

24th JUDICIAL DISTRICT COURT FOR THE PARISH OF JEFFERSON

STATE OF LOUISIANA

NO. \_\_\_\_\_

DIVISION: “ \_\_\_\_\_ ”

**THEODENT, LLC, ET AL.**

**VERSUS**

**DR. ARMAN SADEGHPOUR**

**FILED:** \_\_\_\_\_

\_\_\_\_\_  
**DEPUTY CLERK**

**PETITION FOR DAMAGES**

Plaintiffs Theodent, LLC (“Theodent”) and Theocorp Holding Company, LLC (“Theocorp Holding”), through their undersigned counsel, hereby file this Petition for Damages against Dr. Arman Sadeghpour.

In support of this Petition, Plaintiffs respectfully avers as follows:

**I. THE PARTIES AND VENUE:**

**1.**

Plaintiff Theocorp Holding Company, LLC is a manager-managed Louisiana limited liability company engaged in the business of developing, owning, and commercializing intellectual property relating to various food, dental and other oral care products, as well as pharmaceuticals.

**2.**

Plaintiff Theodent, LLC is a manager-managed Louisiana Limited liability company in the business of manufacturing and selling certain products for topical oral care, such as toothpaste, mouthwash and dental gel treatments. Theodent, LLC is a subsidiary of Theocorp Holding Company, LLC.

**3.**

Defendant Dr. Arman Sadeghpour (hereafter “Sadeghpour”) is a founding member of the Theodent and Theocorp Holding (hereafter sometimes collectively referred to as the “Company”). Sadeghpour was a Manager, President, and Member of Theodent; and a Manager, President, CEO, Director and “Tax Matters Partner” of Theocorp Holding. At all times relevant hereto, Sadeghpour resided in Jefferson Parish, Louisiana, and further, conducted Company business from his residence in Jefferson Parish, Louisiana.

**4.**

Venue for this proceeding is proper pursuant to Articles 42 and 74 Louisiana Code of Civil Procedure.

## II. FACTS

### Background

#### 5.

In the 1990s Dr. Tetsuo Nakamoto discovered that a certain compound found in chocolate—theobromine—has a beneficial strengthening effect on tooth enamel. This discovery was particularly important insofar as the only other compound known to strengthen tooth enamel is fluoride, which can be toxic even at low doses. Theobromine is thus a healthier, more effective alternative to traditional fluoride-based toothpastes. Studying and developing the enamel-building effects of theobromine has been Dr. Nakamoto's life's work.

#### 6.

Eventually Dr. Nakamoto, in collaboration with Drs. William Simmons and Al Falster, used his research to obtain patents for a compound that uses chocolate and cacao derivatives to catalyze the formation of new tooth enamel. In 2006, Drs. Nakamoto and Simmons teamed up with Joseph Fuselier, a local entrepreneur with expertise in the biotech industry, to explore ways to commercialize Dr. Nakamoto's research.

#### 7.

Around this same time, a local PhD student, Sadeghpour, asked Dr. Nakamoto to help him develop a research project to complete his studies in bioinformatics, *i.e.*, the study and analysis of biological information. Dr. Nakamoto initially refused the request, but Sadeghpour persisted. Because Sadeghpour is the son of a professional acquaintance, Dr. Nakamoto ultimately agreed to supervise Sadeghpour's dissertation and even created a project that Sadeghpour could study—one that would re-confirm the positive effects of theobromine on enamel. The data from that project re-confirmed Dr. Nakamoto's life research: that theobromine was superior to fluoride as an oral care product.

#### 8.

Drs. Nakamoto, Simmons, and Falster continued working with Fuselier to figure out how to get theobromine into an over-the-counter toothpaste sold to the general public. Sadeghpour was brought in due to his familiarity with the product from his prior research. Instead of shopping their idea of a theobromine toothpaste to a "big company," they decided to start one themselves. Theodent was thus born.

**9.**

Developing a company from scratch was tiresome work, but the founders believed in Dr. Nakamoto's research and were willing to make sacrifices to make their product a reality. While Drs. Nakamoto, Simmons, and Falster worked on the product development and Mr. Fuselier worked on developing relationships with retailers, Sadeghpour volunteered to oversee the Company's bookkeeping. Sadeghpour also volunteered his kitchen in Jefferson Parish as temporary space for Company meetings as the startup's budget could not support formal office space.

