



## Electronically Certified Court Record

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### DOCUMENT INFORMATION

<b>Agency Name:</b>	Clerk of the Circuit Court & Comptroller, Palm Beach County
<b>Clerk of the Circuit Court:</b>	The Honorable Joseph Abruzzo
<b>Date Issued:</b>	6/14/2025 3:00:19 PM
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<b>Case Number:</b>	502021CA009234XXXXMB
<b>Case Docket:</b>	COMPLAINT
<b>Requesting Party Code:</b>	517

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### CERTIFICATION

Pursuant to Sections 90.955(1) and 90.902(1), Florida Statutes, and Federal Rules of Evidence 901(a), 901(b)(7), and 902(1), the attached document is electronically certified by The Honorable Joseph Abruzzo, Clerk of the Circuit Court & Comptroller, Palm Beach County, to be a true and correct copy of an official record or document authorized by law to be recorded or filed and actually recorded or filed in the office of the Clerk of the Circuit Court & Comptroller, Palm Beach County. The document may have redactions as required by law.

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IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT  
IN AND FOR PALM BEACH COUNTY, FLORIDA

JHOG HOLDINGS LLC, individually  
and derivatively on behalf of STATE  
STORAGE LUBBOCK, LLC,  
Plaintiff,

vs.

Case No. \_\_\_\_\_

STATE STORAGE GROUP, LLC,  
ANG EQUITY HOLDINGS, LLC, and  
DAVID HEIL,  
Defendants.

\_\_\_\_\_ /

**COMPLAINT**

COMES NOW the Plaintiff, JHOG HOLDINGS LLC, individually and derivatively on behalf of STATE STORAGE LUBBOCK, LLC, by and through the undersigned counsel, and files this Complaint, alleging as follows:

**Parties, Jurisdiction, and Venue**

1. This amount in controversy in this matter is greater than \$30,000.00.
2. JHOG Holdings LLC (“JHOG”) is a Florida limited liability company with its principal place of business in Pinellas County, Florida.
3. State Storage Lubbock, LLC (“Lubbock”) is a Florida limited liability company with its principal place of business in Pinellas County, Florida.
4. State Storage Group, LLC (“SSG”) is a Florida limited liability company with its principal place of business in Palm Beach County, Florida.
5. ANG Equity Holdings, LLC (“ANG”) is a Texas limited liability company with its principal place of business in Collin County, Texas.
6. David Heil (“Heil”) is a natural person residing in Hennepin County, Minnesota.

7. Venue is proper in this Court pursuant to Florida Statutes Section 47.051 as the county in which at least one of the defendants maintains its principal place of business and in which the parties have agreed any controversies among them shall be resolved.
8. All conditions precedent to bringing this action have been either satisfied or waived.

**Facts Common to All Counts**

9. On or about December 8, 2017, JHOG, SSG, and ANG formed Lubbock, and became its managing members, for the purpose of developing controlled storage facilities in Lubbock, Texas.
10. At all times material hereto, the actions of JHOG, SSG, and ANG in connection with Lubbock were governed by a First Amended and Restated Operating Agreement entered into on January 1, 2019 (“Operating Agreement”). **See Exhibit A.**
11. On or about April 5, 2019, Lubbock made a loan of approximately \$404,343.00 to another entity, Gator State Storage TB LLC (“Gator State”), in which SSG, ANG, and one of the individual principals of JHOG had an interest. This loan was made to assist that entity in the purchase of another property for use in the operation of its business.
12. Lubbock also subsequently made loans of approximately \$200,000 and \$35,000 to a third entity, State Storage Palmetto, LLC (“Palmetto”), in a similar position.
13. The parties’ working relationship began to deteriorate in the months that followed, largely due to conflicts over operations in the related entities.
14. SSG and ANG (together, the “Member Defendants”) also began denying JHOG access to information about Lubbock’s finances, operations, and management, effectively preventing JHOG from assessing the status of the company or exercising its rights as a managing member.

