abuse of the legal process in order to obtain Plaintiffs' and other putative class members' labor or services;
- ii. Whether Defendants harbored, transported, and/or obtained Plaintiff and Class Members in order to subject them to forced labor and/or involuntary servitude;
- iii. Whether Defendants knowingly benefited from participating in a venture that Defendants knew or should have known was engaged in providing and/or obtaining Plaintiff and Class Members' labor or services through threats, physical restraint, serious harm, and/or coercion.
- iv. Whether Defendants knowingly benefited from participating in a venture that Defendants knew or should have known was engaged in the harboring, transporting, obtaining and/or providing Plaintiff and Class Members for the purpose of subjecting them to forced labor and/or involuntary servitude;
- v. Whether Defendants used standardized record-keeping, and policies and practices for Plaintiff and Class Members;
- vi. The source and amount of Plaintiff and Class Members' damages.

Defendants' Answer:

The assertions in Paragraph 131 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 131 and subparagraphs (i) – (vi).

PARAGRAPH 132

Complaint:

The common questions of law and fact predominate over individual questions, as proof of a common or single set of facts will establish the right of each member of the Class to recover. Additionally, Class treatment of common issues under the Federal Rule of Civil Procedure 23(c)(4) will materially advance the litigation.

Defendants' Answer:

The assertions in Paragraph 132 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 132.

PARAGRAPH 133

Complaint:

Typicality. The claims of the named Plaintiff are typical of the claims of the unnamed Class Members she represents because, among other things, all such claims arise out of the same misconduct by Defendants as alleged herein. Plaintiff's claims are typical off the claims of the Class because Plaintiff and all Class Members were injured or damaged by the same wrongful practices in which the Defendants engaged.

Defendants' Answer:

The assertions in Paragraph 133 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 133.

PARAGRAPH 134

Complaint:

Adequacy of Representation. Plaintiff will fairly and adequately protect the interests of all Class Members because it is in her best interest to prosecute the claims alleged herein to obtain full compensation due to them for the misconduct of which they complain. Plaintiff has no interests that are in conflict with, or antagonistic to, the interests of Class Members. Plaintiff has retained highly competent and experienced Class action attorneys to represent her interests and those of the Class Members. By prevailing on her own claims, Plaintiff will establish Defendants' liability to all Class Members. Plaintiff and her counsel have the necessary financial resources to adequately and vigorously litigate this Class action and Plaintiff and her undersigned counsel are aware of their fiduciary responsibilities to the Class Members and are determined to diligently discharge those duties by vigorously seeking the maximum possible recovery for the Class Members.

Defendants' Answer:

Defendants deny the allegations in Paragraph 134 for lack of knowledge sufficient to form a belief as to the truth of the matters

alleged. Moreover, Paragraph 134 contains conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 134.

PARAGRAPH 135

Complaint:

Superiority. There is no plain, speedy, or adequate remedy other than by maintenance of this Class action. The prosecution of individual remedies by Class members will tend to establish inconsistent standards of conduct for Defendant and result in the impairment of Class members' rights and the disposition of their interests through actions to which they were not parties. Class action treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without the unnecessary duplication of effort and expense that numerous individual actions would engender. Furthermore, an important public interest will be served by addressing the matter as a Class action.

Defendants' Answer:

The assertions in Paragraph 135 are conclusions of law to which no response is required. To the extent a response is required, Defendants deny the allegations in Paragraph 135.

PARAGRAPH 136

Complaint:

Plaintiff is unaware of any difficulties that are likely to be encountered in the management of this action that would preclude its maintenance as a Class action.

Defendants' Answer:

Defendants deny the allegations in Paragraph 136."

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COUNT ONE: Liability Under § 1595(a) of the TVPRA for Violations of 18 U.S.C. § 1584 (On Behalf of Plaintiff and Both Classes) (Against All Defendants)

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PARAGRAPH 137

Complaint:

Plaintiff incorporates by reference the allegations contained in the previous paragraphs.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-136 as if fully restated herein.

PARAGRAPH 138

Complaint:

The Trafficking Victims Protection Reauthorization Act, 18 U.S.C. § 1595(a) provides a civil cause of action to trafficking victims like Plaintiff against “whoever knowingly benefits, or attempts or conspires to benefit, financially or by receiving anything of value from participation in a venture which that person knew or should have known has engaged in...” violation of any section of 18 U.S.C. §§ 1581, et seq.

Defendants’ Answer:

Defendants deny that Paragraph 138 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 139

Complaint:

Plaintiff and Class Members were all victims of forced labor trafficking in violation of 18 U.S.C. § 1584.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 139.