**10.**

The other founders placed a tremendous amount of trust in Sadeghpour, and he was made an equal partner in the endeavor. Sadeghpour was given complete access to the Company's bank account and sole oversight of its books. When the entities were officially incorporated on June 25, 2007 (Theodent), and December 19, 2008 (Theocorp Holding), Sadeghpour was offered leadership roles, including but not limited to, positions as President and CEO. Sadeghpour was given \$60,000 a year as compensation for these roles; from 2009 until 2018, all the other founders agreed to forego salaries given Theodent's modest operations and their desire to give the Company an opportunity to grow.

**11.**

Theodent sold its first tube of toothpaste in 2012, and by 2016 the company was approaching \$1 million in annual sales.

**12.**

Although most of the contributions made to Theodent by Drs. Nakamoto, Simmons, and Falster were done from a lab, as the Company began growing, the founders asked Sadeghpour to move operations to a downtown New Orleans office space that Theodent had been renting since 2011 (hereafter the "BioInnovation Center"). Sadeghpour refused these requests, insisting it was more "convenient" for him to operate out of his residence in Jefferson Parish. Sadeghpour had some of the Company's lower-level personnel work with him out of his home, including his close friend Natalie Borchers. Although her nominal title was Theodent's "Shipping & Logistics Manager," Borchers also effectively functioned as Sadeghpour's personal assistant, regularly running errands for him.

*Sadeghpour's Gross Misuse of Company Funds*

**13.**

Every time Company Board members visited Sadeghpour's home, they would notice another painting on the walls, a new piece of art on a shelf, or a piece of expensive furniture on the floor. Sadeghpour also had an affinity for designer clothes, all of which was curious for someone making only \$60,000 a year. Nevertheless, Board members knew Sadeghpour was independently wealthy, and assumed these expensive items were gifts from his parents (who also owned his residence in Jefferson Parish).

**14.**

Theodent's profits plateaued in 2018, and actually receded in 2019 and 2020.

**15.**

By mid-2020 the Company's other Board members (at this time the Board included only Nakamoto, Simmons, Fuselier and Sadeghpour) had become concerned about Sadeghpour's stewardship of the Company's finances. Annual expenses were exceedingly high, consistently (and conveniently) depleting whatever revenue the Company earned. This was particularly curious insofar as the Company's marketing activities were minimal—the Company rarely paid for advertising, and Sadeghpour seldom visited clients or attended trade shows.

**16.**

Additionally, Sadeghpour consistently rebuffed repeated requests made by other members of the Board to install a CFO or simply hire an additional accountant to keep track of expenses, claiming that the Company "couldn't afford it." In the meantime, the other Board members were eager to pursue additional growth opportunities for Theodent, but constantly stifled by the lack of capital available.

**17.**

As Board members started asking Sadeghpour more frequent questions regarding the Company's expenses and lack of growth, Sadeghpour placated them with broad assurances regarding the company's solvency, assuring them that while money was tight, the cost of operations was coming in "just below" the budget every year, and that this temporary stagnation was just to be expected for a company Theodent's size.

**18.**

Unbeknownst to the other Board members at the time, Sadeghpour also sidestepped concerns expressed by the third-party CPA hired to do Theodent's taxes, assuring her of the

legitimacy of various line-item expenses after she questioned falsified entries in the Company's bookkeeping software that had been provided without receipts.

**19.**

In August 2020, Theodent received an IRS 1099 form at its address in the BioInnovation Center. While financial matters were handled by Sadeghpour, luckily this particular 1099 form was forwarded to Dr. Nakamoto. The form revealed that Sadeghpour had spent several thousand dollars of **Theodent money** to pay for architectural services on a building that Sadeghpour and his father own on Gravier Street—a building that had **absolutely no connection whatsoever to Theodent**.

**20.**

Alarmed, Dr. Nakamoto immediately brought this form to the attention of the Company's third-party accountant and demanded to see the expense reports for year 2019. These reports had been handled by Sadeghpour in his capacity as CEO.

