Tentative Ruling:

For all the reasons discussed below, the court sustains the demurrer with leave to amend as to the third, fourth, sixth, seventh, eighth, tenth and eleventh causes of action. Plaintiff shall serve an amended complaint on or before June 30, 2026. The demurrer as to the remaining cause of action is overruled.

The parties are instructed to appear at the hearing for oral argument. Appearance by Zoom Videoconference is optional and does not require the filing of Judicial Council form RA-010, Notice of Remote Appearance. (See Remote Appearance (Zoom) Information | Superior Court of California | County of Santa Barbara.)

Background:

According to the first amended complaint (FAC), plaintiff John De Marco was a volunteer coach for Orcutt Youth Football League (OFYL) as well as the parent of a minor child who plays football for OYFL. OYFL is a chapter of defendant Central Coast Youth Football League (CCYFL). No other allegations are included to describe each organization's relationship to the other, or the duties imposed by being a chapter member.

CCYFL placed OYFL on probation for alleged violations during the 2024 season. On August 17, 2025, several OYFL youth players, including De Marco's son, engaged in recreational football activities at Righetti High School following an unrelated baseball practice. De Marco was not present at the August 17, 2025, recreational activity. He apparently left after baseball practice and allowed his son to stay at Righetti High School with some friends and their parents while he went home for the afternoon. He picked up his son later.

On August 19, 2025, CCYLF summarily imposed sanctions against De Marco, permanently prohibiting him from all CCYFL activities.[1] On August 26, 2025, CCYFL partially modified but refused to fully rescind the disciplinary action, maintaining a five (5)-year suspension of plaintiff.

Procedural Background

On September 4, 2025, plaintiff filed suit. The FAC alleges the following causes of action against CCYFL, and its officers, Francisco Maldonado, Mary Phillips, and Taryn Warrecker: (1) violation of Corp. Code, § 7341; (2) breach of contract; (3) violation of Bus. & Prof. Code, § 17200; (4) declaratory relief; (5) specific performance; (6) violation of Civ. Code, § 52.1; (7) declaratory relief; (8) intentional interference with prospective economic advantage; (9) breach of fiduciary duty; (10) intentional misrepresentation; and (11) negligent misrepresentation.

On September 18, 2025, plaintiff filed an ex parte application for preliminary injunction to enjoin enforcement of the disciplinary action. The application was opposed. The court (Judge Kelly) denied the ex parte request, finding it was an inappropriate vehicle for the relief requested.

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[1] The FAC describes sanctions that were levied against minor participants, other coaching staff members and team administrative personnel, as well as the team itself. But De Marco is suing in his capacity as an individual. The court will thus focus on only those allegations that involve De Marco.

Defendants now demur to the FAC. Opposition has been filed.

1st (Violation of Corp. Code, § 7341) Cause of Action

CCYFL is alleged to be a nonprofit corporation (FAC, ¶ 3) and is thus subject to the Nonprofit Mutual Benefit Corporation Law. Plaintiff alleges a violation of Corporation Code section 7341, subdivision (a), which provides that no member may be expelled or suspended, and no membership or memberships may be terminated or suspended, except according to procedures satisfying certain requirements. Specifically, "[a]ny expulsion, suspension, or termination must be done in good faith and in a fair and reasonable manner. Any procedure which conforms to the requirements of subdivision (c) is fair and reasonable, but a court may also find other procedures to be fair and reasonable when the full circumstances of the suspension, termination, or expulsion are considered." (Corp. Code, § 7341, subd. (b).) Subdivision (c) provides: "A procedure is fair and reasonable when: (1) The provisions of the procedure have been set forth in the articles or bylaws, or copies of such provisions are sent annually to all the members as required by the articles or bylaws; (2) It provides the giving of 15 days' prior notice of the expulsion, suspension or termination and the reasons therefor; and (3) It provides an opportunity for the member to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by a person or body authorized to decide that the proposed expulsion, termination or suspension not take place."

Here, the FAC alleges that CCYFL failed to provide notice and failed to provide an opportunity for De Marco to be heard.

Defendants argue that its actions were fair and reasonable when the "full circumstances of the suspension, termination, or expulsion are considered." It argues that because plaintiff was a suspended member when he committed "additional rule violations, the resulting sanctions were entirely appropriate under the described conditions." That's a factual determination that the court is not prepared to make on the face of this pleading. Defendants concede that the FAC provides no meaningful details of the previous violations, and the court notes that the FAC alleges that OYFL was suspended, not plaintiff himself. (FAC, ¶11.) Without adequate detail, the court cannot conclude that it understands the full circumstances of the suspension and therefore cannot find as a matter of law that the procedure was fair and meaningful.

The demurrer is overruled.

