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7

8 **BEFORE THE**
BOARD OF PHARMACY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

10 In the Matter of the Accusation Against:

Case No. 4984

11 **SAYYED DHIAADDIN SAADI, AKA**
12 **DHYAA ALDEEN M. AL-SAADI**
21 Recodo
13 Irvine, CA 92620-1869

A C C U S A T I O N

14 **Pharmacist License No. RPH 53497**

15 Respondent.

16
17 Complainant alleges:

18 **PARTIES**

19 1. Virginia Herold (Complainant) brings this Accusation solely in her official capacity
20 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.

21 2. On or about April 20, 2002, the Board of Pharmacy issued Pharmacist License
22 Number RPH 53497 to Sayyed Dhiaaddin Saadi, aka Dhyaa Aldeen M. Al-Saadi (Respondent).
23 The Pharmacist License was in full force and effect at all times relevant to the charges brought
24 herein and will expire on July 31, 2015, unless renewed.

25 **JURISDICTION**

26 3. This Accusation is brought before the Board of Pharmacy (Board), Department of
27 Consumer Affairs, under the authority of the following laws. All section references are to the
28 Business and Professions Code unless otherwise indicated.

1 9. Section 4101 of the Code states, in pertinent part:

2
3 (a) A pharmacist may take charge of and acts as the pharmacist-in-charge of a
4 pharmacy upon application by the pharmacy and approval by the board. Any
5 pharmacist-in-charge who ceases to act as the pharmacist-in-charge shall notify the
6 board in writing within 30 days of the date of that change in status.

7
8 10. Section 4105 of the Code states, in relevant part, as follows:

9 (a) All records or other documentation of the acquisition and disposition of
10 dangerous drugs and dangerous devices by any entity licensed by the board shall
11 be retained on the licensed premises in a readily retrievable form.

12 11. Section 4113 of the Code states, in pertinent part, as follows:

13 * * *

14 (d) Every pharmacy shall notify the board in writing, on a form designed by
15 the board, within 30 days of the date when a pharmacist-in-charge ceases to act as
16 the pharmacist-in-charge, and shall on the same form propose another pharmacist to
17 take over as the pharmacist-in-charge. The proposed replacement pharmacist-in-
18 charge shall be subject to approval by the board . . .

19 (e) If a pharmacy is unable, in the exercise of reasonable diligence, to
20 identify within 30 days a permanent replacement pharmacist-in-charge to propose
21 to the board on the notification form, the pharmacy may instead provide on that
22 form the name of any pharmacist who is an employee, officer, or administrator of
23 the pharmacy or the entity that owns the pharmacy and who is actively involved in
24 the management of the pharmacy on a daily basis, to act as the interim pharmacist-
25 in-charge for a period not to exceed 120 days. The pharmacy, or the entity that
26 owns the pharmacy, shall be prepared during normal business hours to provide a
27 representative of the board with the name of the interim pharmacist-in-charge with
28 documentation of the active involvement of the interim pharmacist-in-charge in the
daily management of the pharmacy, and with documentation of the pharmacy's
good faith efforts prior to naming the interim pharmacist-in-charge to obtain a
permanent pharmacist-in-charge. By no later than 120 days following the
identification of the interim pharmacist-in-charge, the pharmacy shall propose to the
board the name of a pharmacist to serve as the permanent pharmacist-in-charge.
The proposed permanent pharmacist-in-charge shall be subject to approval by the
board. If disapproved, the pharmacy shall propose another replacement within 15
days of the date of disapproval, and shall continue to name proposed replacements
until a pharmacist-in-charge is approved by the board.

12 12. Section 4305 of the Code states, in pertinent part:

13 (a) Failure by any pharmacist to notify the board in writing that he or she has
14 ceased to act as the pharmacist-in-charge of a pharmacy, or by any pharmacy to
15 notify the board in writing that a pharmacist-in-charge is no longer acting in that
16 capacity, within the 30-day period specified in Sections 4101 and 4113 shall
17 constitute grounds for disciplinary action.

18 (b) Operation of a pharmacy for more than 30 days without supervision or
19 management by a pharmacist-in-charge shall constitute grounds for disciplinary
20 action.

21 ///

1 (c) Any person who has obtained a license to conduct pharmacy, who
2 willfully fails to timely notify the board that the pharmacist-in-charge of the
3 pharmacy has ceased to act in that capacity, and who continues to permit the
4 compounding or dispensing of prescriptions, or the furnishing of drugs or poisons,
5 in his or her pharmacy, except by a pharmacist subject to the supervision and
6 management of a responsible pharmacist-in-charge, shall be subject to summary
7 suspension or revocation of his or her license to conduct a pharmacy.

8 REGULATORY PROVISIONS

9 13. California Code of Regulations, title 16, section 1708.2, "**Discontinuance of**
10 **Business**" states, in pertinent part:

11 Any permit holder shall contact the board prior to transferring or selling any
12 dangerous drugs, devices or hypodermics inventory as a result of termination of
13 business or bankruptcy proceedings and shall follow official instructions given by
14 the board applicable to the transaction.