**21.**

Dr. Nakamoto was shocked at what he saw. Sadeghpour had used Company money to pay for his breakfast, lunch, and dinner on a daily basis – over 600 personal meals, totaling nearly \$40,000, had been submitted as “business meal expenses” in 2019 alone. This was on top of more than \$20,000 in “office kitchen” expenses” for what was essentially a two-person office operating out of Sadeghpour's residence. Put in perspective, Sadeghpour spent \$230 day, each and every workday, on food. For a young company like Theodent, this represented a substantial portion of the company's annual revenue—Sadeghpour's management was literally eating away Theodent's profits.

**22.**

Sadeghpour disguised many of these expenses through creative bookkeeping methods. For example, \$31,000 on antique furniture for his home in Metairie; thousands of dollars on Japanese pottery; and thousands more on Burberry clothing (including a nearly \$3,000 spree right before Christmas) were all categorized as “Company events.” Over \$17,500 worth of books were labeled as “office supplies.” Thousands of dollars' worth of high-end art Sadeghpour had purchased was labeled as a “publication expense,” while almost \$2,000 on perfume was booked as a “research and development expense.”

**23.**

Sadeghpour's avarice ran the gamut from traditional to eclectic. He took personal vacations to Mexico, Miami, and elsewhere using Company money, and spent several thousand dollars on personal computer equipment and other high-end electronics. He spent obscene amounts of Company money on incense, and even expensed a CPAP machine for sleep apnea.

**24.**

He also spent thousands of dollars on liquor, and unapproved gifts and dinners for his friends—including thousands of dollars' worth of luxury "employee gifts" for Natalie Borchers. Virtually anyone in Sadeghpour's social circle was treated as a supposed "business connection," for accounting purposes anyway. He even used Company money to pay his family's monthly cell phone bills.

**25.**

All of these purchases were either manually categorized by Sadeghpour in the company's bookkeeping software or were entered by the third-party CPA at Sadeghpour's direction.

**26.**

Few, if any, of the expenses loaded by Sadeghpour included a receipt. Many lacked any identifying information whatsoever. For example, the 2019 expense reports disclose well over \$100,000 in payments to "Amazon," or "Paypal," or "Etsy," or "EBay," with no little-to-no identifying information about what was purchased. True to form, these purchases were disguised in the Company's books as "advertising and marketing" costs, "office kitchen expenses," or "office supply costs."

**27.**

The foregoing items were purchased using Sadeghpour's personal Capital One credit card. He would then use Company checks to pay that credit card bill, typically in installments of \$3,000 several times per month.

**28.**

While "reimbursement" was Sadeghpour's primary *modus operandi*, it was not his only one. Sadeghpour also reimbursed himself almost \$10,000 in "mileage" despite rarely, if ever, leaving his home for anything related to the Theodent. Despite only taking a handful of work-related trips, he somehow managed to charge the Company \$56,000 for air travel and Uber rides.

**29.**

Additionally, he also drew checks on the Company account for architecture and other professional fees for the building he owned with his father on Gravier Street.

**30.**

On many occasions he simply withdrew hundreds of Theodent dollars from ATM machines and avoided the expense report altogether.

**31.**

All of the foregoing expenses were fraudulent. There is no legitimate basis for a toothpaste company to be purchasing art, or furniture, or Japanese pottery, or designer perfumes, or Burberry clothes. A two-person office does not spend \$60,000 on food in a single year.

**32.**

Dr. Nakamoto immediately notified the other board members of his findings; on August 18, 2020, the Board convened in the BioInnovation Center to confront Sadeghpour about the “expenses.”

**33.**

Sadeghpour became defensive, claiming that that Theodent was “[his] company” and that could spend its money however he wanted. He sought to downplay his spending, asking “which particular expenses” the Board had an issue with, and refused to share his Paypal, Amazon, Etsy, EBay, or other purchase histories that would reveal what at least some of the Company’s money had been spent on.

**34.**

Against that backdrop the Board saw no choice but to terminate Sadeghpour’s employment, effective immediately.

**35.**

On October 7, 2020, Dr. Nakamoto made written demand on Sadeghpour to return all of the items he had purchased with Company funds by the close of business day October 12, 2020. On October 9, 2020 Sadeghpour responded that the arranging for the delivery of the items was “impossible, given the volume and size of the materials,” and it was “unfair to expect [him] to drop everything [he was] doing, which now includes job hunting during a pandemic.” Sadeghpour did, however, indicate that the return of most of these items could be accomplished if the company bought a Pod and placed it in front of his home. As of today, almost none of the Company’s property has been returned.