PARAGRAPH 140

Complaint:

Under 18 U.S.C. § 1584, it is unlawful to knowingly and willfully hold another person to involuntary servitude or to sell any person into any condition of involuntary servitude.

Defendants' Answer:

Defendants deny that Paragraph 140 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 141

Complaint:

Upon information and belief, the Defendants knowingly held Plaintiff and the Class Members to involuntary servitude through the following acts:

- a. Defendants knowingly held Plaintiff and the Class Members to involuntary servitude and forced labor through a coordinated system of control, coercion, and concealment. This system extended beyond isolated acts and abuse and constituted an institutional structure deliberately designed to extract unpaid labor and suppress dissent.
- b. Defendants exercised total control over students' daily lives, including when and where they ate, slept, worked, communicated with family, and received medical or psychological care. This level of control eliminated any meaningful autonomy, creating a captive labor force under the guise of "character education".
- c. Defendants implemented and enforced internal policies that eliminated meaningful educational oversight. While Hyde marketed itself as an academic institution, its curriculum was secondary to its labor and disciplinary systems. Many students, including Plaintiff, spent more time in punishment and forced labor than in class.
- d. Defendants deliberately misrepresented Hyde's practices to families, regulators, and the public, branding their coercive methods as therapeutic and character- building. Internally, they enforced rigid surveillance systems such as "Brother's Keeper," not only to monitor student behavior, but to prevent exposure of Hyde's true practices. Staff and students were conditioned to remain silent, and complaints were met with punishment rather than investigation.
- e. To ensure ongoing control and suppress dissent, Defendants relied on isolation, deprivation, and psychological coercion. Students who questioned authority, reported abuse, or resisted labor were punished with food and sleep restrictions, isolated from their peers, public shaming, and intensified physical exertion. These mechanisms were not incidental – they were institutional procedures integral to Hyde's model.

f. Defendants' structure functioned to maintain institutional silence, preventing students and families from recognizing, reporting, or challenging the abuse. Students like Ms. Fuller were not simply working under duress – they were indoctrinated to believe that their abuse was necessary for growth, and that resistance signaled personal failure.

g. Through this coercive system, Defendants maintained a profitable enterprise that used children for unpaid labor under total institutional control. Each Defendant had knowledge of and actively participated in this structure and thus knowingly benefitted from the forced labor scheme in violation of the Trafficking Victims Protection Reauthorization Act.

h. Creating and maintaining a program wherein Plaintiff and the Class Members were forced to work against their will both on and off Hyde's property;

i. Requiring Plaintiff and the Class Members to work in extreme weather conditions, using industrial chemicals and tools, and without protective gear, precautions, or supervision;

j. Requiring Plaintiff and Class Members to work against their will in order to advance grade levels or graduate;

k. Maintaining complete control over Plaintiff and the Class Members throughout the forced labor period, dictating when, where, and for how long they would work, and under what conditions;

l. Restricting and controlling Plaintiff and the Class Members' communications with people outside of Hyde, including family and loved ones, and thereby preventing Plaintiff and Class Members from reporting the forced labor as it was happening;

Defendants' Answer:

Defendants deny the allegations in Paragraph 141 including subparagraphs (a) – (l).

PARAGRAPH 142

Complaint:

Upon information and belief, the Defendants operated with one common and shared financial interest, which was to share the profits from Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 142.

PARAGRAPH 143

Complaint:

Upon information and belief, the Defendants increased profits by keeping Plaintiff and Class Members enrolled at Hyde for as long as possible.

Defendants' Answer:

Defendants deny the allegations in Paragraph 143.

PARAGRAPH 144

Complaint:

Upon information and belief, the Defendants were engaged in an enterprise because they were all collectively motivated with increasing and maintaining enrollment, such that they all shared in the risk of their abuse of Plaintiff and Class Members being reported as such and negatively affecting enrollment, and thus profit.

Defendants' Answer:

Defendants deny the allegations in Paragraph 144.

PARAGRAPH 145

Complaint:

Upon information and belief, the Defendants increased profits by minimizing expenses at Hyde by utilizing the forced labor of Plaintiff and the Class Members

Defendants' Answer:

Defendants deny the allegations in Paragraph 145.

PARAGRAPH 146

Complaint:

Upon information and belief, the forced labor of Plaintiff and the Class Members generated financial benefit for all Defendants.

Defendants' Answer:

Defendants deny the allegations in Paragraph 146.

PARAGRAPH 147

Complaint:

Upon information and belief, all Defendants are liable as beneficiaries within the meaning of 18 U.S.C. § 1595(a) because, in ways further described herein, each Defendant knowingly benefitted by receiving revenue and other benefits from participation in the continuing business venture of Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 147.

