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Pro Per

**IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA**

Case: CV2025-017755

ANH JUNG,

Plaintiff,

v.

NICOLAS LEVI DWYER, et al

***FIRST AMENDED
COMPLAINT OF
DEFAMATION, SLANDER,
LIBEL, FALSE LIGHT
INVASION OF PRIVACY***

Defendants.

1 NOW COMES Plaintiff Anh Jung, appearing in propria persona, and respectfully moves
2 this Honorable Court for leave to file an Amended Complaint in the above - captioned
3 matter. against Defendants Nicholas Levi Dwyer (also referred herein as “Dwyer”),
4 Gordon Engstrom (also referred herein as “Engstrom”), Michael Stone (also referred herein
5 as “Stone”), Crystal Glaim (also referred herein as “Glaim”), Jennifer Rotta (also referred
6 herein as “Rotta”), TGIQ LLC (also referred herein as “TGIQ”), Ellen Swanson (also
7 referred herein as “Swanson”), Michael Harrison (also referred herein as “Harrison”),
8 Rochelle Anderson Billeter (also referred herein as “Billeter”), John and Jane Does 1-455
9 (also referred herein as “Does”), and (collectively referred to as 'Defendants'). In support
10 thereof, Plaintiff states as follows:

I. PRELIMINARY STATEMENT

1. This motion is made pursuant to the applicable provisions of the Arizona Rules of Civil Procedure. Plaintiff seeks to amend her complaint to state more fully and accurately the allegations against Defendants for defamation, false light invasion of privacy, intentional infliction of emotional distress, tortious interference with business relations, and civil conspiracy.

2. The amended complaint further sets forth in detail the coordinated and malicious conduct of the Defendants—including false statements concerning felony convictions, unauthorized background checks, and coercive tactics—designed to injure Plaintiff's personal, professional, and business relationships in contravention of Arizona law.

II. JURISDICTION AND VENUE

3. The subject matter jurisdiction of this Honorable Court is proper as the claims arise under Arizona state tort law, including state defamation and related causes of action, Article 6 § 14, Arizona Constitution and A.R.S. § 12-123.

4. Personal jurisdiction is proper over the Defendants because many, if not all are residents of or have purposefully engaged in conduct within Arizona, and the defamatory acts occurred in this State, pursuant Arizona Revised Statutes § Title 12, Chapter 1, Article 2.

5. Venue is proper in this Court pursuant to Ariz. Rev. Stat. Ann. § 12-401 since the events giving rise to the claims occurred in Maricopa County.

III. STATEMENT OF FACTS AND FOUNDATIONAL RELEVANCE

6. Plaintiff, a resident of Gilbert, Arizona, has been subjected to an orchestrated campaign of defamatory conduct intentionally directed against her by Defendants.

7. Defendant Gordon Engstrom, in a failed attempt to secure re-election, faced defeat, which was publicly announced at a community meeting on February 27, 2025¹. Rather than accepting his loss with integrity, Engstrom responded by blaming Jung and co-opting other Defendants, especially Defendants Stone, Glaim, and Glaim's next-door neighbor Nick Dwyer, to wage a calculated and malicious campaign against Plaintiff. This effort culminated in the creation of the **Save Power Ranch** website (www.savepowerranch.com) and the **Save Power Ranch Facebook** page (<https://www.facebook.com/SavePR2025>) which was created on or about April 1, 2025, and **Preserving Power Ranch Facebook**² page (<https://www.facebook.com/profile.php?id=61561935784515#>), where anonymous, false, and defamatory accusations were purposefully spread to destroy Plaintiff's character. This was not an innocent attempt at self-defense but a deliberate, coordinated effort to sabotage Plaintiff's reputation and professional standing in the community for personal and political retribution.

8. Defendant Gordon Engstrom, in deliberate concert with his wife, Daniella Engstrom, operates and moderates the Facebook group titled "Positively Power Ranch"

¹ Annual Meeting February 27, 2025 Recap (Exhibit A)

² Preserving Power Ranch Facebook page containing defamatory statements (Exhibit B)

(<https://www.facebook.com/groups/positivelypowerranch/>)³. Despite its seemingly benign name, the group functions as a calculated vehicle for the dissemination of defamatory statements and malicious falsehoods targeting Plaintiff. The platform is strategically positioned to contrast the Engstroms as ostensibly “positive” and civil, while in reality serving to amplify reputational harm under the guise of community engagement and civility. This deliberate mischaracterization further underscores the malicious intent behind their conduct. The group is weaponized to spread disinformation while simultaneously censoring any dissenting views, including systematically deleting or hiding comments critical of Gordon Engstrom. In a further act of concealment and bad faith, Jung was intentionally removed and blocked from the group, thereby preventing her from viewing or responding to the ongoing defamatory content.

9. On September 23, 2024, Defendants Engstrom, Stone, Rotta, and Glaim acting in concert and with calculated intent, conspired to publicly remove Plaintiff from her role during a community meeting⁴ without any legitimate cause or justification. This coordinated action was not only retaliatory in nature but executed with malice and a shared objective to discredit, humiliate, and isolate Plaintiff in the eyes of the community. Their joint conduct reflects a willful and deliberate civil conspiracy to undermine Plaintiff’s credibility and obstruct her continued involvement.

³ Positively Power Ranch Facebook page operated by Engstrom (Exhibit C)

⁴ Meeting Minutes from September 23, 2024 (Exhibit D)

68 10. On September 30, 2024, Engstrom and Stone convened a meeting where
69 Defendant Stone disclosed that he had illegally conducted background checks on
70 community members, including Plaintiff. Stone’s actions were unauthorized and outside
71 the scope of his role⁵. He then falsely accused Plaintiff of felony convictions, specifically
72 arson, in front of approximately nine attendees⁶. Despite Plaintiff presenting undeniable
73 evidence⁷ that she was not convicted of a felony, nor arrested, Defendants persisted with
74 their malicious and reckless falsehoods, continuing to tarnish Plaintiff’s reputation.

