

Luoma, Kai

From: Micki Davidovicz <georgetownmom25@gmail.com>
Sent: Thursday, March 6, 2025 10:12 AM
To: Luoma, Kai
Subject: Fwd: Bell Canyon Vs. Eric Wolf.
Attachments: 2025_02_21_Complaint.pdf

WARNING: If you believe this message may be malicious use the Phish Alert Button to report it or forward the message to Email.Security@ventura.org.

----- Forwarded message -----

From: Micki Davidovicz <georgetownmom25@gmail.com>
Date: Wed, Feb 26, 2025 at 12:17 AM
Subject: Bell Canyon Vs. Eric Wolf.
To: matt.lavere@ventura.org <matt.lavere@ventura.org>, Supervisor Parvin <supervisor.parvin@ventura.org>, Avila@calleguas.com <avila@calleguas.com>, ssantangelo@cityofcamarillo.org <ssantangelo@cityofcamarillo.org>, MohammedH@unitedwater.org <mohammedh@unitedwater.org>, JCrosswhite@spcity.org <jcrosswhite@spcity.org>, cstephens@venturaharbor.com>, SupervisorGorell@ventura.org <supervisorgorell@ventura.org>
CC: olga damascus <olgadamascus@yahoo.com>, mklein4320@aol.com <mklein4320@aol.com>, Yossi <yossikv@gmail.com>

Dear Mr. Luoma,

As you may be aware, our HOA board of directors just filed the attached lawsuit naming Eric Wolf as the defendant. This action is considered a fiduciary responsibility of our board to recover losses Bell Canyon incurred as a result of all the legal expenses and liabilities that Eric Wolf created while president of our Board of Directors. We are fortunate that our current Board is motivated to root out corruption and take these expected and appropriate actions.

There is also the issue of the Cal Fire grant money totaling \$37,257.00. We currently have copies of 6 Cal Fire grant checks provided by the CSD as part of a PRA response totaling \$32,291.18. The discrepancy and the explanation of the difference between the grant amount awarded and the grant checks received is unknown. When this concern was posed to the current Board, they expressed no interest in pursuing this question. The current CSD Board is clearly not motivated act. It seems that whatever audit or investigation that is warranted to properly account for the missing money will fall on LAFCo or other external oversight agencies. Hopefully, the LAFCo Board will pursue this question of potential corruption in its MSR process.

Eric Wolf admitted in a video that when he was Bell Canyon's president and a CSD Board member he removed documents from the shared office between the HOA and CSD. This was done on his own without any authorization. This is one of the complaints in the attached lawsuit. Additionally, Mr. Wolf abused his power

by filing a lawsuit on behalf of the CSD without CSD board authorization. This unauthorized lawsuit, in which the CSD did not prevail, ultimately cost the CSD \$71,000.00 of Taxpayers' money.

To me, LAFCo should not be sitting on the sidelines behaving like a disinterested observer. Is there any reason that the LAFCo Board should not be motivated to root out corruption and take what would be considered both expected and appropriate actions up to and including encouraging the DA to hold those responsible who perpetrated these seemingly illegal activities?

Best,

Micki D.

Bell Canyon Resident

1 Timothy P. Flanagan, Esq. (SBN 246974)
Ian S. Diaz, Esq. (SBN 310007)
2 **FLANAGAN LAW, APC**
6050 Santo Road, Suite 220
3 San Diego, CA 92124
Telephone: 619.489.3100
4 Facsimile: 619.436.1767
tim@flanaganhoalaw.com
5 ian@flanaganhoalaw.com

6 David Angeloff (SBN 272929)
david@stalwartlaw.com
7 Cindy Hickox (SBN 323016)
cindy@stalwartlaw.com
8 **STALWART LAW GROUP, APC**
8752 Holloway Drive
9 West Hollywood, CA 90069
Telephone: (310) 954-2000

10 Attorneys for Plaintiff
11 BELL CANYON ASSOCIATION

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 COUNTY OF VENTURA
15

16 BELL CANYON ASSOCIATION, a
California non-profit corporation,

17 Plaintiff,

18 vs.

