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11 DR. IMAN SADEGHI

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **COUNTY OF LOS ANGELES—CENTRAL DISTRICT**

14 DR. IMAN SADEGHI, an individual,

15 Plaintiff,

16 v.

17 PINSSCREEN, INC., a Delaware Corporation;  
18 DR. HAO LI, an individual;  
19 and DOES 1-100,

20 Defendants.

Case No.: BC709376

Assigned for all purposes to  
Hon. Lia Martin, Dept. 16

**DR. IMAN SADEGHI'S OPPOSITION TO  
DEFENDANTS' DEMURRER TO THE THIRD  
AMENDED COMPLAINT; MEMORANDUM OF  
POINTS AND AUTHORITIES**

**DATE: October 2, 2020**

**TIME: 9:00 a.m.**

**PLACE: Dept. 16., Stanley Mosk Courthouse**

Complaint filed: June 11, 2018

Trial date: January 5, 2021

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. INTRODUCTION

3 Plaintiff Iman Sadeghi, who holds a doctorate in Computer Science & Computer  
4 Graphics, developed and patented a novel hair-appearance technology used at Walt Disney  
5 Animation Studios. While working as a Software Engineer at Google for more than five years,  
6 with average monthly earnings of \$23,819<sup>1</sup>, Sadeghi was extensively solicited by defendant  
7 Hao Li to join software start-up Pinscreen Inc., with average monthly earnings of \$15,183<sup>2</sup>.

8 On January 22, 2017, Li, who was an assistant professor at USC, induced Sadeghi to  
9 resign from Google and join Pinscreen as its Vice President of Engineering by fraudulently  
10 misrepresenting [1<sup>st</sup> CoA] manually prepared data as autogenerated using Pinscreen’s “cutting  
11 edge” technology. Li fraudulently concealed [2<sup>nd</sup> CoA] from Sadeghi that the represented data  
12 were manually prepared and that Pinscreen was involved in data fabrication, fraud on investors,  
13 scientific misconduct, public deception, and wage and visa violations.

14 After joining Pinscreen, on February 2, 2017, Sadeghi gradually discovered Li’s and  
15 Pinscreen’s transgressions, reasonably believed that they were unlawful, and objected to them  
16 on multiple occasions. In retaliation to Sadeghi’s objections and whistleblowing [3<sup>rd</sup> CoA],  
17 Pinscreen wrongfully terminated Sadeghi against California public policy [5<sup>th</sup> CoA] and  
18 breached his employment contract [4<sup>th</sup> CoA] on August 7, 2017.

19 The Office of Research at USC is conducting an investigation of Li’s scientific  
20 misconduct since 2018 and has confirmed Li’s “misrepresentation,” “falsification,” and  
21 “research misconduct” during Pinscreen’s public deception at ACM’s SIGGRAPH Real-Time  
22 Live (“RTL”) on August 1, 2017. Li has made contradicting representations to USC and during  
23 discovery and his employment at USC has terminated as of June 2020. (See Exhibit A.)

24 The SAC was Sadeghi’s first pleading to be tested on demurrer<sup>3</sup> and while Sadeghi  
25 believes that the TAC addresses the issues raised in the rulings on defendants’ demurrers to the

26 \_\_\_\_\_  
27 <sup>1</sup> Sadeghi’s total Google earnings were around \$1,560,176 over a span of 65.5 months. See § II.A.2. for details.

<sup>2</sup> Sadeghi’s total Pinscreen earnings were around \$94,134 over a span of 6.2 months. See § II.A.2. for details.

28 <sup>3</sup> The FAC was filed as a matter *of course* but it was not tested on demurrer because the Court did not address the demurrer to the FAC and instead ordered Sadeghi to make the pleading more concise. See § II.E for details.

1 SAC, Sadeghi respectfully requests leave to amend if so required by the Court.

2 **II. ARGUMENT**

3 **A. The 1<sup>st</sup> CoA for Fraudulent Inducement by Misrepresentation Is Sufficiently Pled.**

4 The required elements of fraud, which give rise to the tort action for deceit, are:  
5 (a) misrepresentation (false representation [1<sup>st</sup> CoA], concealment or nondisclosure [2<sup>nd</sup> CoA]);  
6 (b) knowledge of falsity; (c) intent to defraud; (d) justifiable reliance; and (e) resulting damage.  
7 Furthermore, fraud by misrepresentation against a corporation must be pled specifically by  
8 pleading facts which show *how, when, where, to whom, by what means* the representations were  
9 tendered, *the names of the persons* who made the representation, and *their authority* to speak.<sup>4</sup>

10 **1. The Court Upheld the Specificity and Falsity of Li's Representation on Behalf of**  
11 **Pinscreen and Their Liability. The Court Required Sadeghi to Clarify His Damages.**

12 The hearings re defendants' demurrers to the SAC were held on November 20, 2019 (as  
13 to Pinscreen) and November 21, 2019 (as to Li). Since the [1<sup>st</sup> CoA] is identical for both  
14 defendants, the Court made adjustments to its final rulings upon the resolution of discussed  
15 issues during oral argument. In its first ruling the Court confirmed that Plaintiff had satisfied the  
16 specificity requirements but raised issues re the false representation and damages:

17 [November 20, 2019]: "The cause of action alleges that **Li** made the  
18 representations **on behalf of Pinscreen, when** and **how** they were made, and  
**Li's position** with Pinscreen.

19 There is no allegation of a representation that Pinscreen made. There is only  
20 Pinscreen's response to a text question.

21 Also, plaintiff has not pleaded any cognizable damages."

22 After an hour long oral argument on the first day, the Court removed the language re the  
23 false representation and instead confirmed that the false representation has been pled  
24 sufficiently in its final ruling on the second day. The Court further clarified the issue re the  
25 damages and confirmed that Li and Pinscreen are jointly liable for the fraudulent representation:

26 [November 21, 2019]: "The cause of action alleges that **Li** made the  
27 representations **on behalf of Pinscreen, when** and **how** they were made, and  
**Li's position** with Pinscreen.

28 <sup>4</sup> *Lazar v. Superior Court* (1996) 12 Cal. 4th 631, 645

1                    The allegation that the **representation was false** can be **sufficient**.

2                    The allegation that plaintiff **lost income and benefits** is sufficient by leaving  
3                    Google and joining Pinscreen could be **sufficient**; however, the original  
4                    complaint alleged **damages due to the abrupt termination**. Plaintiff has not  
5                    pleaded any cognizable damages.

6                    Li argues that he cannot be liable for the cause of action as he was speaking on  
7                    behalf of Pinscreen; and only Pinscreen can be liable. **Agents are subject to**  
8                    **liability for their own wrongful conduct, such as fraud**, independent of any  
9                    liability of the principal ([Citation.]) While employees are not liable for certain  
10                    personnel management decisions, that does not apply to fraud.”

11                    Defendants misquote the Court’s ruling by omitting the underlined text above<sup>5</sup> and  
12                    mischaracterize the ruling as the exact opposite.<sup>6</sup> The false representation (TAC ¶¶ 14–16) is  
13                    identical for both defendants and since it is sufficient for Li, it is sufficient for Pinscreen as well  
14                    because Li made the representations on behalf of Pinscreen (TAC ¶¶ 14, 24).

