

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

**In the Matter of the Accusation Against:**

**SUPERIOR PHARMACY,  
Pharmacy Permit No. PHY 48287; and**

**SUPERIOR PHARMACY II,  
Pharmacy Permit No. PHY 49215; and**

**MARGARITA KHLGHATYAN,  
Pharmacist License No. RPH 64079; and**

**SUREN PETOYAN,  
Pharmacy Technician Registration No. TCH 43450 &  
Designated Representative No. EXC 20715; and**

**NIVA PHARMACEUTICALS INC., SUREN PETOYAN AND LUCY  
DANIELIAN, OWNERS,  
Wholesaler License No. WLS 6239; and**

**MIHRAN STEPANYAN,  
Designated Representative No. EXC 22480 &  
Pharmacy Technician Registration No. TCH 79133,**

**Respondents**

**Case No. 5513 and 5514**

**OAH No. 2020080528**

**DECISION AND ORDER**

The attached Stipulated Surrender of License and Order is hereby adopted by the Board of Pharmacy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective at 5:00 p.m. on April 28, 2021.

It is so ORDERED on March 29, 2021.

BOARD OF PHARMACY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

A handwritten signature in black ink, appearing to read "Greg Lippe", is written over a horizontal line.

By

Greg Lippe  
Board President

XAVIER BECERRA  
Attorney General of California  
DIANN SOKOLOFF  
Supervising Deputy Attorney General  
SHAWN P. COOK  
Supervising Deputy Attorney General  
VINODHINI RAMAGOPAL  
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State Bar No. 240534  
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*Attorneys for Complainant*

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

In the Matter of the Accusation Against:

**SUPERIOR PHARMACY  
11755 Victory Blvd., Ste. 100A  
North Hollywood, CA 91606**

**Pharmacy Permit No. PHY 48287**

**SUPERIOR PHARMACY II  
11755 Victory Blvd., Suite 102  
North Hollywood, CA 91606**

**Pharmacy Permit No. PHY 49215**

**MARGARITA KHLGHATYAN  
574 E. Palm Ave. #101  
Burbank, CA 91501**

**Pharmacist License No. RPH 64079**

**SUREN PETOYAN  
574 E. Palm Ave. #101  
Burbank, CA 91501**

**Pharmacy Technician Registration No. TCH  
43450  
Designated Representative No. EXC 20715**

Case No. 5513 and 5514

OAH No. 2020080528

**STIPULATED SURRENDER OF  
LICENSE AND ORDER AS TO  
SUPERIOR PHARMACY ONLY**

1 **NIVA PHARMACEUTICALS INC.,**  
2 **SUREN PETOYAN AND LUCY**  
3 **DANIELIAN, OWNERS**  
4 **1602 Victory Blvd.**  
5 **Glendale, CA 91201**

6 **Wholesaler License No. WLS 6239**

7 **MIHRAN STEPANYAN**  
8 **16350 Ventura Blvd., D272**  
9 **Encino, CA 91436**

10 **Designated Representative No. EXC 22480**  
11 **Pharmacy Technician Registration No. TCH**  
12 **79133**

13 Respondents.

14 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
15 entitled proceedings that the following matters are true:

16 **PARTIES**

17 1. Anne Sodergren (Complainant) is the Executive Officer of the Board of Pharmacy  
18 (Board). She brought this action solely in her official capacity and is represented in this matter by  
19 Xavier Becerra, Attorney General of the State of California, by Vinodhini Ramagopal, Deputy  
20 Attorney General.

21 2. Superior Pharmacy (Respondent Superior) is represented in this proceeding by  
22 attorney Susan Yu, whose address is: Susan Yu Law Group, APC, 550 S. Hope Street, Suite  
23 1775, Los Angeles, CA 90071.

24 3. On or about November 16, 2005, the Board of Pharmacy issued Pharmacy Permit  
25 Number PHY 48287 to Superior Pharmacy (Respondent Superior) with Margarita Khlghatyan  
26 designated as the Pharmacist-in-Charge, and as designated president and owner. The Pharmacy  
27 Permit was in full force and effect at all times relevant to the charges brought in the First  
28 Amended Accusation and will expire on November 1, 2021, unless renewed.

///

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1 **JURISDICTION**

2 4. First Amended Accusation No. 5513 and 5514 was filed before the Board, and is  
3 currently pending against Respondent Superior. The First Amended Accusation and all other  
4 statutorily required documents were properly served on Respondent Superior on January 13,  
5 2021. Respondent Superior timely filed its Notice of Defense contesting the Accusation. A copy  
6 of Accusation No. 5513 and 5514 is attached as Exhibit A and incorporated by reference.

7 **ADVISEMENT AND WAIVERS**

8 5. Respondent Superior has carefully read, fully discussed with counsel, and  
9 understands the charges and allegations in Accusation No. 5513 and 5514. Respondent Superior  
10 also has carefully read, fully discussed with counsel, and understands the effects of this Stipulated  
11 Surrender of License and Order.

12 6. Respondent Superior is fully aware of its legal rights in this matter, including the  
13 right to a hearing on the charges and allegations in the Accusation; the right to confront and cross-  
14 examine the witnesses against them; the right to present evidence and to testify on its own behalf;  
15 the right to the issuance of subpoenas to compel the attendance of witnesses and the production of  
16 documents; the right to reconsideration and court review of an adverse decision; and all other  
17 rights accorded by the California Administrative Procedure Act and other applicable laws.

18 7. Respondent Superior voluntarily, knowingly, and intelligently waives and gives up  
19 each and every right set forth above.

20 **CULPABILITY**

21 8. Respondent Superior admits the truth of each and every charge and allegation in  
22 Accusation No. 5513 and 5514, agrees that cause exists for discipline, and hereby surrenders their  
23 Pharmacy Permit Number PHY 48287 for the Board's formal acceptance.