19 ERIC WOLF, an individual; and DOES 1-20,
20 inclusive,

21 Defendants.

Case No.: 2025CUMC038966

COMPLAINT FOR:

- 1) BREACH OF FIDUCIARY DUTY;
2) CONCEALMENT; AND,
3) CONSTRUCTIVE FRAUD

22 Plaintiff Bell Canyon Association, a California non-profit corporation ("Plaintiff", "BCA"
23 or "Association") alleges against Defendants Eric Wolf, an individual; and DOES 1 through 20,
24 inclusive ("Defendants"), as follows:

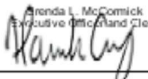
25 **THE PARTIES**

26 1. BCA is a California non-profit mutual benefit corporation charged with managing
27 the Bell Canyon Community. The BCA is located at 30 Hackamore Lane, Suite 8, Bell Canyon,
28

ELECTRONICALLY FILED
Superior Court of California
County of Ventura

02/21/2025

Shrenda L. McCormick
Executive Officer and Clerk

By:  Deputy Clerk

Hannah Cressy

1 California 91307, in the County of Ventura.

2 2. BCA was, and is, established as a common interest development as defined under
3 *Civil Code* Sections 4080 and 4100. BCA has standing to bring this action pursuant to *Civil Code*
4 Section 5980.

5 3. Defendant Eric Wolf ("Wolf") is, and at all relevant times was, an individual citizen
6 of the State of California and a resident of the County of Ventura. He is a member of Bell Canyon
7 Association and is a former member of the Board of Directors of Bell Canyon Association.

8 4. The true names and capacities of DOE Defendants 1 through 20, inclusive, and each
9 of them, are unknown to Plaintiff, and Plaintiff will amend this Complaint to insert the true names
10 and capacities of said fictitiously named Defendants when the same have been ascertained. Plaintiff
11 is informed and believes, and thereon alleges, that at all times mentioned herein, each of the
12 fictitiously named Defendants is liable to Plaintiff for the relief prayed for herein.

13 5. BCA is informed and believes, and based thereon alleges, that Defendants, and each
14 of them, including DOE Defendants, were the agents, employees and/or representatives of each of
15 the remaining Defendants and were, at all material times, acting within the purposes and scope of
16 such agency, employment, contract and/or representation, and that each of them are jointly and
17 severally liable to BCA.

18 **JURISDICTION AND VENUE**

19 6. The Court has jurisdiction over the causes of action asserted herein pursuant to the
20 California Constitution, Article VI, §10, because this case is not given by statute to other courts.
21 Defendants are subject to personal jurisdiction in this State.

22 7. Venue is proper in this Court because most or all of the actions alleged herein took
23 place in this county.

24 **NATURE OF THE CASE**

25 8. This is an action by a homeowners association against a former Board President
26 arising from his self-dealing and abuse of authority as Director, and the former Board Members that
27 enabled Wolf to perpetuate schemes of self-enrichment at the Association's expense. Wolf utilized
28 his coercive personality to pressure and manipulate others into enabling his misdeeds. Defendants

1 owed a duty to act in good faith and in the best interest of the Association but took actions to benefit
2 themselves individually. Wolf used his position and control to demand favors in exchange for
3 favorable actions from the Board, and to threaten owners with unfavorable actions from the Board
4 if they didn't comply with his demands. Wolf also assumed the role of legal liaison between BCA's
5 legal counsel and the Board of Directors to control and limit the Board's access to information
6 regarding lawsuits that alleged Wolf's breaches of fiduciary duty. Other Directors loyal to Wolf
7 enabled Wolf to maintain control over litigation and allowed Wolf to retain his personal legal
8 counsel on BCA matters despite Wolf's conflicts of interest. Defendants' breaches of their fiduciary
9 duties caused the BCA to be sued for the improper denial of a construction project that resulted in a
10 judgment, attorneys' fees, and costs against BCA in excess of \$8,000,000. Following the disastrous
11 judgment, members initiated a recall election of the Board of Directors. Anticipating he would lose
12 his control over the Board, Wolf plotted his cover up by taking possession of the Association's
13 physical records and destroying data on the Association's hard drive.

14 **GENERAL ALLEGATIONS**

15 9. The BCA is a Homeowners Association for residents of a gated community in Bell
16 Canyon, California. The BCA was created for the purpose of providing for maintenance, repair,
17 administration, and preservation of the Bell Canyon community, which is comprised of
18 approximately eight hundred single family residences, less than 2,000 residents, and vast common
19 areas. The BCA is regulated by a set of written conditions, covenants, restrictions and reservations
20 ("CC&Rs"), which are enforced by a Board of Directors ("the Board"). The Board consists of
21 approximately nine (9) elected residents who are obligated to act in the best interest of the
22 community at large and evenly enforce the CC&Rs.