15. Member Defendants also terminated the email account used by JHOG's principal, with the result that the messages, documents, and other information stored therein was lost to JHOG as well as being permanently destroyed.
16. Member Defendants have also caused Lubbock to delay the preparation and filing of up-to-date financial records and tax documents, with the result that JHOG was prejudiced in the preparation and filing of its own financials and tax returns.
17. On April 23, 2020, Lubbock received approximately \$427,351.00 in repayment of the loan to Gator State, which was transferred on the same day to a personal account maintained by the individual principal of SSG.
18. A portion of the funds loaned by Lubbock to Palmetto were also subsequently transferred to SSG's principal's personal account.

**Count I – Breach of Fiduciary Duty (derivative)**

19. This Count I is an action for breach of fiduciary duty brought by JHOG on behalf of Lubbock against the Member Defendants.
20. Paragraphs 1 through 18 above are hereby restated and incorporated by reference as if fully set forth herein.
21. The Member Defendants owed a fiduciary duty to Lubbock, by virtue of their position as managing members of the company, to act in good faith, with reasonable care, and in the best interests of the company at least to the same extent as a member of the board of directors of a Florida corporation. *See* Exhibit A, ¶6.6; Fla. Stat. §§605.04091, 605.0105(3)(f), (4)(c), 607.0830.
22. The Member Defendants breached that duty by misappropriating the funds of the company, including but not limited to manipulating the terms for repayment of loans to

Gator State and Palmetto, and keeping funds in a personal account not titled in the name of the company and to which the company did not have access.

23. The Member Defendants further breached that duty by keeping inadequate financial records and delaying the preparation of financial and tax documents when there was no commercially reasonable justification for doing so.
24. The Member Defendants further breached that duty by allowing a facility owned by Lubbock and located at 109 N. Avenue U, Lubbock, Texas 79415 to fall into a state of disrepair that resulted in its condemnation.
25. The Member Defendants further breached that duty by leasing facilities owned by Lubbock to a third party company that, upon information and belief, is controlled by one or more of the Defendants or their principals, and agreeing to an amount of rent sufficient to cover only Lubbock's mortgage on the properties so leased.
26. These actions were taken solely for purposes other than the best interests of the company, as demonstrated by the broader course of conduct calculated to oust Plaintiff from effective participation in the management of the company.
27. The Member Defendants' breaches directly damaged the company by depriving it of cash needed for repairs to its physical plant, placing it in breach of the law and subject to the danger of its corporate form being disregarded, and subjecting it to additional costs and potential penalties from delays in satisfaction of its tax obligations.
28. A demand under Florida Statutes Section 605.0802(1) would have been futile, as the actions of the company giving rise to this cause of action were the result of acts and omissions of the Member Defendants on which demand would have been made.

29. Plaintiff has retained the undersigned counsel to represent it in this matter and is obligated to pay the undersigned a reasonable fee in connection herewith.

30. Plaintiff is entitled to recover attorney's fees pursuant to Section 17.13 of the Operating Agreement.

WHEREFORE, Plaintiff, on behalf of Lubbock, respectfully requests the Court determine that this suit is a proper derivative action and certify JHOG as the appropriate representative for Lubbock for said action; find for Plaintiff; enter judgment for Plaintiff and against the Defendants SSG and ANG, requiring them to account to Lubbock for all damages sustained by Lubbock as a result of their breach of fiduciary duty and to make payment therefor; order payment of Plaintiff's costs and attorney's fees; and provide such other and further relief as the Court deems appropriate.

**Count II – Breach of Fiduciary Duty (individual)**

31. This Count II is an action for breach of fiduciary duty brought by JHOG in its own right against the Member Defendants.

32. Paragraphs 1 through 18 are hereby restated and incorporated as if fully set forth herein.

33. Member Defendants – as managing members of the company and holders of a combined majority membership interest therein – owed a fiduciary duty to JHOG to act in good faith, with reasonable care, and in the best interests of the company at least to the same extent as a member of the board of directors of a Florida corporation. *See* Exhibit A, ¶6.6; Fla. Stat. §§605.04091, 605.0105(3)(f), (4)(c), 607.0830.