**36.**

In the months following Sadeghpour's removal, it has become apparent that he failed to competently discharge his duties as the Company's President and CEO.

**37.**

For example, Sadeghpour failed to pay the USPTO to keep the company's trademark current, and also failed to pay Theodent's tube manufacturer \$60,000 for tubes that were produced for Theodent, nearly resulting in legal action against the Company. His failure to pay these bills is perhaps understandable, as that would have left Sadeghpour with less company money to spend on himself. Less understandable is his failure to even attempt to collect a \$40,000 debt owed to the Company by a distributor; perhaps he had difficulty finding the time in between online shopping binges.

**38.**

Eventually, Theodent hired an outside CPA to further review Sadeghpour's spending. In a letter to Theodent's officers, that CPA noted,

I've worked as a CFO and consultant for many years and have yet to see a more blatant misuse of funds than I see in working with the Theodent financial reporting. Arman set up a system without any semblance of internal controls. He used the Theodent corporate assets as if they were his personal ATM.

She went on to say,

Even as the CEO of Theodent, it is not possible to justify these expenditures in any way. In setting up a reporting system that relied on an online bookkeeping service, an independent CPA who was tasked only with compiling tax returns and a third party financial consultant (CFO at a large local company who was a friend of Arman's) who ostensibly provided financial oversight, he created a system well designed for obfuscating the real nature of his abuse of corporate assets. It only became clear that something might be wrong when sales continued to increase year after year after year but the net income didn't follow. It appears that Arman was conscious of not spending enough to require additional investments or trigger losses but largely accrued any remaining income for his personal use.

**39.**

Consistent with the foregoing, subsequent review of accounting records confirms that Sadeghpour's misuse of Company funds was a prolonged and ongoing operation. For example, Theodent's expense reports for 2018 revealed hundreds of thousands of dollars' worth of fraudulent expenses, including \$85,000 in unknown Amazon, Paypal and Etsy purchases; over



\$10,000 on Japanese pottery; \$3,000 on what appears to be a gun sight; \$1,700 in knives; and almost \$5,000 on incense.<sup>1</sup>

**40.**

Similarly, in the first 8 months of 2020 Sadeghpour spent almost \$200,000 including, *inter alia*, \$80,000 in Paypal and Amazon charges; over \$10,000 in [more] furniture; \$3,000 eyeglasses; \$2,500 on “incense”; and \$10,000 in groceries.

**41.**

All told, Theodent estimates that Sadeghpour wrongfully charged Theodent over \$1.2 million worth of personal expenses during his ill-fated tenure at the Company’s helm.

**42.**

Larger still are the damages caused by Sadeghpour’s mismanagement—indeed, it is impossible to effectively manage a company while spending several hours a day shopping online, and the rest of the “workday” eating meals on the company’s dime.

*Sadeghpour is Holding Theodent’s Website and Email Accounts Hostage.*

**43.**

Sadeghpour also found a way to misappropriate the Company’s intangible property, somehow obtaining sole administrative control over the Company’s website and email domains—control he has maintained even following his termination from the Company. Sadeghpour is holding the company’s website and emails hostage, seemingly out of spite.

**44.**

Theodent has made several attempts to obtain access to company emails and domains (including an email sent September 1, 2020 by Dr. Nakamoto and a letter sent by Theodent’s attorney on December 3, 2020), and has further expressed an urgent need for access to its domain to conduct legitimate company operations.

**45.**

The Theodent web domain and email accounts are undoubtedly the company’s property—Sadeghpour himself acknowledged that as early as 2011. Consistent therewith, Theodent paid for these domains and their maintenance and owns the Theodent trademark.

**46.**

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<sup>1</sup> These figures were similar for years 2016 and 2017. Theodent is working to obtain accounting records prior to that period to capture the full amount of Sadeghpour’s spending.

Nonetheless, Sadeghpour has steadfastly refused these demands, claiming that he “owns the Theodent internet domain names,” ostensibly because when the Company instructed him to obtain them on behalf of Theodent, he elected to use his personal GoDaddy account.

*Sadeghpour Used Theodent Monies to Fund his Involvement in the Tulane Community*

47.