75 11. Defendant Michael Stone, along with his wife Sally Stevens—who has *self-*
76 *proclaimed*, among other things, that she previously worked in the banking industry—has
77 engaged in a long-standing and documented pattern of conducting unauthorized
78 background checks on members of the community, including former board members.
79 These checks have reportedly included access to sensitive personal information such as
80 IRS tax filings⁸, obtained without consent or legal authority. The information acquired
81 through these improper actions was then used by Stone and Stevens to manipulate and
82 blackmail individuals within the community, in an effort to exert control, intimidate, and
83 silence opposition. This pattern of behavior reflects a deliberate and malicious abuse of
84 private information for personal or political gain.

⁵ *Guth v. Loft, Inc.*, 5 A.2d 503, 510 (Del. 1939) Corporate officers and directors are not permitted to use their position of trust and confidence to further their private interests.

⁶ Transcription of September 30, 2024 meeting (Ex. E)

⁷ Letter from Plaintiff’s attorney (Ex. F)

⁸ Stone and Stevens text message re: Homeowner IRS filings (Ex. G)

85 12. This was no isolated incident. In the case of Plaintiff, on September 30, 2024,
86 Stone, working in concert with then-attorney Josh Bolen, attempted to coerce Plaintiff into
87 resignation by exploiting this unlawfully obtained information. During the meeting, Stone
88 explicitly told Plaintiff: *'If you resign, all of this will go away.'*⁹ This was nothing short of
89 blackmail using personal information as leverage for personal and political gain.

90 13. On October 14, 2024, Plaintiff served Cease and Desist Letters to attorney Josh
91 Bolen, and Defendants Engstrom and Stone¹⁰.

92 14. On October 21, 2024, Plaintiff filed a bar complaint¹¹ against attorney Josh
93 Bolen.

94 15. On October 21, 2024, Defendants Engstrom, Stone, Rotta, and Glaim held a
95 meeting from which Jung was deliberately excluded. During that meeting, attorney Bolen
96 was present and correctly concluded after his research and speaking with Jung's attorney—
97 based on guidance from the Arizona Corporation Commission, the certificate of
98 disclosure¹² specifically requires disclosure of certain felony convictions and judicial
99 actions related to fraud, securities, antitrust, and similar matters within the preceding seven
100 years, but it does not require disclosure of misdemeanor convictions that are not related to
101 those categories or that are not financial in nature¹³—that disclosing Jung's personal

⁹ Transcription of September 30, 2024 meeting (Ex. H)

¹⁰ Cease and Desist Letters addressed to Engstrom, Stone, Bolen (Ex. I)

¹¹ Bar Complaint against Bolen (Ex. J)

¹² Arizona Certificate of Disclosure https://www.azcc.gov/docs/default-source/corps-files/forms/c003-certificate-of-disclosure.pdf?sfvrsn=5ab554d2_2 (Ex. K)

¹³ Section 10-11622 - Annual report, Ariz. Rev. Stat. 10-11622

criminal history was not required, as evidenced by filing documents signed by Engstrom¹⁴. However, despite this formal decision, the Defendants later on October 28, 2024, willfully disregarded this determination and proceeded to weaponize that information publicly, demonstrating clear bad faith and a deliberate intent to cause harm.

16. On October 28, 2024¹⁵¹⁶, Defendant Glaim publicly read a prepared statement to an audience of approximately 50 homeowners, which included knowingly false and defamatory claims about Plaintiff's personal background—fabricated assertions that prompted at least one attendee to later remark, "*It was so inappropriate, it made me uncomfortable.*" Prior to the reading, Defendant Engstrom announced, "*There will be no comments,*" effectively silencing any immediate rebuttal or clarification. This orchestrated presentation was a clear attempt to malign the Plaintiff's character in a public forum without affording her the opportunity to respond. This calculated presentation, coupled with the absence of any actionable steps following the reading, was a deliberate effort to cast Plaintiff in a false light before her community and inflict reputational harm without due process or accountability¹⁷. A statement may be described as defamatory "if it tends so to harm the reputation of another as to lower him in the estimation of the community or to

¹⁴ 2024 Corporate Filing signed by Engstrom (Ex. L)

¹⁵ Transcript from October 28, 2024 meeting (Ex. M)

¹⁶ Recording of meeting from October 28, 2024 -

<https://youtu.be/LdChp0KDnEA?si=md5i7glgMZ0y8jTO&t=3913>

¹⁷ Restatement (Second) of Torts § 559 (1977); see also syl. pt. 1, Sprouse v. Clay Communications, Inc., 158 W.Va. 427, [211 S.E.2d 674](#) (1975), cert. denied, [423 U.S. 882](#), 96 S. Ct. 145, 46 L. Ed. 2d 107, reh. denied, 423 U.S. 991, 96 S. Ct. 406, 46 L. Ed. 2d 311

118 deter third persons from associating or dealing with him." statements are defamatory if they
119 tend to "reflect shame, contumely, and disgrace upon [the plaintiff]."

120 17. Additional Defendants—including Jennifer Rotta, Michael Harrison, Rochelle
121 Anderson Billeter, TGIQ LLC (via Nicholas Dwyer), Nicholas Dwyer, and Ellen Swanson,
122 who distributed flyers¹⁸ to over 4,000 households—joined the campaign, thus amplifying
123 the harm inflicted upon Plaintiff.