2nd (Breach of Contract) Cause of Action

Defendants challenge the adequacy of the pleading of this cause of action on the basis that plaintiff has failed to identify the contractual term at issue. However, plaintiff specifically identifies two bylaws that were allegedly violated: Article III, Section 3 of the Bylaws, which requires that (a) evidence of misconduct be presented in writing; (b) the complaint be heard at a meeting; and (c) suspension requires a two-thirds majority vote; and Article IX, Section 4 of the Bylaws sets forth specific procedures for handling infractions and grievances. (FAC, ¶¶ 32-33.)

The demurrer is overruled.

3rd (Bus. & Prof. Code § 17200) Cause of Action

The UCL prohibits, and provides civil remedies for, unfair competition, which it defines as any unlawful, unfair or fraudulent business act or practice. (*Zhang v. Superior Court* (2013) 57 Cal.4th 364, 370.) Because the statute is written in the disjunctive, a practice may violate the UCL if it satisfies any of the three prongs. To state a claim under section 17200, a plaintiff must allege the defendant engaged in an unlawful, unfair, or fraudulent business act or practice and that plaintiff suffered an injury in fact and lost money or property as a result of the alleged act. (*Kwikset Corp. v. Superior Court* (2011) 51 Cal.4th 310, 321-322, 326.)

The "unlawful" prong of section 17200 makes a violation of the underlying law a per se violation of section 17200. (*Kasky v. Nike, Inc.* (2002) 27 Cal.4th 939, 950; *Cel-Tech Communications, Inc. v. Los Angeles Cellular Telephone Co*. (1999) 20 Cal.4th 163, 180; *Farmers Ins. Exch. v. Sup.Ct*. (1992) 2 Cal.4th 377, 383.) Virtually any law or regulation—federal or state, statutory or common law — can serve as predicate for a section 17200 "unlawful" violation. Thus, if a "business practice" violates any law — literally — it also violates section 17200 and may be redressed under that section. (*People v. E.W.A.P., Inc.* (1980) 106 Cal.App.3d 315, 319.) As the California Supreme Court has said, section 17200 "borrows" violations of other laws and treats them as unlawful practices independently actionable under section 17200. (F*armers Ins. Exch. v. Sup.Ct.* (1992) 2 Cal.4th 377, 383.) The "underlying law" may be an administrative regulation or local ordinance. (*People v. McKale* (1979) 25 Cal.3d 626, 632 [administrative regulation]; *Hewlett v. Squaw Valley Ski Corp*. (1997) 54 Cal.App.4th 499, 532 [local ordinance].)

Here, plaintiff has adequately alleged a violation of Corporation Code section 7341. That is sufficient for pleading the violation. Plaintiff must also plead an injury in fact and lost money or property as a result. In opposition, plaintiff asserts "De Marco lost money, encountered general compensable damages, and lost benefits and privileges due to Defendants' wrongful actions." (Opp., p. 5.) But other than a conclusory allegation at paragraph 42, the FAC contains no factual allegations in support of that assertion.

The demurrer is sustained with leave to amend.[2]

4th (Declaratory Relief) Cause of Action

The existence of an actual controversy relating to the legal rights and duties of the respective parties suffices to maintain an action for declaratory relief. (Code Civ. Proc., § 1060; *McClain v. Octagon Plaza, LLC* (2008) 159 Cal.App.4th 784, 800.)

In this cause of action, De Marco contends that: (a) CCYFL lacks jurisdictional authority to regulate private recreational activities occurring outside the scope of league-

[2] The court need not examine whether the other bases for this cause of action (e.g., fraud or unfairness) might be successful because the standing requirement is the same as to all three.

sanctioned events; (b) the imposed disciplinary measures are void ab initio due to procedural and substantive deficiencies; and (c) youth participants maintain an unfettered right to engage in recreational activities during non-league hours. He also alleges that defendants contend they have the authority to prohibit and punish such activities.

Defendants demur based on the business judgment rule. The business judgment rule establishes a presumption that directors' decisions are based on sound business judgment, and it prohibits courts from interfering in business decisions made by the directors in good faith and in the absence of a conflict of interest. A hallmark of the business judgment rule is that a court will not substitute its judgment for that of the board if the latter's decision can be attributed to any rational business purpose. (*Berg & Berg Enterprises, LLC v. Boyle* (2009) 178 Cal.App.4th 1020, 1045.) An exception to the presumption afforded by the business judgment rule exists in "circumstances which inherently raise an inference of conflict of interest" and the rule "does not shield actions taken without reasonable inquiry, with improper motives, or as a result of a conflict of interest. But a plaintiff must allege sufficient facts to establish these exceptions. To do so, more is needed than conclusory allegations of improper motives and conflict of interest. It is also insufficient to generally allege the failure to conduct an active investigation, in the absence of (1) allegations of facts which would reasonably call for such an investigation, or (2) allegations of facts which would have been discovered by a reasonable investigation and would have been material to the questioned exercise of business judgment. (*Id.*)

Here, defendants argue that its decision to prohibit and punish the activity alleged here (an unauthorized football practice, under their interpretation) is protected by the business judgment rule and that more must be alleged for plaintiff to pursue this declaratory relief cause of action. (*Berg & Berg Enterprises, supra,* at 1046 — "failure to sufficiently plead facts to rebut the business judgment rule or establish its exceptions may be raised on demurrer, as whether sufficient facts have been so pleaded is a question of law.")