34. The Member Defendants breached that duty by misappropriating the funds of the company, including but not limited to manipulating the terms for repayment of loans to

Gator State and Palmetto, and keeping funds in a personal account not titled in the name of the company and to which the company did not have access.

35. The Member Defendants further breached that duty by keeping inadequate financial records and delaying the preparation of financial and tax documents when there was no commercially reasonable justification for doing so.
36. The Member Defendants further breached that duty by denying JHOG access to the financial records and operating information of the company, preventing it from knowing the status of its interest in the company, exercising its rights as a managing member of the company, or taking action to carry out the company's business and prevent malfeasance.
37. The Member Defendants further breached that duty by allowing a facility owned by Lubbock and located at 109 N. Avenue U, Lubbock, Texas 79415 to fall into a state of disrepair that resulted in its condemnation.
38. The Member Defendants further breached that duty by leasing facilities owned by Lubbock to a third party company that, upon information and belief, is controlled by one or more of the Defendants or their principals, and agreeing to an amount of rent sufficient to cover only Lubbock's mortgage on the properties so leased. In effect, this precluded JHOG from sharing in any distributions enjoyed by the Member Defendants.
39. These actions were in breach of Sections 5.1, 6.1, 11.1, 11.2, and 12.1 of the Operating Agreement, and thereby caused direct damage to JHOG, notwithstanding that a portion of this damage may be the same as the injury suffered or threatened to be suffered by Lubbock.

40. These actions were taken solely for purposes other than the best interests of the company, as demonstrated by the broader course of conduct calculated to oust Plaintiff from effective participation in the management of the company.

41. Plaintiff has retained the undersigned counsel to represent it in this matter and is obligated to pay the undersigned a reasonable fee in connection herewith.

42. Plaintiff is entitled to recover attorney's fees pursuant to Section 17.13 of the Operating Agreement.

WHEREFORE, JHOG respectfully requests the Court find for JHOG, enter a judgment for damages for JHOG and against the Member Defendants including attorney's fees and costs, order that Member Defendants restore JHOG's access to Lubbock's financial and operational management systems and dissolve any prohibitions on Lubbock employee contact with JHOG, order further that Member Defendants complete preparations of any outstanding financial and tax documents as soon as may be reasonably practicable, and provide such other and further relief as the Court deems appropriate.

### **Count III – Breach of Contract (individual)**

43. This Count III is an action for breach of contract brought by JHOG in its own right against the Member Defendants.

44. Paragraphs 1 through 18 are hereby restated and incorporated as if fully set forth herein.

45. The Member Defendants breached the terms of their Operating Agreement with JHOG by keeping company funds in a personal account not titled in the name of the company and to which the company did not have access, in violation of Section 11.2 of the Operating Agreement.



46. The Member Defendants further breached the terms of the Operating Agreement by keeping inadequate financial records and delaying the preparation of financial and tax documents when there was no commercially reasonable justification for doing so, in violation of Sections 11.1 and 12.1 of the Operating Agreement.
47. The Member Defendants further breached the terms of the Operating Agreement by denying JHOG access to the financial records and operating information of the company, preventing it from knowing the status of its interest in the company, exercising its rights as a managing member of the company, or taking action to carry out the company's business and prevent malfeasance. This violated Sections 6.1 and 11.1 of the Operating Agreement.
48. The Member Defendants further breached the terms of the Operating Agreement by leasing facilities owned by Lubbock to a third party company that, upon information and belief, is controlled by one or more of the Defendants or their principals, and agreeing to an amount of rent sufficient to cover only Lubbock's mortgage on the properties so leased. In effect, this precluded JHOG from sharing in any distributions enjoyed by the Member Defendants in violation of Section 5.1 of the Operating Agreement and the "Sharing Ratio" as defined in Section 1.1 thereof.
49. Plaintiff has been damaged by these breaches by being deprived of the benefit of its bargain with the Defendants, including but not limited to the exercise of its rights as a managing member of Lubbock.
50. Plaintiff is entitled to enforce the Operating Agreement by specific performance because JHOG remains ready, willing, and able to perform under the Operating Agreement and

damages alone do not provide an adequate remedy for JHOG's effective loss of its management rights in the company.