Sadeghpour received his undergraduate and post graduate degrees from Tulane University.

48.

Since his graduation Sadeghpour has been an active Tulane alum, dedicating time and financial resources to the school. He has served as President of the Tulane Alumni Association and the Chair of Newcomb Art Museum.

49.

Sadeghpour used Company resources disguised as his own in an attempt to build his own reputation in the Tulane community.

50.

For example, for years Theodent unwittingly paid for all of the expenses associated with an annual Tulane Alumni Dinner held at the Sadeghpour’s parents’ home. This dinner was part of a recurring monthly dinner series called “Dinner with 12 Tulanians,” that allows current Tulane students to mingle and network with Tulane alumni. The alumni host is then credited with an “in-kind” gift to the university. This allows the alumni-host to personally receive a donation credit as well as a personal tax write-off, equal to the expenses incurred by hosting this dinner.

51.

Sadeghpour portrayed himself and his family as the event’s gracious hosts, and then they kept all items purchased for these dinners in their personal possession.



**52.**

After Sadeghpour was terminated, it was revealed that Sadeghpour had used Theodent money to pay for these Alumni Dinners. None of the other Board members were aware of this—they actually attended as ostensible “guests.”

**53.**

Although Theodent unknowingly sponsored the event, the tax write-off never went to Theodent, none of the speeches given by multiple Tulane alumni that night made any mention of Theodent, and Theodent was absent from all the event’s advertising.

*Sadeghpour Used a Family-Owned Building as a Front to Conceal his Actions*

**54.**

In a continued effort to disguise his personal spending as “Theodent’s operational expenses,” without the knowledge or consent of the Board, Sadeghpour used Theodent funds to engage multiple architects for a three-story building Sadeghpour co-owns with his father located at 512 Gravier St. in Orleans Parish, Louisiana.

**55.**

The plans were ornate. In each of the designs it is evident that Sadeghpour intended to use the third floor as his residence, and that he intended to rent out the majority of the first floor as a restaurant. Plans for the second floor changed, largely reflecting connections to Sadeghpour’s personal hobbies and at various times included a: piano studio, percussion studio, string studio, dark room, and gallery event space. However, the most recent design includes a small “workspace” and “break room,” area, across from a guest bedroom.

**56.**

Although the Board met every week, Sadeghpour never discussed any plans to move the company’s operations to his 512 Gravier St. property, and Theodent continuing paying for office space at the BioInnovation Center.

**57.**

Nevertheless, Sadeghpour secretly made plans to use Theodent’s operations as a cover to obtain an opportunity zone tax advantages for his entire property.

**58.**

Sadeghpour also used this space to justify the use of tens of thousands of dollars of company funds to purchase furniture and art for this property.

**59.**

Sadeghpour refuses to provide receipts for many of these purchases. None of the other partners were given the opportunity to offer any input on these purchases, and the furniture and art purchased was well in excess of the amount that could conceivably fit in the space allegedly intended for Theodent operations.

**60.**

Tellingly, and the purchases largely excluded more traditional office supplies such as desks and computer chairs, making evident that these purchases were yet another instance of Sadeghpour's blatant misuse of company funds.

**61.**

Since Sadeghpour was terminated, none of this furniture or art has been returned to the Company.

### **III. CAUSES OF ACTION**

#### **Count 1: Breach of Duties**

**62.**

Plaintiffs incorporate by reference all other paragraphs of this Petition as if fully stated herein.

**63.**

From at least 2008 until his termination in 2020, Sadeghpour was a Manager, President and Member of Theodent, LLC and Manger, President, CEO, Director and "Tax Matters Partner," of Theocorp Holding Company, LLC.

**64.**

As a manager of these entities, Sadeghpour owed a "fiduciary duty to the LLC[s] and [their] members," [LSA-R.S. 12:1314] and as a corporate officer, he had the duty to act: (1) in "good faith;" (2) with "the care that a person in a like position would reasonably exercise under similar circumstances," and; (3) in a manner the officer "reasonably believes to be in the best interests of the corporation." La. Stat. Ann. § 12:1-842.

