

IN THE CIRCUIT COURT, FOURTH
JUDICIAL CIRCUIT, IN AND FOR
NASSAU COUNTY, FLORIDA

CASE NO.:

MELANDY HIGDON, individually, derivatively
as a shareholder of and on behalf of Salsas of
Blanding Corporation, a Florida profit corporation,
and derivatively as a shareholder of and on behalf
of Anejo of Yulee Corporation, a Florida profit
corporation,

Plaintiff,

v.

JV-HOLDING RESTAURANT MANAGEMENT
OF FLORIDA, INC., a Florida profit corporation,

Defendant.

_____ /

VERIFIED COMPLAINT AND REQUEST FOR INJUNCTION

Plaintiff, MELANDY HIGDON, individually (“Higdon”), derivatively as a shareholder of and on behalf of Salsas of Blanding Corporation, a Florida profit corporation (“Salsas Corp.”), and derivatively as a shareholder of and on behalf of Anejo of Yulee Corporation, a Florida profit corporation (“Anejo Corp.”), hereby files this Complaint and Request for Injunction against Defendant JV-HOLDING RESTAURANT MANAGEMENT OF FLORIDA, INC., a Florida profit corporation (“JV-Holding”), and alleges:

1. Salsas Corp. and Anejo Corp. each own a single Mexican restaurant in northeast Florida. As to both such corporations, Defendant is the majority shareholder and Plaintiff is the sole minority shareholder. This lawsuit concerns *inter alia* Defendant’s breach of fiduciary duties with respect to both corporations.

2. Defendant recently took unilateral steps – against the demands of its minority shareholder – to shut down both of these successful and profitable restaurants. Motivated only by personal financial gain, Defendant’s scheme is designed to cut out the Plaintiff and her minority shares. Defendant intends to re-open both restaurants, in their same respective locations, under new corporate entities that exclude the Plaintiff, plainly usurping the existing corporations’ success. As set forth below, Defendant is disloyally sabotaging both corporations and their minority shareholder for the purpose of enriching itself.

JURISDICTION, VENUE, AND THE PARTIES

3. This is a shareholder derivative action pursuant to Section 607.0742 of the Florida Statutes for breach of fiduciary duty, loyalty and care, self-dealing, and temporary and permanent injunctive relief to prevent JV-Holding from usurping corporate opportunities and engaging in conflicts of interest and breaches of fiduciary duty.

4. This is also an action on Plaintiff’s individual behalf for damages she has suffered as a result of Defendant’s wrongful conduct.

5. The amount in controversy exceeds \$50,000.00, exclusive of attorneys’ fees, interest and costs.

6. Anejo Corp. is a privately held Florida corporation with its principal place of business in located at 40 Homegrown Way, Suite A, Yulee, Florida 32097.

7. Salsas Corp. is a privately held Florida corporation with its principal place of business located at 1803 Blanding Boulevard, Suite 103, Middleburg, Florida 32068.

8. JV-Holding is a privately held Florida corporation with its principal place of business located at 101 Marketside Ave., Suite 404-328, Ponte Vedra Beach, Florida 32081. On

information and belief, the sole shareholders of JV-Holding are Jesus and Blanca Valencia (the “Valencias”).

9. Higdon is an individual residing in Clay County, Florida. Higdon is and was during all times material to the conduct complained of herein a 30 percent owner/shareholder of both Salsas Corp. and Anejo Corp.

10. Venue is proper in Nassau County pursuant to Section 47.011, Florida Statutes, as the causes of action relating to the Anejo Restaurant (defined below) accrued in Nassau County and the harm to Anejo Corp. occurred in Nassau County. Venue is proper in Nassau County as to all causes of action relating to the Anejo Restaurant (defined below) because, under Florida law, suits involving several causes of action may be brought in any county where any of the causes of action accrued.

11. All conditions precedent to the institution and maintenance of this action have been performed, have occurred or have been waived.

FACTS PERTAINING TO THE SALSAS RESTAURANT

12. Salsas Corp. owns a Mexican restaurant commonly known as Salsas Cocina Mexicana & Cantina located at 1803 Blanding Boulevard, Suite 103, Middleburg, Florida 32068 (the “Salsas Restaurant”).

13. The Salsas Restaurant comprises all or substantially all of Salsas Corp.’s assets.

14. JV-Holding is the majority shareholder of Salsas Corp. and therefore owes a fiduciary duty to the corporation and its minority shareholders.