24 9. Respondent Superior understands that by signing this stipulation, Respondent  
25 Superior enables the Board to issue an order accepting the surrender of their Pharmacy Permit  
26 Number PHY 48287 without further process.

27 ///

28 ///

**CONTINGENCY**

10. This stipulation shall be subject to approval by the Board. Respondent Superior understands and agrees that counsel for Complainant and the staff of the Board may communicate directly with the Board regarding this stipulation and surrender, without notice to or participation by Respondent Superior or its counsel. By signing the stipulation, Respondent Superior understands and agrees that they may not withdraw its agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

11. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Surrender of License and Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.

12. This Stipulated Surrender of License and Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

13. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Order:

**ORDER**

IT IS HEREBY ORDERED that Pharmacy Permit Number PHY 48287, issued to Respondent Superior Pharmacy is surrendered and accepted by the Board. However, the surrender will be stayed for a period of 180 days from the date in which this stipulated settlement is signed, at which time the pharmacy shall be sold or closed. In addition, Respondent Superior shall designate a new Pharmacist-in-Charge by the effective date of the decision in this matter.

1           Should Respondent Superior not sell the pharmacy, then Respondent Superior shall, within  
2 10 days of the effective date, arrange for the destruction of, the transfer to, sale of or storage in a  
3 facility licensed and approved by the Board of all controlled substances and dangerous drugs  
4 and/or dangerous devices. Respondent shall further arrange for the transfer of all records of  
5 acquisition and disposition of dangerous drugs to premises licensed and approved by the Board.  
6 Respondent shall further provide written proof of such disposition and submit a completed  
7 Discontinuance of Business form according to Board guidelines.

8           Should Respondent Superior not sell the pharmacy, then Respondent Superior shall also, by  
9 the effective date of this decision, arrange for the continuation of care for ongoing patients of the  
10 pharmacy by, at minimum, providing a written notice to ongoing patients that specifies the  
11 anticipated closing date of the pharmacy and that identifies one or more area pharmacies capable  
12 of taking up the patients' care, and by cooperating as may be necessary in the transfer of records  
13 or prescriptions for ongoing patients. Within five days of its provision to the pharmacy's ongoing  
14 patients, Respondent shall provide a copy of the written notice to the Board. For the purposes of  
15 this provision, "ongoing patients" means those patients for whom the pharmacy has on file a  
16 prescription with one or more refills outstanding, or for whom the pharmacy has filled a  
17 prescription within the preceding 60 days.

18           1.     The surrender of Respondent's Pharmacy Permit and the acceptance of the  
19 surrendered license by the Board shall constitute the imposition of discipline against Respondent  
20 Superior. This stipulation constitutes a record of the discipline and shall become a part of  
21 Respondent Superior's license history with the Board.

22           2.     Respondent Superior shall lose all rights and privileges as pharmacy in California as  
23 of the effective date of the Board's Decision and Order.

24           3.     Respondent Superior shall cause to be delivered to the Board its pocket license and, if  
25 one was issued, its wall certificate on or before the effective date of the Decision and Order.

26           4.     Respondent Superior may not apply, reapply, or petition for any licensure or  
27 registration of the Board for 3 years from the effective date of the Decision and Order.  
28

1           5.     If Respondent Superior ever applies for licensure or petitions for reinstatement in the  
2 State of California, the Board shall treat it as a new application for licensure. Respondent  
3 Superior must comply with all the laws, regulations and procedures for licensure in effect at the  
4 time the application or petition is filed, and all of the charges and allegations contained in  
5 Accusation No. 5513 and 5514 shall be deemed to be true, correct, and admitted by Respondent  
6 Superior when the Board determines whether to grant or deny the application or petition.

7           6.     Respondent Superior shall be jointly and severally liable with Respondent Superior II  
8 and Respondent Margarita Kghlatyan in paying the agency its costs of investigation and  
9 enforcement in the amount of \$40,000.00.

10          7.     If Respondent Superior should ever apply or reapply for a new license or certification,  
11 or petition for reinstatement of a license, by any other health care licensing agency in the State of  
12 California, all of the charges and allegations contained in Accusation, No. 5513 and 5514 shall be  
13 deemed to be true, correct, and admitted by Respondent Superior for the purpose of any  
14 Statement of Issues or any other proceeding seeking to deny or restrict licensure.

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1 ACCEPTANCE

2 I have carefully read the above Stipulated Surrender of License and Order and have fully  
3 discussed it with my attorney Susan Yu. I understand the stipulation and the effect it will have on  
4 my Pharmacy Permit Number. I enter into this Stipulated Surrender of License and Order  
5 voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the  
6 Board of Pharmacy.

7  
8 DATED: 02/04/21

  
9 SUPERIOR PHARMACY  
Respondent

10  
11 I have read and fully discussed with Respondent Superior Pharmacy, the terms and  
12 conditions and other matters contained in this Stipulated Surrender of License and Order. I  
13 approve its form and content.