51. Plaintiff has retained the undersigned counsel to represent it in this matter and is obligated to pay the undersigned a reasonable fee in connection herewith.

52. Plaintiff is entitled to recover attorney's fees pursuant to Section 17.13 of the Operating Agreement.

WHEREFORE, JHOG respectfully requests the Court find for JHOG, enter a judgment for damages against JHOG and against Member Defendants including attorney's fees and costs, order that Member Defendants restore JHOG's access to Lubbock's financial and operational management systems and dissolve any prohibitions on Lubbock employee contact with JHOG, order further that Member Defendants complete preparations of any outstanding financial and tax documents as soon as may be reasonably practicable, and provide such other and further relief as the Court deems appropriate.

#### **Count IV – Conversion (derivative)**

53. This Count IV is an action for conversion brought by JHOG on behalf of Lubbock against David Heil.

54. Paragraphs 1 through 18 are hereby restated and incorporated as if fully set forth herein.

55. The Member Defendants directed and procured the company's payment of approximately \$427,351.00 to the personal bank account of Heil under circumstances in which they had no authority to do so; viz., they were precluded from doing so by Section 11.2 of the Operating Agreement and failed to obtain any modification to that section that would have allowed such action.

56. Demand by Lubbock for a return of the money was unnecessary because it would have been futile. Demand would have been directed to Heil, the principal of SSG, which procured the distribution in the first place.

57. Plaintiff has retained the undersigned counsel to represent it in this matter and is obligated to pay the undersigned a reasonable fee in connection herewith.

58. Plaintiff is entitled to recover attorney's fees pursuant to Section 17.13 of the Operating Agreement.

WHEREFORE, Plaintiff, on behalf of Lubbock, respectfully requests the Court determine that this suit is a proper derivative action and certify JHOG as the appropriate representative for Lubbock for said action; find for Plaintiff; enter judgment for Plaintiff and against Heil, requiring Heil to return the misappropriated funds to Lubbock's bank account; order payment of Plaintiff's costs and attorney's fees; and provide such other and further relief as the Court deems appropriate.

**Count V – Money Had and Received (derivative)**

59. This Count V is an action for money had and received brought by JHOG on behalf of Lubbock against David Heil.

60. Heil received approximately \$427,351.00 paid to Lubbock in repayment of its loan to Gator State, which was subsequently transferred to Heil at the direction of SSG.

61. This transfer violated Section 11.2 of the Operating Agreement, and neither Heil nor SSG had any entitlement to receive the funds or right, contractual or otherwise, to claim them.

62. Heil should, in all fairness, be required to return these funds to Lubbock, on the grounds that he has no legal entitlement to retain it and he received it only because of an unauthorized transfer from Lubbock that he assisted in procuring.

63. Plaintiff has retained the undersigned counsel to represent it in this matter and is obligated to pay the undersigned a reasonable fee in connection herewith.

64. Plaintiff is entitled to recover attorney's fees pursuant to Section 17.13 of the Operating Agreement.

WHEREFORE, Plaintiff, on behalf of Lubbock, respectfully requests the Court determine that this suit is a proper derivative action and certify JHOG as the appropriate representative for Lubbock for said action; find for Plaintiff; enter judgment for Plaintiff and against Heil, requiring Heil to return the misappropriated funds to Lubbock's bank account; order payment of Plaintiff's costs and attorney's fees; and provide such other and further relief as the Court deems appropriate.

Dated this 28th day of July, 2021.

**SMOTHERS LAW FIRM, P.A.**

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