15                    Indeed, “facts have no place in a demurrer,”<sup>7</sup> and the falsity of Li’s representation (TAC  
16                    ¶ 16) is “a factual question that cannot be resolved on demurrer.”<sup>8</sup> The standard of review  
17                    requires that the falsity of Li’s representation be assumed for the purpose of a demurrer and  
18                    shall be determined by a trier of fact such as a jury trial.

19                    After the Court’s final ruling on the second day, the only remaining issue with both the  
20                    [1<sup>st</sup> CoA] and [2<sup>nd</sup> CoA] was re the damages which will be discussed in §§ II.A.2–4 below.

21                    2. **Sadeghi’s Lost Google Earnings Were Partially Substituted by His Pinscreen Earnings**  
22                    **Causing Sadeghi Monetary Damages Before His Wrongful Termination.**

23                    In its final ruling, the Court confirmed that Sadeghi’s allegation of lost earnings by  
24                    leaving Google and joining Pinscreen is sufficient but required Sadeghi to clarify why “the  
25                    original complaint alleged damages due to the abrupt termination.” The issue appears to be with  
26                    Sadeghi’s use of the terms “**unsubstituted**” and “**temporarily substituted**” in his pleadings:

27                    [FAC ¶ 83 (also Complaint ¶ 169)]: Sadeghi was damaged by being fraudulently  
28                    induced to give up his employment at Google which income and benefits were  
                         **unsubstituted** once Sadeghi was retaliated against and wrongfully terminated  
                         from Pinscreen.

<sup>5</sup> Demurrer to TAC 2:22–25

<sup>6</sup> Demurrer to TAC 3:1 “As to Li, the Court did not reference the [false representation],” 3:5–6 “the first ground [of the Court’s ruling] (no false representation had been pled with specificity),” 3:16 “[the false representation] was insufficient in the SAC,” and 3:18 “Because Li’s Facebook message is not a false statement of fact ...”.

<sup>7</sup> *Bainbridge v. Stoner* (1940) 16 Cal.2d 423, 431.

<sup>8</sup> *Ferrick v. Santa Clara University* (2014) 231 Cal.App.4th 1337, 1358

1 [TAC ¶¶ 28, 52]: Sadeghi’s damages of his lost Google income and benefits  
2 started after February 1, 2017 when he was fraudulently induced to leave Google  
3 and were **temporarily substituted** by his Pinscreen income and benefits from  
4 February 2, 2017 to August 7, 2017. Sadeghi’s damages of his lost Google  
5 income and benefits pertaining to after August 7, 2017 are **unsubstituted**.

6 Sadeghi admits that the more accurate allegation is that Sadeghi’s Google earnings were  
7 “**temporarily partially substituted**” by his Pinscreen earnings. In fact, Sadeghi’s average  
8 earnings from Google was around \$23,819/month<sup>9</sup> while his average earnings from Pinscreen  
9 was around \$15,183/month<sup>10</sup> resulting in damages of \$8,636/month in lost earnings  
10 immediately after leaving Google. Therefore, Sadeghi incurred at least **\$53,543** in monetary  
11 damages *before* his wrongful termination as a result of his fraudulent inducement.<sup>11</sup>

12 These specific monetary amounts have been outlined in Plaintiff’s discovery responses  
13 but they do not appear specifically on the face of the TAC and can be added in an amendment if  
14 so required by the Court. These specific monetary amounts refute all defendants’ arguments re  
15 the damages for both [1<sup>st</sup> CoA]<sup>12</sup> and [2<sup>nd</sup> CoA]<sup>13</sup> since they are all based on defendants’ false  
16 assumption that Sadeghi did not incur any damages prior to his termination.

17 However, Plaintiff believes that the Supreme Court’s holding in *Lazar v. Superior*  
18 *Court*<sup>14</sup> makes it abundantly clear that the TAC as written sufficiently states a cause of action  
19 for fraudulent inducement and entitles Sadeghi to damages arising from *both* his fraudulent  
20 inducement *and* wrongful termination (subject to the rule against double recovery) regardless of  
21 the amounts of Sadeghi’s earnings at Google and Pinscreen.

22 **3. Lazar Holds That Sadeghi May State a Cause of Action for Fraudulent Inducement**  
**Regardless of Whether He Was Later Wrongfully Terminated. Sadeghi Is Entitled to**  
**Tort Remedies Which Are Not Covered by Contract Remedies.**

23 <sup>9</sup> Sadeghi’s total Google earnings were around \$1,560,176 over a span of 65.5 months.

24 <sup>10</sup> Sadeghi’s total Pinscreen earnings were around \$94,134 over a span of 6.2 months.

25 <sup>11</sup> This is a conservative estimate of Sadeghi’s monetary damages because per Judicial Counsel’s instructions, in  
26 Form Interrogatories (General) § 8.0 “Loss of Income and Earning Capacity” Request No. 8.4, the damages should  
27 be calculated based on Sadeghi’s monthly earnings from Google at the time of the fraudulent inducement which  
28 was around \$62,647/month resulting in a total of **\$294,276** in damages *before* Sadeghi’s wrongful termination.

<sup>12</sup> Demurrer to TAC 3:7 “there are no pre-termination damages,” 4:20-21: “[Sadeghi] had no monetary damages  
until after his termination.”

<sup>13</sup> Demurrer to TAC 7:7-9: “these alleged acts of concealment ... have no nexus to [Sadeghi’s] termination and  
any damages arising therefrom.”

<sup>14</sup> *Lazar*, 12 Cal.4th at p. 648-49

1 Plaintiff and defendants all agree that the seminal authority on the issue at hand is *Lazar*  
2 *v. Superior Court* in which the Supreme Court affirmed the judgment of the Court of Appeal  
3 that plaintiffs, like Sadeghi and Lazar, who were fraudulently induced and later wrongfully  
4 terminated are entitled to both tort and contract causes of action. The scope of Supreme Court’s  
5 ruling is defined independent of whether the plaintiff was induced to relocate:

6 [Supreme Court of California]: “We granted review in this matter to clarify ...  
7 **whether or under what circumstances a plaintiff may state a cause of action**  
8 **for fraudulent inducement of employment contract.”** (*Id.* at p. 634–635)

9 In affirming the judgment of the Court of Appeal, the Supreme Court held that the tort  
10 of fraudulent inducement of contract is independent from any consequent contract claims:

11 “For example, it has long been the rule that **where a contract is secured by**  
12 **fraudulent representations, the injured party may elect to affirm the**  
13 **contract and sue for the fraud.** [Citations.]” (*Id.* at p. 645)

14 Therefore, Sadeghi may sue Li and Pinscreen for the fraudulent inducement even if  
15 Sadeghi was not later wrongfully terminated and regardless of the amounts of his earnings at  
16 Google and Pinscreen. The fact that Sadeghi was subsequently wrongfully terminated would  
17 not nullify Sadeghi’s tort claim for the loss of his security and income from Google. The  
18 Supreme Court further explained this rationale by pointing out that the remedies available for  
19 the tort of fraudulent inducement is a superset of contract remedies:

20 “More fundamentally, it is a truism that **contract remedies alone do not**  
21 **address the full range of policy objectives underlying the action for**  
22 **fraudulent inducement of contract.** In pursuing a valid fraud action, a plaintiff  
23 advances the **public interest in punishing intentional misrepresentations** and  
24 in deterring such misrepresentations in the future. ([Citation.] [recognizing tort  
25 law is designed to vindicate social policy].) Because of the extra measure of  
26 blameworthiness inhering in fraud, and because in fraud cases we are not  
27 concerned about the need for ‘predictability about the cost of contractual  
28 relationships’ ([Citation.]), **fraud plaintiffs may recover ‘out-of-pocket**  
**damages in addition to benefit-of-the-bargain damages.**  
([Citations.] [discussing ‘the distinction between tort and contract actions, and  
their purposefully different measure of damages’].)