23 10. Wolf served as President and/or a board member of BCA from approximately 2012
24 to 2024. During his time as a Director for Bell Canyon Association, Wolf organized a group of loyal
25 BCA members and directors that permitted his conduct.

26 11. In or about 2015 or 2016, a developer who worked on multiple projects in the
27 community, Nissim David-Chai ("Chai"), accused Wolf of using his position of authority in the
28

1 Association to extort favors and services out of him in exchange for approval of certain construction
2 projects in the community.

3 12. On or about September 19, 2016, as a result of Wolf's conduct, Chai filed a lawsuit
4 against the BCA, Wolf, and other BCA Board members, *Nissim David-Chai, et al. v. Bell Canyon*
5 *Association, Inc., Eric Wolf, et al.*, Ventura County Superior Court Case No. 56-2016-00486775-
6 CU-WM-VTA ("Chai Action"). In the Chai Action, Chai alleged that Wolf used his position of
7 authority at BCA to extort services, grant favors illegally, and otherwise abuse positions of trust and
8 fidelity. BCA was represented by Wayne Pariser of Pariser & Pariser LLP ("Pariser"). Wolf and the
9 other defendants were represented Hudock Employment Law Group, APC ("HELG").

10 13. Prior to the Chai Action, Wolf assumed the role of 'Litigation Liaison' and was the
11 BCA Director that communicated with BCA's attorney and reported back to the Board on litigation
12 matters.

13 14. On or about October 5, 2016, BCA's attorney recommended to the Board that a
14 'Legal Liaison Committee' be formed to prevent a perceived conflict of interest that would occur
15 with Wolf being the Litigation Liaison in litigation directly concerning allegations of Wolf's self-
16 dealing and abuse of authority as a Director of BCA. A Litigation Liaison Committee was formed,
17 but shortly thereafter, against the advice of counsel, Wolf assumed the role of Litigation Liaison and
18 was the primary intermediary between the Litigation Committee and BCA's legal counsel.

19 15. Defendants, having knowledge of the allegations of Wolf's self-dealing, abuse of
20 power, breaches of his fiduciary duties, and resulting conflict of interest, inexplicably allowed Wolf
21 to act as the Litigation Liaison, granting Wolf further opportunity to pursue his personal ambitions
22 at the expense of BCA and its members.

23 16. In or around late 2016, members of the community, Leon Reingold and Marina
24 Reingold ("Reingolds"), obtained a copy of the Complaint in the Chai Action and recognized that
25 they had similar interactions with Wolf, and that Wolf had interfered with and stalled a construction
26 project that Chai was building for the Reingolds. The Reingolds lodged a formal complaint to the
27 Board and accused Wolf of intimidation, coercion, self-dealing, and abuse of power. The Reingolds
28 further alleged that Wolf told them that Chai will never build in BCA again because Chai would not

1 do what Wolf told him to do, and that the Reingolds would not receive approval for their project if
2 they used Chai.

3 17. Wolf confronted Leon Reingold and demanded that he withdraw the ethics
4 complaint, or the Reingolds would have no success in obtaining BCA approval for their construction
5 project.

6 18. On or about November 21, 2016, the Reingolds and BCA, through Wolf, executed
7 an agreement by which the Reingold's project would be approved and the Reingolds would not sue
8 BCA related to the project.

9 19. On or about August 29, 2017, BCA, through the Architectural Committee issued a
10 "stop work" order on the Reingold project. A judge would later determine that BCA's stop work
11 order and failure to reconsider the order was arbitrary, not in good faith, and a breach of the Board's
12 fiduciary duties.

13 20. On or about October 5, 2017, Wolf personally filed a lawsuit against the Reingolds,
14 and their family member David Vorobiev, *Eric Wolf v. Leon Reingold, Marina Reingold, and David*
15 *Vorobiev*, Ventura County Superior Court Case No. 56-2017-00502383-CU-DF-VTA, for
16 defamation, and other related causes of action ("Defamation Action") in response to the Reingolds'
17 ethics complaint against Wolf. Wolf again retained HELG to prosecute his complaint.