Plaintiff asserts that his allegations that defendants committed fraudulent behavior and bad faith actions outside are sufficient to withstand demurrer. While such allegations may be sufficient to allege the exception to the business judgment rule, plaintiff has failed to adequately allege fraud here. (See discussion, *infra*.)

The demurrer to this cause of action is sustained with leave to amend.

5th (Specific Performance) Cause of Action

Plaintiff seeks an order compelling Defendants to comply with the Bylaws he identified in the second cause of action. Defendants argue that to the extent that the second cause of action fails, this cause of action must fail. Since the court rejected defendants' argument about the inadequacy of the pleading, the court finds there is no basis on which to sustain the demurrer to this cause of action.

The demurrer to this cause of action is overruled.

6th (Violation of Civil Rights under Civil Code section 52.1) Cause of Action

A cause of action under California Civil Code section 52.1 requires a plaintiff to prove two essential elements: (1) intentional interference or attempted interference with a state or federal constitutional or legal right, and (2) the interference or attempted interference was accomplished by threats, intimidation, or coercion.

Defendants point out that nothing in the pleading reflects threats, intimidation, or coercion and plaintiff does not contend otherwise.

The demurrer to this cause of action is sustained with leave to amend.

7th (Declaratory Relief) Cause of Action

Under this declaratory relief cause of action, plaintiff contends that he cannot prevent athletes and parents from playing football recreationally during any time that is not related to any OYFL or CCYFL activity. The corollary is presumably that defendants punished him for failing to prevent such conduct when it was not his responsibility to do so.

Defendants again assert the business judgment rule, and the result is thus the same as against the 4th cause of action.

The demurrer is sustained with leave to amend.

8th (Intentional Interference with Prospective Economic Advantage) Cause of Action

An intentional interference with prospective economic relationship claim requires a party to show (1) an economic relationship between the plaintiff and some third party, with the probability of future economic benefit to the plaintiff; (2) the defendant's knowledge of the relationship; (3) intentional acts on the part of the defendant designed to disrupt the relationship; (4) actual disruption of the relationship; and (5) economic harm to the plaintiff proximately caused by the acts of the defendant. (*Korea Supply Co. v. Lockheed Martin Corp.* (2003) 29 Cal. 4th 1134, 1153.)

In the FAC, plaintiff alleges that he had existing and prospective volunteer coaching relationships and opportunities, of which defendants knew, that were interfered with because of defendants' actions. (FAC, ¶¶ 67, 70.) Notably, the FAC does not contain an allegation that these relationships (which were expressly alleged to be volunteer opportunities) would result in his economic benefit. (CACI 2202.)

In opposition, plaintiff asserts: "Not only is his reputation as a quality and winning football coach part of his identity, it is also something that makes him money with high schools and other organizations. Defendants' actions suspending De Marco and preventing him from coaching any of its teams smear De Marco's good name and have harmed his current coaching abilities, as well as his opportunities to continue coaching in the future. Additionally, De Marco works at Vandenberg Space Force Base, which requires high-level security clearances. Defendants' actions, which have been highlighted in local traditional and social media outlets and attempts to paint him as a "cheater" and/or "rule breaker" have the potential to interfere with De Marco's security clearance, and thereby his career." (Opp., p. 8, ll. 5-13.) None of these allegations are made in the complaint, which only identified interference with volunteer opportunities.

The demurrer to this cause of action is sustained with leave to amend.

9th (Breach of Fiduciary Duty) Cause of Action

A cause of action for breach of fiduciary duty requires the existence of a fiduciary relationship, breach of fiduciary duty, and damages. (*Oasis West Realty, LLC v. Goldman* (2011) 51 Cal.4th 811, 820.) There are two kinds of fiduciary duties: those imposed by law and those undertaken by agreement. (*Committee on Children's Television, Inc. v. General Foods Corp.* (1983) 35 Cal.3d 197, 221; *GAB Business Services, Inc. v. Lindsey & Newsom Claim Services, Inc.* (2000) 83 Cal.App.4th 409, 416.)