124 18. Defendant Jennifer Rotta made malicious and defamatory statements to other
125 community members, telling them that Plaintiff was a 'convicted felon'¹⁹, despite having
126 been informed that the accusations were utterly false. These actions were intended to
127 destroy Plaintiff's reputation and caused irreparable harm.

128 19. Defendant Michael Harrison recklessly and repeatedly spread the defamatory
129 lie that Plaintiff had felony convictions, posting such falsehoods on social media²⁰, fully
130 aware that these statements were fabricated and harmful.

131 20. Defendant Rochelle Anderson Billeter posted highly defamatory content on
132 Facebook²¹ accusing Plaintiff of criminal behavior and fraud, despite these claims being
133 categorically untrue. This was done with the express intent to ruin Plaintiff's reputation
134 and perpetuate a false narrative that served only to harm Plaintiff.

¹⁸ Defamatory flyers and printed materials (Ex. N)

¹⁹ Text message between Rotta and homeowner (Ex. O)

²⁰ Screenshot defamatory posts by Harrison (Ex. P)

²¹ Defamatory Statements published by Billiter (Ex. Q)

21. Defendants TGIQ LLC, Nicholas Dwyer, Crystal Glaim, and/or John and Jane Does are responsible for disseminating false and defamatory statements about Plaintiff through the **Save Power Ranch** website which falsely accused Plaintiff of being a convicted felon. These malicious statements were part of a coordinated attack on Plaintiff's character designed to undermine her and perpetuate lies for personal and political motives.

22. Defendant Swanson took the malicious step of distributing flyers²² to over 4,300 households, falsely accusing Plaintiff of felony convictions, including the completely fabricated claim of arson. This was part of an organized effort to smear Plaintiff's character and destroy her reputation. Swanson's actions were designed to damage Plaintiff's reputation and were done with actual malice.

23. As a result of such coordinated and malicious conduct, Plaintiff has suffered significant and measurable damages including vandalism to her property, irreparable harm to her reputation, loss of business opportunities, and severe emotional distress.

IV. SUPPLEMENTAL FACTUAL ALLEGATIONS AFTER THE INITIAL COMPLAINT

24. After the initial complaint was served to Defendant Glaim, and confirmation that she as in fact the individual who paid for the dissemination of defamatory flyers to 4,300 homes, she not only failed to retract her defamatory statements, but continued her malicious campaign. Specifically, Defendant Glaim took to Facebook, where she publicly

²² Ring Door Camera of Swanson – (Ex. R)

155 stated: *'In her brief time living in Power Ranch, Ms. Jung has filed five separate legal*
156 *actions against the community—including one that names current and former board*
157 *members (myself included), several homeowners, and 455 unnamed residents. These*
158 *lawsuits are not about justice—they're intimidation tactics designed to silence us and*
159 *derail the recall movement*²³.*'* This statement was a blatant falsehood, fabricated to further
160 harm Plaintiff's standing in the community.

161 25. Despite having been provided with irrefutable evidence from Plaintiff's attorney
162 that Plaintiff was not convicted of any felony charges, Glaim continued to defame Plaintiff
163 by falsely asserting that Plaintiff was a convicted felon. This highlights Defendant Glaim's
164 reckless disregard for the truth and her continued malice in publishing false information
165 with the sole intent to harm Plaintiff and to serve her personal interests.

166 26. Defendant Glaim's behavior in continuing to publicly malign Plaintiff and
167 portray herself as a 'victim' when she was, in fact, the aggressor is an example of the
168 egregiousness of her conduct. Glaim claimed in her post: *'I'm not a politician. I'm your*
169 *neighbor. I'm a homeowner. I'm someone who believes that staying silent in the face of*
170 *dysfunction isn't an option.'* However, the reality is that Glaim's actions were nothing more
171 than a vindictive, malicious effort to destroy Plaintiff's character and undermine her
172 credibility in the community.

173 V. ARGUMENT AND LEGAL BASIS

²³ Facebook post by Glaim (Ex. S)

174 Plaintiff realleges and incorporates by reference the allegations contained in paragraphs 1
175 through 26, all Exhibits, and Appendix A as though fully set forth herein.

176 **CLAIM 1: DEFAMATION** (against all Defendants)

177 Under Arizona law, defamation occurs when a false statement is published with
178 either actual knowledge of its falsity or reckless disregard for the truth and causes
179 reputational harm.²⁴²⁵

180 The concept that a person's reputation in the community is precious and should not
181 be injured with impunity had been well established since ancient times. Slander was
182 expressly forbidden by the law of Moses- "*Thou shalt not bear false witness against thy*
183 *neighbour*."²⁶

184 *Myers v. the Telegraph* also supports this view, noting that the likelihood of damage
185 to one's reputation by the false attribution of serious misconduct, such as a felony,
186 "approaches a near certainty." The court recognized that society at large views certain
187 accusations as gravely damaging to a person's reputation, further underscoring the legal
188 protection afforded to one's good name in the community²⁷.

189 Here, Defendants—most notably Engstrom, Stone, Rotta, Glaim, and Dwyer—
190 knowingly and intentionally disseminated false and defamatory statements about Plaintiff
191 with the explicit intent to damage Plaintiff's personal and professional reputation. Despite

²⁴ *Dombey v. Phoenix Newspapers, Inc.*, 150 Ariz. 476

²⁵ *Yetman v. English*, 168 Ariz.

²⁶ Exodus 20:16, Deuteronomy 5:20, Mosiah 13:23

²⁷ *Myers v. the Telegraph* 2002, Ill. App. Ct., 332 Ill. App. 3d 917

evidence disproving the allegations, Engstrom, Stone, Rotta, Glaim, and Dwyer continued their attack with malice and reckless disregard, satisfying the elements of defamation.

