

NORTH CAROLINA  
FORSYTH COUNTY

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION

20-CVS-951

FILED  
7/20/20 P 12:05

JOSEPH CRYAN, SAMUEL CRYAN,  
KERRY HELTON, THOMAS HOLE,  
RICKEY HUFFMAN, JOSEPH PEREZ,  
JOSHUA SIZEMORE, DUSTIN SPRINKLE)  
and MICHAEL TAYLOR,

\_\_\_\_\_  
C.S.C.  
*Jc*

Plaintiffs,

**SECOND AMENDED COMPLAINT**

v.

NATIONAL COUNCIL OF YOUNG  
MEN'S CHRISTIAN ASSOCIATIONS OF  
THE UNITED STATES OF AMERICA;  
YOUNG MEN'S CHRISTIAN  
ASSOCIATION OF NORTHWEST NORTH  
CAROLINA d/b/a KERNERSVILLE  
FAMILY YMCA and MICHAEL TODD  
PEGRAM,

Defendants.

Pursuant to Rule 15 (a) of the North Carolina Rules of Civil Procedure and before any responsive pleading has been filed, Plaintiffs amend their Complaint as of right by adding Dustin Sprinkle as a party and by adding claims for constructive fraud and false imprisonment.

NOW COME the Plaintiffs, complaining of Defendants and demanding a trial by jury, and allege and say as follows:

1. Plaintiff Joseph Cryan (hereinafter "Joseph C." or "Joe") is a citizen and resident of Vancouver, Clark County, Washington.
2. Plaintiff Samuel Cryan (hereinafter "Samuel" or "Sam") is a citizen and resident of San Diego, San Diego County, California.
3. Plaintiff Kerry Helton (hereinafter "Kerry") is a citizen and resident of San Diego, San Diego County, California.

4. Plaintiff Thomas Hole (hereinafter “Thomas” or “Tom”) is a citizen and resident of Hanahan, Berkeley County, South Carolina.

5. Plaintiff Rickey Huffman (hereinafter “Rickey”) is a citizen and resident of Kernersville, Forsyth County, North Carolina.

6. Plaintiff Joseph Perez (hereinafter “Joseph P.” or “Joey”) is a citizen and resident of Concord, Cabarrus County, North Carolina.

7. Plaintiff Joshua Sizemore (hereinafter “Joshua” or “Josh”) is a citizen and resident of Kernersville, Forsyth County, North Carolina.

8. Plaintiff Dustin Sprinkle (herein “Dustin”) is a citizen and resident of Concord, Cabarrus County, North Carolina.

9. Plaintiff Michael Taylor is a citizen and resident of Walkertown, Forsyth County, North Carolina.

10. Upon information and belief, Defendant Michael Todd Pegram (hereinafter referred to as “Defendant Pegram” or collectively with Defendant National Council of Young Men’s Christian Associations of the United States of America and Defendant Young Men’s Christian Association of Northwest North Carolina as “Defendants”) was at all times relevant hereto a citizen and resident of Forsyth County, North Carolina but is currently incarcerated at Alexander Correctional Institution in Taylorsville, Alexander County, North Carolina.

11. Upon information and belief, Defendant National Council of Young Men’s Christian Associations of the United States of America (hereinafter referred to as “YMCA of the USA” or collectively with Defendant Pegram and Defendant Young Men’s Christian Association of Northwest North Carolina as “Defendants”) is a duly organized corporation under the laws of Illinois with its principal place of business located at 101 N. Wacker Drive, Chicago, Illinois.

Defendant YMCA of the USA is authorized to engage in, and did routinely transact business in the State of North Carolina and under the laws of the State of North Carolina where it maintains as a registered agent, Registered Agent Solutions, Inc. 176 Mine Lake Court, Suite 100, Raleigh, North Carolina 27615.

12. Upon information and belief, Defendant Young Men's Christian Association of Northwest North Carolina (hereinafter referred to as "YMCA of NWNC" or collectively with Defendant Pegram and Defendant National Council of Young Men's Christian Associations of the United States of America as "Defendants") is a corporation organized and existing under the laws of the State of North Carolina, with its principle place of business located in Winston-Salem, Forsyth County, North Carolina.

13. Upon information and belief and at all times relevant hereto, YMCA of NWNC was doing business as Kernersville Family YMCA in Kernersville, Forsyth County, North Carolina.

14. Upon information and belief, YMCA of the USA owns and operates Defendant YMCA of NWNC.

15. Upon information and belief and at all times relevant to this Complaint, Defendant Pegram was employed by and/or an agent of and was acting in the course and scope of his employment and/or agency with Defendant YMCA of NWNC. Consequently, Defendant YMCA of NWNC is responsible for the acts of Defendant Pegram under the doctrine of *respondeat superior*.