Here, plaintiff alleges that officers Maldonado, Warrecker, and Phillips breached their fiduciary duties to him as a member of the CCYFL imposed by law under Corporation Code section 5231, subdivision (a).

Defendants argue that "Simply stating that the board members owe a fiduciary duty to all members of the organization is not adequate," citing *Roberts v. Lomato* (2003) 112 Cal.App.4th 1553, 1562. The *Roberts* case is not a pleading case; it was a ruling on summary judgment. Moreover, it is unclear where the attributed statement or premise is located in the case. (*Quantum Cooking Concepts, Inc. v. LV Assocs., Inc.* (2011) 197 Cal. App. 4th 927, 934 — "Rule 3.1113 rests on a policy-based allocation of resources, preventing the trial court from being cast as a tacit advocate for the moving party's theories by freeing it from any obligation to comb the record and the law for factual and legal support that a party has failed to identify or provide.")

The demurrer to this cause of action is overruled.

10th (Intentional Misrepresentation) Cause of Action

"Promissory fraud" is a subspecies of the action for fraud and deceit. A promise to do something necessarily implies the intention to perform; hence, where a promise is made without such intention, there is an implied misrepresentation of fact that may be actionable fraud. (*Lazar v. Superior Court* (1996) 12 Cal.4th 631, 638.) The elements for intentional misrepresentation and fraud are: (a) misrepresentation; (b) knowledge of falsity; (c) intent to defraud; (d) justifiable reliance; and (e) resulting damage. (*Small v. Fritz Companies, Inc.* (2003) 30 Cal.4th 167, 184.)

Each element must be alleged with particularity. (*Id.*) General and conclusory allegations are inadequate. (*Id.*) A plaintiff's burden in asserting a fraud claim against a corporation is even greater. In such a case, the plaintiff must "allege the names of the persons who made the allegedly fraudulent representations, their authority to speak, to whom they spoke, what they said or wrote, and when it was said or written." (*Lazar v. Superior Court* (1996) 12 Cal.4th 631, 645.)

In this cause of action, plaintiff is asserting a promissory fraud. He alleges that defendants represented they would comply with their bylaws, they would not take actions outside their charitable purpose of promoting youth football on the California Central Coast, and they would not abuse their power to harass and/or harm CCYFL members. Plaintiff asserts those representations were false. (FAC, ¶¶ 80-82.)

Defendants argue these allegations lack the requisite specificity to survive a demurrer. The allegations in the cause of action itself are conclusory but incorporate all previous allegations. (FAC, ¶ 79.)[3] Plaintiff asserts the allegations are sufficient, arguing that the FAC alleges Defendants made material representations to De Marco in writing each year through their bylaws. (Opp. p. 9, ll. 9-10.) But there are no allegations that describe whether the bylaws are distributed each year, who distributes them, when they were distributed, or the circumstances under which they were distributed. Moreover, assuming the only action on the part of the defendants was distribution of the bylaws, there are no allegations that suggest how the statements in the bylaws can be attributed as actionable representations to the defendant corporate officers, nor is there an allegation of any communication independent of the distribution of the bylaws in which a representation was made.

Finally, there are no *factual* allegations in support of the elements that defendants were aware of the statements' falsity, e.g., that when the defendants said that they would follow the bylaws, they already intended not to do so. (See FAC, ¶¶ 83-84.) Something more than nonperformance is required to prove the defendant's intent not to perform his promise. (*Tenzer v. Superscope, Inc.* (1985) 39 Cal.3d 18, 30.) Conclusory allegations are insufficient.

The demurrer to this cause of action is sustained with leave to amend.

11th (Negligent Misrepresentation) Cause of Action

The elements of negligent misrepresentation are "(1) the misrepresentation of a past or existing material fact, (2) without reasonable ground for believing it to be true, (3) with intent to induce another's reliance on the fact misrepresented, (4) justifiable reliance on the misrepresentation, and (5) resulting damage." (*Apollo Capital Fund LLC v. Roth Capital Partners, LLC* (2007) 158 Cal.App.4th 226, 243.) While there is some conflict in the case law discussing the precise degree of particularity required in the pleading of a claim for negligent misrepresentation, there is a consensus that the causal elements, particularly the allegations of reliance, must be specifically pleaded. (E.g., *Small v. Fritz Companies, Inc.* (2003) 30 Cal.4th 167, 184.)

The same analysis as applied to the fraud cause of action applies here. What was the misrepresentation and what *factual* allegations (other than the fact of nonperformance) supports the elements that defendants had no ground for believing the fact to be true and defendants had an intent to induce plaintiff's reliance on the fact.

The demurrer to this cause of action is accordingly sustained with leave to amend.

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[3] This is referred to as "chain pleading," and while it is not a prohibited practice, it does make a pleading far more difficult to review.