PARAGRAPH 148

Complaint:

Upon information and belief, all Defendants personally witnessed and enforced the forced labor scheme at Hyde against Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations in Paragraph 148.

PARAGRAPH 149

Complaint:

Each Defendant is jointly and severally liable to Plaintiff and the Class Members because, upon information and belief, they have all benefitted and conspired to benefit from a continuing business venture in which Plaintiff and Class Members were trafficked, harbored, and sold in violation of U.S.C. § 1584.

Defendants' Answer:

Defendants deny the allegations in Paragraph 149.

PARAGRAPH 150

Complaint:

Upon information and belief, each Defendant received, and continues to receive, a financial benefit from participating in the operations of Hyde, through which the Defendants exploited and manipulated vulnerable kids from desperate families around the country, including Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations in Paragraph 150.

PARAGRAPH 151

Complaint:

As a result of Defendants’ conduct, Plaintiff and the Class Members suffered economic damages for which they should be compensated.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 151.

PARAGRAPH 152

Complaint:

As a result of Defendants’ conduct, Plaintiff and the Class Members suffered emotional and physical pain and suffering for which they should be compensated.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 152.”

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COUNT TWO: Liability Under § 1595(a) of the TVPRA for Violations of 18 U.S.C. § 1589 (On Behalf of Plaintiff and Both Classes) (Against All Defendants)

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PARAGRAPH 153

Complaint:

Plaintiff incorporates by reference the allegations contained in the previous paragraphs.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-152 as if fully restated herein.

PARAGRAPH 154

Complaint:

The Trafficking Victims Protection Reauthorization Act, 18 U.S.C. § 1595(a) provides a civil cause of action to trafficking victims like Plaintiff and Class Members against “whoever knowingly benefits, or attempts or conspires to benefit, financially or by receiving anything of value from participation in a venture which that person knew or should have known has engaged in...” violation of any section of 18 U.S.C. §§ 1581, et seq.

Defendants’ Answer:

Defendants deny that Paragraph 154 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 155

Complaint:

Plaintiff and Class Members were all victims of forced labor trafficking in violation of 18 U.S.C. § 1589.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 155.

PARAGRAPH 156

Complaint:

Under 18 U.S.C. § 1589(a), it is unlawful to knowingly provide or obtain labor or services by means of: (1) force, threats of force, physical restraint, or threats of physical restraint; (2) serious harm or threats of serious harm; (3) abuse or threatened abuse of law or legal process; or (4) any scheme, plan, or pattern intended to cause a person to believe that they would suffer serious harm or physical restraint if they did not perform such labor or services.

Defendants’ Answer:

Defendants deny that Paragraph 156 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 157

Complaint:

Under 18 U.S.C. § 1589(b), it is also unlawful to “knowingly benefit, financially or by receiving anything of value, from

participation in a venture which has engaged in the providing or obtaining of labor or services” by the means described in subsection (a).

Defendants’ Answer:

Defendants deny that Paragraph 157 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 158

Complaint:

Under 18 U.S.C. § 1589(c)(2) the term “serious harm” means “any harm, whether physical or nonphysical, including psychological, financial, reputational harm...”

Defendants’ Answer:

Defendants deny that Paragraph 158 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 159

Complaint:

Defendants violated 18 U.S.C. § 1589 through obtaining the Plaintiff and Class Members’ forced and involuntary labor through extreme emotional abuse and serious harm.

Defendants’ Answer:

Defendants deny the allegations of Paragraph 159.

PARAGRAPH 160

Complaint:

Upon information and belief, the Defendants operated Hyde as a tightly controlled environment designed to eliminate student autonomy and foster submission. They instituted a complex system of discipline and coercion that left little avenue for dissent. Staff enforced labor through cycles of punishment, psychological manipulation, and deprivation. The absence of educational focus or external accountability created an environment where forced labor was the norm, not the exception.

Defendants’ Answer:

Defendants deny the allegations of Paragraph 160

PARAGRAPH 161

Complaint:

Upon information and belief, the Defendants' internal disciplinary structures, such as "2-4" and "Work Crew," functioned as punitive tools to compel compliance and labor under the constant threat of punishment. Defendants obscured these practices under a deceptive narrative of personal development and therapeutic intervention, thereby concealing the true nature of their conduct from students and parents.

Defendants' Answer:

Defendants deny the allegations of Paragraph 161.

PARAGRAPH 162

Complaint:

Upon information and belief, the use of institutional isolation, routine verbal degradation, and collective punishment reinforced psychological dependency and fear. Students were cut off from meaningful contact with outsiders, told that their suffering was their own fault, and led to belief that forced labor was essential for redemption or progress.