14  
15 DATED: 02/04/21

  
16 SUSAN YU  
Attorney for Respondent Superior

17 ENDORSEMENT

18 The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted  
19 for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

20  
21 DATED: February 4, 2021

Respectfully submitted,

23 XAVIER BECERRA  
Attorney General of California  
24 DIANN SOKOLOFF  
Supervising Deputy Attorney General

25   
26 VINODHINI RAMAGOPAL  
27 Deputy Attorney General  
28 Attorneys for Complainant

## **Exhibit A**

**First Amended Accusation Nos. 5513 and 5514**

1 XAVIER BECERRA  
Attorney General of California  
2 DIANN SOKOLOFF  
Supervising Deputy Attorney General  
3 SHAWN P. COOK  
Supervising Deputy Attorney General  
4 VINODHINI RAMAGOPAL  
Deputy Attorney General  
5 State Bar No. 240534  
300 So. Spring Street, Suite 1702  
6 Los Angeles, CA 90013  
Telephone: (213) 269-6270  
7 Facsimile: (916) 731-2126  
*Attorneys for Complainant*  
8

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

13 In the Matter of the Accusation Against:

Case No. 5513

14 **SUPERIOR PHARMACY**  
15 **11755 Victory Blvd., Ste. 100A**  
16 **North Hollywood, CA 91606**

and

Case No. 5514

17 **Pharmacy Permit No. PHY 48287**

18 **SUPERIOR PHARMACY II**  
19 **11755 Victory Blvd., Suite 102**  
20 **North Hollywood, CA 91606**

**FIRST AMENDED ACCUSATION**

21 **Pharmacy Permit No. PHY 49215**

22 **MARGARITA KHLGHATYAN**  
23 **574 E. Palm Ave. #101**  
24 **Burbank, CA 91501**

25 **Pharmacist License No. RPH 64079**

26 **SUREN PETOYAN**  
27 **574 E. Palm Ave. #101**  
28 **Burbank, CA 91501**

**Pharmacy Technician Registration No. TCH**  
**43450**  
**Designated Representative No. EXC 20715**

**NIVA PHARMACEUTICALS INC.,  
SUREN PETOYAN AND LUCY  
DANIELIAN, OWNERS  
1602 Victory Blvd.  
Glendale, CA 91201**

**Wholesaler License No. WLS 6239**

**MIHRAN STEPANYAN  
16350 Ventura Blvd., D272  
Encino, CA 91436**

**Designated Representative No. EXC 22480  
Pharmacy Technician Registration No. TCH  
79133**

Respondents.

Complainant alleges:

**PARTIES<sup>12</sup>**

1. Anne Sodergren (Complainant) brings this First Amended Accusation solely in her official capacity as the Executive Officer of the Board of Pharmacy (Board), Department of Consumer Affairs.

2. On or about November 16, 2005, the Board of Pharmacy issued Pharmacy Permit Number PHY 48287 to Superior Pharmacy (Respondent Superior) with Margarita Khlgatyan designated as the Pharmacist-in-Charge, and as designated president and owner. The Pharmacy Permit was in full force and effect at all times relevant to the charges brought in this First Amended Accusation and will expire on November 1, 2021, unless renewed.

3. On or about October 3, 2008, the Board of Pharmacy issued Pharmacy Permit Number PHY 49215 to Superior Pharmacy II (Respondent Superior II) with Margarita Khlgatyan designated as the Pharmacist-in-Charge, and as designated president and owner. The

<sup>1</sup> Respondent Niva with Respondent Petoyan designated as President and owner and Respondent Danielian as designated Director and owner have defaulted on this matter. The Default Decision and Order became effective on January 30, 2020.

<sup>2</sup> Respondent Stepanyan has defaulted on this matter. The Default Decision and Order became effective on January 30, 2020.

1 Pharmacy Permit was in full force and effect at all times relevant to the charges brought in this  
2 First Amended Accusation and will expire on October 1, 2021, unless renewed.

3 4. On or about July 23, 2010, the Board of Pharmacy issued Pharmacist License number  
4 RPH 64079 to Margarita Khlghatyan (Respondent Khlghatyan). The pharmacist license was in  
5 full force and effect at all times relevant to the charges brought in this First Amended Accusation  
6 and will expire on December 31, 2021, unless renewed.

7 5. On or about October 28, 2002, the Board of Pharmacy issued Pharmacy Technician  
8 Registration Number TCH 43450 to Suren Petoyan (Respondent Petoyan). The pharmacy  
9 technician license was in full force and effect at all times relevant to the charges brought in this  
10 First Amended Accusation and will expire on September 30, 2020, unless renewed.

11 6. On or about August 11, 2010, the Board of Pharmacy issued Designated  
12 Representative Number EXC 20715 to Respondent Petoyan. The Certificate was in full force and  
13 effect at all times relevant to the charges brought in this First Amended Accusation and will  
14 expire on August 1, 2019, unless renewed.

15 7. On or about July 30, 2013, the Board of Pharmacy issued Original Wholesale Permit  
16 Number WLS 6239 to Niva Pharmaceuticals Inc. (Respondent Niva) with Respondent Petoyan  
17 designated as President and the owner of fifty percent of the outstanding shares and Lucy  
18 Danielian (Respondent Danielian) as designated Director and the owner of fifty percent of the  
19 outstanding shares. The Original Wholesale Permit was in full force and effect at all times  
20 relevant to the charges brought in this First Amended Accusation, expired on October 16, 2015,  
21 and has not been renewed. Respondent Niva's Wholesale Permit license was revoked, effective  
22 January 30, 2020 pursuant to a decision and order.

23 8. On or about December 20, 2007, the Board of Pharmacy issued Pharmacy Technician  
24 Registration Number TCH 79133 to Mihran Stepanyan (Respondent Stepanyan). The Pharmacy  
25 Technician Registration was in full force and effect at all times relevant to the charges brought in  
26 this First Amended Accusation and expired on September 30, 2019. Respondent Stepanyan's  
27 pharmacy technician registration was revoked, effective January 30, 2020 pursuant to a decision  
28 and order.

9. On or about December 6, 2013, the Board of Pharmacy issued Designated Representative Number EXC 22480 to Respondent Stepanyan. The Certificate was in full force and effect at all times relevant to the charges brought in this First Amended Accusation and will expired on December 1, 2019. Respondent Stepanyan's designated representative license was revoked, effective January 30, 2020 pursuant to a decision and order.

## JURISDICTION

10. This First Amended Accusation is brought before the Board, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

11. Section 4300 of the Code states in pertinent part:

“(a) Every license issued may be suspended or revoked.