16. Upon information and belief, Defendant Pegram was acting at all relevant times as counselor with Defendant YMCA of NWNC and was acting as an agent of Defendant YMCA of NWNC and was acting within the course and scope of his agency. Consequently,

Defendant YMCA of NWNC is responsible for the acts of Defendant Pegram under the doctrine of agency and/or *respondeat superior*.

17. Further, at all times relevant hereto, Defendant Pegram acted as the apparent or ostensible agent of Defendant YMCA of NWNC, such that his actions, as well as those of other employees and/or agents of Defendant YMCA of NWNC, are imputed as a matter of law to Defendant YMCA of NWNC.

18. All the acts of negligence complained of herein on the part of Defendant YMCA of NWNC were committed by members, agents, servants and/or employees of Defendant YMCA of NWNC. These members, agents, servants and/or employees included Defendant Pegram.

19. Defendant YMCA of NWNC is vicariously liable for any negligent acts and/or omissions committed by the members, agents, servants and/or employees, including but not limited to Defendant Pegram, under the doctrine of agency and/or *respondeat superior*.

20. Defendant YMCA of NWNC had a non-delegable duty to hire employees that would provide proper supervision, instruction and protection to the young boys who utilized the facility and participated in its programs and who would not take advantage of those young boys, including Plaintiffs.

### **FACTUAL BACKGROUND**

21. The allegations set forth in Paragraphs 1 through 20 are hereby realleged and incorporated by reference as if fully set forth herein.

22. Michael Todd Pegram was a counselor at the Kernersville Family YMCA for many years.

23. During the course of his employment and/or agency with Defendant YMCA of NWNC, Defendant Pegram used his position to befriend young boys and then engage in inappropriate relationships with those young boys.

24. Defendant Pegram handpicked a group of young boys that were his favorite. He named his group "Todd's Thunderbirds." It was an honor to be in Defendant Pegram's counseling group and those in this group were revered as the "cool kids." Defendant Pegram used gifts, special privileges and attention to lure these young boys and win their trust.

25. Upon information and belief, Defendant Pegram was very charismatic with a larger than life personality. Defendant Pegram also befriended the parents of these young boys and used the YMCA of NWNC to facilitate his agenda. He manipulated these boys and their families, gained their trust and then took advantage of them.

26. Defendant Pegram also owned a DJ company, MTP DJ Productions, that he operated out of Kernersville, North Carolina. Defendant YMCA of NWNC paid Defendant Pegram to host events, let him use its facility to host these events and use its vehicles to transport his DJ equipment. Defendant Pegram paid young boys from the YMCA of NWNC to help him at his events. This was just another aspect of the luring, conditioning and grooming of these young boys to be abused.

27. Defendant Pegram did not have to work hard to earn the trust and confidence of the parents because he had the actual and/or apparent endorsement of the YMCA of NWNC and immediate credibility as evidenced by the unfettered authority over the children, use of its facilities, use of its vehicles and the YMCA of NWNC's ratification. He planned enumerable events and trips that that were orchestrated for the purpose of abusing the YMCA participants.

28. The director of Defendant YMCA of NWNC, Bruce Boyer, and other administrators and employees of the YMCA of NWNC knew, or should have known, about the inappropriate relationships Defendant Pegram pursued with these young boys. There were many occasions where this group of boys spent the night at the Kernersville Family YMCA, even

though it was against their policy. Following one of these improper sleepovers, Director Boyer found a photocopy of the buttocks of one of the Plaintiffs on the photocopier and gave it to Defendant Pegram, asking "Is this what happens at your sleep-overs?"

29. On several occasions during these sleepovers the boys accidentally tripped the security alarms, requiring the police to come check on the facility. Notification of such police response would have been given to the YMCA of NWNC.

30. Defendant YMCA of NWNC allowed Defendant Pegram to use its vans to take this group of targeted and vulnerable boys on trips to the beach, Florida, camping and various other places.

31. The second floor of the YMCA of NWNC was utilized for the teenagers. On that floor, there was a media room with a large screen TV, table games, an activity room and Defendant Pegram's office. Defendant Pegram often used the media room to show pornography and many of the sexual assaults happened in his office and in the activity room.

32. Defendant Pegram used both the hot tub at the YMCA of NWNC and the shower room to get these young boys undressed and then sexually assault them.

33. Parents of some of the young boys complained to administrators and employees of the YMCA of NWNC about Defendant Pegram's inappropriate behavior, but nothing was done.

34. Director Boyer and other employees and administrators of the YMCA of NWNC knew that Defendant Pegram was utilizing the Kernersville YMCA facility for so-called "private parties" after hours. These employees and administrators knew or should have known that Defendant Pegram was using these "private parties" to surround himself with an entourage of vulnerable young boys. Nonetheless, Defendant Pegram was allowed to transport these young

boys around town and on field trips sanctioned by the YMCA of NWNC and in vans owned by the YMCA of NWNC. Defendant Pegram even used the YMCA of NWNC van to pick up male strippers for one of his parties.