Defendants' Answer:

Defendants deny the allegations of Paragraph 162.

PARAGRAPH 163

Complaint:

Upon information and belief, the Defendants obtained the forced labor of Plaintiff and Class Members in the following ways:

- a. Creating and enforcing a system wherein Plaintiff and Class Members were punished with forced labor;
- b. Creating and enforcing a system wherein Plaintiff and Class Members had food and water withheld as punishment and for not complying with the forced labor requirements;
- c. Creating and enforcing a system wherein Plaintiff and Class Members were threatened and forced to engage in strenuous exercise to point of collapse as punishment and for not complying with forced labor requirements;
- d. Emotionally abusing and threatening Plaintiff and Class Members into believing they had to comply with the punitive forced labor requirements in order to succeed at Hyde and to adopt the "Hyde way";
- e. Emotionally abusing and humiliating Plaintiff and Class Members to break them down into a state of full compliance;
- f. Punishing Plaintiff and Class Members with threats of violence, isolation, restraint, and loss of privileges and status if they did not comply with the forced labor requirements;
- g. Ignoring the complaints of injury, exhaustion, or exposure to extreme weather from Plaintiff and Class Members to continue forcing them to work;
- h. Controlling Plaintiff and Class Members' access to housing, food, and water, and through that control implementing a punishment system of withholding or restricting all said items to force Plaintiff and Class Members into compliance and forced labor;
- i. Systematically undermining Plaintiff and Class Members' sense of autonomy through psychological manipulation;
- j. Using the structure and status of a reputable boarding school with an innovative educational philosophy to shield forced labor practices from scrutiny and to manipulate families and Plaintiff and Class Members into believing the forced labor was for their benefit.

Defendants' Answer:

Defendants deny the allegations of Paragraph 163 including subparagraphs (a) – (j).

PARAGRAPH 164

Complaint:

Upon information and belief, the Defendants operated with one common and shared financial interest, which was to share the profits from Hyde.

Defendants' Answer:

Defendants deny the allegations of Paragraph 164.

PARAGRAPH 165

Complaint:

Upon information and belief, the Defendants increased profits by keeping Plaintiff and Class Members enrolled at Hyde for as long as possible.

Defendants' Answer:

Defendants deny the allegations of Paragraph 165.

PARAGRAPH 166

Complaint:

Upon information and belief, the Defendants were engaged in an enterprise because they were all collectively motivated with increasing and maintaining enrollment, such that they all shared in the risk of their abuse of Plaintiff and Class Members being reported as such and negatively affecting enrollment, and thus profit.

Defendants' Answer:

Defendants deny the allegations of Paragraph 166.

PARAGRAPH 167

Complaint:

Upon information and belief, the Defendants increased profits by minimizing expenses at Hyde through utilizing the forced labor of Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations of Paragraph 167.

PARAGRAPH 168

Complaint:

Upon information and belief, the forced labor of Plaintiff and the Class Members generated financial benefit for all Defendants.

Defendants' Answer:

Defendants deny the allegations of Paragraph 168.

PARAGRAPH 169

Complaint:

Upon information and belief, the Defendants operated as a coordinated family enterprise with shared financial interests in maximizing profits through forced labor. Evidence includes:

- a. Malcolm Gauld's compensation exceeding \$1.5 million in 2020 alone.
- b. Laura Gauld's compensation exceeding \$310,000 in 2021.
- c. Multiple family members in executive positions.
- d. Shared decision-making on policies facilitating forced labor.
- e. Coordinated marketing that concealed abusive practices.

Defendants' Answer:

Defendants deny the allegations of Paragraph 169 including subparagraphs (a) – (e).

PARAGRAPH 170

Complaint:

All Defendants are liable as beneficiaries within the meaning of 18 U.S.C. § 1595(a) because, upon information and belief, each Defendant knowingly benefitted by receiving revenue and other benefits from participation in the continuing business venture of Hyde.

Defendants' Answer:

Defendants deny the allegations of Paragraph 170.

PARAGRAPH 171

Complaint:

Upon information and belief, all Defendants personally witnessed and enforced the forced labor scheme at Hyde against Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations of Paragraph 171.

PARAGRAPH 172

Complaint:

Each Defendant is jointly and severally liable to Plaintiff and the Class Members because, upon information and belief, they have all benefited and conspired to benefit from a continuing business venture in which Plaintiff and Class Members were trafficked, harbored, and sold in violation of U.S.C. § 1589.

Defendants' Answer:

Defendants deny the allegations of Paragraph 172.

PARAGRAPH 173

Complaint:

Upon information and belief, each Defendant received, and continues to receive, a financial benefit from participating in the operations of Hyde, through which the Defendants exploited and manipulated vulnerable kids from desperate families around the country, including Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations of Paragraph 173.