“ . . .

“(e) The proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of the Government Code, and the board shall have all the powers granted therein. The action shall be final, except that the propriety of the action is subject to review by the superior court pursuant to Section 1094.5 of the Code of Civil Procedure.”

12. Section 4300.1 of the Code states:

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

## **BUSINESS AND PROFESSIONS CODE**

13. Section 490 of the Code states:

(a) In addition to any other action that a board is permitted to take against a licensee, a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued.

(b) Notwithstanding any other provision of law, a board may exercise any authority to discipline a licensee for conviction of a crime that is independent of the authority granted under subdivision (a) only if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the licensee's license was issued.

1 (c) A conviction within the meaning of this section means a plea or verdict of guilty  
2 or a conviction following a plea of nolo contendere. Any action that a board is permitted to  
3 take following the establishment of a conviction may be taken when the time for appeal has  
4 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 the provisions of Section 1203.4 of the Penal Code.

5 14. Section 493 of the Code states:

6 Notwithstanding any other provision of law, in a proceeding conducted by a board  
7 within the department pursuant to law to deny an application for a license or to suspend or  
8 revoke a license or otherwise take disciplinary action against a person who holds a license,  
9 upon the ground that the applicant or the licensee has been convicted of a crime  
10 substantially related to the qualifications, functions, and duties of the licensee in question,  
11 the record of conviction of the crime shall be conclusive evidence of the fact that the  
12 conviction occurred, but only of that fact, and the board may inquire into the circumstances  
surrounding the commission of the crime in order to fix the degree of discipline or to  
determine if the conviction is substantially related to the qualifications, functions, and  
duties of the licensee in question. "As used in this section, 'license' includes 'certificate,'  
'permit,' 'authority,' and 'registration.'

13 15. Section 4059.5 of the Code states in pertinent part:

14 (a) Except as otherwise provided in this chapter, dangerous drugs or  
15 dangerous devices may only be ordered by an entity licensed by the board and  
16 shall be delivered to the licensed premises and signed for and received by a  
17 pharmacist. Where a licensee is permitted to operate through a designated  
representative, or in the case of a reverse distributor a designated representative-  
reverse distributor, that individual shall sign for and receive the delivery.

18 16. Section 4081 of the Code states:

19 (a) All records of manufacture and of sale, acquisition, or disposition of  
20 dangerous drugs or dangerous devices shall be at all times during business hours  
21 open to inspection by authorized officers of the law, and shall be preserved for at  
22 least three years from the date of making. A current inventory shall be kept by  
23 every manufacturer, wholesaler, pharmacy, veterinary food-animal drug retailer,  
24 physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution,  
or establishment holding a currently valid and unrevoked certificate, license,  
permit, registration, or exemption under Division 2 (commencing with Section  
1200) of the Health and Safety Code or under Part 4 (commencing with Section  
16000) of Division 9 of the Welfare and Institutions Code who maintains a stock  
of dangerous drugs or dangerous devices.

25 (b) The owner, officer, and partner of any pharmacy, wholesaler, or  
26 veterinary food-animal drug retailer shall be jointly responsible, with the  
27 pharmacist-in-charge or representative-in-charge, for maintaining the records and  
inventory described in this section.

28 ...

1 17. Section 4113 of the Code states in pertinent part:

2 ...

3 (c) The pharmacist-in-charge shall be responsible for a pharmacy's  
4 compliance with all state and federal laws and regulations pertaining to the  
5 practice of pharmacy.

6 ...

7 18. Section 4160 of the Code states in pertinent part:

8 (a) A person shall not act as a wholesaler or third-party logistics provider of  
9 any dangerous drug or dangerous device unless he or she has obtained a license  
10 from the board.

11 ...

12 19. Section 4301 of the Code states in pertinent part:

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

16 (c) Gross negligence.

17 ...

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

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

23 ...

24 (j) The violation of any of the statutes of this state, of any other state, or of  
25 the United States regulating controlled substances and dangerous drugs.

26 ...

27 (l) The conviction of a crime substantially related to the qualifications,  
28 functions, and duties of a licensee under this chapter. The record of conviction of a  
violation of Chapter 13(commencing with Section 801) of Title 21 of the United  
States Code regulating controlled substances or of a violation of the statutes of this  
state regulating controlled substances or dangerous drugs shall be conclusive  
evidence of unprofessional conduct. In all other cases, the record of conviction



1 shall be conclusive evidence only of the fact that the conviction occurred. The  
2 board may inquire into the circumstances surrounding the commission of the  
3 crime, in order to fix the degree of discipline or, in the case of a conviction not  
4 involving controlled substances or dangerous drugs, to determine if the conviction  
5 is of an offense substantially related to the qualifications, functions, and duties of a  
6 licensee under this chapter. A plea or verdict of guilty or a conviction following a  
7 plea of nolo contendere is deemed to be a conviction within the meaning  
8 of this provision. The board may take action when the time for appeal has elapsed,  
9 or the judgment of conviction has been affirmed on appeal or when an order  
10 granting probation is made suspending the imposition of sentence, irrespective of a  
11 subsequent order under Section 1203.4 of the Penal Code allowing the person to  
12 withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside  
13 the verdict of guilty, or dismissing the accusation, information, or indictment.

14 ...

15 (o) Violating or attempting to violate, directly or indirectly, or assisting in or  
16 abetting the violation of or conspiring to violate any provision or term of this  
17 chapter or of the applicable federal and state laws and regulations governing  
18 pharmacy, including regulations established by the board or by any other state or  
19 federal regulatory agency...

20 ...

21 (q) Engaging in any conduct that subverts or attempts to subvert an  
22 investigation of the board.

23 ...