The defamatory statements made by Defendants included false accusations that Plaintiff had been convicted of criminal charges, including fraud, arson, and embezzlement²⁸. These statements were maliciously spread despite clear and convincing evidence to the contrary, which was provided to Defendants Stone, Engstrom, and Rotta on September 30, 2024 and confirmation that disclosure was not required on October 21, 2024. Despite this, they continued to disseminate these false statements, showing reckless disregard for the truth and actual malice.

Plaintiff further shows that these defamatory statements directly led to recall petitions²⁹ filed against her and consequential business losses. The causation element in defamation is met where the false statements are a substantial factor in causing the harm.

Under Arizona law, a statement is considered defamatory per se if it falsely imputes a criminal offense involving moral turpitude³⁰. The Defendants' statements that the Plaintiff is a 'convicted felon' clearly fall within this category, as they falsely assert that the Plaintiff has been convicted of a felony, which is a serious criminal offense. This inherently damages the plaintiff's reputation without the need for additional context, as it directly attacks the plaintiff's honesty, integrity, and character.

²⁸ Appendix A, #3 - Save Power Ranch website

²⁹ Save Power Ranch website – (Ex. T)

³⁰ Akers, 45 Ariz. at 541, 46 P.2d at 133

210 The court defines "libel" under Arizona law as any malicious falsehood expressed
211 in writing or by other permanent means that tends to bring a person into disrepute,
212 contempt, or ridicule, or impeaches their honesty, integrity, virtue, or reputation, thereby
213 exposing them to public hatred or contempt. This broad definition encompasses both
214 statements that are defamatory on their face (libel per se) and those that become defamatory
215 only when considered in light of extrinsic facts known to the recipient or the public³¹.

216 In *Myers vs the Telegraph*, the court emphasized that “society at large views a
217 "felon" far differently than a person who has committed an offense resulting in a
218 misdemeanor conviction. While most persons would be unable to give a precise legal
219 definition of the terms "misdemeanor" or "felony," we have no doubt that the prevailing
220 view would be that a misdemeanor is a minor offense and a felony is a serious crime. That
221 would be a correct view as a general proposition. We see little, if any, practical difference
222 between falsely accusing a person of committing a crime and falsely attributing a felony
223 conviction to a person who pleaded guilty only to a misdemeanor. The likelihood of
224 damage to one's reputation by the false attribution of felonious conduct approaches a near
225 certainty.³²”

226 Plaintiff previously entered into a plea agreement for an undesignated offense that
227 was entirely unrelated to any matters involving the community. The matter was personal
228 in nature and holds no legal relevance to Plaintiff’s involvement in community affairs—a

³¹ *Ilitzky v. Goodman* 1941, Ariz., 57 Ariz. 216

³² *Myers v. the Telegraph* 2002, Ill. App. Ct., 332 Ill. App. 3d 917

point that was clearly and unequivocally stated during the September 30, 2024 meeting. Under Arizona law, specifically A.R.S. § 13-604, an undesignated offense is legally treated as a misdemeanor unless, until and if the court designates it a felony [or misdemeanor]. Despite being provided with this legal information, Defendants willfully disregarded it, choosing instead to perpetuate a knowingly false and defamatory claim that Plaintiff is a “convicted felon.” This assertion is not only factually baseless but reflects a reckless and intentional misrepresentation of Plaintiff’s legal status. Their failure to acknowledge the law—because it did not serve their narrative—further underscores the deliberate and malicious nature of their conduct. Moreover, the disclosure and amplification of this private legal matter, despite its lack of relevance or legal bearing, demonstrates actual malice and a clear intent to inflict reputational harm. It served no legitimate purpose other than to defame, humiliate, and discredit Plaintiff through knowingly false and inflammatory assertions³³.

In Arizona, if a statement is defamatory per se, the Plaintiff is entitled to presumed damages without needing to prove actual damages³⁴. The rationale is that certain statements are so inherently damaging that harm to reputation is presumed. The Defendants’ statements, by falsely imputing a felony conviction, qualify as defamation per se, thus entitling the plaintiff to presumed damages.

³³ (PROSSER & KEETON ON THE LAW OF TORTS § 115, at 833-34 (5th ed.1984) (hereafter PROSSER & KEETON); 2 F. HARPER, F. JAMES, & O. GRAY, THE LAW OF TORTS § 5.27 (1986); Selby v. Savard, 134 Ariz. 222, 228, 655 P.2d 342, 348 (1982); A.R.S. § 12-653.-01(1)).

³⁴ *Kinsey v. Real Detective Pub. Co.*, 52 Ariz. 353, 80 P.2d 964 (1938)

247 The public dissemination of the defamatory statements further supports the claim of
248 defamation per se. The statements were published to a large audience through flyers
249 distributed to 4,300 homeowners, a website, Facebook, and paid ads³⁵. This widespread
250 publication amplifies the defamatory impact, as it increases the likelihood of reputational
251 harm by reaching a broad audience³⁶.

252 The Defendants may attempt to argue that their statements were protected as opinion
253 or rhetorical hyperbole. However, under *Yetman v. English*, statements that could be
254 interpreted as stating actual facts are not protected as rhetorical hyperbole³⁷. The
255 Defendants' statements, which assert that the plaintiff is a 'convicted felon,' 'committed
256 fraud,' 'convicted felon with a documented history of fraud, forgery, and attempted
257 arson³⁸' (among others as referenced in Appendix A), would reasonably appear to a
258 reasonable person as assertions of objective fact, not mere opinion or hyperbole.

259 **CLAIM 2: FALSE LIGHT INVASION OF PRIVACY** (against all Defendants)

260 Under Arizona law, a claim for false light requires that the false statements be so
261 offensive as to put the plaintiff in a false light that would be highly offensive to a reasonable
262 person.³⁹

³⁵ *Dombey v. Phoenix Newspapers, Inc.*, 150 Ariz.