15. In 2019 and 2020, Higdon invested \$180,000.00 in order to become a 30 percent minority shareholder of Salsas Corp.

16. Higdon has managed the Salsas Restaurant since October 2021.

17. Thanks to the tireless efforts of Higdon, the Salsas Restaurant is profitable and successful.

18. In 2024, Higdon offered to buy JV-Holding's interest in Salsas Corp.

19. In preparation for making her offer, Higdon obtained an SBA appraisal of Salsas Corp.

20. On October 21, 2024, Higdon offered to pay JV-Holding at least 70 percent of the SBA appraised value for its shares in the company.

21. JV-Holding rejected this offer and, as set forth below, recently closed the restaurant to the detriment and at the expense of Salsas Corp., in breach of its fiduciary duties to Salsas Corp. and its minority shareholder, for the purpose of placing pressure on Higdon to increase her offer to JV-Holding.

22. At the same time, and in further breach of its fiduciary duties to Salsas Corp. and its minority shareholder, JV-Holding is taking steps to open in January 2025 a competing Mexican restaurant within one mile of the Salsas Restaurant.

23. Higdon became aware of JV-Holding's plans to close the Salsas Restaurant and therefore, by correspondence dated November 11, 2024 and November 14, 2024, demanded that Defendant not do so because it would constitute a breach of its fiduciary duties. As set forth below, within 90 days thereafter, the demand was refused, rejected, or ignored.

24. On or about December 1, 2024, representatives of JV-Holding, without the consent of Salsas Corp.'s minority shareholder, entered the Salsas Restaurant, changed the locks and passwords to the security cameras, closed the restaurant, and fired the staff. In addition, JV-Holding depleted the company's savings account. As a result, Higdon can no longer access the restaurant and is prevented from continuing to operate it.

25. At the time that they closed the restaurant, the Valencias, on behalf of JV-Holding, stated to the restaurant's now-former employees their intention to dissolve Salsas Corp. and that they would re-open the Salsas Restaurant (or a similar restaurant) as its exclusive owners – without Higdon – within the next seven to ten business days. The staff was told they would be offered employment positions under the new ownership or that they could leave the restaurant to work for JV-Holding's new competing restaurant nearby.

26. JV-Holding had no legitimate business reason for closing the Salsas Restaurant.

27. As a result of its breach of fiduciary duties in closing the Salsas Restaurant, Salsas Corp. has and will continue to lose profits, employees, goodwill, and other tangible and intangible value.

28. In other words, JV-Holding intends to usurp the opportunity for Salsas Corp.'s ongoing and continued successful operation of the Salsas Restaurant for their own personal benefit and for the sole purpose of excluding and sabotaging the interests of its minority shareholder.

FACTS PERTAINING TO THE ANEJO RESTAURANT

29. Anejo Corp. owns a Mexican restaurant commonly known as Anejo Cocina Mexicana located at 40 Homegrown Way, Unit B, Yulee, Florida 32097 (the "Anejo Restaurant").

30. The Anejo Restaurant comprises all or substantially all of Anejo Corp.'s assets.

31. JV-Holding is the majority shareholder of Anejo Corp. and therefore owes a fiduciary duty to the corporation and its minority shareholders.

32. In 2020 and 2021, Higdon invested \$225,000.00 in order to become a 30 percent minority shareholder of Anejo Corp.

33. Higdon has managed the Anejo Restaurant since October 2021.

34. Thanks to the tireless efforts of Higdon, the Anejo Restaurant is profitable and successful.

35. Recently, Higdon offered to buy JV-Holding's interest in Anejo Corp.

36. In preparation for making her offer, Higdon attempted to obtain an SBA appraisal of Anejo Corp.

37. However, in the course of obtaining the appraisal, Higdon and the SBA discovered that, prior to Higdon's involvement with the company, JV-Holding may have improperly allowed certain accounting, tax, and payroll violations to go unresolved.

38. Higdon has attempted to obtain more information about such violations but JV-Holding has blocked her access to such records. Higdon has therefore been unable to obtain an SBA appraisal of Anejo Corp.

39. In the meantime, on or about December 1, 2024, JV-Holding abruptly closed the Anejo Restaurant to the detriment and at the expense of Anejo Corp., in breach of its fiduciary duties to Anejo Corp. and its minority shareholder, for the purpose of placing pressure on Higdon to nonetheless make an offer to JV-Holding.

40. Specifically, representatives of JV-Holding, without the consent of Anejo Corp.'s minority shareholder, entered the Anejo Restaurant, changed the locks, closed the restaurant, and fired the staff. In addition, JV-Holding removed all cash from the restaurant's safe. As a result, Higdon can no longer access the restaurant and is prevented from continuing to operate it.