24 20. Section 4307 of the Code states, in pertinent part:

25 (a) Any person who has been denied a license or whose license has been  
26 revoked or is under suspension, or who has failed to renew his or her license while  
27 it was under suspension, or who has been a manager, administrator, owner,  
28 member, officer, director, associate, partner, or any other person with management  
or control of any partnership, corporation, trust, firm, or association whose  
application for a license has been denied or revoked, is under suspension or has  
been placed on probation, and while acting as the manager, administrator, owner,  
member, officer, director, associate, partner, or any other person with management  
or control had knowledge of or knowingly participated in any conduct for which  
the license was denied, revoked, suspended, or placed on probation, shall be  
prohibited from serving as a manager, administrator, owner, member, officer,  
director, associate, partner, or in any other position with management or control of  
a licensee as follows:

(1) Where a probationary license is issued or where an existing license is  
placed on probation, this prohibition shall remain in effect for a period not to  
exceed five years.

1 (2) Where the license is denied or revoked, the prohibition shall continue  
2 until the license is issued or reinstated.

3 (b) "Manager, administrator, owner, member, officer, director, associate,  
4 partner, or any other person with management or control of a license" as used in  
5 this section and Section 4308, may refer to a pharmacist or to any other person  
6 who serves in such capacity in or for a licensee.

7 (c) The provisions of subdivision (a) may be alleged in any pleading filed  
8 pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of  
9 the Government Code. However, no order may be issued in that case except as to a  
10 person who is named in the caption, as to whom the pleading alleges the  
11 applicability of this section, and where the person has been given notice of the  
12 proceeding as required by Chapter 5 (commencing with Section 11500) of Part 1  
13 of Division 3 of the Government Code. The authority to proceed as provided by  
14 this subdivision shall be in addition to the board's authority to proceed under  
15 Section 4339 or any other provision of law.

16 21. Section 4169 of the Code states, in pertinent part:

17 (a) A person or entity shall not do any of the following:

18 (1) Purchase, trade, sell, warehouse, distribute, or transfer dangerous drugs  
19 or dangerous devices at wholesale with a person or entity that is not licensed with  
20 the board as a wholesaler, third-party logistics provider, or pharmacy.

21 ...

22 (5) Fail to maintain records of the acquisition or disposition of dangerous  
23 drugs or dangerous devices for at least three years.

24 ...

25 22. Section 4040.5 of the Code states:

26 "Reverse distributor" means every person who acts as an agent for  
27 pharmacies, drug wholesalers, third-party logistics providers, manufacturers, and  
28 other entities by receiving, inventorying, warehousing, and managing the  
disposition of outdated or nonsaleable dangerous drugs or dangerous devices.

### **HEALTH AND SAFETY CODE**

23 23. Health and Safety Code section 11209 states:

24 (a) No person shall deliver Schedule II, III, or IV controlled substances to a pharmacy  
25 or pharmacy receiving area, nor shall any person receive controlled substances on behalf of  
26 a pharmacy unless, at the time of delivery, a pharmacist or authorized receiving personnel  
27 signs a receipt showing the type and quantity of the controlled substances received. Any  
28 discrepancy between the receipt and the type or quantity of controlled substances actually  
received shall be reported to the delivering wholesaler or manufacturer by the next business  
day after delivery to the pharmacy.

1           24. Health and Safety Code section 111255 states:

2                   Any drug or device is adulterated if it has been produced, prepared, packed, or held  
3 under conditions whereby it may have been contaminated with filth, or whereby it may  
4 have been rendered injurious to health.

5                                   **CALIFORNIA CODE OF REGULATIONS**

6           25. California Code of Regulations, title 16, section 1770, states:

7                   For the purpose of denial, suspension, or revocation of a personal or facility license  
8 pursuant to Division 1.5 (commencing with Section 475) of the Business and Professions  
9 Code, a crime or act shall be considered substantially related to the qualifications, functions  
10 or duties of a licensee or registrant if to a substantial degree it evidences present or potential  
11 unfitness of a licensee or registrant to perform the functions authorized by his license or  
12 registration in a manner consistent with the public health, safety, or welfare.

13           26. California Code of Regulations, title 16, (Regulations) section 1714.1 states in  
14 pertinent part:

15                   This section is to ensure that pharmacists are able to have duty free breaks  
16 and meal periods to which they are entitled under Section 512 of the Labor Code  
17 and the orders of the Industrial Welfare Commission, without unreasonably  
18 impairing the ability of a pharmacy to remain open.

19                   ...

20                   (e) The temporary absence authorized by this section shall be limited to the  
21 minimum period authorized for pharmacists by section 512 of Labor Code or  
22 orders of the Industrial Welfare Commission, and any meal shall be limited to 30  
23 minutes. The pharmacist who is on break shall not be required to remain in the  
24 pharmacy area during the break period.

25                   ...

26           27. California Code of Regulations, title 16, (Regulations) section 1709 states in pertinent  
27 part:

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.

**CODE OF FEDERAL REGULATIONS**

          28. Code of Federal Regulations, section 1305.05 states, in pertinent part:

                  (a) A registrant may authorize one or more individuals, whether or not  
located at his or her registered location, to issue orders for Schedule I and II  
controlled substances on the registrant's behalf by executing a power of attorney

1 for each such individual, if the power of attorney is retained in the files, with  
2 executed Forms 222 where applicable, for the same period as any order bearing the  
3 signature of the attorney. The power of attorney must be available for inspection  
together with other order records.

#### 4 **COST RECOVERY**

5 29. Section 125.3 of the Code states, in pertinent part, that the Board may request the  
6 administrative law judge to direct a licensee found to have committed a violation or violations of  
7 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
8 enforcement of the case.

