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

In the Matter of the Accusation Against:
LEAFA PRINTING PLUS, LLC
P.O. Box 2704
Huntington Beach, CA 92647-0704
Wholesale Permit No. WLS 5853

Respondent.

Case No. 5066
DEFAULT DECISION AND ORDER
[Gov. Code, §11520]

FINDINGS OF FACT

1. On July 10, 2017, Complainant Virginia Herold, in her official capacity as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs, filed Accusation No. 5066 against Leafa Printing Plus, LLC (Respondent) before the Board of Pharmacy. (Accusation attached as Exhibit A.)
2. On September 21, 2011, the Board of Pharmacy (Board) issued Wholesale Permit No. WLS 5853 to Respondent. The Wholesale Permit expired on September 1, 2016, and has not been renewed.
3. On July 18, 2017, Respondent was served by Certified and First Class Mail copies of Accusation No. 5066, Statement to Respondent, Notice of Defense, Request for Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7) at Respondent's address of record which, pursuant to Business and Professions Code (Code)

1 section 4100, is required to be reported and maintained with the Board. Respondent's address of
2 record was and is 5862 Bolsa Avenue, Ste. 102, Huntington Beach, CA 92649.

3 4. Service of the Accusation was effective as a matter of law under the provisions of
4 Government Code section 11505, subdivision (c) and Code section 124.

5 5. On July 27, 2017, the document: sent by regular mail was returned by the U.S.
6 Postal Service marked, "Return to Sender, Forward Time Expired," indicating the forwarding
7 address, P.O. Box 2704, Huntington Beach, CA 92647.

8 6. On July 31, 2017, the domestic return receipt for the documents sent by certified
9 mail was returned by the U.S. Postal Service and marked received, indicating the new delivery
10 address, P.O. Box 2704, Huntington Beach, CA 92647.

11 7. On August 18, 2017, Respondent was served by Certified and First Class Mail
12 copies of Accusation No. 5066, Statement to Respondent, Notice of Defense, Request for
13 Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7)
14 at Respondent's new delivery address, P.O. Box 2704, Huntington Beach, CA 92647-0704.

15 8. Government Code section 11506(c) states, in pertinent part:

16 (c) The respondent shall be entitled to a hearing on the merits if the
17 respondent files a notice of defense . . . and the notice shall be deemed a specific
18 denial of all parts of the accusation . . . not expressly admitted. Failure to file a
19 notice of defense . . . shall constitute a waiver of respondent's right to a hearing,
20 but the agency in its discretion may nevertheless grant a hearing.

21 9. The Board takes official notice of its records and the fact that Respondent failed
22 to file a Notice of Defense within 15 days after service upon them of the Accusation, and
23 therefore waived their right to a hearing on the merits of Accusation No. 5066.

24 10. California Government Code section 11520(a) states, in pertinent part:

25 (a) If the respondent either fails to file a notice of defense . . . or to
26 appear at the hearing, the agency may take action based upon the respondent's
27 express admissions or upon other evidence and affidavits may be used as evidence
28 without any notice to respondent

11. Pursuant to its authority under Government Code section 11520, the Board finds
Respondent is in default. The Board will take action without further hearing and, based on the

1 relevant evidence contained in the Default Decision Evidence Packet in this matter, as well as
2 taking official notice of all the investigatory reports, exhibits and statements contained therein on
3 file at the Board's offices regarding the allegations contained in Accusation No. 5066, finds that
4 the charges and allegations in Accusation No. 5066, are separately and severally, found to be true
5 and correct by clear and convincing evidence.

6 12. Taking official notice of its own internal records, pursuant to Code section 125.3,
7 it is hereby determined that the reasonable costs for Investigation and Enforcement is \$1,392.50
8 as of September 12, 2017.

9 **DETERMINATION OF ISSUES**

10 1. Based on the foregoing findings of fact, Respondent Leafa Printing Plus, LLC has
11 subjected its Wholesale Permit No. WLS 5853 to discipline.

12 2. The agency has jurisdiction to adjudicate this case by default.

13 3. The Board of Pharmacy is authorized to revoke Respondent's Wholesale Permit
14 based upon the following violations alleged in the Accusation which are supported by the
15 evidence contained in the Default Decision Evidence Packet in this case.:

16 a. Respondent has subjected its wholesale permit to discipline under Code
17 sections 4302, 490 and 4301, subdivision (l) in that its member was convicted of crimes that are
18 substantially related to the qualifications, duties, and functions of a wholesaler.