41. At the time that they closed the restaurant, the Valencias, on behalf of JV-Holding, stated to the restaurant's now-former employees their intention to dissolve Anejo Corp. and that they would re-open the Anejo Restaurant (or a similar restaurant) as its exclusive owners – without

Higdon – within the next seven to ten business days. The staff was told they would be offered employment positions under the new ownership.

42. JV-Holding has no legitimate business reason for closing the Anejo Restaurant.

43. As a result of its breach of fiduciary duties in closing the Anejo Restaurant, Anejo Corp. has and will continue to lose profits, employees, goodwill, and other tangible and intangible value.

44. In other words, JV-Holding intends to usurp the opportunity for Anejo Corp.'s ongoing and continued successful operation of the Anejo Restaurant for their own personal benefit and for the sole purpose of excluding and sabotaging the interests of its minority shareholder.

45. No demand was made on JV-Holding to abstain from taking the actions set forth herein with respect to Anejo Corp. because the same issues overlap with Salsas Corp., whose demands (set forth above) were outright rejected. As such, any demand would have been futile.

COUNT I
Permanent and Temporary Injunction
(By Higdon on behalf of Salsas Corp.)

46. Plaintiff realleges and incorporates the allegations of paragraphs 1-3 and 5-28 as though fully set forth herein.

47. A court of equity is empowered to issue injunctive relief to prevent wrongful dealing with corporate assets and to prevent such wrongful actions from infringing upon shareholders' rights. In this case, Plaintiff has a clear legal right to a permanent injunction.

48. Defendant's actions – including but not limited to closing the Salsas Restaurant which comprises all or substantially all of Salsas Corp.'s assets, loss of key employees, and

depleting its financial accounts thereby undermining its ability to operate – constitute wrongful actions that this Court can and must permanently enjoin.

49. Legal remedies are inadequate to prevent the irreparable harm that would result from Defendant's self-dealing and unilateral decision to change the fundamental nature of Salsas Corp. by closing the Salsas Restaurant and firing its staff.

50. Plaintiff has operated the Salsas Restaurant successfully and profitably since 2021 without assistance or contribution from Defendant. An injunction requiring its re-opening will therefore not impose any unfair balance of hardships on Defendant.

51. The public interest would not be disserved by a permanent injunction.

52. In the meantime, Salsas Corp. is likely to suffer irreparable harm if a temporary injunction is not entered preventing its majority shareholder from committing certain acts in breach of its fiduciary duties, including but not limited to closing the Salsas Restaurant which comprises all or substantially all of Salsas Corp.'s assets, loss of key employees, and depleting its financial accounts.

53. Plaintiff has no adequate remedy at law as the viability of Salsas Corp. is at risk as is the loss of client goodwill.

54. Plaintiff has a substantial likelihood of succeeding on the merits of its claims against Defendant.

55. Considerations of the public interest support the entry of a temporary injunction.

WHEREFORE, Plaintiff, derivatively as a shareholder of and on behalf of Salsas Corp., respectfully requests that the Court enter judgment (i) issuing a temporary injunction preventing Defendant from interfering with Plaintiff's ability to re-open the Salsas Restaurant until this Court rules on the merits of the remaining claims in this action; (ii) issuing a permanent injunction

preventing Defendant from its wrongful dealing with corporate assets and infringing upon shareholders' rights, and (iii) granting such other and further relief as the Court deems just and proper.

COUNT II
Permanent and Temporary Injunction
(By Higdon on behalf of Anejo Corp.)

56. Plaintiff realleges and incorporates the allegations of paragraphs 1-3, 5-11, and 29-45 as though fully set forth herein.

57. A court of equity is empowered to issue injunctive relief to prevent wrongful dealing with corporate assets and to prevent such wrongful actions from infringing upon shareholders' rights. In this case, Plaintiff has a clear legal right to a permanent injunction.

58. Defendant's actions – including but not limited to closing the Anejo Restaurant which comprises all or substantially all of Anejo Corp.'s assets, loss of key employees, and depleting its financial accounts thereby undermining its ability to operate – constitute wrongful actions that this Court can and must permanently enjoin.

59. Legal remedies are inadequate to prevent the irreparable harm that would result from Defendant's self-dealing and unilateral decision to change the fundamental nature of Anejo Corp. by closing the Anejo Restaurant and firing its staff.

60. Plaintiff has operated the Anejo Restaurant successfully and profitably since 2021 without assistance or contribution from Defendant. An injunction requiring its re-opening will therefore not impose any unfair balance of hardships on Defendant.

61. The public interest would not be disserved by a permanent injunction.

62. In the meantime, Anejo Corp. is likely to suffer irreparable harm if a temporary injunction is not entered preventing its majority shareholder from committing certain acts in breach

of its fiduciary duties, including but not limited to closing the Anejo Restaurant which comprises all or substantially all of Anejo Corp.'s assets, loss of key employees, and depleting its financial accounts.