#### 9 **FACTUAL BACKGROUND**

##### 10 **SEPTEMBER 5, 2013, INSPECTION**

11 30. On September 5, 2013, Board Inspector K.R. conducted inspections of Respondent  
12 Superior's facility and Respondent Superior II's facility, both in North Hollywood. Respondent  
13 Petoyan was present. The inspector found the following issues:

##### 14 **a. Respondent Superior Facility**

15 31. Inspector K.R. found multiple trays of over 680 patient prescription labels that were  
16 not filled but had been processed through a third party payer. The labels dated from July 1, 2013,  
17 to on or around September of 2013.

18 32. Respondent Superior dispenses "blister packs" of medication. Blister packs are a  
19 sheet of plastic bubbles in which one dose of medication is enclosed in each bubble. The back of  
20 the sheet of plastic bubbles is covered by foil so that one dose of the medication can be punched  
21 through the foil for use each time a dose is taken. Respondent Petoyan explained they had  
22 dispensed blister packs of medication to patients at care facilities. If the entire blister pack was  
23 not used for any reason and the remaining medication was returned to the pharmacy, Respondents  
24 would remove the remaining medication from the blister pack and return the medication to  
25 inventory to be re-dispensed to another patient.

26 ///

27 ///

28 ///

1           33. Inspector K.R. observed a large container in the restroom that was full of punched-out  
2 bubble pack cards. Respondent Petoyan informed the Inspector that the medications were  
3 returned by board and care facilities and reused by the pharmacy.

4           34. Inspector K.R. noticed some of the Abilify bottles on Respondent Superior's shelving  
5 appeared to have had labels removed from them.

6           35. Inspector K.R. observed employee Steven Michael Margolin (Margolin) performing  
7 tasks that require a license. Specifically, the Inspector observed Margolin setting up prescription  
8 bottles and counting medication. Margolin's pharmacist license was revoked by the Board on or  
9 around October 27, 2010.

10           **b. Respondent Superior II Facility**

11           36. Respondent Petoyan informed Inspector K.R. about his new pharmacy, Respondent  
12 Superior II, which is a "closed door" pharmacy that was opened by Respondent Khlghatyan in the  
13 same building as Respondent Superior. Respondent Petoyan stated no business had been  
14 conducted in it as of September 5, 2013.

15           37. Inspector K.R. inspected the Respondent Superior II facility and noticed the  
16 following issues.

17           38. Inspector K.R. noticed a sporadic placement of drug stock bottles and patient labeled  
18 bottles in the pharmacy. The patient labeled bottles were from another pharmacy, ASAP  
19 Pharmacy, located at 367 North Chevy Chase Drive, Unit B, Glendale, California. On some of the  
20 bottles, the patient labels had been removed. Respondent Petoyan stated the drug stock bottles  
21 from ASAP Pharmacy that were found at Respondent Superior II were actually from the  
22 Respondent Superior facility. Respondent Petoyan further stated that prior to Respondent  
23 Superior receiving its Medi-Cal license, Respondent Superior worked with ASAP Pharmacy to  
24 provide prescriptions to their patients.

25           39. Respondent Petoyan stated that if a patient needed a medication that was covered on  
26 Medi-Cal, Respondent Superior would fill the prescription for the patient and dispense it. Next  
27 the prescription information would be transferred to ASAP Pharmacy who would process,  
28 dispense and bill the prescription to Medi-Cal. ASAP Pharmacy would then "replace" the

1 medication that was dispensed by Respondent Superior. No explanation was provided as to why  
2 or how these drug stock bottles ended up in the Respondent Superior II facility.

3 40. Inspector K.R. noticed papers and records stored at Respondent Superior II.  
4 Respondent Petoyan told Inspector K.R. that Respondent Superior II was used to store some of  
5 Respondent Superior's records.

6 41. On or around September 5, 2013, Inspector K.R. obtained the following bottles of  
7 medication that had been found at Respondent Superior II's facility that had either been labeled  
8 by ASAP Pharmacy or had the residue of a patient label on the bottle.

9 a. Three bottles of Abilify 10 mg were found. One bottle was RX 7173789 for patient  
10 C.J. and was filled by ASAP Pharmacy on September 19, 2012. Two bottles contained partial  
11 labeling, and 1 of the 2 bottles had been opened and only contained 59 pills.

12 b. Five bottles of Seroquel XR 300 mg were found. Two of the bottles contained only  
13 partial labeling. One bottle had partial labeling from ASAP Pharmacy. Two bottles contained  
14 patient labeling from ASAP Pharmacy. The following bottles provided patient labeling and were  
15 filled by ASAP Pharmacy: RX 7163384 for patient G.C. filled on June 22, 2012, and RX  
16 7166051 for patient L.B. filled on July 19, 2012.

17 c. Seven bottles of Seroquel XR 400 mg were found. Two bottles contained partial  
18 labeling from ASAP Pharmacy. Five bottles provided patient labeling from ASAP Pharmacy. The  
19 following bottles provided patient labeling and were filled by ASAP Pharmacy: RX 7166055, for  
20 Patient D.W. filled July 19, 2012; RX 7162321 for Patient D.D. filled June 13, 2012; RX  
21 7162674 for Patient G.G. filled July 25, 2012; RX 7162625 for Patient J.U. filled July 25, 2012;  
22 RX 7162625 for Patient J.U. filled June 22, 2012.

23  
24 **SEPTEMBER 23, 2013 INSPECTION**

25 42. On September 23, 2013, Inspector K.R. conducted an inspection of ASAP Pharmacy  
26 facility, assisted by Pharmacist-in-Charge Vahe Simonian. During the inspection, the inspector  
27 found the following issues:

28 ///

1           43. Simonian told Inspector K.R. he had taken prescription transfers from Respondent  
2 Superior for Medi-Cal patients because Respondent Superior did not have its Medi-Cal license.  
3 Simonian stated that the prescriptions were either delivered to the patients or an employee of  
4 Respondent Superior would collect the prescriptions from ASAP Pharmacy

5           44. Simonian told Inspector K.R. that the transfers from Respondent Superior were  
6 transmitted by telephone or facsimile.