18 21. Even though Wolf's claims against the Reingolds and Mr. Vorobiev were purely
19 personal and Wolf was not represented by the Association's legal counsel, Wolf used BCA funds to
20 pay HELG to prosecute his Defamation Action. BCA did not approve or otherwise agree to pay any
21 of the legal fees associated with Wolf's personal Defamation Action. Wolf executed payments to
22 HELG without review or approval by the Board, and other members were aware that BCA was
23 making large payments at Wolf's direction without Board review. When HELG's invoices did
24 appear in meeting agenda for review, the meetings to review the invoices occurred after payment
25 had already been made to HELG.

26 22. On or about December 14, 2017, Wolf executed an Undertaking Agreement in which
27 he promised to repay all amounts advanced by BCA for any legal fees and costs related to the Chai
28 Action if he was not entitled to indemnification by BCA. On or about June 12, 2020, BCA's

1 insurance company filed a lawsuit against BCA, in part, to recover the amounts paid to defend Wolf
2 and other directors in the Chai action because the insurance policy did not provide coverage for the
3 defense. BCA settled by paying the insurance company \$925,000 on behalf of Wolf and others.
4 Soon after the decision to settle, Wolf executed a mutual release and indemnity agreement, which
5 purported to release Wolf from all liability to BCA related to the Chai Action and insurance lawsuit.
6 The Board did not vote on or approve of the release agreement.

7 23. On or about April 24, 2018, the Reingolds filed a lawsuit against BCA and three
8 resident members of the Architectural Committee, *Leon Reingold, Marina Reingold v. Bell Canyon*
9 *Association, Inc., Ray Jadali, Keir Milan, and Peter Carniglia*, Ventura County Superior Court,
10 Case No. 56-2018-00510717-CU-BT-VTA (“Stop Work Action”). Generally, the Reingolds alleged
11 that BCA and members of the Architectural Committee issued the stop work order on their project
12 in bad faith or with discriminatory intent. The Reingolds specifically accused Wolf of retaliating
13 against them for lodging the ethics complaint against him.

14 24. On or about July 10, 2018, the Reingolds filed a cross-complaint against Wolf in the
15 Defamation Action for breach of fiduciary duty, infliction of emotional distress, interference with
16 contract, and fraud (“Defamation Cross-Complaint”). In essence, the Reingolds alleged serious
17 violations of Wolf’s fiduciary duties as President of the BCA Board, including self-dealing and
18 interference with construction projects for personal gain.

19 25. BCA was not named in the Defamation Cross-Complaint. However, Wolf
20 misrepresented the nature of the lawsuit to the Board and obtained Board approval for BCA to fund
21 Wolf’s personal defense in the Defamation Cross-Complaint. Wolf again retained HELG as his
22 defense counsel in the action but no written agreement between BCA and HELG for the
23 representation was obtained. BCA paid HELG for Wolf’s defense and allowed the representation
24 without a written agreement with BCA.

25 26. On or about November 16, 2018, BCA filed a cross-complaint against the Reingolds
26 in the Stop Work Action for, among other things, the Reingolds’ alleged breach of their obligations
27 under the Association’s CC&Rs. BCA was represented by Pariser & Pariser LLP (“Pariser”) in the
28

1 cross-complaint, who had also represented BCA in the Chai Action. BCA paid Pariser hundreds of
2 thousands of dollars to prosecute the cross-complaint and lost every cause of action at trial.

3 27. In or around February 2020, an unimproved property adjacent to Wolf's went on the
4 market for sale. The adjacent property included an easement, agreed to by the BCA in 1981, over
5 Wolf's property to access the only readily buildable area of the adjacent lot. The buildable area of
6 the adjacent property is located close to Wolf's home and any structure built would likely impact
7 Wolf's view and the value of Wolf's property. Upon learning of the adjacent property hitting the
8 market, Wolf initiated a process with the Board to vacate the easement. Vacating the easement
9 would make the adjacent property less valuable as it would be practically impossible to build on the
10 property, which would increase the value of Wolf's property. Ultimately, due to the Board's attempt
11 to vacate the easement at Wolf's direction, the adjacent property could not be sold to a buyer
12 interested in building on the property and Wolf purchased the property at a discounted price. Wolf
13 used his position and influence over the Board to diminish the value of the adjacent lot for his
14 personal gain.