³⁶ *Citizen Publishing Co. v. Miller*, 210 Ariz. 513, 455 Ariz. Adv. Rep. 25, 2005 Ariz. LEXIS 69 (Ariz. Jul. 2005)

³⁷ *Yetman v. English*, 168 Ariz.

³⁸ Save Power Ranch website article, *Felonies, Fraud, and Fire_ The Criminal Past of Power Ranch's HOA Board Vice President* — Save Power Ranch, April 25, 2025 (Ex. U)

³⁹ *Godbehere v. Phoenix Newspapers, Inc.*, 162 Ariz.; *Hart v. Seven Resorts, Inc.*, 190 Ariz

263 Case law across multiple jurisdictions supports the proposition that false light claims
264 are actionable when someone is implied to be engaging in illegal or nefarious conduct,
265 particularly when such implications are designed to undermine their credibility or
266 reputation. Courts have recognized that both defamation and false light can arise not only
267 from explicit statements but also from implications, innuendo, or the omission of material
268 facts that create a misleading and damaging impression.

269 On April 25, 2025, Defendants Glaim and Does posted on the Save Power Ranch
270 website with the narrative stating that “*she [Jung] spent the next two years submitting*
271 *forged invoices and documents, creating fake emails, and even establishing a fake LLC,*”
272 “*October 2021 her salon was being evicted for non-payment,*” “*she climbed to the roof of*
273 *the building, accessed through a utility panel, cut a hole in the ceiling, climbed down*
274 *through the ducting, then used gasoline (yes...she had gasoline) and attempted to ignite*
275 *insulation and papers to start a fire in the building,*” “*January 2023 on multiple felony*
276 *charges and was convicted,*” “*Faced with overwhelming evidence, she took a plea deal*
277 *and pled guilty to: Attempted Criminal Damage (Class 6 Felony), Disorderly Conduct*
278 *(Class 6 Felony).*”*She now has Access to homeowner contact information and private*
279 *data.*” “*She then drove to a building, climbed on the the roof, climbed into the ceiling, cut*
280 *a hole, and lit a fire in response to her eviction for non-payment.*” Defendants have used
281 social media, website posts to juxtapose Plaintiff’s name, image, and statements with
282 content about criminal activity, or have omitted exculpatory facts so as to create the
283 impression that Plaintiff is a felon, *Heekin v. CBS Broad., Inc.* supports the viability of

a false light claim. The key elements are that the publicity was widespread, the impression created was false and highly offensive to a reasonable person, and the defendants acted with knowledge or reckless disregard for the falsity of the impression.

Heekin v. CBS Broad., Inc. stands for the principle that false light claims are actionable when the overall context and presentation of otherwise true or ambiguous facts create a misleading and damaging impression—such as implying criminality—through social media or website posts. Such conduct by Defendants is actionable under the false light theory⁴⁰.

The false attribution of a felony conviction to Plaintiff by Defendants such as Crystal Glaim is intrinsically offensive and imputed conduct that is wholly incompatible with Plaintiff's professional duties and reputation.

The widespread dissemination of such false statements further underscores the offensiveness and impact on Plaintiff's personal and social standing.

CLAIM 3: INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS (against all Defendants)

Arizona law requires that conduct be so extreme and outrageous as to exceed all bounds of decency, and that such conduct causes severe emotional distress⁴¹

⁴⁰ *Heekin v. CBS Broadcasting, Inc.*, 789 So. 2d 355 (Fla. 2d DCA 2001)

⁴¹ *Ford v. Revlon, Inc.*, 153 Ariz.; *Mintz v. Bell Atlantic Systems Leasing International, Inc.*, 183 Ariz.

302 Defendants Engstrom and Stone’s actions—forming a defamatory campaign,
303 conducting unauthorized background checks, disseminating false felony accusations, and
304 coercing Plaintiff into resignation through threats—constitute extreme and outrageous
305 conduct.

306 At the September 30, 2024 meeting, even Ken Starks seemed incredibly confused
307 as to the purpose of the meeting and emphasized the way in which it was being addressed
308 seems “extraordinary” due to the fact that the information is not action in regards to the
309 association business. It was clear that the meeting was held specifically to inflict emotional
310 distress on Jung to the point that she would feel she had no choice but to resign.

311 The proximate and direct causation of emotional distress, as evidenced by home
312 vandalism, loss of business, contract for armed security guards, and the initiation of recall
313 petitions, clearly meets the threshold for this tort.

314 **CLAIM 4: TORTIOUS INTERFERENCE WITH BUSINESS RELATIONS**
315 (against all Defendants)

316 Plaintiff had a valid business expectancy in her role and professional endeavors.

317 Defendants, with full knowledge of Plaintiff’s existing roles and business
318 relationships, willfully and intentionally interfered with her contractual and economic
319 opportunities by disseminating false and defamatory statements. These statements were
320 spread through social media platforms and paid Facebook advertisements that reached

beyond Plaintiff's immediate community into multiple neighboring areas, causing widespread reputational and economic harm.

The direct linkage between the false statements and Plaintiff's loss of business demonstrates the requisite causation and supports a claim for tortious interference.

CLAIM 5: CIVIL CONSPIRACY (against all Defendants)

Defendants agreed, explicitly or implicitly, to commit an unlawful act (or a lawful act by unlawful means) and that overt acts were taken in furtherance of that agreement.