63. Plaintiff has no adequate remedy at law as the viability of Anejo Corp. is at risk as is the loss of client goodwill.

64. Plaintiff has a substantial likelihood of succeeding on the merits of its claims against Defendant.

65. Considerations of the public interest support the entry of a temporary injunction.

WHEREFORE, Plaintiff, derivatively as a shareholder of and on behalf of Anejo Corp., respectfully requests that the Court enter judgment (i) issuing a temporary injunction preventing Defendant from interfering with Plaintiff's ability to re-open the Anejo Restaurant until this Court rules on the merits of the remaining claims in this action; (ii) issuing a permanent injunction preventing Defendant from its wrongful dealing with corporate assets and infringing upon shareholders' rights, and (iii) granting such other and further relief as the Court deems just and proper.

COUNT III
Breach of Fiduciary Duty
(By Higdon on behalf of Salsas Corp.)

66. Plaintiff realleges and incorporates the allegations of paragraphs 1-3 and 5-28 as though fully set forth herein.

67. As majority shareholder of Salsas Corp., Defendant owed a duty to act in the best interests of the company and its shareholders. Accordingly, Defendant owed fiduciary duties of

good faith, loyalty, care, restraint from self-dealing, usurping corporate opportunities, and engaging in conflicts of interest.

68. Defendant breached these duties by, among other things:
- a. Closing the successful and profitable Salsas Restaurant, which comprises all or substantially all of Salsas Corp.'s assets, with no legitimate reason;
 - b. Closing the successful and profitable Salsas Restaurant and re-opening it (or a similar restaurant) under a separate corporate entity owned and controlled by Defendant;
 - c. Sabotaging the Salsas Restaurant's goodwill for the purpose of pressuring its minority shareholder into increasing an offer to purchase Defendant's shares;
 - d. Firing and/or poaching staff and employees at Salsas Restaurant in order to have them work for Defendant's other competing restaurants;
 - e. Opening a new restaurant in direct competition with, and in the vicinity of, the Salsas Restaurant;
 - f. Depleting Salsas Corp.'s savings account.

69. Plaintiff has and will continue to suffer extensive damages as a result of Defendant's breaches including, but not limited to, lost profits, employees, goodwill, and other tangible and intangible value.

WHEREFORE, Plaintiff, derivatively as a shareholder of and on behalf of Salsas Corp., respectfully requests that judgment be entered in favor of Plaintiff and against Defendant for the principal sum of Plaintiff's damages, together with interest, an award of attorney's fees, and for such other and further relief as the Court deems just and proper.

COUNT IV
Breach of Fiduciary Duty
(By Higdon on behalf of Anejo Corp.)

70. Plaintiff realleges and incorporates the allegations of paragraphs 1-3, 5-11, and 29-45 as though fully set forth herein.

71. As majority shareholder of Anejo Corp., Defendant owed a duty to act in the best interests of the company and its shareholders. Accordingly, Defendant owed fiduciary duties of good faith, loyalty, care, restraint from self-dealing, usurping corporate opportunities, and engaging in conflicts of interest.

72. Defendant breached these duties by, among other things:

- a. Closing the successful and profitable Anejo Restaurant, which comprises all or substantially all of Anejo Corp.'s assets, with no legitimate reason;
- b. Closing the successful and profitable Anejo Restaurant and re-opening it (or a similar restaurant) under a separate corporate entity owned and controlled by Defendant;
- c. Sabotaging the Anejo Restaurant's goodwill for the purpose of pressuring its minority shareholder into increasing an offer to purchase Defendant's shares;
- d. Firing and/or poaching staff and employees at Anejo Restaurant in order to have them work for Defendant's new ownership;
- e. Depleting Anejo Corp.'s cash in its safe.

73. Plaintiff has and will continue to suffer extensive damages as a result of Defendant's breaches including, but not limited to, lost profits, employees, goodwill, and other tangible and intangible value.

WHEREFORE, Plaintiff, derivatively as a shareholder of and on behalf of Anejo Corp., respectfully requests that judgment be entered in favor of Plaintiff and against Defendant for the principal sum of Plaintiff's damages, together with interest, an award of attorney's fees, and for such other and further relief as the Court deems just and proper.