For example, **a fraudulently hired employee, as Lazar has alleged himself to**  
**be, may incur a variety of damages ‘separate from the termination’ itself,**  
**such as the expense and disruption of moving or loss of security and income**  
**associated with former employment.”** (*Id.* at p. 646)

Notice the underlined disjunctive “or” which indicates that plaintiff’s damages of loss of  
security and income associated with his former employment is *independent* from the expense

1 and disruption of moving. This addresses the main confusion of defendants’ counsel which  
2 seems to falsely assume that *Lazar* is only concerned with plaintiffs who have been fraudulently  
3 induced to relocate.<sup>15</sup> And in conclusion the Supreme Court held that the plaintiff is entitled to  
4 both tort and contract causes of action subject to the rule against double recovery:

5 “Consistent with the foregoing, **as to his fraud claim Lazar may properly seek**  
6 **damages for the costs of uprooting his family, expenses incurred in relocation,**  
7 **and the loss of security and income associated with his former employment**  
8 **in New York. On the facts as pled, however, Lazar must rely on his contract**  
9 **claim for recovery of any loss of income allegedly caused by wrongful**  
10 **termination of his employment with Rykoff.**

11 Moreover, **any overlap** between damages recoverable in tort and damages  
12 recoverable in contract **would be limited by the rule against double recovery.**  
13 [Citation.]” (*Id.* at p. 648–649)

14 Notice the underlined conjunctive “and” which indicates that plaintiff’s loss of security  
15 and income associated with his former employment is available *in addition* to the costs and  
16 expenses of relocation. The Supreme Court thus held that the plaintiff is entitled to all damages  
17 caused by the tort of fraudulent inducement of employment contract:

18 “Lazar, therefore, may proceed with his claim for **fraud in the inducement of**  
19 **employment contract**, properly seeking damages for ‘**all the detriment**  
20 **proximately caused thereby**’ (Civ. Code § 3333), as well as appropriate  
21 **exemplary damages** (Civ. Code § 3294).” (*Id.* at p. 649)

22 These varieties of tort damages<sup>16</sup> are available to Sadeghi even if he was not  
23 subsequently wrongfully terminated. Should Sadeghi be deprived of his full range of tort  
24 remedies arising from the fraudulent inducement of contract only because his contract was later  
25 wrongfully terminated? The Supreme Court holds that he should not.

26 **4. Lazar Does Not Support Defendants’ Position and They Provide No Other Authority.**

27 Defendants rely solely on *Lazar* to support their position but *Lazar* is affirming the  
28 judgment that a plaintiff is entitled to both claims for fraudulent inducement and wrongful  
29 termination. Therefore, *Lazar’s* holding *cannot* support defendants’ position even if they

30 <sup>15</sup> Demurrer to TAC 4:17–20: “Unlike Sadeghi ... Lazar incurred monetary harm by uprooting his family and  
31 relocating from New York to California ... and to that extent his fraud claim was viable.”

32 <sup>16</sup> Cal. Civil Code § 3333 provides that “[f]or the breach of an obligation not arising from contract,” Sadeghi is  
33 entitled to “the amount which will compensate for all the detriment proximately caused thereby, whether it could  
34 have been anticipated or not” and Cal. Civil Code § 3294 provides that Sadeghi can recover punitive or  
35 exemplary damages because Pinscreen and Li have been guilty of oppression, malice, or fraud.

1 identify some differences (in this case, the fact that Lazar had to relocate but Sadeghi did not,  
2 which as shown is immaterial in the holding). An on-point authority in support of defendants'  
3 position would be either a ruling that reversed such a judgment or a ruling that affirmed the  
4 opposite. *Lazar* is neither and can only be relied upon to support Sadeghi's position and not  
5 defendants' position. The other cases discussed by defendants, consuming more than a full page  
6 of the moving papers (i.e. Restatement, *Helmer*, and *Augosta*)<sup>17</sup>, are from lower courts and  
7 either reference or are referenced by *Lazar* and are less relevant than *Lazar* itself.

8 And finally, defendants' arguments in the footnotes of the moving papers either bring up  
9 issues allegedly discussed during the oral argument<sup>18</sup> which were consequently refuted by the  
10 Court in its final written ruling or rely on conflating the dates of the pled events to exclaim  
11 inconsistencies<sup>19</sup>. The TAC is consistent because Li's false representation was made on January  
12 22, 2017 (TAC ¶ 14) and Sadeghi's last day at Google was February 1, 2017 (TAC ¶ 17), thus  
13 starting to incur damages of his lost Google earnings after that date (TAC ¶ 28).

14 **B. The 2<sup>nd</sup> CoA for Fraudulent Inducement by Concealment Is Sufficiently Pled.**

15 The [2<sup>nd</sup> CoA] is also identical for both defendants and the Court hearings were held on  
16 November 20, 2019 (as to Pinscreen) and November 21, 2019 (as to Li). Similarly, the Court  
17 adjusted its final ruling upon the resolution of issues during oral argument on the first day.

18 **1. The Court Upheld the Specificity of Concealments and Only Raised Issue re Damages.**

19 While in its first ruling the Court raised issue with the specificity of concealments, the  
20 language was *removed* from the second ruling and the only remaining issue was re damages:

21 [November 20, 2019]: "Here, there is no sufficient description of representations  
22 that Pinscreen made. Again, plaintiff has not pleaded any cognizable damages."

23 [November 21, 2019]: "Plaintiff has not pleaded any cognizable damages."

24 Since the concealments are identical for both defendants, and the Court approved the  
25 specificity requirements as to Li, they are sufficient for Pinscreen as well because Li committed  
26 the fraudulent concealments on behalf of Pinscreen (TAC ¶¶ 32–33, 49).

27 <sup>17</sup> Demurrer to TAC 4:22–5:24

28 <sup>18</sup> Demurrer to TAC 3:25–28, f.n. 1: "Also, during the oral argument ..."

<sup>19</sup> Demurrer to TAC 4:26–28, f.n. 2: "But there is nothing that is alleged to have occurred on February."



1 Defendants once again misquote the Court’s ruling by combining the two rulings  
2 together and disguise the fact that the final ruling upholds the specificity of concealments.  
3 However, to fully clarify the issue Plaintiff will address the issue of specificity below.