15 14. California Code of Regulations, title 16, section 1709, "**Names of Owners and**
16 **Pharmacist in Charge**" provides that:

17 (a) Each permit to operate a pharmacy shall show the name and address
18 of the pharmacy, the form of ownership (individual, partnership or corporation) and
19 the pharmacist-in-charge. Each pharmacy shall, in its initial application on the annual
20 renewal form, report the name of the pharmacist-in-charge, the names of all owners
21 and the names of the corporate officers (if a corporation). Any changes in the
22 pharmacist-in-charge, or the owners, or corporate officers shall be reported to the
23 Board within 30 days.

24 (b) Any transfer, in a single transaction or in a series of transactions, of
25 10 percent or more of the beneficial interest in a business entity licensed by the board
26 to a person or entity who did not hold a beneficial interest at the time the original
27 permit was issued, shall require written notification to the board within 30 days.

28 (c) The following shall constitute a transfer of permit and require
application for a change of ownership: any transfer of a beneficial interest in a
business entity licensed by the board, in a single transaction or in a series of
transactions, to any person or entity, which transfer results in the transferee's holding
50% or more of the beneficial interest in that license.

COST RECOVERY

15. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
administrative law judge to direct a licentiate found to have committed a violation or violations of
the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
enforcement of the case.

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1 **FACTUAL BACKGROUND**

2 16. Respondent was the Pharmacist-in-Charge (PIC) and Owner of Dean Healthcare, Inc.
3 doing business as Value Plus Pharmacy (Value Plus and/or the pharmacy), License No. PHY
4 46801, which license expired on September 1, 2006. Respondent contends that the other
5 corporate owners of Value Plus were M.K. "Kathum" Tajsar and J. "Jehan" Sedghian. Value
6 Plus was/is a retail pharmacy located inside of a grocery store, at 4700 Cherry Avenue, Long
7 Beach, CA 90807.

8 17. Escrow documents show that Respondent sold Value Plus to Steven Arthur Boyer,
9 RPH License No. 29367, on or about August 25, 2005. Respondent failed to file a discontinuance
10 or disassociation of business as PIC and owner of Value Plus, after the sale of Value Plus on
11 August 25, 2005. According to the Board's records, no pending change of ownership of the sale
12 of Value Plus to Boyer was ever sent to the Board. The buyer of Value Plus, Boyer, also did not
13 notify the Board of the change in ownership of Value Plus.

14 18. On or about June 3, 2013, Respondent indicated to the Board's inspector that he
15 returned all of the pharmacy's medications to the wholesaler, whom he believes was HD Smith,
16 and sold Value Plus with its computer equipment only. Escrow check No. 43540 dated August
17 25, 2005 shows the owners of Value Plus (Respondent, Tajsar and Sedghian) as the sellers of the
18 business and corporate stock to the buyer, Steve Arthur Boyer. The "Closing Statement"
19 indicates a closing date of August 25, 2005 for the sale of Value Plus, and was signed by
20 Respondent, Sedghian, Tajsar and Boyer. Respondent contends that he sent the Board a letter of
21 disassociation as the PIC after he sold the pharmacy.

22 **FIRST CAUSE FOR DISCIPLINE**

23 **(Failure To Notify Board of Pharmacy Ownership Change)**

24 19. Respondent's license is subject to disciplinary action under Sections 4300 and 4301,
25 subdivisions (j) and/or (o), on the grounds of unprofessional conduct, in that Respondent failed to
26 notify the Board of the change in the PIC, owners and corporate owners of Value Plus, and the
27 transfer of 10% or more of the beneficial interest in Value Plus, within 30 days, in violation of
28 Sections 4101, 4305, subdivisions (a) and (b), and California Code of Regulation, title 16, section

1 1709, as set forth in Paragraphs 16 through 18 above, which are incorporated fully herein by
2 reference.

3 **SECOND CAUSE FOR DISCIPLINE**

4 **(Failure to Contact Board Prior to Transferring or Selling Dangerous Drugs)**

5 20. Respondent's license is subject to disciplinary action under Sections 4300 and 4301,
6 subdivisions (j) and/or (o), on the grounds of unprofessional conduct, in that Respondent violated
7 California Code of Regulation, title 16, section 1708.2, by failing to notify the Board prior to the
8 transfer and/or sale of Value Plus's dangerous drugs, devices and/or hypodermics inventory, as a
9 result of discontinuing business after selling Value Plus on or about August 25, 2005, as alleged
10 in Paragraphs 16 through 19 above, which are incorporated fully herein by reference.

11 **PRAYER**

12 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
13 and that following the hearing, the Board of Pharmacy issue a decision:

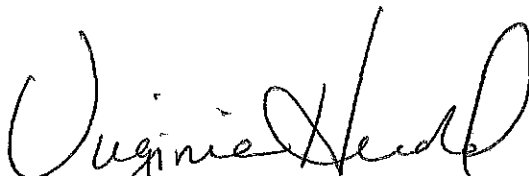
14 1. Revoking or suspending Pharmacist License Number RPH 53497, issued to Sayyed
15 Dhiaaddin Saadi, aka Dhyaa Aldeen M. Al-Saadi;

16 2. Ordering Sayyed Dhiaaddin Saadi to pay the Board of Pharmacy the reasonable costs
17 of the investigation and enforcement of this case, pursuant to Business and Professions Code
18 section 125.3; and

19 3. Taking such other and further action as deemed necessary and proper.

20
21
22 DATED: _____

1/17/15



23 VIRGINIA HEROLD
24 Executive Officer
25 Board of Pharmacy
26 Department of Consumer Affairs
27 State of California
28 *Complainant*

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