19 b. Respondent has subjected its wholesale permit to disciplinary action under
20 Code sections 4302 and 4301, subdivision (g) for unprofessional conduct in that Robert George
21 Farah II, a member of Respondent, knowingly made false documents.

22 c. Respondent has subjected its wholesale permit to disciplinary action under
23 Code sections 4302 and 4301, subdivision (f) in that Robert George Farah II, a member of
24 Respondent, committed acts involving dishonesty, fraud, deceit, or corruption.

25 d. Respondent has subjected its wholesale permit to disciplinary action under
26 sections 4302 and 4301 for unprofessional conduct in that Robert George Farah II, a member of
27 Respondent, embezzled GEP Properties LLC and GEP Properties II LLC monies entrusted to
28 him in a fiduciary capacity.

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ORDER

IT IS SO ORDERED that Wholesale Permit No. WLS 5853, heretofore issued to Respondent Leafa Printing Plus, LLC, is revoked.

Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a written motion requesting that the Decision be vacated and stating the grounds relied on within seven (7) days after service of the Decision on Respondent. The agency in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

This Decision shall become effective at 5:00 p.m. on November 15, 2017.

It is so ORDERED on October 16, 2017.

BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA



By _____
Amy Gutierrez, Pharm.D.
Board President

DIK:JRL
81811787.DOC
DOJ Matter ID:SD2017705388

Attachment:
Exhibit A: Accusation

Exhibit A

Accusation

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Attorneys for Complainant

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

11 In the Matter of the Accusation Against:

Case No. 5066

12 **LEAFA PRINTING PLUS LLC**
13 **5862 Bolsa Avenue, Ste. 102**
14 **Huntington Beach, CA 92649**

A C C U S A T I O N

15 **Wholesale Permit No. WLS 5853**

16 Respondent.

17
18 Complainant alleges:

19 **PARTIES**

- 20 1. Virginia Herold (Complainant) brings this Accusation solely in her official capacity
21 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.
22 2. On or about September 21, 2011, the Board of Pharmacy issued Wholesale Permit
23 Number WLS 5853 to Leafa Printing Plus LLC (Respondent). The Wholesale Permit expired on
24 September 1, 2016, and has not been 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 4. Section 4300, subdivision (a) of the Code states "Every license issued may be
2 suspended or revoked."

3 5. Section 4300.1 of the Code states:

4 The expiration, cancellation, forfeiture, or suspension of a board-issued
5 license by operation of law or by order or decision of the board or a court of law,
6 the placement of a license on a retired status, or the voluntary surrender of a
7 license by a licensee shall not deprive the board of jurisdiction to commence or
8 proceed with any investigation of, or action or disciplinary proceeding against, the
9 licensee or to render a decision suspending or revoking the license.

10 **STATUTORY PROVISIONS**

11 6. Section 4301 of the Code states:

12 The board shall take action against any holder of a license who is guilty of
13 unprofessional conduct or whose license has been issued by mistake.
14 Unprofessional conduct shall include, but is not limited to, any of the following:

15

16 (f) The commission of any act involving moral turpitude, dishonesty, fraud,
17 deceit, or corruption, whether the act is committed in the course of relations as a
18 licensee or otherwise, and whether the act is a felony or misdemeanor or not.

19 (g) Knowingly making or signing any certificate or other document that falsely
20 represents the existence or nonexistence of a state of facts.

21 ...

22 (l) The conviction of a crime substantially related to the qualifications, functions,
23 and duties of a licensee under this chapter. The record of conviction of a violation of
24 Chapter 13 (commencing with Section 801) of Title 21 of the United States Code
25 regulating controlled substances or of a violation of the statutes of this state regulating
26 controlled substances or dangerous drugs shall be conclusive evidence of unprofessional
27 conduct. In all other cases, the record of conviction shall be conclusive evidence only of
28 the fact that the conviction occurred. The board may inquire into the circumstances
surrounding the commission of the crime, in order to fix the degree of discipline or, in
the case of a conviction not involving controlled substances or dangerous drugs, to
determine if the conviction is of an offense substantially related to the qualifications,
functions, and duties of a licensee under this chapter. A plea or verdict of guilty or a
conviction following a plea of nolo contendere is deemed to be a conviction within the
meaning of this provision. The board may take action when the time for appeal has
elapsed, or the judgment of conviction has been affirmed on appeal or when an order
granting probation is made suspending the imposition of sentence, irrespective of a
subsequent order under Section 1203.4 of the Penal Code allowing the person to
withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the
verdict of guilty, or dismissing the accusation, information, or indictment.