35. On June 26, 2019, Defendant Pegram plead guilty to five counts of first-degree sex offense, one count of attempted first-degree sex offense, one count of statutory sex offense with a child and twenty-one counts of taking indecent liberties with a child.

### **FACTUAL ALLEGATIONS FOR JOSEPH CRYAN**

36. Plaintiff Joseph Cryan was born on February 19, 1980, in Queens, New York. He and his family relocated to Kernersville, North Carolina when he was seven (7) years old. He attended Kernersville Elementary School and was enrolled in the after-school program provided by the YMCA of NWNC as well as summer care.

37. Around 1990, when Joe was ten (10) years old, he was invited to join Defendant Pegram's group.

38. Defendant Pegram began grooming Joe. Defendant Pegram started a roller hockey team and recruited Joe to play. Every aspect of Joe's social life involved the YMCA of NWNC, Defendant Pegram and that group of friends. Defendant Pegram included Joe on trips to the beach and to Disney. All these trips were taken with the sanction and approval of the administrators and employees of the YMCA of NWNC.

39. Eventually Defendant Pegram began to invite Joe to his home to spend the night, both individually and with groups of other young boys. Defendant Pegram often rough housed with the boys which involved inappropriate grabbing and touching. Defendant Pegram showered with the young boys at the YMCA of NWNC. He started showing Joe movies. At first they

watched Star Wars or Star Trek, but over time Defendant Pegram began to show Joe pornography.

40. Defendant Pegram sexually assaulted Joe on several occasions when Joe was twelve (12) and thirteen (13) years old.

41. As a result of these repeated sexual assaults, Joe has struggled with addiction, depression, post-traumatic stress disorder and self-destructive behavior.

42. Joe not only had to deal with his own nightmare, but years later his younger brother, Sam, confided in him that he, too, had been a victim of sexual assault at the hands of Defendant Pegram.

43. Joe is now in therapy to help deal with the damage caused by Defendant Pegram and the YMCA of NWNC.

#### **FACTUAL ALLEGATIONS FOR SAMUEL CRYAN**

44. Plaintiff Samuel Cryan was born on June 22, 1985, in Greensboro, North Carolina. He is the younger brother of Joseph Cryan. Samuel was only two (2) years old when his family moved to Kernersville.

45. Like his older brother, Sam was enrolled in the after school and summer childcare programs at the YMCA of NWNC. He too was groomed by Defendant Pegram. He was shown pornography, allowed special privileges and taken on trips.

46. Shortly before Sam's twelfth birthday, Defendant Pegram sexually assaulted Sam in the YMCA of NWNC hot tub late in the evening, around 9:00 p.m., after the YMCA of NWNC had closed. Afterwards, Defendant Pegram drove Sam home and threatened him with a gun. Defendant Pegram threaten that if Sam ever told anyone about what happened in the hot tub he would kill him, his brother and his parents.



47. That was the first of numerous sexual assaults that occurred over several years. Defendant Pegram assaulted Sam at the YMCA of NWNC facility, in YMCA of NWNC vans, in YMCA of NWNC storage sheds and at Defendant Pegram's home.

48. When Sam was fifteen (15) his parents sent him to New York for the summer, and after he returned he was assaulted by Pegram one more time, then the abuse finally stopped.

49. As a result of the sexual abuse he suffered, Sam has post-traumatic stress disorder, adult sexual dysfunction, erectile dysfunction, social anxiety disorder and he also struggles with addiction and depression. He has sought treatment on and off over the last few years.

#### **FACTUAL ALLEGATIONS FOR KERRY HELTON**

50. Plaintiff Kerry Helton was born on April 20, 1987, in Irving, Texas. He and his sister were raised by their single mother who worked hard to provide for their needs.

51. Kerry was first enrolled in the after-school care program while he attended Kernersville Elementary. For elementary school students, the after-school program is in the gymnasium at the school. Once Kerry went to middle school and enrolled in the after-school program, he was transported from school to the YMCA of NWNC. That is when Kerry first encountered Defendant Pegram.

52. Kerry immediately appreciated that there was an inner circle that was close to Defendant Pegram and he longed to be part of their group. Kerry joined the hockey team and began practicing with the team. Over time, Defendant Pegram exposed Kerry to inappropriate language, pornography and conversations that began desensitizing him. Defendant Pegram showered the inner circle with gifts, took them on fieldtrips sanctioned by the YMCA of NWNC and had them working for his DJ business.

53. Defendant Pegram targeted Kerry, knowing he was seeking a strong male presence in his life.

54. At age fourteen (14) Kerry was sexually assaulted by Defendant Pegram. Kerry was at Defendant Pegram's home following a late-night event at the YMCA of NWNC.

55. After that night, Kerry started distancing himself from the YMCA of NWNC and that group. No matter how far he was from the group; however, he was overwhelmed with feelings of anger, guilt, and self-loathing.