7           45. Simonian stated that he believed Margolin was a pharmacist because Margolin had  
8 represented himself as a pharmacist to ASAP Pharmacy.

9           46. While Inspector K.R. was at ASAP Pharmacy, the Pharmacy received a call from  
10 Margolin. Margolin requested to transfer some prescriptions to ASAP Pharmacy. Margolin told  
11 Simonian over the phone that "Omar Sheriff" had served a warrant on Respondent Superior and  
12 taken all their drug stock and they had no medications to fill prescriptions.

13           47. Simonian did not accept the transfer because he was told that Margolin is not a  
14 licensed pharmacist.

15           48. Patient M.H. had four prescriptions filled by ASAP Pharmacy on September 20,  
16 2013. The prescriptions were transferred from Respondent Superior. The transferring pharmacist  
17 noted on each prescription was "Steve." Simonian confirmed that Margolin transferred all four of  
18 patient M.H.'s prescriptions.

19           49. Inspector K.R. found that Patient D.W.'s profile showed RX#7166055 for Seroquel  
20 XR 400 mg was filled July 19, 2012, by ASAP Pharmacy. Inspectors recovered the filled  
21 prescription bottle during an earlier inspection at Respondent Superior II's facility.

22           50. Inspector K.R. found that Patient L.B.'s profile showed RX#7166052 for Seroquel  
23 XR 300 mg was filled July 19, 2012, by ASAP Pharmacy. Inspectors recovered the filled  
24 prescription bottle during an earlier inspection at Respondent Superior II's facility.

25           51. Inspector K.R. found that Patient C.J.'s profile showed RX# 7173789 for Abilify 10  
26 mg was filled July 19, 2012, by ASAP Pharmacy. Inspectors recovered the filled prescription  
27 bottle during an earlier inspection at Respondent Superior II's facility.

28 ///

1           52. Inspector K.R. found that Patient J.U.'s profile showed RX# 7162565 for Seroquel  
2 XR 400 mg was filled on June 22, 2012, and July 24, 2012, by ASAP Pharmacy. Inspectors  
3 recovered the filled prescription bottles during an earlier inspection at Respondent Superior II's  
4 facility. ASAP's prescription record indicated the prescription was transferred by "Maggie."

5           53. Inspector K.R. found that Patient D.D.'s profile showed RX# 7162321 for Seroquel  
6 XR 400 mg was filled June 13, 2012, by ASAP Pharmacy. Inspectors recovered the filled  
7 prescription bottle during an earlier inspection at Respondent Superior II's facility.

8           54. Inspector K.R. found that Patient G.G.'s profile showed RX# 7162674 for Seroquel  
9 XR 400 mg was filled June 13, 2012, by ASAP Pharmacy. Inspectors recovered the filled  
10 prescription bottle during an earlier inspection at Respondent Superior II's facility.

11           55. Simonian was unaware that Respondent Superior was also dispensing the prescriptions  
12 to the patients and that Respondent Superior collected the drugs that ASAP Pharmacy had  
13 dispensed to the patient in order to prevent a patient from having double the amount of drugs than  
14 was actually originally prescribed. Simonian further stated that he had never done any business  
15 with Respondent Superior II.

16  
17 **OCTOBER 27, 2014 INSPECTION**

18           56. On October 27, 2014, Inspector S.B. conducted an inspection of Respondent Niva's  
19 facility in Glendale. Respondent Petoyan, Respondent Danelian, and Respondent Stepanyan were  
20 all present. The inspectors found the following issues:

21           57. When Inspector S.B. first arrived at Respondent Niva Pharmacy, it was closed.  
22 Inspector S.B. contacted owner Respondent Petoyan. Respondent Petoyan, Respondent Danelian  
23 and Respondent Stepanyan arrived at Respondent Niva's facility thirty minutes later.

24           58. Inspector S.B. noticed that Respondent Niva's facility was empty, and that there were  
25 no drugs or records on site.

26           59. Respondent Petoyan, Respondent Danelian and Respondent Stepanyan informed  
27 Inspector S.B. that Respondent Niva's facility had been closed since January 22, 2014.

28 ///



1           60. Respondent Danelian and Respondent Petoyan stated that Respondent Niva's facility  
2 did not conduct any business after obtaining its license in July 30, 2013, which is the reason why  
3 Respondent Petoyan decided to sell Respondent Niva to Respondent Stepanyan.

4           61. On or around January 22, 2014, Respondent Stepanyan bought 100% of Respondent  
5 Niva Pharmacy. To date, the Board has not received a change of ownership form regarding the  
6 sale.

7           62. On or around July 1, 2014, Respondent Stepanyan filed a renewal for Respondent  
8 Niva Pharmacy. The renewal form showed Respondent Stepanyan signed under penalty of  
9 perjury that he was the President of Niva.

10  
11 **February 24, 2016 INSPECTION**

12           63. On February 24, 2016, Inspectors K.R and M.K. conducted an inspection of  
13 Respondent Superior and Respondent Superior II's facility, assisted by Respondent Petoyan and  
14 Respondent Khlghatyan. The inspectors found the following issues:

15           **a. Respondent Superior:**

16           64. Upon entering Respondent Superior's facility at approximately 11:10 a.m., Inspectors  
17 K.R. and M.K. observed Margolin behind the counter of the pharmacy in the prescription filling  
18 area. He informed the inspectors that he was not a pharmacist and that the pharmacist left for  
19 lunch at 10:45 a.m. The pharmacist, Respondent Khlghatyan, arrived back at the pharmacy at  
20 approximately 11:40 a.m. During the time Respondent Khlghatyan was gone there was no  
21 pharmacist in Respondent Superior's facility.