15 28. On or about June 11, 2020, a Litigation Committee meeting was held and Wolf
16 explained that his personal Defamation Action was interfering with his negotiations on behalf of
17 BCA in the Reingolds' case against BCA. There was discussion of another Board Member joining
18 Wolf in the negotiations, but that arrangement did not occur, and Wolf remained the sole negotiator
19 with the Reingolds in the Stop Work Action despite Wolf's admission of an actual conflict of interest
20 adversely impacting BCA's interest. Wolf knew the he had created an actual adverse conflict of
21 interest yet remained in his role as negotiator on behalf of BCA to BCA's detriment.

22 29. In or around August of 2020, Wolf proposed that BCA retain HELG to represent
23 BCA with Pariser in the Stop Work Action. Defendants approved of HELG's representation for
24 BCA despite HELG's conflict in representing Wolf in both the Defamation Action and Defamation
25 Cross-Complaint.

26 30. On or about October 9, 2020, Mr. Vorobiev filed a lawsuit against Wolf, HELG, and
27 Robert Hudock, Esq. of HELG for malicious prosecution related to the Defamation Action, *David*
28

1 *Vorobiev v. Eric Wolf, Robert Hudock, Esq., and Hudock Employment Law Group, APC*, Los
2 Angeles Superior Court Case No. 20STCV39035 (“Malicious Prosecution Action”).

3 31. The BCA Board did not approve or otherwise agree to pay any of the legal fees
4 associated with defending Wolf in the Malicious Prosecution Action. However, Wolf used BCA’s
5 money to fund his defense in the action and there was no review of HELG’s invoices prior to
6 payment to prevent unauthorized charges.

7 32. On or about December 5, 2022, Wolf caused an ‘emergency’ meeting of the
8 Litigation Committee to vote on whether to settle the Defamation Cross-Complaint. There was no
9 emergency as defined by *Civil Code* Section 4923. Rather, Wolf wanted to avoid notifying the full
10 Board and membership that he intended to settle his personal lawsuits using BCA’s money.

11 33. Wolf represented to the Litigation Committee and BCA’s general counsel that the
12 settlement offer for the committee’s consideration was only related to settlement of the Defamation
13 Cross-Complaint that urgently needed to be resolved prior to trial. However, it was the trial for the
14 Malicious Prosecution Action, not the Defamation Cross-Complaint, that was coming up and needed
15 to be resolved. Through Wolf’s representation that BCA needed to settle the Defamation Cross-
16 Complaint, Wolf obtained the Litigation Committee’s consent for BCA to pay the settlement of the
17 Defamation Cross-Complaint, and unknowingly to the committee, settlement of the Defamation
18 Action and Malicious Prosecution Action as well.

19 34. Even though the Defamation Action, Defamation Cross-Complaint, and Malicious
20 Prosecution lawsuits did not involve the BCA, the Litigation Committee approved the settlement
21 payment of \$115,000.00 to the Reingolds to resolve Wolf’s lawsuits. The committee approved the
22 settlement payment based on Wolf’s verbal representations at the meeting, but Wolf refused to allow
23 the committee, the Board, or BCA’s general counsel to review the actual settlement agreement prior
24 to execution. To this day, Wolf has refused to produce the executed settlement agreement to BCA.

25 35. On or about December 8, 2022, in an admission that the Litigation Committee was
26 illegitimate and had no authority to accept a settlement at the time of the committee’s decision to
27 settle three days earlier, Wolf made a motion to reconstitute the Litigation Committee. Although
28 four Directors voted no, the motion passed with five affirmative votes.

1 36. Upon information and belief, Wolf was not forthcoming with the rest of the Board
2 or BCA's general counsel regarding the complex network of litigation and the different attorneys
3 involved in the numerous lawsuits. Wolf ensured that the attorneys only spoke directly with him as
4 the 'Legal Liaison' and despite Wolf's conflicts of interest, the attorneys obliged.

5 37. On or about September 8, 2023, after a bench trial in the Stop Work Action, Judge
6 Henry Walsh held in his Statement of Decision that BCA and the AC, led by Wolf, "failed in their
7 legal duties owed to Mr. and Mrs. Reingold... It is the failure to act reasonably and in good faith
8 that the Court finds to be a breach of duty owed by the [BCA] towards the [Reingolds], which
9 entitles the [Reingolds] to a recovery on both of their causes of action." Judge Henry Walsh's
10 Statement of Decision is attached hereto, and incorporated herein by reference, as Exhibit "A".