56. For years Kerry struggled with addiction. he is now in recovery. Kerry is seeing a therapist to help him attempt to work through the damage caused by Defendant Pegram and the YMCA of NWNC.

#### **FACTUAL ALLEGATIONS FOR THOMAS HOLE**

57. Plaintiff Tom Hole was born on February 19, 1982, in Forsyth County, North Carolina. His parents separated when he was nine years old. His mother worked full time, so she enrolled him in the after-school care and summer camp programs at the YMCA of NWNC. After school he was picked up from Atkins Middle school in the YMCA of NWNC van and taken to the YMCA of NWNC in Kernersville.

58. Once Tom started attending the YMCA of NWNC it did not take long for Defendant Pegram to target him, too. Like Defendant Pegram's other victims, Tom was shown pornography, given gifts and taken on special field trips. All while in the care of and with the approval and consent of the administrators and employees of YMCA of NWNC.

59. Defendant Pegram sexually assaulted Tom for the first time when Tom was only nine (9) years old and continued to sexually assault Tom until Tom was thirteen (13).

60. The final sexual assault occurred on a YMCA of NWNC camping trip. Defendant Pegram lured Tom to his tent and assaulted him. After it was over, Tom ran out of the tent and vowed to himself that it would never happen again.

61. As a result of Defendant Pegram's sexual assaults, Tom started getting in trouble at school, his grades suffered, he became aggressive and was fighting with other children. He was expelled from school half-way through his sixth-grade year and Tom then moved in with his father in Walnut Cove and severed his ties with the YMCA of NWNC and Defendant Pegram.

62. As a result of Defendant Pegram's sexual assaults, Tom has struggled with substance abuse, post-traumatic stress disorder, infidelity and trust issues. Tom has sought mental health treatment throughout his life and continues to do so today.

#### **FACTUAL ALLEGATIONS FOR RICKEY HUFFMAN**

63. Plaintiff Rickey Huffman was born on June 25, 1987, in Forsyth County, North Carolina.

64. Rickey was enrolled in the after school and summer programs at the YMCA of NWNC. Defendant Pegram recruited Rickey to help with his DJ business and gained his parents' trust.

65. Defendant Pegram would take Rickey back and forth to his home from the YMCA of NWNC in the YMCA of NWNC van. Defendant Pegram began showing Rickey pornography. Defendant Pegram sexually assaulted Rickey numerous times. Rickey tried time and again to resist but Defendant Pegram would tell Rickey's parents that Rickey was acting up and Defendant Pegram used those threats to control Rickey.

66. As a result of Defendant Pegram's repeated sexual assaults, Rickey has struggled with substance abuse, depression, suicidal thoughts, mistrust, addiction to pornography and problems with intimacy.

67. Rickey has sought treatment for the problems caused by Defendant Pegram's repeated sexual assaults on and off his whole life.

### **FACTUAL ALLEGATIONS FOR JOSEPH PEREZ**

68. Joseph Perez was born on July 28, 1981, in Albuquerque, New Mexico. He and his family relocated to Kernersville, North Carolina when he was in first or second grade. Joey attended Kernersville Elementary School in Kernersville, Forsyth County, North Carolina.

69. Joey became involved with the YMCA of NWNC when his parents enrolled him in the after-school care program and he also attended the summer programs provided by the YMCA of NWNC.

70. In 1992 or 1993, when Joey was around eleven (11) years old, Defendant Pegram began spending extra time with Joey. Defendant Pegram allowed Joey extra privileges and started giving him gifts and paid to take Joey on trips.

71. The first incident of sexual assault by Defendant Pegram against Joey occurred at an overnight event at the YMCA of NWNC. Defendant Pegram sexually assaulted Joey on at least two more occasions on the property of the Kernersville Family YMCA or on a trip sanctioned by the YMCA of NWNC. Over the course of a few years, Joey was manipulated and assaulted not only sexually but mentally and physically numerous times by Defendant Pegram.

72. Joey eventually stood up to Defendant Pegram and refused to allow Defendant Pegram to continue to sexually assault him. After Joey stood up to and rejected Defendant

Pegram, Joey was shunned from the group and the gifts and privileges he previously received from Defendant Pegram ceased.

73. As a result of the sexual assaults and abuse by Defendant Pegram, which were condoned by the administrators and employees of YMCA of NWNC, Joey suffered from drug and alcohol addiction and other mental health issues for which he is still receiving treatment.

74. In December 2017, Joey told his mother about the sexual abuse at the hands of Defendant Pegram. As a result of the trauma of learning what Defendant Pegram had done to her son, Joey's mother committed suicide in February 2018. Joey's mother's death is directly related to Defendant Pegram's actions, which actions were permitted, condoned and ratified by the employees and administrators of the YMCA of NWNC.