Defendants engaged in a deliberate and coordinated campaign to defame Plaintiff by disseminating knowingly false claims regarding an alleged felony conviction. The evidence reflects a clear and concerted agreement among the Defendants to pursue this unlawful objective. Their collective actions—including the creation and promotion of a defamatory website and Facebook pages, the widespread distribution of misleading flyers, the issuance of false public statements, and the calculated efforts to remove Plaintiff from her roles within the community—demonstrate a shared intent and mutual understanding to damage Plaintiff's reputation through deceit and misinformation.⁴²

The D.C. Circuit in *Halberstam vs Welch*, explained that civil conspiracy is not an independent tort but a means of imposing vicarious liability for an underlying tort—such as defamation—committed pursuant to an agreement. The court emphasized that an agreement to participate in a wrongful course of action, even if inferred from circumstantial

⁴² *Dombey v. Phoenix Newspapers, Inc.*, 150 Ariz.

evidence, suffices to create vicarious liability for all acts done in furtherance of the conspiracy. The court also noted that the existence of a conspiracy can often be inferred from the nature of the acts, the relationships of the parties, and the circumstances, rather than requiring direct evidence of an explicit agreement. This reasoning has been widely cited and is particularly relevant in defamation cases where multiple actors coordinate to publish or disseminate defamatory material, as the conspiracy doctrine allows for joint liability even if not all conspirators directly participate in every defamatory act.⁴³

The Defendants' actions constitute overt acts in furtherance of the conspiracy. The creation of a website, social media pages and the distribution of flyers to over 4,300 households, donations collected, as well as public statements made by the Defendants, are clear overt acts that further the conspiracy's objective. These acts are not only overt but also unlawful, as they involve the dissemination of false information that damages Jung's reputation.⁴⁴ The fact that these statements were made despite evidence proving its falsity further supports the argument that the defendants acted with actual malice.

The unlawful objective of the Defendants' agreement is evident in their actions. The objective was to defame Jung by spreading false statements about her criminal record. This objective is clearly linked to the actions taken by the Defendants, as they continued to disseminate false information even after being provided with evidence that Jung was not

⁴³ Halberstam v. Welch 1983, D.C. Cir., 705 F.2d 472

⁴⁴ Boswell v. Phoenix Newspapers, Inc., 152 Ariz

convicted of any felony charges. This demonstrates a willful disregard for the truth and an intent to harm Jung's reputation.

Causation and resulting harm are clearly established in this case. The deliberate and overt acts undertaken by the Defendants directly caused substantial injury to the Plaintiff, including severe reputational damage, business losses, and significant emotional distress. The dissemination of defamatory statements sparked community hostility, led to the circulation of recall petitions targeting Plaintiff, necessitated the presence of armed security⁴⁵ at community events, and culminated in the vandalism of her residence. These harms are not incidental—they are the foreseeable and proximate result of the Defendants' coordinated actions in furtherance of their conspiracy, thereby satisfying the final element required to establish civil conspiracy.

The coordinated and joint effort by Defendants—evidenced by the creation of websites, distribution of flyers, and public readings of defamatory materials—clearly demonstrates an overt, concerted campaign designed to destroy Plaintiff's reputation.

The malicious coordination among the various Defendants satisfies both the agreement element and the overt act element for a civil conspiracy claim.

The evidence supports the existence of an agreement among the defendants to achieve this unlawful objective, and the harm caused to Jung is a direct result of their

⁴⁵ Armed Security Guard Receipts – (Ex. V)

actions. Therefore, the court should find in favor of the petitioner, Anh Jung, and hold the defendants liable for civil conspiracy under Arizona law.

**ABUSE OF POSITION, BREACH OF DUTY, AND UNAUTHORIZED
CONDUCT**

Even if assuming, *arguendo*, that certain Defendants had some legitimate role in community governance, their actions in this instance incontrovertibly exceeded the scope of any lawful duty by engaging in actions that were malicious, knowingly false, and intended to harm Plaintiff.

Their deliberate and malicious misuse of authority to extort, intimidate, and defame Plaintiff cannot be subject to any available indemnification under Arizona law⁴⁶.

No one should be excused for intentional actions that are malicious and harmful. Defendants cannot use their role or position in the community as a shield to carry out actions that harm others. The Court must recognize that Defendants' actions were intentionally harmful and outside the scope of their duties, and therefore, they should not be absolved for using their roles in the community to carry out personal vendettas, harm Plaintiff, and spread falsehoods.

Defendants' conduct represents a clear breach of the duty they owed to the community and to Plaintiff, in that they acted outside the scope of any legitimate duty to

⁴⁶ Cohen v. Beneficial Industrial Loan Corp.; Biltmore Associates v. Twin City Fire Insurance Co

394 the public. Instead, they pursued a personal vendetta, using defamatory statements to
395 damage Plaintiff's reputation for purely malicious reasons.

396 The business judgment rule affords directors and officers protection from personal
397 liability for decisions made in good faith within the scope of their authority—even if those
398 decisions ultimately prove to be unwise or negligent. However, this protection is not
399 absolute⁴⁷. It does not extend to acts that are *ultra vires*—those beyond the scope of
400 authority granted by law and the governing documents, such as the CC&Rs, Bylaws, or
401 corporate charter—nor does it shield conduct that is fraudulent, grossly negligent, or
402 reflects a willful disregard of duty. When directors or officers knowingly engage in illegal
403 actions, exceed their legal authority, or exhibit a conscious indifference to the rights of
404 others, the business judgment rule ceases to apply⁴⁸. Courts have consistently held that
405 liability may be imposed when there is actual knowledge, direct participation in
406 unauthorized acts, or a complete lack of care rising to gross negligence. In *Cates vs*
407 *Sparkman*, the Court stated that "injurious practices, abuse of power, and oppression on the
408 part of the company or its controlling agency clearly subversive to the rights of the
409 minority, or a shareholder" are not protected⁴⁹.