**65.**

Theodent placed a high degree of trust and confidence in Sadeghpour by virtue of his leadership role and longstanding relationship with the partners. Sadeghpour was entrusted with the responsibility of overseeing the Company's bookkeeping and in connection with his job responsibilities, he was given access to Theodent's accounts. In light of this trust and confidence, Sadeghpour owed a duty of loyalty to Theodent. He also had an obligation to render a full and fair disclosure to the Partners of the facts and circumstances impacting its financial condition.

**66.**

Over the course of years and thousands of individual transactions, Sadeghpour used this position of trust and confidence to further his own interests, using company funds pay for his lavish lifestyle, including paying off the entirety of his personal credit card.

**67.**

Simply put, Sadeghpour engaged in a degree of compulsive spending that no reasonable person could think would be in the best interest of Theodent or its investors.

**68.**

At best, Sadeghpour's spending was grossly negligent and demonstrates a reckless disregard to the best interests of Theodent and its members. At worst, his conduct was intentional and fraudulent.

**69.**

Sadeghpour's concealment of his spending further evidence that he intentionally breached his duty of loyalty to Theodent.

**70.**

For example, Sadeghpour sought to conceal his spending by misrepresenting Theodent's financial position, deliberately misclassifying assets on company financial statements, and repeatedly representing to the other Board members that Theodent simply "couldn't afford," various business opportunities.

**71.**

In light of concealment and Sadeghpour's position of trust, it is reasonable that the Board did not discover his misuse of the Company funds.

**72.**

It is estimated the Company suffered at least \$1.2 million in damages due to personal items that Sadeghpour wrongfully expensed to the company.

73.

Sadeghpour's theft is particularly abhorrent given the nature of Theodent's growing business. In addition to the cost of the goods and services wrongfully purchased by Sadeghpour, his misuse of funds and misrepresentations regarding the Company's financial position caused Theodent huge opportunity costs from countless missed growth opportunities.

74.

Similarly, Sadeghpour's primary focuses during his tenure as the Company's President and CEO were spending money and eating, rendering it impossible for him to discharge his duties in a competent fashion, as evidenced by his failures to renew patents, pay vendors, or collect open accounts.

**Count 2: Conversion and Misappropriation of Company Funds**

75.

Plaintiffs incorporate by reference all other paragraphs of this Petition as if fully stated herein.

76.

As detailed throughout this petition, Sadeghpour used money from Theodent's accounts to pay for an estimated \$1.2 million in personal expenses including three meals a day, incense, Japanese pottery, clothing, books, high-end art, and vacations.

77.

Although Sadeghpour had limited authority to make some business-related purchases on behalf of the Company, the purchases described in this Petition were in no way related to Theodent's operations as a toothpaste company.

78.

Sadeghpour was also aware that these purchases were in no way compensation for his role at Theodent—nor could they have been due to their tax presentation.

79.

Accordingly, Sadeghpour knowingly and deliberately converted and misappropriated Theodent's funds to make these purchases.

80.

In addition to his misuse of funds, Sadeghpour also wrongfully converted movable property belonging to Theodent. During his tenure at Theodent, Sadeghpour was in possession of hundreds,

if not thousands, of articles of personal property that were purportedly purchased with company funds, including furniture he bought for himself from 2015 to 2018.

**81.**

Since his termination in August 2020, Sadeghpour has failed to return all these purchases, despite amicable demand, and is therefore wrongfully converting Company property.

**Count 3: Fraud**

**82.**

Plaintiffs incorporate by reference all other paragraphs of this Petition as if fully stated herein.

**83.**

As further discussed *supra*, throughout his tenure at Theodent Sadeghpour engaged in a pattern of deceptive practices aimed at securing personal advantages with total disregard for Theodent's wellbeing.

**84.**

Sadeghpour's efforts to keep Theodent operating out of his home in Jefferson Parish, alleging it was for his "convenience," was an attempt to cover up his compulsive spending.

**85.**

Sadeghpour secretly planned to continue this pattern by moving Theodent operations to a building he and his father owned on Gravier Street.

**86.**

Sadeghpour also concealed his spending by, *inter alia*, falsifying entries in the company bookkeeping system, engaging in repeated attempts to block communication with accountant, and failing to accurately disclose Theodent's financial circumstances to Board, all while repeatedly assuring the Partners of the Company's wellbeing.