4 The issue re Sadeghi’s damages arising from his fraudulent inducement as well as  
5 defendant’s final argument re damages<sup>20</sup> were addressed above in §§ II.A.2–4 which are  
6 incorporated here by reference.

7 **2. The Non-Disclosures and Concealments Are Pled Specifically and Sufficiently.**

8 “In transactions which do not involve fiduciary or confidential relations, a cause  
9 of action for non-disclosure of material facts may arise in at least **three**  
10 **instances: (1) the defendant makes representations** but does not disclose facts  
11 **which materially qualify the facts disclosed, or which render his disclosure likely**  
12 **to mislead; (2) the facts are known or accessible only to defendant,** and  
13 defendant knows they are not known to or reasonably discoverable by the  
14 plaintiff; (3) the **defendant actively conceals** discovery from the plaintiff.”<sup>21</sup>

15 Pleading *any* of the 3 abovementioned instances alone would be sufficient to overrule  
16 defendants’ demurrer. The TAC establishes *all* 3:

17 **(1) Misleading Representation:** Li presented two purportedly autogenerated avatars to  
18 Sadeghi on January 22, 2017 (TAC ¶ 16 (included by reference in TAC ¶ 31)) but did not  
19 disclose that the two presented avatars were fabricated and manually prepared (TAC ¶ 35)  
20 which renders Li’s disclosure likely to mislead. The courts have long held that “[i]f [defendant]  
21 speaks at all he must make a full and fair disclosure”<sup>22</sup> which Li failed to do.

22 Moreover, during oral argument the Court confirmed that this representation sufficiently  
23 describes an act of concealment as required by *Morgan*<sup>23</sup> and thus upheld the specificity  
24 requirements of concealments in its final ruling on the second day.

25 **(2) Non-Disclosure of Exclusive Knowledge:** Defendants had exclusive knowledge of  
26 the concealed facts that Pinscreen was involved in data fabrication, public deception, fraud on  
27 investors, scientific misconduct (TAC ¶¶ 36–38, 43), wage violations (TAC ¶¶ 39, 43), and visa  
28 violations (TAC ¶¶ 40, 43). These facts were not known or discoverable by Sadeghi at the time

<sup>20</sup> Demurrer to TAC 7:4–10 “these alleged acts of concealment ... have no nexus to [Sadeghi’s] termination and any damages arising therefrom.”

<sup>21</sup> *Warner Constr. Corp. v. City of Los Angeles* (1970) 2 Cal.3d 285, 294.

<sup>22</sup> *Rogers v. Warden* (1942) 20 Cal.2d 286, 289.

<sup>23</sup> *Morgan v. AT & T Wireless Services, Inc.* (2009) 177 Cal.App.4th 1235, 1262.

1 of his inducement and Sadeghi would not join Pinscreen if he knew these facts (TAC ¶¶ 41–43).

2 **(3) Active Concealment:** “Not only did Li breach his duty to disclose, but Li also  
3 actively concealed Pinscreen’s ... transgressions from Sadeghi” (TAC ¶ 44).

4 Note that each abovementioned instance in §§ II.B.2.(1)–(3) alone is sufficient to  
5 overrule the demurrer and Li’s misleading representation on January 22, 2017 (TAC ¶ 35)  
6 undeniably satisfies the specificity requirements and is already upheld by the Court.

7 **3. Defendants’ Contention That the “Wrongful Acts All Occurred After Sadeghi Joined**  
8 **Pinscreen [i.e February 2, 2017]”<sup>24</sup> Is False and Contradicted by the Facts.**

9 **First,** Li’s misleading representation re the two fabricated avatars he presented to  
10 Sadeghi occurred on January 22, 2017 before Sadeghi joined Pinscreen (TAC ¶ 35). **Second,**  
11 Li’s non-disclosure re Pinscreen’s data fabrication and scientific misconduct includes the  
12 submission on January 16, 2017 (TAC ¶ 38). Defendants’ false contention that “Plaintiff has  
13 never previously claimed that this submission was fraudulent”<sup>25</sup> is contradicted by (SAC ¶ 66,  
14 FAC ¶ 112, and Complaint ¶ 76), and defendants’ reference to (FAC ¶ 76) is irrelevant.<sup>26</sup>

15 **Third,** Li’s non-disclosure re Pinscreen’s visa violation includes Li himself and his wife Yen-  
16 Chun Chen who did not have visas at the time of Sadeghi’s inducement but did the “paperwork  
17 for Sadeghi’s hiring processes” without a visa<sup>27</sup> (TAC ¶ 40). **Fourth,** non-disclosures and active  
18 concealments are pled as *ongoing* (“... Pinscreen was involved in ...” (TAC ¶¶ 36–40, 44)).

19 **C. The 3<sup>rd</sup> CoA for Retaliation Against Whistleblowing (Labor Code § 1102.5) and**  
20 **the 5<sup>th</sup> CoA for Wrongful Termination Against Public Policy Are Sufficiently Pled.**

21 In accordance with the Court’s ruling on November 20, 2019—requiring Sadeghi to  
22 specify the protected activities and clarify the causal nexus—Plaintiff has addressed all

23 <sup>24</sup> Demurrer to TAC 6:23

24 <sup>25</sup> Demurrer to TAC 6:27–7:3

25 <sup>26</sup> Defendants reference FAC ¶ 76 to support their false contention but FAC ¶ 76 is not listing the January 16, 2017  
26 submission because it contains the list of fraudulent submissions that occurred “up to six months *after* Li’s initial  
27 presentations to Sadeghi” as stated in FAC ¶ 75. The January 16 submission occurred *before* Li’s representation.

28 <sup>27</sup> See TAC ¶ 40 “Li was not a US Citizen, his permanent residency (i.e. green card) application had been rejected,  
and he lacked a proper visa to perform any role at Pinscreen” and “Yen-Chun Chen, performed work for Pinscreen  
before her work visa’s start date.... did not have a proper work visa to perform work for the company as of  
February 7, 2017. However, Yen-Chun Chen had performed work for Pinscreen prior to that date, including the  
paperwork for Sadeghi’s hiring processes.”

1 elements of the *prima facie* case of retaliation for *Labor Code* § 1102.5(b): (1) engagement in  
2 protected activity (TAC ¶¶ 71–78, 120–121), (2) adverse employment action (TAC ¶¶ 80–81,  
3 122), and (3) the causal nexus between the two (TAC ¶¶ 80–83, 86–89, 122–125).<sup>28</sup>

4 **1. Sadeghi’s Protected Activities Are Pled Specifically and Sufficiently.**

5 *Labor Code* § 1102.5(b) encourages whistleblowers to report unlawful acts without fear  
6 of retaliation<sup>29</sup>, creates a right that did not exist at common law<sup>30</sup>, and in pertinent part provides:

7 “An employer ... **shall not retaliate** against an employee **for disclosing**  
8 **information**, or because the employer believes that the employee **disclosed or**  
9 **may disclose information**, to a government or law enforcement agency, **to a**  
10 **person with authority over the employee or another employee who has the**  
11 **authority to investigate, discover, or correct the violation ... if the employee has**  
12 **reasonable cause to believe** that the information discloses a **violation of state**  
13 **or federal statute...**”

14 **First**, Pinscreen misquotes the *Labor Code* by omitting the underlined text above<sup>31</sup>  
15 which fits squarely with the fact that Sadeghi objected “directly to Li who had authority over  
16 Sadeghi and could correct the violations” (TAC ¶ 84). Besides, the TAC establishes that “Li  
17 believed that Sadeghi disclosed or might disclose [defendants’ violations] to a government or  
18 law enforcement agency” (TAC ¶ 85) which satisfies an additional whistleblowing predicate.