410 In fact, nowhere in the governing documents⁵⁰ is there any provision that authorizes
411 background checks or scrutiny of a member's personal business dealings as a condition for

⁴⁷ Joy v. North, 692 F.2d 880 (2d Cir. 1982), cert. denied, 460 U.S. 1051, 103 S.Ct. 1498, 75 L.Ed.2d 930 (1983)

⁴⁸ Resolution Trust Corp. v. Norris 1993, S.D. Tex., 830 F. Supp. 351

⁴⁹ Cates v. Sparkman, supra, 73 Tex. 619, 11 S.W. 846 (1889)

⁵⁰ Power Ranch Community Association Governing Documents, CCR, Bylaw, Policies, Charters (Ex. X)

community participation. Yet, Defendants acted as though their positions conferred such authority, choosing to intrude into private matters with no legal or contractual justification. This behavior not only exceeds the scope of their authority—it reflects a blatant abuse of power and disregard for the privacy rights of the Plaintiff.

Defendants’ actions were not only unethical but intentionally harmful, with the clear and malicious intent to ruin Plaintiff’s reputation. By spreading these lies, Defendants breached their duties and engaged in a malicious campaign of harm, deception, and lies.

Plaintiff demands justice for the emotional, reputational, and financial harm caused by Defendants’ actions, and seeks to hold them fully accountable for their deliberate and malicious conduct.

PERSONAL LIABILITY

Defendants Engstrom, Stone, Rotta, and Glaim cannot and should not be indemnified for their actions. Indemnification is typically intended to protect individuals from personal liability when they act in good faith and within the scope of their duties, particularly in the context of corporate board members or directors. However, indemnification is not available when the actions are not in good faith and are intentionally harmful, malicious, or outside the scope of their duties.

The general rule of indemnification allows a corporation to protect its directors from liability arising from actions taken in their official capacities. However, under Arizona law and case law, indemnification is not warranted when the actions of the directors are willful,

grossly negligent, or malicious. For instance, in the case of *Cohen v. Beneficial Industrial Loan Corp.*, the Supreme Court ruled that directors and officers are not entitled to indemnification if their actions are fraudulent or malicious, even if those actions are related to their official duties⁵¹.

Defendants Engstrom, Stone, Rotta, and Glaim, in this case, seem to believe that they can use their titles as a shield to harm individuals without facing the consequences of their reckless and malicious actions. These individuals have abused their positions to spread defamatory lies and falsely accuse Plaintiff, believing that their roles in the community or organization provide them with immunity from accountability. However, the law is clear: titles and positions do not grant immunity to individuals who act with malice, fraud, or reckless disregard for the truth.

The Defendants' actions in this case—conducting unauthorized background checks, maliciously spreading false accusations, and using their roles for personal vendettas—were not in any way in the best interest of the community, the corporation, or its stakeholders. Instead, these actions were deliberate, malicious, and designed to harm Plaintiff's reputation out of personal animosity. As such, they cannot be entitled to indemnification under any interpretation of Arizona law or relevant case law.

Arizona case law also holds that a director or officer acting in bad faith, including engaging in fraudulent conduct, misappropriating information, or acting with malice, is not

⁵¹ *Cohen v. Beneficial Industrial Loan Corp.*, 337 U.S. 541 (1949)

entitled to indemnification. In *Biltmore Associates v. Twin City Fire Insurance Company*, the Arizona Court of Appeals ruled that indemnification is not available to an officer or director if they act with actual malice or willful disregard of their fiduciary duties⁵². In that case, the court emphasized that indemnification is reserved for those acting in the best interest of the corporation, not those using their position to harm others.

Additionally, ARIZONA CORPORATIONS CODE § 10-850 and case law make it clear that indemnification cannot be applied when the actions are in bad faith, fraudulent, or illegal. The statute specifically states that indemnification is only appropriate for actions that are undertaken in good faith, and not when the individuals are acting out of malice or personal interests. The Defendants' actions here—attempting to coerce Plaintiff, spreading defamatory and inflammatory statements, and abusing their position—were neither in good faith nor related to the best interests of the community, but rather were motivated by personal retaliation.

Further, as outlined in the case of *Beaudoin v. Illinois Power & Light Co.*, indemnification is not applicable if the defendant engaged in willful misconduct or knowingly participated in wrongful acts⁵³. In that case, the court held that indemnification could not be provided to an officer who acted with malice, and this reasoning applies with equal force to the Defendants in this case, who acted with malice by spreading false and defamatory statements designed to harm Plaintiff.

⁵² *Biltmore Associates v. Twin City Fire Insurance Company*, 208 Ariz. 529, 96 P.3d 174 (2004)

⁵³ *Beaudoin v. Illinois Power & Light Co.*, 1993 WL 16171938 (Ill. App. 1993)

Even if the Defendants' intentions were to act in the best interests of the community, how have their actions benefited the community? In truth, Defendants' actions have sown division, hostility, and significant harm toward Plaintiff, all under the false pretense of serving the community's interests. Rather than fostering unity or constructive dialogue, their conduct has ignited a coordinated campaign of targeted defamation. This is most plainly evidenced by individuals such as Nicholas Dwyer, Ellen Swanson, and Michael Harrison—persons with whom Plaintiff have never interacted—yet who openly display deep-seated hostility and prejudice toward her, based entirely on misinformation⁵⁴. Alarming, this pattern is not isolated; over 400 individuals have signed recall petitions against Plaintiff, influenced solely by the false and defamatory statements spread by Defendants. The widespread nature of this response highlights the reckless consequences of Defendants' willful dissemination of lies and underscores the extent of the harm inflicted on Plaintiff. By maliciously spreading false accusations about Plaintiff, Defendants have not protected the community or improved its integrity in any way. Instead, their actions have caused reputational damage, undermined trust within the community, and created an atmosphere of hostility and division. If their intentions were genuinely in the community's best interest, these actions would have resulted in reconciliation, transparency, and a more unified community, not in hate and animosity toward Plaintiff.