**87.**

In an effort to further conceal his fraud, Sadeghpour carefully kept his annual purchases just below the company's operating budget so he continues to assuage the Partners of any concerns they may have regarding the Company's well-being.

**88.**

Sadeghpour held of position of confidence within Theodent. His serial misuse of company funds to obtain personal advantages, all while concealing his activities from the Board, constitute fraud.

**Count 4: Declaratory Judgment**

**89.**

Plaintiffs incorporate by reference all other paragraphs of this Petition as if fully stated herein.

**90.**

Theodent LLC was, incorporated June 25, 2007.

**91.**

Theocorp Holdings was incorporated December 19, 2008.

**92.**

Even before filing LLC paperwork, Theodent was a partnership under Louisiana law. *See* La. Civ. Code. art. 2801.

**93.**

A member of a partner may not conduct any activity for himself that is prejudicial to the partnership. If he does so, he must account to the partnership for the resulting profits. *Riddle v. Simmons*, 40,000, 922 So. 2d 1267, 1282, (La. App. 2 Cir. 2006).

**94.**

Sadeghpour misappropriated a number of web domains while acting as a representative of Theodent, including but not limited to: theodent.com, theodent.co.uk, thoednet.asia, theodent.cn, theodent.kr, theodent.ru, theodent.hk, thodent.sg, and theodent.jp.

**95.**

Control over these domains allows the user to control the content on the webpages, and critically, access to the associated email accounts.

**96.**

Sadeghpour was directed by Theodent to obtain these domain names for Company use, yet he registered them in his personal name.

**97.**

Sadeghpour has previously acknowledged that the Company owned these domains. When asked in an email dated October 26, 2011 whether “any of the Go daddy charges on Theocorp



[should] be allocated to Theodent,” Sadeghpour responded, “NO!!! Theocorp owns all the domains....and will continue to...that is like intellectual property. -a.”

**98.**

Consistent therewith, Theodent paid to obtain and maintain these domains.

**99.**

Control over these domains allows the user to control the content on associated webpages, and critically, control over the associated email accounts.

**100.**

Sadeghpour has control over the Theodent domain, and thus has visibility into and control over all business transacted through the webpage.

**101.**

He also has control over the Company’s emails—not just his own, but all email addresses associated with the Company.

**102.**

Sadeghpour is holding the Theodent domains and emails hostage. He has no need for them, having long been terminated from the Company due to his theft of Company funds. Indeed, Sadeghpour does not even have the right to use the “Theodent” trademark.

**103.**

Theodent has made several attempts to obtain access to company emails and domains.

**104.**

Sadeghpour has steadfastly refused, claiming that he “owns the Theodent internet domain names.” In reality he misappropriated them by registering them under his personal name when he was required to register them on behalf of the Company.

**105.**

Theodent has an immediate need for access to these domains and emails and seeks a judgment from this court declaring that Theodent is the true owner of this incorporeal movable property, namely, the Theodent web domains and associated email addresses.

#### **IV. JURY DEMAND**

Plaintiffs demand a trial by jury on all counts so triable.

**PRAYER FOR RELIEF**

WHEREFORE, in consideration of the forgoing, Plaintiffs Theodent, LLC and Theocorp Holding Company, LLC pray that after due proceedings be had, the Court grant the following relief in favor of Plaintiffs:

- A Judgment declaring that Theodent, LLC and Theocorp Holding Company, LLC have suffered damages as a result of Sadeghpour's: breach of his duties to the Company, conversion of property, misuse of funds, and fraud.
- Damages as the result of Sadeghpour's misconduct, including the cost of all personal items and services expensed to the company (including investigation costs incurred to uncover the extent of Sadeghpour's misconduct); lost opportunity costs; other damages sustained due to Sadeghpour's mismanagement, and attorneys' fees.
- A judgment declaring that Theodent LLC and/or Theocorp Holding Company, LLC are the rightful owners of all Theodent web domains, including but not limited to: theodent.com, theodent.co.uk, thoednet.asia, theodent.cn, theodent.kr, theodent.ru, theodent.hk, thodent.sg, and theodent.jp, and further have the sole right to control all email accounts associated with those domains.
- All other relief the Court deems just and proper.

Respectfully Submitted by:

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**PLEASE HOLD SERVICE PENDING FURTHER REQUEST**

**ARMAN SADEGHPOUR  
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