PARAGRAPH 174

Complaint:

As a result of Defendants' conduct, Plaintiff and the Class Members suffered economic damages for which they should be compensated.

Defendants' Answer:

Defendants deny the allegations of Paragraph 174.

PARAGRAPH 175

Complaint:

As a result of Defendants’ conduct, Plaintiff and the Class Members suffered emotional and physical pain and suffering for which they should be compensated.

Defendants’ Answer:

Defendants deny the allegations of Paragraph 175.”

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COUNT THREE: Liability Under § 1595(a) of the TVPRA for Violations of 18 U.S.C. § 1590 (On Behalf of Plaintiff and Both Classes) (Against All Defendants)

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PARAGRAPH 176

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-175 as if fully restated herein.

PARAGRAPH 177

Complaint:

The Trafficking Victims Protection Reauthorization Act, 18 U.S.C. § 1595(a) provides a civil cause of action to trafficking victims like Plaintiff and Class Members against “whoever knowingly benefits, or attempts or conspires to benefit, financially or by receiving anything of value from participation in a venture which that person knew or should have known has engaged in...” violation of any section of 18 U.S.C. §§ 1581, et seq.

Defendants’ Answer:

Defendants deny that Paragraph 177 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 178

Complaint:

Upon information and belief, the Defendants all benefited from a venture in which Plaintiff and Class Members were transported and housed for forced labor in violation of 18 U.S.C. § 1590.

Defendants' Answer:

Defendants deny the allegations of Paragraph 178.

PARAGRAPH 179

Complaint:

Upon information and belief, the Defendants operated a closed and self-reinforcing environment where external oversight was minimized, and internal control was maximized. Through deceptive marketing and false assurances to families, Defendants lured vulnerable minors to Hyde under false pretenses. Once enrolled, students were quickly subjected to institutional control mechanisms that restricted communication, movement, autonomy, and access to basic rights.

Defendants' Answer:

Defendants deny the allegations of Paragraph 179.

PARAGRAPH 180

Complaint:

Upon information and belief, attendance at Hyde was based, at least in part, on emotional appeals to families in crisis, offering a solution that emphasized “character development” while hiding the labor conditions to which students would be subjected. Once under Defendants’ control, students were required to work long hours without pay, under conditions that directly benefited Defendants financially.

Defendants' Answer:

Defendants deny the allegations of Paragraph 180.

PARAGRAPH 181

Complaint:

Upon information and belief, through this system, Defendants obtained labor by means of deception, coercion, and

psychological control. Defendants did not merely tolerate the abuses occurring under their watch - they orchestrated them and profited from them.

Defendants' Answer:

Defendants deny the allegations of Paragraph 181.

PARAGRAPH 182

Complaint:

Under 18 U.S.C. § 1590(a), it is unlawful to “knowingly...harbor, transport, provide, or obtain by any means, any person for labor or services in violation of this chapter.”

Defendants' Answer:

Defendants deny that Paragraph 182 contains a complete and accurate characterization of the cited statute.

PARAGRAPH 183

Complaint:

Upon information and belief, the Defendants violated 18 U.S.C. § 1590 in several ways, including but not limited to the following:

- a. Creating and disseminating misleading marketing materials to Plaintiff, Class Members, and their families that described Defendants' services and programs as a legitimate educational program with leading and innovative expertise educating teenagers;
- b. Specifically targeting, through marketing and messaging, vulnerable and struggling teens and their desperate families;
- c. Transporting students to forced labor job sites;
- d. Maintaining exclusive control over Plaintiff and Class Members' housing, transportation, food, and water while Defendants were benefiting from the forced labor of the named Plaintiffs and putative class members
- e. Harboring Plaintiff and Class Members the entire time that Defendants were benefitting from Plaintiff and Class Members' forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 183 including subparagraphs (a) – (e).

PARAGRAPH 184

Complaint:

Upon information and belief, the Defendants operated with one common and shared financial interest, which was to share the profits from Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 184.

PARAGRAPH 185

Complaint:

Upon information and belief, the Defendants increased profits by keeping Plaintiff and Class Members enrolled at Hyde for as long as possible.

Defendants' Answer:

Defendants deny the allegations in Paragraph 185.

PARAGRAPH 186

Complaint:

Upon information and belief, the Defendants were engaged in an enterprise because they were all collectively motivated with increasing and maintaining enrollment, such that they all shared in the risk of their abuse of Plaintiff and Class Members being reported as such and negatively affecting enrollment, and thus profit.

Defendants' Answer:

Defendants deny the allegations in Paragraph 186.