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7. Section 4302 of the Code states:

The Board may deny, suspend or revoke any license where conditions exist in relation to any person holding 10 percent or more of the ownership interest or where conditions exist in relation to any officer, director, or other person with management or control of the license that would constitute grounds for disciplinary action against a licensee.

COST RECOVERY

8. 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.

FACTUAL ALLEGATIONS

9. At all times relevant herein, Robert George Farah II was a member who had management or control of Respondent.

10. On or about October 5, 2015, in a criminal proceeding entitled *The People of the State of California vs. Robert George Farah II*, Orange County Superior Court Case Number 11HF3139, Robert George Farah II was convicted on his plea of guilty to violating Penal Code section 487(a)/506, embezzlement by fiduciary of trust, felonies and admitted enhancements of Penal Code section 12022.6(a)(2).

11. On May 6, 2016, Robert George Farah II was placed on three years formal probation and ordered to serve 364 days in jail and pay all applicable fees, fines and restitution.

12. In his plea agreement, Robert George Farah II admitted that he willfully, unlawfully and fraudulently appropriated GEP Properties LLC and GEP Properties II LLC monies entrusted to him for “personal uses and purposes other than that for which the money was entrusted to [him] in a fiduciary capacity, within the meaning of Penal Code section 487(a)/506.” He also admitted that within the meaning of Penal Code section 12022.6(a)(2), the amount of loss involved, including legal fees, exceeded two-hundred thousand dollars.

1 **FIRST CAUSE FOR DISCIPLINE**

2 **(October 5, 2015 Criminal Convictions for Embezzlement by Fiduciary of Trust)**

3 13. Respondent has subjected its wholesale permit to discipline under sections 4302, 490
4 and 4301, subdivision (l) of the Code in that its member was convicted of crimes that are
5 substantially related to the qualifications, duties, and functions of a wholesaler as set forth in
6 paragraphs 9 through 12.

7 **SECOND CAUSE FOR DISCIPLINE**

8 **(Making False Documents)**

9 14. Respondent has subjected its wholesale permit to disciplinary action under sections
10 4302 and 4301, subdivision (g) of the Code for unprofessional conduct in that Robert George
11 Farah II, a member of Respondent, knowingly made false documents in connection with the
12 activities described in paragraphs 9 through 12, above.

13 **THIRD CAUSE FOR DISCIPLINE**

14 **(Dishonest Acts)**

15 15. Respondent has subjected its wholesale permit to disciplinary action under sections
16 4302 and 4301, subdivision (f) of the Code in that Robert George Farah II, a member of
17 Respondent, committed acts involving dishonesty, fraud, deceit, or corruption, as detailed in
18 paragraphs 9 through 12, above, which are incorporated herein by reference.

19 **FOURTH CAUSE FOR DISCIPLINE**

20 **(Unprofessional Conduct)**

21 16. Respondent has subjected its wholesale permit to disciplinary action under sections
22 4302 and 4301 for unprofessional conduct in that Robert George Farah II, a member of
23 Respondent, engaged in the activities described in paragraphs 9 through 12 above, which is
24 incorporated herein by reference.

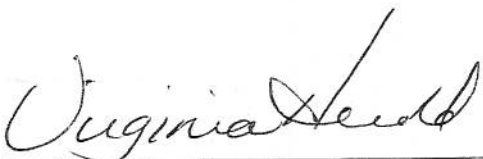
25 **PRAYER**

26 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
27 and that following the hearing, the Board of Pharmacy issue a decision:
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1. Revoking or suspending Wholesale Permit Number WLS 5853, issued to Leafa Printing Plus LLC;
2. Ordering Leafa Printing Plus LLC to pay the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and,
3. Taking such other and further action as deemed necessary and proper.

DATED: 7/10/17


VIRGINIA HEROLD
Executive Officer
Board of Pharmacy
Department of Consumer Affairs
State of California
Complainant

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