#### **FACTUAL ALLEGATIONS FOR JOSHUA SIZEMORE**

75. Plaintiff Joshua Sizemore was born on February 8, 1980, in Kettering, Ohio.

76. When Joshua was 10 years old, his parents enrolled him in the summer camp program at the YMCA of NWNC in Kernersville.

77. Like many of the other victims, Joshua participated in sleepovers and DJ events arranged by Defendant Pegram that took place with the apparent endorsement of the YMCA of NWNC. Eventually, Joshua was invited to join Defendant Pegram's Thunderbirds.

78. When Joshua was twelve (12) years old, he was invited to a sleepover at Defendant Pegram's home, shown pornography and sexually assaulted.

79. Following this incident of sexual assault, Joshua refused to return to the YMCA of NWNC.

80. As a result of the sexual assault, Joshua has struggled with substance abuse, suffered a failed marriage and continues to have nightmares about this incident.

### **FACTUAL ALLEGATIONS FOR DUSTIN SPRINKLE**

81. Plaintiff Dustin Sprinkle was born on March 16, 1984, in Forsyth County, North Carolina.

82. Dustin was initially introduced to Defendant Pegram when he signed up to play hockey.

83. Defendant Pegram won over Dustin's parents and convinced them to enroll Dustin in after-school care and summer camps at the Defendant YMCA NWNC.

84. Defendant Pegram paid Dustin to help DJ events, often times he would go to Defendant Pegram's home and spend the night after these events. Dustin was also a junior volunteer firefighter and stayed overnight at the firehouse. Dustin went on trips to Disneyworld and to the beach, all with the apparent endorsement of Defendant YMCA NWNC.

85. Like his other victims, Dustin was shown pornography, manipulated by playing games that isolated him with Defendant Pegram, Defendant Pegram encouraged the young boys to skinny dip and then he would steal their clothes.

86. After years of desensitizing Dustin, Defendant Pegram made sexual advances toward Dustin. Dustin was able to push Defendant Pegram off of him, but as a result of the abuse, Dustin has sought counseling on and off throughout his life.

### **FACTUAL ALLEGATIONS FOR MICHAEL TAYLOR**

87. Plaintiff Michael Taylor was born on April 22, 1982, in Forsyth County, North Carolina.

88. As a child, Michael Taylor was enrolled in the after school and summer camp programs at the YMCA of NWNC. He also joined the hockey team coached by Defendant Pegram and earned his place in Defendant Pegram's inner circle.

89. It did not take long for Defendant Pegram to set his sights on Michael. At age ten (10) Michael was sexually assaulted by Defendant Pegram. Multiple incidents of sexual abuse by Defendant Pegram followed.

90. As a result of the abuse he suffered at the hands of Defendant Pegram, Michael acted out. His parents sought the help of a psychiatrist who recommended that Michael be placed in Charter Behavioral Health Hospital. Michael has suffered from substance abuse and posttraumatic stress disorder.

**FIRST CLAIM FOR RELIEF**  
**(Assault/Battery)**

91. The allegations set forth in Paragraphs 1 through 90 are hereby realleged and incorporated by reference as if fully set forth herein.

92. In the event Defendant Pegram intended to touch Plaintiffs inappropriately in a sexual nature, he engaged in conduct rising to the level of battery and assault upon Plaintiffs, in that he:

- a. intentionally and in wanton disregard for the safety and well-being of Plaintiffs, assaulted and battered them, encouraged Plaintiffs to watch pornography with him and sexually assaulted Plaintiffs;
- b. acted in a manner meant to cause a reasonable person to suffer apprehension or fear of imminent harmful or offensive contact;
- c. engaged in conduct which a reasonable person would consider to be harmful or offensive contact;
- d. engaged in other wrongful conduct not set out herein but which may be revealed in discovery; and
- e. engaged in conduct rising to the level of battery and assault in other and further

ways as the evidence will show and to be proven at trial.

93. The conduct of Defendant Pegram, as specifically alleged above, constitutes battery and assault or otherwise indicates a reckless indifference to the likelihood that such conduct would cause serious harm or apprehension of serious harm to Plaintiffs.

94. Upon information and belief, at all times relevant herein, Defendant Pegram was and employee and/or agent of Defendant YMCA of NWNC and was operating under said employment and/or agency and with the consent of Defendant YMCA of NWNC when the alleged incidents occurred.

95. The aforesaid actions and omissions by Defendant Pegram are imputed to Defendant YMCA of NWNC pursuant to the doctrines of agency and/or *respondeat superior*.

96. As a direct and proximate result of the conduct of Defendant Pegram, Plaintiffs suffered severe physical, mental and emotional injuries arising from the sexual assaults/batteries committed by Defendant Pegram. As a result of Defendant Pegram's assaults/batteries Plaintiffs have incurred medical and other expenses.