19 **Second**, contrary to Pinscreen’s false contentions<sup>32</sup>, “Sadeghi had reasonable cause to  
20 believe” that [1] Pinscreen’s data fabrication and fraud on investors violated California law,  
21 including *Bus. & Prof. Code* § 17200, *Cal. Corp. Code* § 25401, *Cal. Civ. Code* §§ 1572, 1709,  
22 1710 (TAC ¶ 67) [2] Pinscreen’s wage violations infringed California labor laws, including  
23 *Labor Code* §§ 510, 204 (TAC ¶ 69) [3] Pinscreen’s visa violations infringed Federal  
24 immigration laws, including the Immigration Reform and Control Act of 1986 and 8 U.S.C.  
25 § 1324a (*Id.*) and therefore “Sadeghi’s objections to these deceptive and unlawful activities  
26 were protected whistleblowing activities” (TAC ¶ 79). Furthermore, California and Federal  
27 public policy against these unlawful practices are outlined in detail in (TAC ¶¶ 114–119).

28 <sup>28</sup> *Patten v. Grant Joint Union High School Dist.* (2005) 134 Cal. App. 4th 1378, 1384.

<sup>29</sup> *Diego v. Pilgrim United Church of Christ* (2014) 231 Cal. App. 4th 913, 923.

<sup>30</sup> *Campbell v. Regents of University of California* (2005) 35 Cal. 4th 311, 328.

<sup>31</sup> Demurrer to TAC 8:15–19

<sup>32</sup> Demurrer to TAC 8:21–22: “Nor does [Sadeghi] even identify an alleged legal violation” 9:4–5: “there is no law  
cited by [Sadeghi] prohibiting an ‘excessive amount of overtime’ ...” 9:14–15: “Sadeghi does not identify what  
law Li purportedly broke when he broke his promise that Pinscreen would never fabricate its avatars in public ...”

1 The courts have held that Sadeghi need not prove an actual violation of law but rather it  
2 is sufficient to show his reasonable suspicion that Pinscreen’s transgressions were unlawful:

3 “[A]t-will employees may recover tort damages from their employers if they can  
4 show they were discharged in contravention of fundamental public policy.... **an**  
5 **employee need not prove an actual violation of law;** it suffices if the employer  
6 fired him for **reporting his ‘reasonably based suspicions’ of illegal activity.**”<sup>33</sup>

7 Therefore, Pinscreen’s contentions that its violations were not unlawful<sup>34</sup> are irrelevant.

8 **Third**, Sadeghi objected to Li re Pinscreen’s data fabrication, fraud on investors and  
9 wage and visa violations repeatedly which are specified in chronological order in (TAC ¶¶ 70–  
10 78) and contrary to Pinscreen’s false contention<sup>35</sup> these exact allegations were pled in (FAC  
11 ¶¶ 113, 168–169, 184, 189–194, 230–231, 248–259) categorized by the violations.<sup>36</sup>

12 **(I) Pinscreen’s Data Fabrication and Fraud on Investors:** After Sadeghi confronted Li  
13 on March 9, 2017 and May 23, 2017 and objected to Pinscreen’s data fabrication in its  
14 submissions (TAC ¶¶ 70–72), Li promised Sadeghi that Pinscreen’s data fabrication would be  
15 limited to *non-public* representations (TAC ¶¶ 72, 75). On July 22, 2017 Sadeghi confronted Li  
16 and objected to Li’s plan to present fabricated data during Pinscreen’s *public* demo at  
17 SIGGRAPH RTL and stated that it could be considered “**investment fraud.**” Li stated that the  
18 decision to fabricate the public demo was “final” and ordered Sadeghi to focus on finalizing the  
19 fraudulent RTL demo. When Sadeghi asked Li to promise that Pinscreen would stop fabricating  
20 its results, Li suggested to talk about Sadeghi’s objections after the RTL demo (TAC ¶ 74). On  
21 August 7, 2017, within the first working hour after the fraudulent SIGGRAPH RTL demo and  
22 during the same meeting that Sadeghi reiterated his objections to Pinscreen’s public deception  
23 (stating that Pinscreen “can be accused of **illegal crime**”), Pinscreen terminated Sadeghi (TAC  
24 ¶ 78) despite his significant contributions and clean personnel file (TAC ¶ 82).

25 The courts have held that Sadeghi’s objections re Li’s and Pinscreen’s fraudulent  
26 representations are sufficient grounds to overrule the demurrer:

27 “[plaintiff] contends his ... complaint adequately alleged a **public policy**

28 <sup>33</sup> *Green v. Ralee Engineering Co.* (1998) 19 Cal.4th 66, 70–87.

<sup>34</sup> Demurrer to TAC 9:2–3: “‘avatar fabrication’ and ‘scientific misconduct’ are not laws.”

<sup>35</sup> Demurrer to TAC 10:3–4: “list of never-before-mentioned allegations”

<sup>36</sup> These facts were removed in the SAC to make the pleading more concise per the Court order of April 11, 2019.

1 tethered to a statutory provision. **We agree.** In particular, [plaintiff]'s ...  
2 complaint alleges **he was terminated because he complained to his superiors**  
3 **that his supervisor and coworkers were submitting fraudulent ... claims to**  
4 **[third-party].** Such conduct, if true, implicates statutes proscribing theft (Pen.  
5 Code, §§ 484, 487) and fraud (Civ. Code, §§ 1572, 1709). ... we conclude  
6 [plaintiff] adequately alleged his termination violated public policy tethered to  
7 statutes proscribing theft and fraud”<sup>37</sup>

8 Pinscreen’s *only* legal authority in support of its contention—that Sadeghi’s objections  
9 to its data fabrication and fraud on investors are not protected activities—is *Anderson*<sup>38</sup> from a  
10 *Pennsylvania federal* court, which is not binding on this Court. Pinscreen’s reliance on  
11 *Anderson* is also unavailing as it concerns a plaintiff who “suspected” that the defendant “might  
12 engage in certain conduct in the future” and made “purely hypothetical” statements about these  
13 hypothetical wrongdoings. But [1] Pinscreen had already presented fabricated data in its  
14 submissions (including on January 16, 2017 (TAC ¶ 60), April 4, 2017 (TAC ¶ 62), May 23,  
15 2017 (TAC ¶ 63)) and to its prospective investors (including Softbank Venture Korea (TAC  
16 ¶¶ 37, 61)) and Sadeghi had already objected to these misrepresentations (TAC ¶¶ 70–74),  
17 [2] Sadeghi’s objection in TAC ¶ 72 were re the fraudulent “submission due on that same day,”  
18 and [3] Li’s plan to orchestrate a public deception at SIGGRAPH RTL was far from  
19 hypothetical and according to Li was “final.” On July 22, 2017, Li ordered Sadeghi to follow  
20 the plan and focus on finalizing the fraudulent demo (TAC ¶ 74), and [4] Pinscreen’s wage and  
21 visa violations, outlined below, were already committed.