PARAGRAPH 187

Complaint:

Upon information and belief, the Defendants increased profits by minimizing expenses at Hyde through utilizing the forced labor of Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations in Paragraph 187.

PARAGRAPH 188

Complaint:

Upon information and belief, the forced labor of Plaintiff and the Class Members generated financial benefit for all Defendants.

Defendants' Answer:

Defendants deny the allegations in Paragraph 188.

PARAGRAPH 189

Complaint:

All Defendants are liable as beneficiaries within the meaning of 18 U.S.C. § 1595(a) because, upon information and belief, each Defendant knowingly benefitted by receiving revenue and other benefits from participation in the continuing business venture of Hyde.

Defendants' Answer:

Defendants deny the allegations in Paragraph 189.

PARAGRAPH 190

Complaint:

Upon information and belief, all Defendants personally witnessed and enforced the forced labor scheme at Hyde against Plaintiff and the Class Members.

Defendants' Answer:

Defendants deny the allegations in Paragraph 190.

PARAGRAPH 191

Complaint:

Each Defendant is jointly and severally liable to Plaintiff and the Class Members because, upon information and belief, they have all benefited and conspired to benefit from a continuing business venture in which Plaintiff and Class Members were trafficked, harbored, and sold in violation of U.S.C. § 1590.

Defendants' Answer:

Defendants deny the allegations in Paragraph 191.

PARAGRAPH 192

Complaint:

Upon information and belief, each Defendant received, and continues to receive, a financial benefit from participating in the operations of Hyde, through which the Defendants exploited and manipulated vulnerable kids from desperate families around the country, including Plaintiff and the Class Members.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 192.

PARAGRAPH 193

Complaint:

As a result of Defendants’ conduct, Plaintiff and the Class Members suffered economic damages for which they should be compensated.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 193.

PARAGRAPH 194

Complaint:

As a result of Defendants’ conduct, Plaintiff and the Class Members suffered emotional and physical pain and suffering for which they should be compensated.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 194.”

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**COUNT FOUR: Liability Under 18 U.S.C. § 2255
(Against All Defendants)**

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PARAGRAPH 195

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants' Answer:

Defendants incorporate their responses to Paragraphs 1-194 as if fully restated herein.

PARAGRAPH 196

Complaint:

Plaintiff and members of the Forced Labor Subclasses were minors in the custody, care and control of Defendants at Hyde School.

Defendants' Answer:

Defendants deny the allegations in Paragraph 196.

PARAGRAPH 197

Complaint:

Upon information and belief, while in the Defendants' custody, Plaintiff and members of the Forced Labor Classes were subjected to forced labor by the Defendants and their agents by:

- a. Creating and disseminating misleading marketing materials to Plaintiff, Class Members, and their families that described Defendants' services and programs as a legitimate educational program with leading and innovative expertise educating teenagers;
- b. Specifically targeting, through marketing and messaging, vulnerable and struggling teens and their families;
- c. Transporting Plaintiff and Class Members to forced labor job sites;
- d. Maintaining exclusive control over Plaintiff and Class Members' housing, transportation, food, and water while Defendants were benefitting from the forced labor of the named Plaintiffs and putative class members
- e. Harboring Plaintiff and Class Members the entire time that Defendants were benefitting from Plaintiff and Class Members' forced labor.
- f. Creating and enforcing a system wherein Plaintiff and Class Members were punished with forced labor;
- g. Creating and enforcing a system wherein Plaintiff and Class Members had food and water withheld as punishment and for not complying with the forced labor requirements;
- h. Creating and enforcing a system wherein Plaintiff and Class Members were threatened and forced to engage in strenuous exercise to point of collapse as punishment and for not complying with forced labor requirements;
- i. Emotionally abusing and threatening Plaintiff and Class Members into believing they had to comply with the punitive forced labor requirements in order to succeed at Hyde and to adopt the "Hyde way";
- j. Emotionally abusing and humiliating Plaintiff and Class Members to break them down into a state of full compliance;
- k. Punishing Plaintiff and Class Members with threats of violence, isolation, restraint, and loss of privileges and status if they did not comply with the forced labor requirements;

- l. Ignoring the complaints of injury, exhaustion, or exposure to extreme weather from Plaintiff and Class Members to continue forcing them to work;
- m. Controlling Plaintiff and Class Members' access to housing, food, and water, and through that control implementing a punishment system of withholding or restricting all said items to force Plaintiff and Class Members into compliance and forced labor;
- n. Systematically undermining Plaintiff and Class Members' sense of autonomy through psychological manipulation;
- o. Using the structure and status of a reputable boarding school with an innovative educational philosophy to shield forced labor practices from scrutiny and to manipulate families and Plaintiff and Class Members into believing the forced labor was for their benefit;
- p. Forcing Plaintiff and the Class Members to landscape the Hyde campus; maintain off-site properties from which Hyde profited; clear brush and cut down trees from the Hyde campus; clean the entire Hyde campus with industrial cleaners and no protective equipment; and perform maintenance, landscaping, and cleaning at the Individual Defendants off-campus homes.