11 38. Judge Walsh awarded the Reingolds \$1,946,010.60 in damages, and approximately
12 \$3,300,000.00 in prevailing party attorneys' fees and costs. In addition to the award, BCA paid
13 \$3,353,903.00 in its own legal fees and costs defending the suit. In total, Wolf's personal vendetta
14 against the Reingolds cost the rest of the homeowners of the community approximately
15 \$8,599,913.60 in legal costs. As a result of the judgment and legal fees, BCA incurred approximately
16 \$6,000,000.00 in debt.

17 39. In or about September 2020, approximately three years prior to the trial court's
18 decision, the Reingolds offered to settle the Stop Work Action for \$2,675,000.00 and approval of
19 their project. BCA's counsel, under the direction of the Litigation Committee, did not respond to
20 the offer. Additionally, two other settlement demands were made prior to the September 2020
21 demand, one for \$350,000.00 and the other for \$750,000.00. Wolf, acting as the sole negotiator on
22 behalf of BCA, failed to communicate the settlement offers to the Board and therefore BCA did not
23 even consider the opportunities to settle.

24 40. Following the September 8, 2023 Statement of Decision against BCA in the Stop
25 Work Action, members of BCA organized a recall of the Board of Directors. Anticipating he was
26 in danger of losing control of the Board, Wolf removed various items of property from BCA's office,
27 including the hard drive of the office computer, along with scanned and printed BCA legal
28

1 documents. Following Wolf's return of BCA's computer hard drive, a forensic examiner determined
2 that the hard drive had been intentionally wiped clean during Wolf's possession.

3 41. Defendants' conduct was oppressive, as that term is defined by Civil Code Section
4 3294, in that Wolf's conduct was despicable in subjecting BCA members to the cruel and unjust
5 hardship of bearing the enormous costs of litigation, and the conscious disregard of the community's
6 rights resulting from his abuses of power and self-dealing.

7 **FIRST CAUSE OF ACTION**
8 **BREACH OF FIDUCIARY DUTY**
9 **(As Against All Defendants)**

10 42. BCA incorporates herein by reference, as though fully set forth herein, each and
every allegation contained in paragraphs 1-41, inclusive of this Complaint.

11 43. Based upon his position as Director of BCA, Defendant owed BCA a fiduciary duty
12 to act with utmost good faith in the best interests of BCA.

13 44. Defendant agreed to act as and were obligated to act as Director on the Board of
14 BCA.

15 45. Defendant Wolf knowingly violated his relationship of trust and confidence with
16 BCA, breached his fiduciary duties, and failed to act as a reasonable and careful Director by, among
17 other things:

- 18 • Holding the position of Litigation Liaison in lawsuits naming and concerning Wolf
19 personally, and that alleged Wolf's breaches of fiduciary duties as Director of BCA;
- 20 • Failing to act reasonably and in good faith towards the Reingolds' application for
21 their construction project;
- 22 • Unreasonably and arbitrarily withholding the Reingolds from completing their
23 project;
- 24 • Failing to recuse himself from BCA decisions that Wolf had a personal interest in;
- 25 • Failing to recuse himself from negotiations with the Reingolds on behalf of BCA that
26 negatively impacted BCA due to Wolf's personal matters;
- 27 • Failing to communicate Reingolds' settlement offers to the Board;
- 28 • Facilitating HELG to represent Wolf personally and the BCA in actions that allege

1 Wolf's breach of fiduciary duties;

- 2 • Making payments on behalf of BCA to HELG without a written agreement;
- 3 • Making payments on behalf of BCA to HELG without Board review or approval;
- 4 • Making payments on behalf of BCA to HELG for legal representation on Wolf's
- 5 personal matters;
- 6 • Holding a Litigation Committee meeting when the committee was not duly
- 7 constituted;
- 8 • Holding an "emergency" Litigation Committee without a qualifying emergency;
- 9 • Voting to approve settlement of lawsuits outside of duly constituted committee or
- 10 Board vote;
- 11 • Voting to approve settlement of lawsuits that Wolf had a personal interest in;
- 12 • Executing a settlement agreement paid by BCA without providing the terms of the
- 13 settlement agreement to the Board for review and approval;
- 14 • Refusing to produce to the Board the settlement agreement Wolf executed for
- 15 settlement funds to paid by BCA;
- 16 • Using BCA's money to settle Wolf's personal lawsuits;
- 17 • Authorizing travel expenses for an attorney without Board review and approval;
- 18 • Creating an easement dispute to devalue a property adjacent to Wolf's to discourage
- 19 buyers and allow Wolf to purchase the property at a discount;
- 20 • Executing the release of Wolf's liability to BCA without Board approval;
- 21 • Removing BCA's hard drive and records from BCA's possession and deleting the
- 22 data on the hard drive.