22 **(2) Pinscreen’s Wage Violations:** Sadeghi confronted Li and objected to Pinscreen’s  
23 failure to pay delinquent overtime wages (including to Jaewoo Seo and Koki Nagano who  
24 worked around 110 hours per week) on June 28, 2017 and August 7, 2017 (TAC ¶¶ 73, 78).

25 This protected activity alone is also sufficient to overrule the demurrer:

26 “[O]vertime wages are another example of a public policy fostering society's  
27 interest. ... [plaintiff] reported to [defendant] management that a number of  
28 [defendant’s] employees were currently **working overtime but not being paid**  
overtime wages ... we conclude if [defendant] discharged [plaintiff] in  
retaliation for his reporting violations of the **overtime wage law** to [defendant’s]  
management, it **violated a fundamental public policy** of this state.”<sup>39</sup>

Pinscreen provides *no* legal authorities re these protected activities. Contrary to

<sup>37</sup> *Yau v. Santa Margarita Ford, Inc.* (2014) 229 Cal.App.4th 144, 156.

<sup>38</sup> *Anderson v. Bd. of Sch. Directors of Millcreek Twp. Sch. Dist.* (3<sup>rd</sup> Cir. 2014) 574 F. App’x 169, 174.

<sup>39</sup> *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1148–1150.

1 Pinscreen’s mere contention<sup>40</sup>, Sadeghi’s objection to Li “that some of Pinscreen’s non-exempt  
2 employees were working an excessive amount of overtime and should be properly  
3 compensated” (TAC ¶ 73) combined with Sadeghi’s “reasonable cause to believe that  
4 Pinscreen’s failure to pay overtime wages was in violation of California labor laws, including  
5 Labor Code §§ 510, 204” (TAC ¶ 69) is a protected whistleblowing activity (TAC ¶ 79).

6 **(3) Pinscreen’s Visa Violations:** Sadeghi confronted Li and objected to Pinscreen’s  
7 employment of foreign workers without visas (including Li and his wife Yen-Chun Chen) on  
8 March 9, 2017 and June 28, 2017 (TAC ¶¶ 71, 73). Pinscreen provides *no* arguments or legal  
9 authorities re these protected activities which are also sufficient to overrule the demurrer.

10 Note that each abovementioned protected activity in §§ II.C.1.(1)–(3) alone is sufficient  
11 to overrule the demurrer. If necessary, Plaintiff can plead additional facts including Sadeghi’s  
12 statements to Li that [1] Pinscreen’s data fabrication were “not allowed” and “against the law,”  
13 that [2] Pinscreen “has to pay overtime wages” and its wage violations were “unlawful,” that  
14 [3] Pinscreen’s employees “cannot work for the company without a visa” and that the visa  
15 violations were “illegal,” as well as additional facts re [4] USC’s investigation of Li’s  
16 misconduct since 2018, confirmation of Sadeghi’s allegations re defendants’ public deception at  
17 SIGGRAPH RTL 2017, contradiction of defendants’ denials during discovery, and termination  
18 of Li’s employment at USC as of June 2020. (See Exhibit A.)

19 **2. The Nexus Between the Protected Activities and the Termination Is Pled Sufficiently.**

20 Contrary to Pinscreen’s false contentions<sup>41</sup>, the TAC includes new allegations to clarify  
21 the nexus in (TAC ¶¶ 80–83, 86–89, 123–125). The courts have defined the causal nexus as:

22 “The **retaliatory motive** is ‘proved by showing that plaintiff engaged in  
23 protected activities, that his **employer was aware** of the protected activities, and  
24 that the adverse action followed within a **relatively short time** thereafter.’  
25 [Citation.] ‘The **causal link** may be established by an inference derived from  
26 circumstantial evidence, such as the **employer’s knowledge** that the [employee]  
engaged in protected activities and the **proximity in time** between the protected  
action and allegedly retaliatory employment decision.’ [Citations.]”<sup>42</sup>

27 <sup>40</sup> Demurrer to TAC 9:5–7: “saying that people should be ‘properly compensated’ is not a [protected activity].”

28 <sup>41</sup> Demurrer to TAC 8:11 “nor has [Sadeghi] resolved the nexus problem,” and 10:4–6: “Nor does Sadeghi do anything above what he attempted in the SAC to link these allegations to his termination. There is still no nexus.”

<sup>42</sup> *Demps v. San Francisco Housing Auth.* (2007) 149 Cal.App.4th 564, 579.

1 The TAC establishes all required elements: Sadeghi engaged in protected activities  
2 (TAC ¶¶ 70–79), Li and Pinscreen were aware of the protected activities (TAC ¶¶ 84–85), and  
3 the termination followed within a relatively short time thereafter (TAC ¶ 82). The proximity in  
4 time between the protected activities and termination as well as defendants’ knowledge of the  
5 protected activities is sufficient to overrule the demurrer.<sup>43</sup> Pinscreen contends that since Li  
6 already had prepared a “full-paged, typed and executed [termination] letter”<sup>44</sup> on August 7,  
7 2017, there must be no nexus between Sadeghi’s objections in this meeting and his termination.  
8 This contention is without merit for multiple reasons:

9 **First**, when Sadeghi requested a meeting on August 6, 2017, “Li knew that Sadeghi  
10 intended to object to Pinscreen’s public deception, fraud on investors, and scientific misconduct  
11 during the scheduled meeting for the next day because on July 22, 2017 Li had suggested to  
12 address Sadeghi’s objections regarding these issues after the RTL demo” (TAC ¶ 77).<sup>45</sup>

13 **Second**, Sadeghi had already objected to Pinscreen’s transgressions prior to the August  
14 7, 2017 meeting including on July 22, 2017, May 23, 2017 and March 9, 2017 (TAC ¶¶ 70–74).

15 **Third**, if necessary, Sadeghi can plead additional facts: [1] as revealed through  
16 discovery, Li was informed that Sadeghi had documented Jaewoo Seo and Koki Nagano’s  
17 overtime work of around 110 hours per week without overtime payments *prior* to the August 7,  
18 2017 meeting, [2] Sadeghi’s meeting notes for the August 7, 2017 meeting were accessible by  
19 Li more than a week *before* the termination and as early as July 30, 2017.