97. As a direct and proximate result of the conduct of Defendant Pegram, Plaintiffs are entitled to recover from Defendants compensatory damages and punitive damages in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

### **SECOND CLAIM FOR RELIEF**

#### **(Negligent Hiring, Retention and Supervision of Defendant Pegram)**

98. The allegations set forth in Paragraphs 1 through 97 are hereby realleged and incorporated by reference as if fully set forth herein.

99. Upon information and belief, Defendant YMCA of NWNC breached its duty in hiring, retaining and supervising Defendant Pegram in the following respects:



- a. Defendant YMCA of NWNC failed to properly train Defendant Pogram regarding appropriate interaction with children;
- b. Defendant YMCA of NWNC failed to properly supervise Defendant Pogram;
- c. Defendant YMCA of NWNC failed to properly supervise Defendant Pogram during his use of the YMCA facilities for overnight events;
- d. Defendant YMCA of NWNC failed to properly supervise Defendant Pogram during YMCA of NWNC sanctioned trips taken with young males whose parents had entrusted their sons to the YMCA and its employees;
- e. Defendant YMCA of NWNC failed to properly supervise Defendant Pogram and his interactions with the young males whose parents had entrusted their sons to the YMCA and its employees;
- f. Defendant YMCA of NWNC failed to intervene when there was clear and convincing evidence of the inappropriate relationship between Defendant Pogram and the young boys who participated in the programs and activities sponsored by the YMCA of NWNC;
- g. Defendant YMCA of NWNC failed to intervene when it knew, or in the exercise of reasonable care should have known, of the inappropriate relationship between Defendant Pogram and the young boys who participated in the programs and activities sponsored by the YMCA of NWNC; and
- h. In other respects to be established through discovery and proved at trial.

100. As a direct and proximate result of the negligent conduct of Defendant YMCA of NWNC, Plaintiffs suffered severe physical, mental and emotional injuries and have incurred medical and other expenses.

101. As a direct and proximate result of the acts and omission of Defendant YMCA of NWNC, Plaintiffs are entitled to recover of the Defendants compensatory and punitive damages in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

**THIRD CLAIM FOR RELIEF**  
**(Negligent Infliction of Emotional Distress)**

102. The allegations of Paragraphs 1 through 101 are realleged and incorporated herein by reference.

103. As alleged above, Defendants' conduct related to Plaintiffs was negligent.

104. The willful and wanton negligent conduct did, in fact, cause Plaintiffs severe emotional distress.

105. Defendants knew or should have known, and it was reasonably foreseeable that, Defendant Pegram's conduct would cause the Plaintiffs severe emotional distress.

106. Defendants knew of should have known and it was reasonably foreseeable that the failure of the employees and administrators of the YMCA of NWNC to intervene and stop the harmful conduct of Defendant Pegram when it was or should have been clear that such harmful conduct was occurring would cause the Plaintiffs severe emotional distress.

107. As a proximate and foreseeable result of the negligence of Defendants as alleged herein, Plaintiffs endured pain, suffering, mental anguish, and suffered from severe emotional distress and will continue to endure pain, suffering, mental anguish, and suffer from severe emotional distress in the future.

108. As a direct, proximate and foreseeable result of the negligence of Defendants, Plaintiffs are entitled to recover of Defendants compensatory and punitive damages in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

**FIFTH CLAIM FOR RELIEF**  
**(Intentional Infliction of Emotional Distress)**

109. The allegations set forth in Paragraphs 1 through 108 are hereby realleged and incorporated by reference as if fully set forth herein.

110. Defendant Pegram engaged in conduct rising to the level of intentional infliction of emotional distress of Plaintiffs, in that he:

- a. engaged in conduct which a reasonable prudent person would find extreme and outrageous;
- b. engaged in conduct amounting to extreme and outrageous conduct with the specific intent to cause severe emotional distress to another person;
- c. engaged in conduct amounting to extreme and outrageous conduct which he knew or should have known would cause another person severe emotional distress;
- d. engaged in conduct amounting to extreme and outrageous conduct that caused another person to suffer severe and emotional distress;
- e. engaged in conduct not set out herein which may be revealed in discovery; and engaged in conduct rising to the level of severe infliction of emotional distress in other and further ways as the evidence will show and to be proven at trial.

111. The conduct of the Defendant Pegram, as specifically alleged above, constitutes extreme and outrageous conduct which caused Plaintiffs severe emotional distress or otherwise indicated a reckless indifference to the likelihood that such conduct would cause severe emotional distress to Plaintiffs.

112. Upon information and belief and at all times relevant herein, Defendant Pegram was an employee and/or agent of Defendant YMCA of NWNC, and was operating under said employment and/or agency when the alleged incidents occurred.

113. Upon information and belief, Defendant YMCA of NWNC knew, or should have known, that Defendant Pegram was predisposed to commit and/or was committing the type of act alleged herein, or in the alternative, condoned and ratified the activity in ways to be further proven at trial.