The Arizona Court of Appeals in *Arizona Tile, L.L.C. v. Berger* squarely addressed the personal liability of corporate officers and directors. The court held that while

⁵⁴ Reference: Appendix A

individuals are generally not personally liable for a corporation's misconduct solely by virtue of their titles, they may be held personally accountable if they *direct, participate in, or knowingly acquiesce to* wrongful acts—including tortious conduct and breaches of fiduciary duty. The court affirmed prior Arizona rulings establishing that liability attaches when officers or directors have actual knowledge, participate in the misconduct, or exhibit negligence in the management or supervision of corporate affairs that causes or contributes to injury⁵⁵.

The court further clarified that even when wrongful acts are carried out in the name of the corporation, directors who vote for or authorize such conduct may be held personally liable. This reasoning extends to actions taken with malice, fraud, or a reckless disregard for the truth—conduct that falls entirely outside the protection of corporate status or the business judgment rule.

This principle is reinforced in *Bischofshausen, Vasbinder, and Luckie v. D.W. Jaquays Mining & Equipment Contractors Co.*, where the court reiterated that corporate officers and directors are personally liable for corporate torts if they participate in the wrongdoing, have knowledge amounting to acquiescence, or are negligent in the management or supervision of the corporation⁵⁶.

In this case, Plaintiff has sustained direct and substantial harm at the hands of Defendants Engstrom, Stone, Rotta, and Glaim—while each was acting in their personal

⁵⁵ Arizona Tile, L.L.C. v. Berger 2010, Ariz. Ct. App., 223 Ariz. 491

⁵⁶ Bischofshausen, Vasbinder, and Luckie v. D.W. Jaquays Min. & Equip. Contr.s Co., 145 Ariz. 204, 210-11, 700 P.2d 902, 908-09 (App.1985)

capacities after being provided with factual evidence. Their knowing participation in wrongful conduct lifts any corporate veil they may attempt to invoke. They are not shielded from personal liability under these circumstances, and the law is clear that such protection does not extend to acts rooted in malice, fraud, or gross negligence.

Defendants cannot shield themselves from personal responsibility for their unlawful actions under the guise of indemnification. As established in Arizona case law, indemnification is intended for individuals who act in the best interests of the corporation and in this case the community, not for those who engage in malicious conduct. The law does not allow individuals to use their roles to commit wrongful acts and then avoid the consequences of those actions simply because they are/were in positions of authority.

Indemnification must be rejected in this case because Defendants' conduct was clearly outside the scope of their duties and was driven by personal malice and retaliatory motives. They should be held personally responsible for the harm they caused, and no indemnification defense should be allowed to protect them from the legal consequences of their actions.

ARIZONA REVISED STATUTES 13-604

Pursuant to ARS § 13-604, Section A, any felony offense that is classified as an *undesignated Class 6 felony is treated as a misdemeanor for all purposes unless otherwise specified by law*. Therefore, the allegations made by Defendants against Plaintiff, regarding a felony conviction, are not only false but legally invalid. Such accusations are without

merit and are in direct violation of Arizona law, which classifies an undesignated Class 6 felony as a misdemeanor for all purposes, undermining the Defendants' malicious and baseless claims against Plaintiff.

Defendants' reckless and knowingly false classification of Plaintiff's conduct as a felony is entirely without legal or factual basis. This unfounded accusation was made with utter disregard for the truth and was clearly intended to maliciously defame Plaintiff. By willfully distorting the facts and ignoring the clear legal status of Plaintiff's offense, Defendants engaged in a deliberate campaign to damage her reputation. Their actions reflect not only a blatant disregard for accuracy but a calculated effort to undermine Plaintiff's integrity and standing in the community through the dissemination of knowingly false and defamatory claims.

PRAYER FOR RELIEF

WHEREFORE, for the reasons stated herein and on the accompanying amended complaint, Plaintiff respectfully requests that this Court enter judgement in Plaintiff's favor and grant the following relief:

A. An award of nominal damages;

B. An award of compensatory damages, including general, actual, pecuniary, consequential, and special damages, in an amount to be proven at trial;

C. An award of punitive and exemplary damages as permitted under Arizona law;

548 D. An award of reasonable attorneys' fees and legal expenses pursuant to applicable
549 Arizona statutes and case law;

550 E. An award of costs of suit incurred herein;

551 F. An award of prejudgment and post-judgment interest at the maximum rates
552 permitted by law;

553 G. Declaratory relief stating that the defamatory statements authored, published,
554 and/or disseminated by Defendants, individually and collectively, were and are
555 false;

556 H. Injunctive relief requiring Defendants to immediately remove all defamatory
557 statements concerning Plaintiff from any websites, online platforms, and/or social
558 media accounts under their control or under the control of individuals or entities
559 acting in concert with them;

560 I. Injunctive relief invalidating and prohibiting the use of all recall petitions obtained
561 or circulated based on the defamatory statements at issue;

562 J. Such other and further relief as this Court deems just, proper, and equitable under
563 the circumstances.

564 For the foregoing reasons, Plaintiff respectfully prays that this Court grant leave to file the
565 Amended Complaint and subsequently enter judgment in favor of Plaintiff for all relief
566 requested herein.

JURY DEMAND

Plaintiff demands a jury trial of all issues so triable.

DATED this 12th day of June, 2025.

By: /s/ Anh Jung

ANH JUNG

Plaintiff, Pro Per