20 **D. The 4<sup>th</sup> CoA for Breach of Employment Contract Is Sufficiently Pled.**

21 In accordance with the Court’s ruling on November 20, 2017—requiring Sadeghi to  
22 clarify the breach of contract by specifying the unreimbursed business expenses—Plaintiff has  
23 clarified the issue in (TAC ¶¶ 103–104). The TAC alleges—and for the purpose of the demurrer  
24 must be assumed true—that Pinscreen did not have a group health insurance plan and “it was

25 \_\_\_\_\_  
26 <sup>43</sup> In addition, the TAC established that Sadeghi was terminated “unexpectedly despite his significant contributions  
27 to Pinscreen and that there is no mention of any reason for Sadeghi’s termination in his employment personnel file  
28 or termination letter” (TAC ¶ 82) which further supports the causal nexus.

<sup>44</sup> Demurrer to TAC 9:27–28 f.n. 8

<sup>45</sup> See also TAC ¶ 74 “On July 22, 2017 ... Li dismissed Sadeghi’s request and suggested to talk about Sadeghi’s  
objections after Pinscreen’s SIGGRAPH RTL demo.”

1 understood and agreed as part of the Employment Agreement that Sadeghi’s business expenses  
2 would include his personal health insurance coverage” (TAC ¶ 103). Furthermore, Sadeghi  
3 alleges the existence of *extrinsic evidence* that Pinscreen’s Chief Financial Officer (“CFO”)  
4 confirmed in writing that “Pinscreen would reimburse Sadeghi for his out-of-pocket health  
5 insurance expenses” (*Id.*). However, Pinscreen refused to reimburse Sadeghi’s out-of-pocket  
6 health insurance expenses of \$10,588.02 despite receiving the documentation (TAC ¶ 104).

7 Pinscreen attempts to misconstrue these allegations based on its definition of “business  
8 expense” as a matter of law but fails to provide *any* legal authority to support its contention that  
9 Sadeghi’s out-of-pocket health insurance expenses were neither “necessary” nor “reasonable”  
10 business expenses “incurred in connection with [Sadeghi’s] duties” as stated in section 4 of the  
11 Employment Agreement (TAC ¶ 102). The courts have held that, the interpretation of the  
12 contract and the credibility of the extrinsic evidence are outside the reach of demurrer:

13 “[W]hen, as here, ascertaining the intent of the parties at the time the **contract**  
14 was executed depends on the **credibility of extrinsic evidence**, that credibility  
15 determination and the **interpretation of the contract** are **questions of fact** that  
16 may properly be resolved by **the jury**.”<sup>46</sup>

17 **E. If Necessary, Sadeghi Respectfully Requests Leave to Amend.**

18 Sadeghi’s allegations were tested by demurrer *only once*. Should the Court sustain any  
19 portion of the demurrer, Sadeghi respectfully requests leave to amend to allege the followings:

20 **[1<sup>st</sup> and 2<sup>nd</sup> CoA]**: [1] Specific monetary amounts re Sadeghi’s unsubstituted Google  
21 earnings as outlined in § II.A.2, and [2] Any clarifications re the specificity requirements.

22 **[3<sup>rd</sup> and 5<sup>th</sup> CoA]**: [1] Sadeghi’s statements that Pinscreen’s transgressions were  
23 “unlawful,” “against the law,” “not allowed,” and “illegal” as outlined in § II.C.1, [2] That Li  
24 was aware of Sadeghi’s documentation of other employees delinquent overtime wages, and that  
25 Sadeghi’s final meeting notes were accessible by Li a week earlier as outlined in § II.C.2, and  
26 [3] USC’s investigation of Li’s scientific misconduct since 2018, confirmation of defendants’  
27 public deception at SIGGRAPH RTL 2017, contradiction of their denials in discovery, and  
28 termination of Li’s employment at USC in 2020 as outlined in § II.C.1 and Exhibit A.

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<sup>46</sup> *Medical v. Genentech* (2008) 43 Cal.4th 375, 395.





1 **Exhibit A:**

2 **USC’s Confirmation of Li’s and Pinscreen’s Public Deception at SIGGRAPH RTL 2017**

3 1. Sadeghi’s allegations regarding Li’s and Pinscreen’s public deception during ACM’s  
4 SIGGRAPH Real-Time Live (“RTL”) <sup>49</sup> on August 1, 2017 in TAC ¶ 93:

5 [TAC ¶ 93 (also SAC ¶ 93)]: “On August 9, 2017, two days after Sadeghi’s  
6 termination, Sadeghi’s counsel informed Pinscreen that Sadeghi may have a  
7 Labor Code §1102.5 whistleblower retaliation claim and a claim for wrongful  
8 termination in violation of public policy. Sadeghi’s counsel demanded Pinscreen  
9 to preserve all relevant Electronically Stored Information (“ESI”), including the  
10 software codebase for Pinscreen’s RTL demo, which was stored in a third-party  
11 repository called GitLab.<sup>[13]</sup>

12 This version-controlled repository stores snapshots of the codebase as it existed  
13 at a specific time. Pinscreen’s application that was executed during  
14 **SIGGRAPH RTL**, on August 1, 2017, can be retrieved using this repository.

15 **No matter who uses this version of the application to generate their own  
16 avatar from a webcam—as Pinscreen demonstrated—the pre-built avatar of  
17 Sadeghi will be displayed every time.”**

18 [13] <https://gitlab.com/pinscreen/rtl-app.git>, branch: master, date: August 1, 2017

19 2. Sadeghi’s correspondence with USC regarding Li’s and Pinscreen’s public deception at  
20 SIGGRAPH RTL 2017 as well as USC’s confirmation of TAC ¶ 93 in regards to Li’s and  
21 Pinscreen’s “misrepresentation,” “falsification,” and “research misconduct”:

22 **Iman Sadeghi** <sadeghi@gmail.com> Mon, Dec 9, 2019 at 11:18 AM  
23 To: [REDACTED]@usc.edu>  
24 Dear [REDACTED]  
25 The main repository related to Pinscreen's RTL 2017 presentation was stored at: **TAC ¶ 93**  
<https://gitlab.com/pinscreen/rtl-app.git>  
26 The stored code corresponding to August 1, 2017 in this repository demonstrates that the webcam avatar generation was fake:  
27 "No matter who uses this version of the application to generate their own avatar from a webcam—as Pinscreen demonstrated—the  
28 pre-built avatar of Sadeghi will be displayed every time." (See Second Amended Complaint Paragraph 93) **TAC ¶ 93**  
29 The commit history of this repository prior to to August 1, 2017 demonstrates that all supposedly autogenerated avatars presented  
30 during the demo were manually prepared by Pinscreen employees including Carrie Sun.  
31 If the code that you received does not match this description, then you have received an inauthentic code.  
32 Gitlab's legal department would be able to confirm the authenticity of the code that you have received.  
33 I am available to answer further questions via email or phone.  
34 Regards,  
35 -Iman Sadeghi, PhD

36 <sup>49</sup> [https://www.youtube.com/watch?v=hpuEdXn\\_M0Q&t=31m6s](https://www.youtube.com/watch?v=hpuEdXn_M0Q&t=31m6s)

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[redacted]@usc.edu> Mon, Dec 9, 2019 at 11:30 AM  
To: Iman Sadeghi <sadeghi@gmail.com>

Dear Dr. Sadeghi,

TAC ¶ 93

Thank you for getting back to me. We have done a full analysis of the code below, and it is as you described. Dr. Li's defense is the presentation was cashed in the event of internet connectivity issues. This would indicate (as suggested by a conference coordinator) that if there were an issue in this regard that the presenter could present a pre-cashed illustration or movie of the technology but also making it clear to alert the audience to this fact. As the presenter, it was obvious that there were no attempts by you to run a non-cashed code, nor did you inform the audience that you were presenting an illustration of the technology.