Defendants' Answer:

Defendants deny the allegations in Paragraph 197 including subparagraphs (a) – (p).

PARAGRAPH 198

Complaint:

Defendants knew or should have known of the propensity of their staff to engage in this misconduct but failed to take reasonable steps to prevent such abuse.

Defendants' Answer:

Defendants deny the allegations in Paragraph 198.

PARAGRAPH 199

Complaint:

As a direct and proximate result of Defendants' conduct, Plaintiff and members of the Forced Labor Classes suffered severe physical and emotional harm.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 199.

PARAGRAPH 200

Complaint:

Under 18. U.S.C. § 2255, Plaintiff and members of the Forced Labor Classes are entitled to:

- a. Actual damages or liquidated damages of \$150,000, whichever is greater;
- b. Punitive damages;
- c. Attorney's fees and costs;
- d. Such other relief as the Court deems just.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 200 including subparagraphs (a) – (d).”

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COUNT FIVE: Attempt Liability Under 18 U.S.C. § 1594(a) (Against All Defendants)

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PARAGRAPH 201

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-200 as if fully restated herein.

PARAGRAPH 202

Complaint:

Upon information and belief, the Defendants intended to violate 18 U.S.C. §§ 1584, 1589, and 1590 by establishing a system designed to extract forced labor from students.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 202.

PARAGRAPH 203

Complaint:

Upon information and belief, the Defendants took substantial steps towards these violations by:

- a. Creating disciplinary systems specifically designed to coerce labor;
- b. Deliberately understaffing Hyde to necessitate student labor;
- c. Establishing punishment protocols that forced compliance;
- d. Marketing Hyde to attract vulnerable students for exploitation.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 203 including subparagraphs (a) – (d).”

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COUNT SIX: Conspiracy Liability Under 18 U.S.C. § 1594(b) (Against All Defendants)

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PARAGRAPH 204

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-203 as if fully restated herein.

PARAGRAPH 205

Complaint:

Upon information and belief, the Defendants conspired to violate 18 U.S.C. § 1584, 1589, and 1590 through their coordinated family enterprise.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 205.

PARAGRAPH 206

Complaint:

Evidence of conspiracy includes:

- a. Agreement among family members to operate Hyde for maximum profit;
- b. Shared financial benefits from forced labor scheme;
- c. Coordinated policies designed to extract student labor;
- d. Joint efforts to conceal abusive practices from authorities;
- e. Multi-generational participation in the scheme.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 206 including subparagraphs (a) – (e).

PARAGRAPH 207

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants’ Answer:

Defendants incorporate their responses to Paragraphs 1-206 as if fully restated herein.”

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COUNT SEVEN: Individual Liability Under 18 U.S.C. § 1595(a) (Against Laura Gauld and Malcolm Gauld)

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PARAGRAPH 208

Complaint:

Upon information and belief, each individual Defendant personally participated in, directed and benefitted from the forced labor scheme at Hyde School.

Defendants' Answer:

Defendants deny the allegations in Paragraph 208.

PARAGRAPH 209

Complaint:

Upon information and belief, the Defendant Laura Gauld's Individual Liability includes as follows:

- a. As President and Head of School, personally implemented and enforced policies requiring student forced labor;
- b. Directly supervised staff who carried out forced labor assignments;
- c. Received over \$310,000 in 2021 from Hyde's operations funded by forced labor;
- d. Personally observed and approved the "2-4" forced labor system;
- e. Made executive decisions to understaff Hyde to necessitate student labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 209 including subparagraphs (a) – (e).

PARAGRAPH 210

Complaint:

Upon information and belief, the Defendant Malcolm Gauld's Individual Liability includes as follows:

- a. As Executive Director and former President, designed and implemented forced labor policies;
- b. Publicly promoted the forced labor system as “therapeutic”;
- c. Received over \$1.5 million in 2020 from Hyde’s forced labor operations;
- d. Personally directed students to perform unpaid labor;
- e. Created the “Brother’s Keeper” surveillance system to facilitate forced labor.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 210.

PARAGRAPH 211

Complaint:

Upon information and belief, each individual Defendant acted with actual knowledge of the forced labor violations and personally benefited from the scheme.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 211.