114. The aforesaid actions and omissions by the Defendant Pegram are imputed to Defendant YMCA of NWNC pursuant to the doctrines of agency and/or *respondeat superior*.

115. In the alternative, Defendant YMCA of NWNC gained knowledge of the material facts concerning Defendant Pegram's harmful conduct as alleged herein, and by their unreasonable inaction, permitted, condoned and ratified the misconduct of Defendant Pegram.

116. Defendants are jointly and severally liable to Plaintiffs for injuries and damages proximately caused by the negligence of Defendant Pegram.

117. As a direct and proximate result of the conduct of Defendant Pegram and Defendant YMCA of NWNC, Plaintiffs have suffered severe emotional distress arising from the sexual offense, sexual battery, and other acts committed by Defendant Pegram upon Plaintiffs.

**SIXTH CLAIM FOR RELIEF**  
**(Constructive Fraud)**

118. The allegations set forth in Paragraphs 1 through 117 are hereby realleged and incorporated by reference as if fully set forth herein.

119. Plaintiffs were minor children placed in the care and supervision of the Defendants, who owed them fiduciary duties and the duties of loyalty and of good faith and fair dealing, as their care giver.

120. Defendant Pegram used his position to gain the trust and confidence of the minor Plaintiffs and to, in turn, exercise superiority and influence over them.

121. Defendant Pegram utilized his position of trust and confidence as Plaintiffs' care giver to molest and commit sexual assault and battery upon Plaintiffs for his own personal benefit and gratification, and to Plaintiffs' detriment.

122. Defendant Pegram, in fact, benefitted from this abuse of the Plaintiffs' trust and confidence and the fiduciary relationship then existing.

123. The Plaintiffs were minors and could not consent to Defendant Pegram's wrongful conduct described herein, nor did they comprehend that Defendant Pegram would utilize the fiduciary relationship between Plaintiffs and Defendants to take advantage of the Plaintiffs.

124. The Plaintiffs' parents did not consent to Defendant Pegram's wrongful conduct described herein, nor did they have knowledge that Defendant Pegram would utilize the fiduciary relationship between Plaintiffs and Defendants to take advantage of the Plaintiffs.

125. Defendant Pegram's actions described herein are imputed to YMCA of the USA and YMCA of NWNC, under the doctrine of agency and/or *respondeat superior* because at all pertinent times, Defendant Pegram was acting in the course and scope of his employment with, or as an actual, apparent or ostensible agent of YMCA of the USA and YMCA of NWNC.

126. In the alternative, YMCA of the USA and YMCA of NWNC gained knowledge of the material facts concerning Defendant Pegram's conduct, and by their unreasonable inaction, ratified and condoned the misconduct by Defendant Pegram.

127. As stated above, the Plaintiffs have suffered extreme harm as a result of Defendants' actions.

128. As a direct and proximate result of Defendants' constructive fraud, Plaintiffs suffered compensatory and punitive damages in excess of the jurisdictional limit of this Court.

**SEVENTH CLAIM FOR RELIEF**  
**(False Imprisonment)**

129. The allegations set forth in Paragraphs 1 through 128 are hereby realleged and incorporated by reference as if fully set forth herein.

130. Defendant Pegram falsely imprisoned the Plaintiffs, in that he:

- a. illegally restrained the minor Plaintiffs against their will;
- b. unlawfully confined, restrained or removed from one place to another the minor Plaintiffs who could not consent;
- c. unlawfully confined, restrained or removed from one place to another the minor Plaintiffs without their parents' consent;
- d. unlawfully confined and/or restrained the minor Plaintiffs through an express and/or implied threat of force;
- e. unlawfully confined and/or restrained the minor Plaintiffs through an express and/or implied threat of force by using words and/or conduct that induced a reasonable apprehension of force with a means of coercion at hand;
- f. unlawfully confined and/or restrained the minor Plaintiffs through words and/or conduct that induced a reasonable apprehension of force with a means of coercion at hand;
- g. unlawfully deprived the minor Plaintiffs of their liberty through an express and/or implied threat of force;
- h. unlawfully compelled the minor Plaintiffs to remain where they did not wish to remain through an express and/or implied threat of force;
- i. engaged in the above-mentioned conduct for the purpose of facilitating the commission of a felony;

- j. restrained the minor Plaintiffs by force, threat or fraud;
- k. engaged in conduct not set out herein which may be revealed in discovery; and
- l. engaged in conduct rising to the level of false imprisonment in other and further ways as the evidence will show and to be proven at trial.

131. The conduct of Defendant Pegram, as specifically alleged above, constitutes false imprisonment which caused the minor Plaintiffs severe emotional distress and physical harm or otherwise indicated a reckless indifference to the likelihood that such conduct would cause severe emotional distress and physical harm to Plaintiffs.