While it is obvious from the Skype conversations that the cashing of pre-constructed avatars and a false progress bar was premeditated, my question for you, as presenter, was there another code (besides the Gitlab code) that you had access to at that time that could successfully run in the event connectivity and band-with issues were no problem?

Thanks,

[redacted]

[redacted]@usc.edu> Mon, Dec 9, 2019 at 1:05 PM  
To: Iman Sadeghi <sadeghi@gmail.com>

Thanks for the info. What I meant to ask relates to the claim that Pinscreen was pre-recording avatar creation in the event there were internet issues. The conference organizers indicated to him that it was acceptable to do IF there was a problem. This would mean that the full working code was available, but that code was not able to be implemented after running in real-time and having internet issues. At this point the decision would be made to use a cashed version instead. If this were the case, the presenter should explain this to the audience. According to you, the presenter, and the Skype conversations, there were no attempts to run a working code at SIGGRAPH RTL, one that actually does what you presented, but could not run effectively due to connectivity issues.

I'm just trying to counter Li's argument that it is acceptable to present a non-realtime presentation based on problems with connectivity. That argument is moot if there was no test at SIGGRAPH for any connectivity problems. Either way, the presentation itself was misrepresented with no explanation to the audience. As presentation of a newly researched and developed computer science technology, that in-and-of itself is falsification and research misconduct. Verifying from you the presenter that the <https://gitlab.com/pinscreen/rtl-app.git> was the only code available at the time and the one you presented to the audience is a key piece of information. Also that you, as presenter, knew and admit that Pinscreen was knowingly misleading the audience (under Li's direction) by not informing them that the presentation was manually created and pre-recorded and not a RT demo, as was introduced by the moderator, Li and you at the time.

[redacted]

Iman Sadeghi <sadeghi@gmail.com> Mon, Dec 9, 2019 at 3:18 PM  
To: [redacted]@usc.edu>

Thank you.

TAC ¶ 93

Has Li already admitted that this code, containing prebuilt avatars, was what executed during the RTL presentation?

[redacted]@usc.edu> Mon, Dec 9, 2019 at 3:19 PM  
To: Iman Sadeghi <sadeghi@gmail.com>

In so many words.

3. Defendants' denial of TAC ¶ 93 during discovery in contradiction with USC's findings:

**PINSCREEN, INC.'S RESPONSE TO PLAINTIFF DR. IMAN SADEGHI'S**

**AMENDED REQUESTS FOR ADMISSION, SET NO. 3**

**REQUEST FOR ADMISSION NO. 1 [CUMULATIVELY NO. 114]:**

Admit that the software code that demonstrated Sadeghi's avatar generation using a webcam during Pinscreen's SIGGRAPH Real-Time Live presentation on August 1, 2017 was stored at: <https://gitlab.com/pinscreen/rtl-app.git>.

**TAC ¶ 93**

**RESPONSE TO REQUEST FOR ADMISSION NO. 1 [CUMULATIVELY NO. 114]:**

Defendant objects that this Request is not reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects that this Request seeks private, privileged, and confidential commercial, financial, and/or proprietary business information. Defendant further objects that this Request is vague and ambiguous, particularly as to the terms/phrases "Sadeghi's avatar generation using a webcam," and "stored," and that the reference to "the software code" is vague, ambiguous, overly broad, and non-specific. Defendant further objects that the Request is overly broad and nonspecific as to time period, particularly as to the phrase "was stored." Defendant further objects that this Request is compound in violation of C.C.P. § 2033.060(f). Plaintiff further objects that this request assumes facts not in evidence.

Subject to and without in any way waiving the foregoing objections, following a diligent and to the extent it understands this Request, Defendant responds as follows:

Deny.

**REQUEST FOR ADMISSION NO. 2 [CUMULATIVELY NO. 115]:**

Admit that Sadeghi's avatar that was demonstrated during Pinscreen's SIGGRAPH Real-Time Live presentation on August 1, 2017 was manually prepared.

**RESPONSE TO REQUEST FOR ADMISSION NO. 2 [CUMULATIVELY NO. 115]:**

Defendant objects that this Request is vague, ambiguous, and overly broad, particularly as to the terms/phrases "demonstrated" and "manually prepared." Defendant further objects that this Request seeks private, privileged, and confidential commercial, financial, and/or proprietary business information. Defendant further objects that this Request is compound in violation of C.C.P. § 2033.060(f).



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1 Subject to and without in any way waiving the foregoing objections, following a diligent and  
2 to the extent it understands “manually prepared” to mean “cached,” Defendant responds as follows:

3 Pinscreen admits that Dr. Iman Sadeghi’s avatar demonstrated by Dr. Sadeghi himself  
4 during Pinscreen’s SIGGRAPH Real-Time Live presentation on August 1, 2017 was cached, and  
5 that the use of cached images was strongly encouraged by SIGGRAPH Real Time Live conference  
6 chairs to Pinscreen and, on information and belief, other presenters. Except as otherwise expressly  
7 admitted, denied.

8 **REQUEST FOR ADMISSION NO. 3 [CUMULATIVELY NO. 116]:**

9 Admit that no matter who uses the software that was used during Pinscreen’s SIGGRAPH  
10 Real-Time Live presentation on August 1, 2017 to generate their avatar from a webcam, Sadeghi’s  
11 avatar will be displayed.

**TAC ¶ 93**

12 **RESPONSE TO TO REQUEST FOR ADMISSION NO. 3 [CUMULATIVELY NO. 116]:**

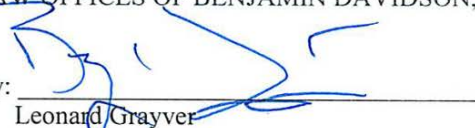
13 Defendant objects that this Request is vague, ambiguous, and overly broad, particularly as  
14 to the terms/phrases “no matter who uses the software” and “the software,” “uses”/“used” and  
15 “will be displayed” (future tense), rendering this Request unintelligible. Defendant further objects  
16 to the extent that this Request is not reasonably calculated to lead to the discovery of admissible  
17 evidence. Defendant further objects that this Request seeks private, privileged, and confidential  
18 commercial, financial, and/or proprietary business information. Defendant further objects that this  
19 Request is compound in violation of C.C.P. § 2033.060(f).

20 Subject to and without in any way waiving the foregoing objections, following a diligent  
21 and to the extent it understands this Request, Defendant responds as follows:

22 Deny.

23 Dated: October 11, 2019

24 GRAYVER LAW GROUP, P.C.  
25 LAW OFFICES OF BENJAMIN DAVIDSON, P.C.

26 By:   
27 Leonard Grayver  
28 Benjamin Davidson  
Attorneys for Defendants