PARAGRAPH 212

Complaint:

Each individual Defendant’s actions were in violation of 18 U.S.C. §§ 1584, 1589, and 1590 as alleged herein.

Defendants’ Answer:

Defendants deny the allegations in Paragraph 212.”

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COUNT EIGHT: Individual Liability Under 18 U.S.C. § 2255 (Against Laura Gauld and Malcolm Gauld)

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PARAGRAPH 213

Complaint:

Each individual Defendant is personally liable under 18 U.S.C. § 1595(a) for their direct participation in trafficking violations.

Defendants' Answer:

Defendants deny the allegations in Paragraph 213.

PARAGRAPH 214

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants' Answer:

Defendants incorporate their responses to Paragraphs 1-213 as if fully restated herein.

PARAGRAPH 215

Complaint:

Upon information and belief, each individual Defendant personally participated in, enabled, or failed to prevent the forced labor of students at Hyde School.

Defendants' Answer:

Defendants deny the allegations in Paragraph 215.

PARAGRAPH 216

Complaint:

Upon information and belief, the Defendant Laura Gauld's Individual Liability includes as follows:

- a. As President and Head of School, had actual knowledge of students being subjected to forced labor by staff;
- b. Failed to take corrective action when forced labor was reported;
- c. Personally implemented policies that isolated students and prevented reporting;
- d. Created an environment that facilitated forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 216 including subparagraphs (a) – (d).

PARAGRAPH 217

Complaint:

Upon information and belief, the Defendant Malcolm Gauld's Individual Liability includes as follows:

- a. As Executive Director, had ultimate authority over student safety policies;
- b. Personally knew of a culture of forced labor at Hyde but failed to address it;
- c. Created isolation and punishment systems that facilitated forced labor;
- d. Failed to implement adequate safeguards to protect students from being subjected to forced labor by staff;
- e. Personally witnessed students being subjected to forced labor but failed to intervene.

Defendants' Answer:

Defendants deny the allegations in Paragraph 217 including subparagraphs (a) – (e).

PARAGRAPH 218

Complaint:

Upon information and belief, each individual Defendant's conduct constituted deliberate indifference to the substantial risk of forced labor.

Defendants' Answer:

Defendants deny the allegations in Paragraph 218.

PARAGRAPH 219

Complaint:

Each individual Defendant is personally liable under 18 U.S.C. § 2255 for enabling and failing to prevent forced labor of minors in their custody.

Defendants' Answer:

Defendants deny the allegations in Paragraph 219."

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**COUNT NINE: Individual Conspiracy Liability
Under 18 U.S.C. § 1594(b) (Against Laura Gauld
and Malcolm Gauld)**

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PARAGRAPH 220

Complaint:

Plaintiff incorporates by reference all preceding allegations.

Defendants' Answer:

Defendants incorporate their responses to Paragraphs 1-219 as if fully restated herein.

PARAGRAPH 221

Complaint:

Upon information and belief, each individual Defendant knowingly entered into and participated in a conspiracy to commit forced labor and trafficking violations.

Defendants' Answer:

Defendants deny the allegations in Paragraph 221.

PARAGRAPH 222

Complaint:

Upon information and belief, evidence of Individual Conspiracy Participation includes:

- a. Shared financial benefits creating common interest in the scheme;
- b. Joint decision-making on disciplinary policies that facilitated forced labor;
- c. Collective efforts to conceal violations from families.

Defendants' Answer:

Defendants deny the allegations in Paragraph 222 including subparagraphs (a) – (c).

PARAGRAPH 223

Complaint:

Upon information and belief, Overt Acts in Furtherance of Conspiracy include as follows:

- a. Each Defendant implemented policies designed to extract forced labor;
- b. Each Defendant helped conceal violations from parents and authorities;
- c. Each Defendant shared in financial benefits of the forced labor scheme;
- d. Each Defendant participating in marketing that concealed the true nature of Hyde;
- e. Each Defendant took steps to silence victims and prevent reporting.

Defendants' Answer:

Defendants deny the allegations in Paragraph 223 including subparagraphs (a) – (e).

PARAGRAPH 224

Complaint:

Upon information and belief, each individual Defendant had knowledge of the essential elements of the conspiracy and voluntarily participated with intent to further its goals.

Defendants' Answer:

Defendants deny the allegations in Paragraph 224.

PARAGRAPH 225

Complaint:

Each individual Defendant is personally liable under 18 U.S.C. § 1594(b) for conspiracy to commit trafficking violations.

Defendants' Answer:

Defendants deny the allegations in Paragraph 225.
WHEREFORE Defendants the Hyde School, Laura Gauld, and Malcolm Gauld request this Court to enter a judgment: