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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 PINSCREEN, INC., a Delaware Corporation;  
18 DR. HAO LI, an individual;  
19 YEN-CHUN CHEN, an individual;  
20 LIWEN HU, an individual;  
21 HAN-WEI KUNG, an individual;  
22 and DOES 1-100,

23 Defendants.

Case No.: BC709376

**DR. IMAN SADEGHI'S OPPOSITION TO THE  
DEMURRER OF DEFENDANT DR. HAO LI TO  
THE FIRST AMENDED COMPLAINT;  
MEMORANDUM OF POINTS AND AUTHORITIES**

Dept.: 16  
Hon: Lia Martin  
Complaint Filed: June 11, 2018

**Date: April 11, 2019**  
**Time: 9:00 am**  
**Place: Dept. 16., Stanley Mosk Courthouse**

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. FACTS

3 A. Statement of the case.

4 This is an action for employment fraud and numerous consequent illegal acts. Plaintiff  
5 Iman Sadeghi, who holds a doctorate in Computer Science/Computer Graphics, developed and  
6 patented a novel hair-appearance technology used at Walt Disney Animation Studios. After  
7 having worked at Google as a software engineer for more than five years, Sadeghi was solicited  
8 by defendant Hao Li to join the leadership of a software start-up, Pinscreen Inc., which Li  
9 cofounded. Pinscreen specializes in automatically generating animated 3D face models,  
10 called *avatars*, from only a photograph of a person. Hao Li, Pinscreen’s CEO, is an assistant  
11 professor at the University of Southern California. Dr. Sadeghi alleges—supporting these  
12 allegations with documentary proof in a verified complaint—that Dr. Li lied to and defrauded  
13 him when Li obtained Sadeghi's employment as Pinscreen’s Vice President of Engineering. Li  
14 fraudulently induced Sadeghi to resign from Google and join Pinscreen by intentionally  
15 misrepresenting Pinscreen’s technology as Li deceived the public, the scientific community, and  
16 its investors.

17 After being deceived into joining Pinscreen, Sadeghi gradually discovered Li’s grotesque  
18 academic and professional misconduct. Among his various transgressions, Li perpetrated a  
19 scientific hoax by proclaiming Pinscreen’s avatars as automatically generated using  
20 “cutting-edge” deep neural networks and artificial intelligence. In reality, the avatars were being  
21 manually prepared and tweaked by Pinscreen employees and freelance artists.

22 In retaliation for Sadeghi’s whistleblowing and objections to Li’s data fabrication,  
23 academic misconduct, fraud on investors, labor law violations, and immigration law violations,  
24 Pinscreen illegally terminated Sadeghi within his first working hour after Pinscreen deceived an  
25 audience of thousands.

26 Sadeghi’s significant contributions to Pinscreen are well documented and his personnel  
27 file is bereft of any concerns whatsoever regarding his performance or employment. Li boasted  
28 about having Sadeghi onboard at Pinscreen, celebrating him as “the best” in digital hair

1 appearance which is a stark contrast to Li now maligning Sadeghi as “an abject failure.”

2         The consequent torts committed by Li include a brutal battery of Sadeghi, where Li and a  
3 *group* of employees, under Li’s commands, physically attacked Sadeghi and invaded his  
4 belongings. Even though the security cameras captured the brutal attack, Li denied the allegations  
5 in the press stating “all the allegations are 100% false,” “no one assaulted [Sadeghi],” and went  
6 so far as to allege that “the exact opposite happened.” The now public security camera footage of  
7 the battery<sup>1</sup> confirms Sadeghi’s allegations and exposes Li’s lies.

8 **B. The ruthless character required to perpetrate a fraud on the core values of one’s**  
9 **profession combined with the stakes for Li may help the Court understand Li’s**  
10 **approach to this litigation: deny everything, concede nothing.**

11         Whereas this case directly concerns Li’s fraud on Sadeghi, it is most germane that Li’s  
12 fraud on Sadeghi was in furtherance of the fraudulent product offered by Li’s company. To fully  
13 understand Li’s motives, the Court will need to consider the significance of the broader fraud as  
14 it bears on Li, a rising assistant professor. When levelled against an academician and scientist,  
15 the allegations against Li are grave. The strongest community strictures prohibit scientists from  
16 submitting fabricated data; in so doing—violating core ethical commitments of his profession—  
17 Li incurred the most serious professional risks.

18         True to his make-absolutely-no-concessions mindset, Li has been thoroughly  
19 unreasonable in meet and confer. After two full hours of intensive consultation between attorneys  
20 over Li’s scattershot objections, defense counsel refused to budge from the position that Sadeghi  
21 has not and *cannot* state a single cause of action and that Li intending to demur to all causes of  
22 action justifies him obstructing all discovery. This is a quite sophisticated abuse of the process.  
23 This is not to say that Li’s refusing to respond substantively to discovery would be justified even  
24 if Sadeghi has failed to state any cause of action. Settled law refutes Li as Sadeghi has discussed  
25 in his motion to compel Li to respond to discovery. That motion is scheduled to be heard on  
26 April 4, 2019 before the Court.

27         Li’s obstructionism exploits the demurrer process for delay, impediment of discovery, and

28 \_\_\_\_\_  
<sup>1</sup> <http://sadeghi.com/dr-iman-sadeghi-v-pinscreen-inc-et-al/#battery>

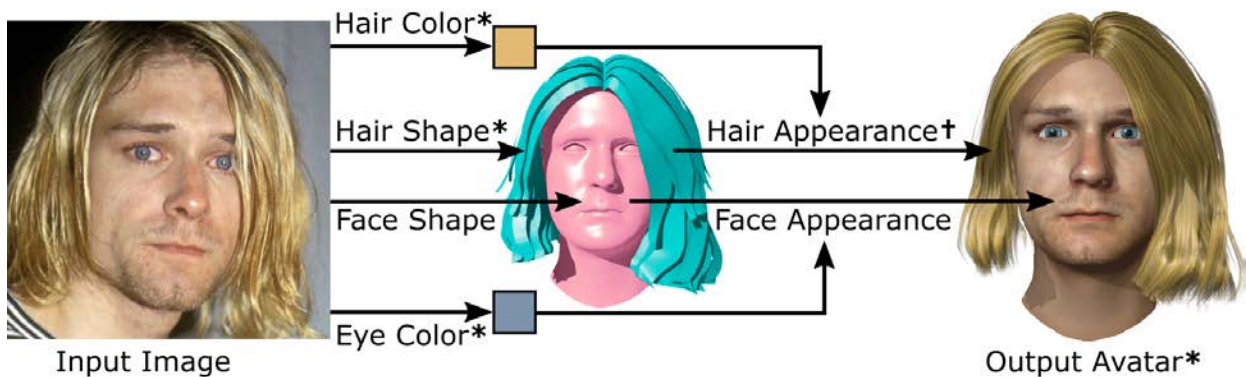
1 imposition of unnecessary legal expense, the opposite of the intents of the Discovery Act and  
2 Trial Court Delay Reduction Act.

3 Li's "speaking demurrer," accompanied by a "speaking motion to strike," argues facts,  
4 misstates facts, misstates case laws, misquotes case laws, fails the pleading requirements, is  
5 unintelligible, relies entirely on inapposite cases, is refuted by settled law and must be overruled.

6 **C. Pinscreen's technology relevant to Li's fraud and Sadeghi's expertise.**

7 Li's demurrer conflates two separate processes of Pinscreen's technology: [a] the process  
8 of automatically generating the *Hair Shape* and [b] the process of generating the *Hair Appearance*  
9 of the output avatar. The distinction is imperative because the former is related to Li's fraud and  
10 the latter is related to Sadeghi's expertise.

11 The following diagram demonstrates subprocesses of Pinscreen's avatar generation  
12 technology (FAC ¶¶ 56–64). The Hair Shape process as well as other processes marked with an  
13 *asterisk* ( \* ) are related to Li's fraud (FAC ¶¶ 97–221). The Hair Appearance process, marked  
14 with an *obelisk* ( † ), is within Sadeghi's expertise and was significantly improved by his  
15 contributions (FAC ¶¶ 86–89):



23 **1. Li's fraud involved faking the automatic generation of *Hair Shapes*.**

24 Li perpetrated fraud by proclaiming Pinscreen's avatars as automatically generated using  
25 deep neural networks when in reality, the avatars were being manually prepared and tweaked by  
26 Pinscreen employees and freelance artists (FAC ¶¶ 97–221). The following figure compares one  
27 of Li's fabricated avatars with manually prepared hair shape (middle) to an actual automatically  
28 generated avatar using Pinscreen's app more than a year later (right) (FAC ¶¶ 170–173):

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Input Image



Manually Prepared Fabricated Avatar



Actual Automatically Generated Avatar



Submitted by Pinscreen to SIGGRAPH Asia on May 23, 2017

Generated by a third party using Pinscreen's app around July 21, 2018

**2. Sadeghi's expertise includes improving the quality of *Hair Appearance*.**

Among other qualifications, Sadeghi is an expert in digital hair appearance (FAC ¶¶ 23–37). The following diagram illustrates Sadeghi's contribution to the quality of Pinscreen's avatars and digital hair appearance (FAC ¶¶ 86–89):

*Before*

Sadeghi's Contributions to Pinscreen's Hair Appearance



Pinscreen's Submission to SIGGRAPH on January 16, 2017  
*[Rejected]*

*After*

Sadeghi's Contributions to Pinscreen's Hair Appearance



Pinscreen's Submission to SIGGRAPH Asia on May 23, 2017  
*[Accepted]*

1 **II. ARGUMENT**

2 **A. Li’s “speaking” demurrer must be overruled for violating the standard of review.**

3 “A demurrer tests the legal sufficiency of factual allegations in a complaint.”<sup>2</sup> It must  
4 admit all facts on the face of the pleading and all that may be inferred, “no matter how unlikely  
5 or improbable, and without regard to the [plaintiff]’s ability to prove them.”<sup>3</sup> A pleading must be  
6 “liberally construed in favor of the pleader,” be “read as a whole, not word by word,”<sup>4</sup> and survive  
7 a demurrer insofar as it states, “however inartfully, facts disclosing some right to relief.”<sup>5</sup>

8 **“[A] factual question ... cannot be resolved on demurrer.<sup>6</sup> ... ‘facts have no  
9 place in a demurrer’<sup>7</sup> ... Demurrers supported by evidence are referred to as  
10 ‘speaking’ demurrers and are improper.<sup>8</sup> ... ‘the “speaking demurrer” (one  
11 that contains factual matters) is not recognized in this state’<sup>9</sup> ... [defendant] is  
12 precluded from morphing the demurrer into a motion for summary judgment  
13 or minitrial.”<sup>10</sup>**

14 Li’s arguments are based, almost entirely, on his injected contrary facts not on the face of  
15 the FAC. Li relies on his version of events and morphs the demurrer into a slew of inapposite  
16 fact-determining minitrials. Li’s improper “speaking” demurrer is not recognized in this state and  
17 must be overruled in its entirety.

18 **B. Li’s demurrer must be overruled because one of its conjunctively stated grounds—  
19 the ground for being “uncertain”—does not exist.**

20 The grounds for Li’s demurrer to the FAC as a whole and to each Cause of Action  
21 (“CoA”) are stated conjunctively—as “fails to state facts sufficient to constitute a cause of action  
22 and is uncertain”—and not in separate paragraphs in violation of pleading requirements:

23 **“Each ground of demurrer must be in a separate paragraph.”** (*Cal Rules of Court*  
24 *3.1320(a)*)

25 **“[W]here the grounds are stated conjunctively all the grounds must exist, or the**

26 <sup>2</sup> *Rakestraw v. California Physicians’ Service*, 81 Cal. App. 4th 39 (Cal. Ct. App. 2000)

27 <sup>3</sup> *Bock v. Hansen*, 225 Cal. App. 4th 215 (Cal. Ct. App. 2014)

28 <sup>4</sup> *Rosenfeld, Meyer Susman v. Cohen*, 146 Cal. App. 3d 200 (Cal. Ct. App. 1983)

<sup>5</sup> *Longshore v. County of Ventura*, 25 Cal. 3d 14 (Cal. 1979)

<sup>6</sup> *Ferrick v. Santa Clara Univ.*, 181 Cal. Rptr. 3d 68 (Cal. Ct. App. 2014)

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

<sup>8</sup> *Mohlmann v. City of Burbank*, 179 Cal. App. 3d 1037 (Cal. Ct. App. 1986)

<sup>9</sup> 5 Witkin, *Cal. Procedure* (5th ed. 2008) Pleading, § 948, p. 364.

<sup>10</sup> *Kofi Kessey, MD/PHD, Inc. v. Los Robles Reg’l Med. Ctr.*, 2d Civil No. B279550 (Cal. Ct. App. Jan. 18, 2018)

demurrer should be **overruled**.”<sup>11</sup>

Consequently, unless all of its grounds—including its ground for uncertainty—exist as to each cause of action, Li’s demurrer must be overruled.

**1. The FAC is not uncertain according to settled law.**

First, Li’s demurrer “is insufficient unless [it] points out specifically wherein the pleading is ambiguous, uncertain or unintelligible.”<sup>12</sup> Li’s “failure to specify the uncertain aspects of [the] complaint will defeat [the] demurrer based on the grounds of uncertainty.”<sup>13</sup>

“The demurrer ... **fails** to direct the attention to any portion of the complaint alleged to be uncertain, or ambiguous or unintelligible, and, therefore, was **properly overruled**.”<sup>14</sup>

Second, Li’s demurrer for uncertainty is *strictly construed* and must be overruled so long as the FAC gives notice of the issues sufficient for Li to prepare a defense:

“[D]emurrers for **uncertainty** are **disfavored**, and are granted **only** if the pleading is **so incomprehensible** that a defendant **cannot reasonably respond**.’<sup>15</sup> ... a ‘demurrer for uncertainty is **strictly construed**, even where a complaint is in some respects uncertain, because ambiguities can be clarified under modern discovery procedures.’<sup>16</sup> ... ‘Where the allegations of the complaint are **sufficiently clear** so as to apprise a defendant of the issues he must meet, a special demurrer **should not be sustained**, even though the allegations of the complaint may not be as clear or as detailed as might be desired.’<sup>17</sup> ... A complaint will be **upheld** ‘so long as it gives notice of the issues **sufficient to enable preparation of a defense**.’<sup>18</sup> ... **Because [defendant] never argued** or even suggested that the FAC compromised her preparation of a defense, we hold that the FAC **was not uncertain**.”<sup>19</sup>

Not only has Li never argued that the FAC compromised his preparation of a defense, but Li has also stated several *inapposite weak* affirmative defenses in his “speaking” demurrer. Therefore, the FAC must not be uncertain. Since Li has failed to demonstrate uncertainty, the conjunctively stated grounds for uncertainty do not exist.

Wherefore, Li’s demurrer must be overruled in its entirety.

<sup>11</sup> *Butler v. Wyman*, (1933) 128 Cal. App. 736 (Cal. Ct. App. 1933)

<sup>12</sup> *Coons v. Thompson*, 75 Cal. App. 2d 687 (Cal. Ct. App. 1946)

<sup>13</sup> *Fenton v. Groveland Community Services Dist*, 135 Cal. App. 3d 797 (Cal. Ct. App. 1982)

<sup>14</sup> *Muraco v. Don*, 79 Cal. App. 738 (Cal. Ct. App. 1926)

<sup>15</sup> *Lickiss v. Fin. Indus. Regulatory Auth.*, 208 Cal. App. 4th 1125 (Cal. Ct. App. 2012)

<sup>16</sup> *Khoury v. Maly's of California, Inc.* (1993) 14 Cal.App.4th 612, 616.

<sup>17</sup> *Beeler v. West American Finance Co.* (1962) 201 Cal.App.2d 702, 706.

<sup>18</sup> *Doe v. City of Los Angeles* (2007) 42 Cal.4th 531, 549-550.

<sup>19</sup> *Burk v. Hirsch*, B266666 (Cal. Ct. App. Jun. 14, 2016).

1           **2. Unlike the FAC, Li’s demurrer is unintelligible and uncertain.**

2           In reference to Sadeghi’s objections to Pinscreen’s fraudulent public demo during  
3 SIGGRAPH 2017 Real-Time Live, Li alleges, “[Sadeghi] objected to Pinscreen representing at a  
4 trade show that avatars worked more smoothly than they actually did.”<sup>20</sup> This statement is  
5 self-contradictory and incomprehensible because the avatars can never perform more smoothly  
6 than they actually do—unless they have been misrepresented to appear as such.

7           **C. Li is a proper defendant for the tortious conduct that he personally participated in**  
8           **or directed. Workers Compensation (“WC”) does not protect Li and is not a remedy.**

9           “**Directors are jointly liable** with the corporation and may be **joined as**  
10 **defendants** if they **personally directed or participated in the tortious conduct**.  
11 ... Directors are liable to third persons injured by their own tortious conduct  
12 regardless of whether they acted on behalf of the corporation and regardless of  
13 whether the corporation is also liable.”<sup>21</sup>

14           Li personally defrauded Sadeghi to resign from Google and join Pinscreen by intentional  
15 misrepresentation (1<sup>st</sup> CoA (FAC ¶¶ 298–314)) and intentional concealment (2<sup>nd</sup> CoA (FAC  
16 ¶¶ 315–327)). Li directed and participated in the battery of Sadeghi (3rd CoA (FAC ¶¶ 328–337))  
17 and invasion of his privacy (14<sup>th</sup> CoA (FAC ¶¶ 424–428)). In addition, Li interfered with  
18 Sadeghi’s contract with Pinscreen based on personal motives and unrelated to his agency for  
19 Pinscreen (8<sup>th</sup> CoA (FAC ¶¶ 383–391)) and therefore is liable for his intentional interference:

20           “[I]f the **manager’s** actions were **not for the benefit of the company**, the manager  
21 **loses** his or her **‘interested party’ status** and can be **liable for intentional**  
22 **interference**. ... to the extent the manager is acting for his or her **personal benefit**  
23 and not for the benefit of the company, the manager is a **stranger** to the  
24 relationship between the employee and the employer.”<sup>22</sup>

25           **1. Li may not hide behind the shield of WC because Sadeghi was defrauded, battered**  
26 **and invaded outside the course of—also *before* or *after*—his employment.**

27           Contrary to Li’s contention, WC is not a remedy because: [1] Sadeghi was fraudulently  
28 induced to join Pinscreen (FAC ¶¶ 70–85) during Li’s solicitation of Sadeghi (FAC ¶ 38–54) and  
*before* his employment at Pinscreen, [2] Sadeghi was battered and invaded (FAC ¶¶ 273–284)  
*after* his termination from Pinscreen, [3] Sadeghi’s Intentional Infliction of Emotional Distress

<sup>20</sup> Li’s Demurrer 13:10–12; Pinscreen’s Demurrer 14:10–11

<sup>21</sup> *Frances T. v. Village Green Owners Assn*, 42 Cal. 3d 490 (Cal. 1986) internal citations omitted.

<sup>22</sup> *Graw v. Los Angeles County Metropolitan Transportation Authority*, 52 F. Supp. 2d 1152 (C.D. Cal. 1999)



1 (“IIED”) claim (9<sup>th</sup> CoA (FAC ¶¶ 392–398)) is not subject to WC, and [4] none of Li’s violations  
2 fall within the “reasonably anticipated condition” of Sadeghi’s role as the Vice President of  
3 Engineering at Pinscreen:

4 “The **infliction of emotional distress** continues to be one wrong for which the  
5 **workers' compensation** system provides **no remedy**. ...when employers step out  
6 of their roles as such and commit acts which do **not fall within the reasonably**  
7 **anticipated conditions of work**, they may **not then hide behind the shield**  
8 **of workers' compensation**. ...

9 [T]he exclusivity doctrine does not apply to prevent [plaintiff] from stating a  
10 **cause of action** against [defendant] for assault and **battery**”<sup>23</sup>

11 **2. Li is liable for his physical acts of aggression and invasion of privacy.**

12 *California Labor Code* §3601(a) gives an employee the right to bring an action against  
13 other employees for injuries caused by “physical acts of aggression.” FAC establishes Li’s “brutal  
14 physical attack” (FAC ¶ 337) when Li forcefully grabbed, restrained and physically attacked  
15 Sadeghi (FAC ¶¶ 280, 330) causing injuries to Sadeghi’s eye and shoulder (FAC ¶¶ 283, 335).

16 Besides, Li’s contention that he is not liable for invasion of Sadeghi’s privacy because Li  
17 was not Sadeghi’s employer is a non sequitur; any individual can invade the privacy of another  
18 regardless of the existence of an employment relationship.

19 **3. Li relies on entirely inapposite cases, misstates and misquotes them to argue against**  
20 **his liability and ludicrously coins a fantastical phrase “strangers-interlopers”!**

21 Li argues for his privilege as a “manager” performing “personnel actions” when he  
22 fraudulently induced Sadeghi to resign from Google and join Pinscreen. However, inducement is  
23 not a personnel action<sup>24</sup> and Li was not Sadeghi’s manager when Sadeghi was at Google! Li  
24 further relies on entirely inapposite cases<sup>25,26</sup> to argue for his “manager/employee privilege” when  
25 Li was not even Sadeghi’s manager nor Sadeghi’s co-worker.

26 Li attempts to hide behind the shield of WC by relying on an inapposite case<sup>27</sup> where an

27 <sup>23</sup> *Hart v. National Mortgage Land Co.*, 189 Cal. App. 3d 1420 (Cal. Ct. App. 1987)

28 <sup>24</sup> *Sheppard v. Freeman*, 67 Cal. App. 4th 339 (Cal. Ct. App. 1998) “... personnel actions, e.g. termination,  
demotion, discipline, transfers, compensation-setting, work assignments, and/or performance appraisals”

<sup>25</sup> *Graw v. Los Angeles County Metropolitan Transportation Authority*, 52 F. Supp. 2d 1152 (C.D. Cal. 1999)

<sup>26</sup> *McCabe v. Gen. Foods Corp.* (9th Cir.1987) 811 F.2d 1336,1339.

<sup>27</sup> *Fretland v. County of Humboldt*, 69 Cal. App. 4th 1478 (Cal. Ct. App. 1999)

1 employee was holding the employer liable for a battery committed by a co-employee during the  
2 course and scope of their employment—Sadeghi was battered *after* his termination. Li also  
3 references another inapposite case<sup>28</sup> where the emotional distress claim was based on  
4 wrongdoings occurring during the “normal course of the employer-employee relationship.”  
5 Furthermore, contrary to Li’s contention,<sup>29</sup> the terms “course of employment” and “scope of  
6 employment” are conclusions of fact<sup>30</sup> and not legal conclusions.

7 To deny his liability for his intentional interference with Sadeghi’s contract, Li misstates  
8 an inapposite case<sup>31</sup> and fabricates a farcical requirement for all tortious interference having to  
9 occur “under the guise of competition.”<sup>32</sup> More ludicrously, Li misquotes another inapposite  
10 case<sup>33</sup>—which merely holds that *Pinscreen* is not liable for interfering with its own contract with  
11 Sadeghi—by misconstruing an *em dash* (“—”) as a *hyphen* (“-”) and contrives a fantastical  
12 compound phrase “strangers-interlopers”<sup>34</sup> out of the original text:

13 “The tort duty not to interfere with the contract falls only on strangers —  
14 interlopers who have no legitimate interest in ... the contract's performance.”

15 **D. Sadeghi was damaged by fraudulent inducement and wrongful termination. Sadeghi**  
16 **is entitled to all damages including punitive and emotional distress.**

17 Li contends that because Sadeghi’s Google income and benefits were temporarily  
18 substituted for by those of Pinscreen, Sadeghi is only entitled to damages from the wrongful  
19 termination and not the fraudulent inducement.<sup>35</sup> However, this particular situation was  
20 considered in *Lazar v. Superior Court* and the court held:

21 “[I]t has long been the rule that where a contract is secured by **fraudulent**  
22 **representations**, the injured party may elect to affirm the contract and **sue for the**  
23 **fraud**. ... as to his **fraud claim** [plaintiff] may properly seek **damages** for ... the  
loss of security and income associated with his **former employment** ... [plaintiff]  
must rely on his **contract claim** for recovery of any loss of income allegedly

24 <sup>28</sup> *Miklosy v. Regents of Univ. of California*, 44 Cal. 4th 876 (Cal. 2008)

25 <sup>29</sup> Li’s Demurrer 10:26

26 <sup>30</sup> *May v. Farrell*, 94 Cal. App. 703 (Cal. Ct. App. 1928)

27 <sup>31</sup> *I-CA Enterprises, Inc. v. Palram Americas, Inc.*, 185 Cal. Rptr. 3d 24 (Cal. Ct. App. 2015)

28 <sup>32</sup> Li’s Demurrer 12:27–28, 13:1–2

<sup>33</sup> *Applied Equipment Corp. v. Litton Saudi Arabia Ltd.*, 7 Cal. 4th 503 (Cal. 1994)

<sup>34</sup> Li’s Demurrer 12:20–23

<sup>35</sup> Li’s Demurrer 8:5–18; Pinscreen’s Demurrer 6:3–16

1 caused by **wrongful termination** of his employment ... Moreover, any overlap  
2 between damages recoverable in tort and damages recoverable in contract would  
3 be limited by the rule against double recovery. [plaintiff], therefore, may proceed  
4 with his claim for **fraud in the inducement of employment contract**, properly  
5 seeking damages for ‘**all the detriment** proximately caused thereby’ (Civ. Code,  
6 § 3333), as well as appropriate **exemplary damages** (Civ. Code, § 3294).”<sup>36</sup>

7 **1. Li’s objections to relief demands are inapposite in a demurrer and nonetheless**  
8 **refuted by settled law including Li’s very own inapposite reference!**

9 Li’s objections to punitive and emotional distress damages are inapposite in a demurrer.<sup>37</sup>  
10 Sadeghi’s fraudulent inducement claim alone supports recovery for punitive damages<sup>38</sup> and  
11 emotional distress.<sup>39</sup> Li references an inapposite case *Branch v. Homefed Bank*<sup>40</sup>—which  
12 concerns *negligent* misrepresentation—to argue against the availability of emotional distress for  
13 Sadeghi’s *intentional* misrepresentation fraud claim. Ironically, Li’s very own inapposite  
14 reference to *Branch* refutes Li by holding “in cases of intentional misrepresentation recovery for  
15 emotional distress need not be accompanied by physical injury.”

16 **E. 1<sup>st</sup> CoA for Fraudulent Inducement by Misrepresentation is stated with specificity.**

17 The elements of fraud and their corresponding pleaded facts are: [a] misrepresentation  
18 ([a.1] false representation (FAC ¶¶ 304–308, 72–75), [a.2] concealment, or [a.3] nondisclosure);  
19 [b] knowledge of falsity, i.e., scienter (FAC ¶ 310); [c] intent to defraud, i.e., to induce reliance  
20 (FAC ¶¶ 299–301, 70); [d] justifiable reliance (FAC ¶¶ 302–304, 309, 80–81, 84–85); and [e]  
21 resulting damage (FAC ¶¶ 312–314, 83–84).<sup>41</sup>

22 **1. Li’s false representation is pled with specificity. The particularity requirements of**  
23 **the representation in FAC ¶ 306 are uncontested by Li and Pinscreen.**

24 Fraud must be pleaded with particularity to show [a] how (“Li sent Sadeghi, in private  
25 Facebook messages ...” (FAC ¶¶ 305-308)), [b] when (“on January 22, 2017” between 3:39 p.m.  
26 and 3:43 p.m. (FAC ¶¶ 305–306, 308)), [c] where (“in private Facebook messages” (FAC ¶¶ 305,  
27  
28

<sup>36</sup> *Lazar v. Superior Court*, 12 Cal. 4th 631 (Cal. 1996) internal citations omitted.

<sup>37</sup> *Gomez v. Volkswagen of America, Inc.*, 169 Cal. App. 3d 921 (Cal. Ct. App. 1985)

<sup>38</sup> *Kuchta v. Allied Builders Corp.*, 21 Cal. App. 3d 541 (Cal. Ct. App. 1971)

<sup>39</sup> *Lenk v. Total-Western, Inc.*, 89 Cal. App. 4th 959 (Cal. Ct. App. 2001)

<sup>40</sup> *Branch v. Homefed Bank*, 6 Cal. App. 4th 793 (Cal. Ct. App. 1992)

<sup>41</sup> *Lazar v. Superior Court*, 12 Cal. 4th 631 (Cal. 1996)

1 308)), [d] to whom (“Sadeghi” (FAC ¶¶ 305–306, 308)), and [e] by what means (“in private  
2 Facebook messages” (FAC ¶¶ 305, 308)) the representations were tendered.<sup>42</sup>

3 Furthermore, the requirement of specificity in a fraud action against a corporation requires  
4 the plaintiff to allege [f] the names of the persons who made the representations (“Li” (FAC  
5 ¶¶ 305–306, 308)), [g] their authority to speak on behalf of the corporation (“on behalf of  
6 Pinscreen, as its co-founder and CEO” (FAC ¶ 311)), [h] to whom they spoke (“Sadeghi” (FAC  
7 ¶¶ 305–306, 308)), [i] what they said or wrote (“Sadeghi: ‘[...] Autogenerated hair?’ Li: ‘Yes’”  
8 (FAC ¶¶ 306, 308)), and [j] when the representation was made (“on January 22, 2017” between  
9 3:39 p.m. and 3:43 p.m. (FAC ¶¶ 305–306, 308)).<sup>43</sup>

10 [FAC ¶ 305]. On January 22, 2017, at 3:39 p.m., Li sent Sadeghi, in private  
11 Facebook messages, two sets of input images as well as their corresponding  
12 supposedly automatically generated (“autogenerated”) output avatars. Sadeghi  
expressed his surprise and asked Li whether the avatar’s hair was “autogenerated.”  
Li responded to Sadeghi in writing, “yes.”

13 [FAC ¶ 306]. [January 22, 2017, at 3:43 p.m.] Sadeghi: “[...] Autogenerated  
14 hair?” Li: “Yes”

15 [FAC ¶ 307]. Li’s claim that the presented avatars and their hair were  
automatically generated was a brazen lie.

16 **2. Li’s “speaking” demurrer improperly argues the fact of his misrepresentation and**  
17 **attempts to morph itself into an inapposite fact-determining minitrial.**

18 Although Li’s demurrer must admit that his statement was “a brazen lie” (FAC ¶ 307), Li  
19 improperly insists that his statement was not a lie.<sup>44</sup> Li then attempts a minitrial based on the extra  
20 context provided by Exhibit C of the FAC. Li argues in his minitrial that because Li also stated  
21 that the “quality” and “robustness” of the presented avatars can be improved, therefore the  
22 presented avatars and their hair shapes must have been “automatically generated.”<sup>45</sup> Li’s  
23 inapposite factual deduction is a non sequitur; Sadeghi himself significantly improved the quality  
24 of Pinscreen’s avatars (FAC ¶¶ 86–89) and the robustness of its infrastructure (FAC ¶¶ 92–93)  
25 all the while Li repeatedly misrepresented manually prepared avatars with manually prepared hair  
26 shapes as “automatically generated” to the scientific community (FAC ¶¶ 97–221), Pinscreen’s

27 <sup>42</sup> *Stansfield v. Starkey*, 220 Cal. App. 3d 59 (Cal. Ct. App. 1990)

<sup>43</sup> *Tarmann v. State Farm Mut. Auto. Ins. Co.*, 2 Cal. App. 4th 153 (Cal. Ct. App. 1991)

<sup>44</sup> Li’s Demurrer 6:10–12; Pinscreen’s Demurrer 4:10–12

<sup>45</sup> Li’s Demurrer 6:22–26; Pinscreen’s Demurrer 4:21–26

1 investors (FAC ¶¶ 226–227) and the public (FAC ¶¶ 174–221). Li’s inefficacious deductive  
2 fallacy at best frames an issue for the jury—not a demurrer—and must be disregarded.

3 **3. Li’s “speaking”—or rather “lying”—demurrer inject facts inconsistent with FAC**  
4 **and contrives Sadeghi’s “contemporaneous knowledge” of Li’s fraud.**

5 Li improperly injects facts that Sadeghi’s fraudulent inducement was “continued” and  
6 “occurring after [Sadeghi’s] hiring.” Li then uses his injected facts to deduct Sadeghi must have  
7 had “contemporaneous knowledge”<sup>46</sup> of Li’s fraud when Sadeghi was defrauded. But “Sadeghi  
8 learned about [Li’ fraud] only after resigning from Google and joining Pinscreen.” (FAC ¶ 79.)  
9 The Court must disregard Li’s injected facts and inapposite minitrials and overrule Li’s demurrer.

10 **F. 2<sup>nd</sup> CoA for Fraudulent Inducement by Concealment is stated properly.**

11 The elements of fraud and their corresponding pleaded facts are: [a] misrepresentation  
12 ([a.1] false representation, [a.2] concealment (FAC ¶¶ 317–319, 70, 79), or [a.3] nondisclosure);  
13 [b] knowledge of falsity, i.e., scienter (FAC ¶¶ 320, 323, 79); [c] intent to defraud, i.e., to induce  
14 reliance (FAC ¶¶ 320–323, 70–71, 79); [d] justifiable reliance (FAC ¶¶ 321–323, 80–82, 84–85);  
15 and [e] resulting damage (FAC ¶¶ 325–326, 83–84).<sup>47</sup>

16 **1. Li owed Sadeghi—as a prospective employee—a duty to disclose.**

17 “[C]ircumstances in which nondisclosure or **concealment** may constitute  
18 actionable **fraud**: ... when the defendant had exclusive knowledge of material  
19 facts not known to the plaintiff ... ‘Thus, a **duty to disclose** may arise from the  
20 relationship between seller and buyer, **employer and prospective employee**,  
21 doctor and patient, or parties entering into any kind of contractual agreement. (Civ.  
22 Code, § 1572, subd. 3.)”<sup>48</sup>

21 **2. Each pleaded conclusion of fact or law is reasonably inferable from the ultimate**  
22 **facts. FAC is sufficient to appraise Li of the basis Sadeghi is seeking relief.**

23 “[T]he distinction between conclusions of law and ultimate facts is not at all clear  
24 and involves at most a matter of degree. ... **What is important** is that the  
25 complaint as a whole contain **sufficient facts** to apprise the defendant of the **basis**  
26 upon which the plaintiff is seeking **relief**.”<sup>49</sup>

- **Data Fabrication:** Reasonably inferable from the ultimate fact that Li intentionally  
misrepresented manually prepared avatars as automatically generated to the public,

27 <sup>46</sup> Li’s Demurrer 4:10–11, 7:9, 7:22–23; Pinscreen’s Demurrer 3:2–3, 5:7, 5:20

28 <sup>47</sup> *Lazar v. Superior Court*, 12 Cal. 4th 631 (Cal. 1996)

<sup>48</sup> *LiMandri v. Judkins*, 52 Cal. App. 4th 326 (Cal. Ct. App. 1997) internal citations omitted.

<sup>49</sup> *Perkins v. Superior Court*, 117 Cal. App. 3d 1 (Cal. Ct. App. 1981) internal citations omitted.

1 scientific community, and investors (FAC ¶¶ 97–221, 226–227).

- 2 • **Academic Misconduct:** Reasonably inferable from the following ultimate facts: [a] Li  
3 misrepresented fabricated avatars as automatically generated in several scientific  
4 representations (FAC ¶¶ 97–221, 76) including [a.1] ACM’s SIGGRAPH 2017 Technical  
5 Papers submission (FAC ¶¶ 112–114), [a.2] SIGGRAPH 2017 Real-Time Live  
6 submission (FAC ¶¶ 115–125, 76), [a.3] SIGGRAPH Asia 2017 Technical Papers  
7 submission (FAC ¶¶ 126–173, 76), and [a.4] SIGGRAPH 2017 Real-Time Live public  
8 demo (FAC ¶¶ 174–221, 76); and [b] Li exploited his position as a reviewer and shared  
9 confidential under-review scientific submissions for his commercial gain (FAC ¶ 222).
  - 10 • **Fraud on Investors:** Reasonably inferable from the following ultimate facts: Li  
11 misrepresented fabricated avatars as automatically generated in his representations to [a]  
12 Pinscreen’s potential investors (FAC ¶ 103); [b] Pinscreen’s actual investors including  
13 Softbank Venture Korea (FAC ¶¶ 226–227, 76); and [c] the public including during  
14 Pinscreen’s SIGGRAPH 2017 Real-Time Live demo (FAC ¶¶ 174–221, 76).
  - 15 • **Labor Law Violations:** Reasonably inferable from the following ultimate facts: [a] Li  
16 refused to pay overtime to non-exempt Pinscreen employees while pressuring them to  
17 work during the nights, weekends, and holidays, as much as 120 hours per week (FAC  
18 ¶¶ 228–236); [b] Li harassed, bullied, and discriminated against an intern employee on  
19 the basis of their suspected disability (FAC ¶ 237); and [c] Li discriminated against an  
20 employee on the basis of having a newborn baby (FAC ¶ 238).
  - 21 • **Immigration Law Violations:** Reasonably inferable from the following ultimate facts:  
22 [a] Li and his wife Yen-Chun Chen—Pinscreen’s CFO and co-founder—both performed  
23 work for Pinscreen without work visas (FAC ¶¶ 240, 242–247) and [b] Li pressured  
24 Pinscreen employees to work [b.1] without a work visa, [b.2] before their work visa’s  
25 start date or [b.3] while employed at other companies as summer interns (FAC ¶ 241).
- 26 **3. Less specificity is required since Li possess full information concerning his violations.**

27 “**Less specificity** in pleading fraud is required when ... the defendant must  
28 necessarily possess **full information** concerning the **facts of the controversy.**”<sup>50</sup>

<sup>50</sup> *Cansino v. Bank of Am.*, 224 Cal. App. 4th 1462 (Cal. Ct. App. 2014) internal citations omitted.

1 Less specificity in pleading is required since Li must have full information concerning his  
2 and Pinscreen’s illegal practices as he had an active role in all of them (FAC ¶ 320). Li’s demurrer  
3 to the 2<sup>nd</sup> CoA must be overruled.

4 **G. 3<sup>rd</sup> CoA for Battery is stated with required particularity and WC is not a remedy.**

5 The elements of battery and their corresponding pleaded facts are: [a] defendant  
6 intentionally did an act which resulted in a harmful or offensive contact with plaintiff (FAC  
7 ¶¶ 329–330, 334–337, 280); [b] without plaintiff’s consent (FAC ¶¶ 334, 329); and [c] the harmful  
8 or offensive contact caused injury to the plaintiff (FAC ¶¶ 335–336).<sup>51</sup>

9 **1. “Touching” is the core element of battery and not a legal conclusion as Li contends  
10 and “Intent” is to commit the act and not to injure, contrary to Li’s postulation.<sup>52</sup>**

11 “[T]he least touching” may constitute battery. In other words, force against  
12 the person is enough; it need not be violent or severe, it need not cause bodily  
13 harm or even pain, and it need not leave any mark.’ ... A person need not have an  
14 intent to injure to commit a battery. He only needs to **intend to commit the act.**”<sup>53</sup>

14 **2. Less particularity required since Li had exclusive access to the footage of battery.**

15 “**Less particularity** is required when it appears that defendant has **superior**  
16 **knowledge** of the facts, so long as the pleading gives notice of the issues **sufficient**  
17 **to enable preparation of a defense.**”<sup>54</sup>

18 Li publicly denied the battery to the press and refused to produce the security camera  
19 footage during discovery. The footage<sup>55</sup>—which was obtained through a subpoena of Pinscreen’s  
20 building security after the FAC was filed—confirms Sadeghi’s allegations and exposes Li’s lies.

21 Furthermore, since Li has already presented an *inapposite weak* defense in his “speaking”  
22 demurrer, the FAC must have been sufficient. The 3<sup>rd</sup> CoA for battery must be upheld.

22 **H. 8<sup>th</sup> CoA for Intentional Interference with Contract is stated properly.**

23 The elements of tortious interference with contractual relations and their corresponding  
24 pleaded facts are: [a] a valid contract between plaintiff and a third party (FAC ¶ 385); [b]  
25 defendant’s knowledge of this contract (FAC ¶ 386); [c] defendant’s intentional acts designed to

26 <sup>51</sup> *Floharty v. Floharty*, 59 Cal. App. 4th 484 (Cal. Ct. App. 1997)

27 <sup>52</sup> Li’s Demurrer 11:4–6, 12:1–3

28 <sup>53</sup> *People v. Mansfield*, 200 Cal. App. 3d 82 (Cal. Ct. App. 1988) internal citations omitted.

<sup>54</sup> *Okun v. Superior Court*, 29 Cal. 3d 442 (Cal. 1981) internal citations omitted.

<sup>55</sup> <http://sadeghi.com/dr-iman-sadeghi-v-pinscreen-inc-et-al/#battery>

1 induce a breach or disruption of the contractual relationship (FAC ¶¶ 384, 387–389); [d] actual  
2 breach or disruption of the contractual relationship (FAC ¶¶ 387–389); and [e] resulting damage  
3 (FAC ¶¶ 390–391).<sup>56</sup> Acting based on his personal motives (FAC ¶¶ 384, 388), Li is stranger to  
4 Sadeghi’s contract with Pinscreen and therefore liable for intentional interference.

5 **I. 9<sup>th</sup> CoA for IIED is stated properly and as discussed WC provides no remedy.**

6 The elements of the tort IIED and their corresponding pleaded facts are: [a] extreme and  
7 outrageous conduct by the defendant (FAC ¶¶ 394, 396) with [b] intention to cause (FAC ¶ 395),  
8 or reckless disregard of the probability of causing (FAC ¶ 395) emotional distress; [c] severe  
9 emotional suffering (FAC ¶¶ 393, 397, 391, 335, 326, 313); and [d] actual and proximate  
10 causation of the emotional distress (FAC ¶¶ 393, 397, 391, 335, 326, 313). Behavior may be  
11 considered outrageous if a defendant [e] abuses a relation or position which gives him power to  
12 damage the plaintiff’s interest (FAC ¶ 394); [f] knows the plaintiff is susceptible to injuries  
13 through mental distress (*Id.*); or [g] acts intentionally or unreasonably with the recognition that  
14 the acts are likely to result in illness through mental distress (FAC ¶¶ 394–395).<sup>57</sup>

15 **J. 13<sup>th</sup> CoA for Negligence / Breach of Constructive Bailment is stated properly.**

16 The elements of negligence and their corresponding pleaded facts are [a] duty (FAC  
17 ¶¶ 422–423), [b] breach (*Id.*), [c] causation (FAC ¶ 421–423), and [d] damages (*Id.*).<sup>58</sup>

18 For more discussion see Opposition to Pinscreen’s Demurrer 13:12.

19 **K. 14<sup>th</sup> CoA for Invasion of Privacy is stated properly and WC is not a remedy.**

20 The elements of intrusion tort and their corresponding pleaded facts are: [a] intrusion into  
21 a private place, conversation, or matter (FAC ¶¶ 426–427), [b] in a manner highly offensive to a  
22 reasonable person (FAC ¶ 425).<sup>59</sup> Defendants intruded Sadeghi’s backpack in a highly offensive  
23 manner (FAC ¶ 425–428). For more discussion see Opposition to Pinscreen’s Demurrer 14:7.

24 **L. Were any portion of Li’s demurrer to be sustained, Sadeghi requests leave to amend.**

25 Should the Court sustain any portion of Li’s demurrer, Sadeghi requests leave to amend  
26 pursuant to Code of Civil Procedure §§ 472a, subd. (c), 473 subd. (a)(1).

27 <sup>56</sup> *Pacific Gas Electric Co. v. Bear Stearns Co.*, 50 Cal. 3d 1118 (Cal. 1990)

<sup>57</sup> *McDaniel v. Gile*, 230 Cal. App. 3d 363 (Cal. Ct. App. 1991)

28 <sup>58</sup> *Melton v. Boustred*, 183 Cal. App. 4th 521 (Cal. Ct. App. 2010)

<sup>59</sup> *Sanders v. American Broadcasting Companies, Inc.*, 20 Cal. 4th 907 (Cal. 1999)



1 “A ruling sustaining a general demurrer without leave to amend will only be  
2 upheld if the complaint alleges facts which do not entitle plaintiff to relief on any  
3 legal theory. ... **Unless the complaint shows on its face that it is incapable of**  
4 **amendment, denial of leave to amend constitutes an abuse of**  
5 **discretion**, irrespective of whether leave to amend is requested or not. Liberality  
6 in permitting amendment is the rule, not only where a complaint is defective as to  
7 form but also where it is deficient in substance.”<sup>60</sup>

8 Sadeghi’s allegations have not been previously tested on demurrer. After the initial  
9 complaint was filed, the parties engaged in an extensive meet and confer to resolve the issues and  
10 Sadeghi filed the FAC as a matter of course. If necessary, Sadeghi can allege additional facts to  
11 support the claims alleged and, if necessary, respectfully requests leave to amend.

### 12 III. CONCLUSION

13 **First**, Li’s “speaking” demurrer injects, misstates, and argues facts in a slew of  
14 fact-determining minutials. Speaking demurrers are improper and not recognized in this state.  
15 **Second**, Li’s demurrer states its grounds conjunctively while its ground for uncertainty is  
16 inadequately pled and does not exist. **Third**, Li’s demurrer, is completely without merit, is  
17 unintelligible, relies entirely on inapposite cases, misstates case laws, misquotes case laws, and  
18 is categorically refuted by settled law. **Fourth**, Li’s demurrer exploits the legal process for  
19 obstructing discovery, delay, and imposition of unnecessary legal expense. **Wherefore**, the court  
20 must overrule Li’s improper, inadequate, and nonmeritorious demurrer in its entirety.

21 DATED: March 28, 2019

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22 

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28 \_\_\_\_\_  
<sup>60</sup> *McDonald v. Superior Court*, 180 Cal. App. 3d 297 (Cal. Ct. App. 1986)