COUNT V
Breach of Fiduciary Duty
(By Higdon, individually)
In the Alternative

74. Plaintiff realleges and incorporates the allegations of paragraphs 1-2 and 4-45 as though fully set forth herein.

75. In the alternative to Counts III and IV above, as majority shareholder of Salsas Corp. and Anejo Corp., Defendant owed a fiduciary duty to the companies' minority shareholders. Accordingly, Defendant owed fiduciary duties of good faith, loyalty, care, restraint from self-dealing, usurping corporate opportunities, and engaging in conflicts of interest.

76. As to Salsas Corp., Defendant breached these duties by, among other things:

- a. Closing the successful and profitable Salsas Restaurant, which comprises all or substantially all of Salsas Corp.'s assets, with no legitimate reason;
- b. Closing the successful and profitable Salsas Restaurant and re-opening it (or a similar restaurant) under a separate corporate entity owned and controlled by Defendant;
- c. Sabotaging the Salsas Restaurant's goodwill for the purpose of pressuring its minority shareholder into increasing an offer to purchase Defendant's shares;
- d. Firing and/or poaching staff and employees at Salsas Restaurant in order to have them work for Defendant's other competing restaurants;

- e. Opening a new restaurant in direct competition with, and in the vicinity of, the Salsas Restaurant;
 - f. Depleting Salsas Corp.'s savings account.
77. As to Anejo Corp., Defendant breached these duties by, among other things:
- a. Closing the successful and profitable Anejo Restaurant, which comprises all or substantially all of Anejo Corp.'s assets, with no legitimate reason;
 - b. Closing the successful and profitable Anejo Restaurant and re-opening it (or a similar restaurant) under a separate corporate entity owned and controlled by Defendant;
 - c. Sabotaging the Anejo Restaurant's goodwill for the purpose of pressuring its minority shareholder into increasing an offer to purchase Defendant's shares;
 - d. Firing and/or poaching staff and employees at Anejo Restaurant in order to have them work for Defendant's new ownership;
 - e. Depleting Anejo Corp.'s cash in its safe.

78. Plaintiff has and will continue to suffer extensive damages as a result of Defendant's breaches including, but not limited to, her share of lost profits and other tangible and intangible value.

WHEREFORE, Plaintiff, individually, respectfully requests that judgment be entered in favor of Plaintiff and against Defendant for the principal sum of Plaintiff's damages, together with interest, an award of attorney's fees, and for such other and further relief as the Court deems just and proper.

COUNT VI
Intentional Infliction of Emotional Distress
(By Higdon, individually)

79. Plaintiff realleges and incorporates the allegations of paragraphs 1-2 and 4-45 as though fully set forth herein.

80. Recently, Higdon offered to buy JV-Holding's respective interests in Salsas Corp. and Anejo Corp.

81. Unsatisfied with Higdon's offers to purchase its interests, JV-Holding retaliated and, in an attempt to put pressure on Higdon into increasing her offers, closed both restaurants and fired their staffs.

82. JV-Holding knew that Higdon had operated both restaurants since October 2021 and had developed personal relationships with their staffs.

83. JV-Holding's decision to fire the entire staff at both restaurants, on short notice, during the holidays, was a deliberate and intentional attempt to cause Higdon to suffer severe stress and distress so that she would increase her offer to purchase the restaurants and re-open them.

84. Such conduct is outrageous and goes beyond all bounds of decency.

85. JV-Holding knew or should have known that Higdon's emotional distress would likely result from such actions.

86. Such conduct did cause Higdon to suffer severe emotional distress.

WHEREFORE, Plaintiff, individually, respectfully requests that judgment be entered in favor of Plaintiff and against Defendant for the principal sum of Plaintiff's damages, together with interest, and for such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a jury trial on all issues so triable pursuant to Rule 1.430, Florida Rules of Civil Procedure.

DATED this 5th day of December, 2024.

ROGERS TOWERS, P.A.

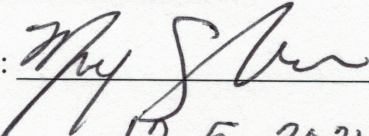
By: /s/ Matson Coxe
H. MATSON COXE, IV
Florida Bar No. 1039476
JAMES M. RILEY
Florida Bar No. 700411
1301 Riverplace Boulevard, Ste. 1500
Jacksonville, Florida 32207
(904) 398-3911 (telephone)
(904) 396-0663 (facsimile)
mcoxe@rtlaw.com
jriley@rtlaw.com
kmaldonado@rtlaw.com

ATTORNEYS FOR PLAINTIFF

VERIFICATION

I declare under penalty of perjury that I have read the foregoing Verified Complaint and Request for Injunction, and that the matters stated therein are true and correct, except as to matters therein stated to be alleged on information and belief, which I believe to be true.

MELANDY HIGDON

By: 

Date: 12-5-2024