23 **SECOND CAUSE OF ACTION**
24 **CONCEALMENT**
25 **(As Against All Defendants)**

26 46. BCA incorporates herein by reference, as though fully set forth herein, each and
27 every allegation contained in paragraphs 1-45, inclusive of this Complaint.

28 47. Based upon his position as Director of BCA, Defendant owed BCA a fiduciary duty
to act with utmost good faith in the best interests of BCA.

1 48. Defendant agreed to act as and was obligated to act as Director on the Board of BCA.

2 49. Defendant Wolf intended to mislead BCA and intentionally failed to disclose and
3 prevented discovery of:

- 4 • The improper purpose for denying the Reingold's construction project;
- 5 • Wolf's conflict of interest in holding the position of Litigation Liaison in lawsuits
6 directly naming and concerning Wolf and that alleged Wolf's breach of fiduciary
7 duties;
- 8 • The Reingolds' three settlement offers in the Stop Work Action against BCA;
- 9 • The illegitimate Litigation Committee holding an "emergency" meeting to settle the
10 Defamation Action, Defamation Cross-Complaint, and Malicious Prosecution
11 Action;
- 12 • BCA's money used to pay attorney's fees for the prosecution of Wolf's Defamation
13 Action and defense of Wolf in the Malicious Prosecution Action;
- 14 • BCA's payments to HELG without a written agreement;
- 15 • BCA's money used to settle the Defamation Action and Malicious Prosecution
16 Action;
- 17 • The terms of the settlement agreement of the Defamation Action, Defamation Cross-
18 Complaint, and Malicious Prosecution Action to the Board;
- 19 • The settlement agreement of the Defamation Action, Defamation Cross-Complaint,
20 and Malicious Prosecution Action to the Board;
- 21 • Authorizing travel expenses for an attorney without Board approval;
- 22 • Executing the release of Wolf's liability to BCA without Board approval;
- 23 • The improper purpose of manufacturing an easement dispute related to a property
24 adjacent to Wolf's to discourage buyers and allow Wolf to purchase the property at
25 a discount;
- 26 • The removal and deleting of BCA's hard drive;
- 27 • The removal of BCA's records from BCA's possession.

28 50. BCA was harmed by Defendant's concealment of facts.

1 51. Defendant's concealment was a substantial factor in causing BCA's harm.

2 52. Wolf's intentional spoliation of evidence of BCA's hard drive and records is
3 evidence of Wolf's knowledge of his own culpability and Wolf's intent to obscure that culpability.

4 53. Defendant's concealments as alleged above were undertaken with the intent of
5 depriving the Association of its property or legal rights or otherwise causing injury, and were
6 despicable, malicious, oppressive, and/or fraudulent conduct that subjected BCA to cruel and unjust
7 hardship in conscious disregard of BCA's rights, so as to justify an award of exemplary and punitive
8 damages, the total amount to be proven at trial.

9 **THIRD CAUSE OF ACTION**
10 **CONSTRUCTIVE FRAUD**
 (As Against All Defendants)

11 54. BCA incorporates herein by reference, as though fully set forth herein, each and
12 every allegation contained in paragraphs 1-53, inclusive of this Complaint.

13 55. Based upon his position as Director and committee member of BCA, Defendant
14 owed BCA a fiduciary duty to act with utmost good faith in the best interests of BCA.

15 56. Defendant agreed to act as and was obligated to act as a Director and committee
16 member of the Board and BCA.