132. Upon information and belief, at all times relevant herein, Defendant Pegram was an employee and/or agent of YMCA of the USA and YMCA of NWNC, and was operating under said employment and/or agency when the alleged incidents occurred.

133. Upon information and belief, at all times relevant herein, Defendant Pegram was an employee and/or agent of YMCA of the USA and/or YMCA of NWNC and was operating under said employment and/or agency and with the actual and/or apparent consent of the Defendants when the alleged incidents occurred.

134. Upon information and belief, YMCA of the USA and YMCA of NWNC knew, or should have known, that Defendant Pegram was predisposed to commit and/or was committing the type of acts alleged herein, or in the alternative, condoned and ratified the acts in ways to be further proven at trial.

135. Defendant Pegram's actions described herein are imputed to YMCA of the USA and YMCA of NWNC, under the doctrine of *respondeat superior* because at all pertinent times, Defendant Pegram was acting in the course and scope of his employment with, or as an actual, apparent or ostensible agent of YMCA of the USA and YMCA of NWNC.

136. In the alternative, YMCA of the USA and YMCA of NWNC gained knowledge of the material facts concerning Defendant Pegram's conduct, and by their unreasonable inaction, ratified and condoned the misconduct by Defendant Pegram.

137. Defendants are jointly and severally liable to the Plaintiffs for injuries and damages proximately caused by the negligence of Defendant Pegram.

138. As a direct and proximate result of the conduct of Defendants, Plaintiffs have suffered severe emotional distress and physical harm arising from the intentional detainment without consent and other acts committed by Defendant Pegram upon Plaintiffs.

### **DAMAGES**

139. The allegations set forth in Paragraphs 1 through 138 are hereby realleged and incorporated by reference as if fully set forth herein.

140. As a proximate and foreseeable result of the negligence of Defendants as described herein, Plaintiffs have endured pain and suffering, mental anguish, and emotional distress and will continue to endure pain and suffering in the future.

141. As a direct, proximate and foreseeable result of the negligence of Defendants as alleged herein, Plaintiffs have incurred medical expenses for medical care and treatment, such treatment and expenses to continue for an undetermined amount of time.

142. As a direct and proximate result of the intentional infliction of emotional distress inflicted on Plaintiffs by Defendants, Plaintiffs have suffered serious injuries and damages and are entitled to relief in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

143. As a proximate and foreseeable result of the negligence and the intentional infliction of emotional distress of the Defendants as described herein, the Plaintiffs incurred a



loss of wages and income and suffered a loss of earning capacity causing them to continue to incur lost earnings in the future and the inability to earn wages at their full potential.

144. The conduct of the Defendants as alleged herein was willful and/or wanton and was done with the conscious disregard of and/or indifference to the rights and safety of the Plaintiffs, and Plaintiffs are entitled to recover punitive damages from Defendants pursuant to Chapter 1D of the North Carolina General Statutes in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

145. As a proximate and foreseeable result of the negligent and wrongful conduct of the Defendants as alleged herein, Plaintiffs have sustained damages and are entitled to recover from the Defendants, jointly and severally, in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court.

WHEREFORE, Plaintiffs respectfully pray the Court as follows:

- (a) That Plaintiffs have and recover of Defendants jointly and severally compensatory damages in an amount to be determined by a jury and in excess of the jurisdictional limit of this Court as provided by law;
- (b) That Plaintiffs be awarded pre-judgment interest as by law allowed beginning from the date of the filing of this action;
- (c) That Plaintiffs have and recover from Defendants punitive damages as by law allowed;
- (d) That Plaintiffs be awarded attorney's fees and costs as allowed by law;
- (e) For a trial by jury of this action; and
- (f) For all such other and further relief as the Court may deem just and proper.

This the 19<sup>th</sup> day of May, 2020.

LANIER LAW GROUP, P.A.

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**CERTIFICATE OF SERVICE**

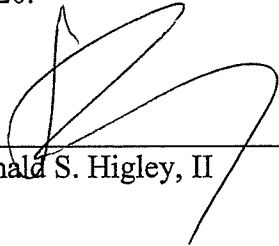
The undersigned attorney hereby certifies that a copy of the foregoing Second Amended Complaint was served on the following parties to this action by: ( ) facsimile ( ) hand delivery (X) by depositing a copy of the same in the United States Mail postage prepaid and addressed to:

Denise M. Gunter  
Michael E. Blumenfeld  
Michael A. Brown  
Nelson Mullins  
380 Knollwood Street  
Suite 530  
Winston-Salem, NC 27103

Kevin G. Williams  
Bell, Davis & Pitt  
P.O. Box 21029  
Winston-Salem, NC 27120-1029

Michael Todd Pegram  
c/o Alexander Correctional Institution  
633 Old Landfill Road  
Taylorsville, NC 28681

This the 19<sup>th</sup> day of May, 2020.

  
\_\_\_\_\_  
Donald S. Higley, II