17 57. Defendant Wolf knew, or should have known:

- 18 • The improper purpose for denying the Reingold's project;
- 19 • BCA was unreasonably and arbitrarily withholding the Reingolds from completing
20 their project;
- 21 • Wolf's conflict of interest in holding the position of Litigation Liaison in lawsuits
22 directly naming and concerning Wolf and that alleged Wolf's breach of fiduciary
23 duties;
- 24 • Wolf was required to recuse himself from matters that he had a personal interest in;
- 25 • Wolf was required to recuse himself from negotiations with the Reingolds that were
26 negatively impacted by Wolf's personal matters;
- 27 • Wolf had a duty to relay the Reingolds' three settlement offers to the Board;
- 28 • There was no qualifying "emergency" to hold an emergency committee meeting;

- The illegitimate Litigation Committee had no authority to accept a settlement offer on behalf of BCA;
 - BCA's money was used to pay attorney's fees for the prosecution of Wolf's Defamation Action and defense of Wolf in the Malicious Prosecution Action;
 - HELG had a conflict of interest in representing Wolf personally and the BCA;
 - HELG did not have a written agreement with BCA on Wolf matters;
 - Wolf made payments to HELG without Board review or approval;
 - BCA's money was used to settle the Defamation Action and Malicious Prosecution Action;
 - Wolf owed a duty to disclose the terms of the settlement agreement of the Defamation Action, Defamation Cross-Complaint, and Malicious Prosecution Action to the Board to the Board;
 - Wolf owed a duty to produce the settlement agreement of the Defamation Action, Defamation Cross-Complaint, and Malicious Prosecution Action to the Board to the Board;
 - Wolf did not have the authority to approve travel expenses for an attorney without Board approval;
 - Wolf did not have the authority to execute the release of Wolf's liability to BCA without Board approval;
 - The improper purpose of manufacturing an easement dispute related to a property adjacent to Wolf's to discourage buyers and allow Wolf to purchase the property at a discount;
 - Wolf had no authority to remove and delete data from BCA's hard drive;
 - Wolf had no authority to remove BCA's records from BCA's possession.
58. Defendant misled BCA by failing to disclose these facts to BCA.
59. BCA was harmed by Defendants' failure to disclose these facts.
60. Defendant's conduct was a substantial factor in causing BCA's harm.
61. Wolf's intentional spoliation of evidence on BCA's computer is evidence of Wolf's

knowledge of his own culpability and his intent to obscure that culpability.

62. Defendant's concealments as alleged above were undertaken with the intent of depriving the Association of its property or legal rights or otherwise causing injury, and were despicable, malicious, oppressive, and/or fraudulent conduct that subjected BCA to cruel and unjust hardship in conscious disregard of BCA's rights, so as to justify an award of exemplary and punitive damages, the total amount to be proven at trial.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

1. For damages of no less than \$8,599,913.60 arising from litigation costs as a result of Defendants' conduct described above;

2. For damages of no less than \$115,000.00 arising from BCA's payment to settle lawsuits on Wolf's behalf;

3. For damages in the amount BCA paid in legal fees on behalf of Wolf;

4. For punitive damages in an amount to punish Defendants and deter others from engaging in similar conduct;

5. For any and all other damages according to proof at the time of trial;

6. For costs of suit incurred herein;

7. For all reasonable attorneys' fees;

8. For legal interest on all sums awarded according to proof at the time of trial and,

9. For such other and further relief as the Court may deem just and proper.

/ / /

///

///

/ / /

///

///

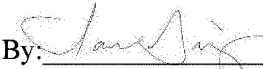
/ / /

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28


Dated: February 19, 2025

FLANAGAN LAW, APC

By: 
Timothy P. Flanagan
Ian S. Diaz
Attorney for Plaintiff
BELL CANYON ASSOCIATION, a California
non-profit corporation

Dated: February 21, 2025

STALWART LAW GROUP, APC

By: 
DAVID ANGELOFF
CINDY HICKOX
Attorneys for Plaintiff
BELL CANYON ASSOCIATION, a California
non-profit corporation

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VERIFICATION

My name is MICHAEL KLEIN. I am the Co-President of the Bell Canyon Association, Plaintiff. I have read the foregoing COMPLAINT FOR BREACH OF FIDUCIARY DUTY; CONCEALMENT; AND, CONSTRUCTIVE FRAUD (the “COMPLAINT”). The matters stated in the COMPLAINT are true of the knowledge of BELL CANYON ASSOCIATION except those matters stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

February 19, 2025



MICHAEL KLEIN