22           65. Respondent Khlghatyan provided the inspectors with a copy of the policy and  
23 procedure for pharmacy operations during temporary absence of a pharmacist. The policy stated  
24 meal periods to be limited to 30 minutes.

25           66. Inspector K.R. observed medication packages in Respondent Superior's restroom  
26 trash. These medication packages included bubble packs from the following other pharmacies:  
27 Rose Pharmacy, Trinity Care Pharmacy, and ASAP Pharmacy. Respondent Petoyan stated the  
28

1 bubble packs found were taken back for destruction and were from facilities to which Respondent  
2 Superior provided pharmacy services.

3 67. The Inspectors obtained three Form 222<sup>3</sup> orders, identified below, that were signed by  
4 Margolin.

5 a. Form 222 Number 124241589 dated December 15, 2014, written to supplier  
6 Amerisource Bergen.

7 b. Form 222 Number 124241597 dated February 10, 2015, written to supplier  
8 Amerisource Bergen.

9 c. Form 222 Number 124241598 dated February 18, 2015, written to supplier  
10 Amerisource Bergen.

11 68. The Inspectors discovered there was no power of attorney on file with Respondent  
12 Superior for Margolin.

13 **b. Respondent Superior II**

14 69. Respondent Khlghatyan provided the inspectors a tour of Superior II pharmacy.  
15 Respondent Khlghatyan stated that they were only servicing one home named Glen Terra.

16 70. Inspectors noticed that there were many labeled bubble pack cards on the shelves, and  
17 the dates were not current, with many being from 2015.

18 71. Inspectors noticed a sign that stated to take all deliveries to Suite 100 A, Respondent  
19 Superior outside of Respondent Superior II's facility door.

20 72. On or around March 1, 2016, Inspector K.R. contacted the delivery drivers for  
21 Amerisource Bergen. Delivery drivers J.V. and A.V. told Inspector K.R. that Margolin told them  
22 to leave the totes to be delivered to Respondent Superior II at Respondent Superior.

23 73. Inspectors were provided 66 receipts/manifests for Respondents Superior and  
24 Superior II that were signed by Respondent Superior staff members and dated between January 4,  
25 2016 and March 1, 2016. Respondent Superior had at least 25 controlled substance deliveries and  
26

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27 <sup>3</sup> The DEA Form 222 is a triplicate form that is required by the DEA to allow the  
28 exchange of controlled substances from the registrant to another party who is also registered with  
the DEA.

Respondent Superior II had 8 controlled substance deliveries. The following individuals signed for these deliveries:

a. Margolin signed a total of 34 times for Respondent Superior, at least 20 of the orders he signed for contained controlled substances. Margolin signed a total of 19 times for Respondent Superior II; at least 8 of these orders contained controlled substances.

b. M.R., a pharmacy technician, signed 4 times for Respondent Superior; at least 3 of these orders contained controlled substances.

c. N.P., an intern, signed 4 times for Respondent Superior; one of these orders contained controlled substances.

#### **Respondent Niva**

74. On September 25, 2013, Inspector K.R. requested acquisition and disposition records from Respondent Niva. Respondent Petoyan was listed as CEO of Respondent Niva. Respondent Petoyan did not provide the Inspector with any acquisition or disposition records.

#### **Respondent Superior**

##### **FIRST CAUSE FOR DISCIPLINE**

##### **(Failure to Have a Pharmacist on Duty)**

75. Respondent Superior is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subdivision (o), for violating Regulation section 1714.1(e), in that Respondent Superior was without a pharmacist in the pharmacy for greater than 30 minutes. Respondent Khlghatyan took a break on or around February 24, 2016, leaving Respondent Superior unattended for a period of at least 40 minutes, as set forth more particularly in paragraphs 64-65.

##### **SECOND CAUSE FOR DISCIPLINE**

##### **(Failure to Have a Licensed Pharmacy Staff Receive Dangerous Drugs)**

76. Respondent Superior is subject to disciplinary action under Code section 4301, subdivisions (o) and (j), in that Respondent violated Code section 4059.5, subdivision (a) when

1 Respondents allowed unlicensed pharmacy staff to receive and sign for delivery of dangerous  
2 drugs, as set forth more particularly in paragraphs 67-73.

3 **THIRD CAUSE FOR DISCIPLINE**

4 **(Failure to Comply with Compounding Quality Assurance)**

5 77. Respondent Superior is subject to disciplinary action under Code section 4301,  
6 subdivisions (o) and (j), in that Respondent violated Health and Safety Code section 11209,  
7 subdivision (b) when Respondents allowed unlicensed pharmacy staff to receive and sign for  
8 delivery of controlled substances, as set forth more particularly in paragraphs 67-73.

9 **FOURTH CAUSE FOR DISCIPLINE**

10 **(Allowing Unlicensed Individuals to Act as a Pharmacist )**

11 78. Respondent Superior is subject to disciplinary action for unprofessional conduct  
12 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code section 4051  
13 subdivisions (a) and (b). The circumstances are that on or about September 20, 2013,  
14 Respondents allowed Steve Margolin to transfer prescriptions over the phone for patient MH to  
15 ASAP Pharmacy, as set forth more particularly in paragraphs 43-48.

16 **FIFTH CAUSE FOR DISCIPLINE**

17 **(Failure to Maintain Acquisition and Disposition Records)**

18 79. Respondent Superior is subject to disciplinary action for unprofessional conduct  
19 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code section 4081,  
20 subdivision (a) by failing to keep for at least 3 years, and/or make available for inspection, its  
21 records of manufacture sale, acquisition, receipt, shipment, or disposition of dangerous drugs for  
22 Abilify 10 mg and Seroquel XR 300mg, as set forth in paragraphs 30-55.

23 **SIXTH CAUSE FOR DISCIPLINE**

24 **(Failure to Have a Power of Attorney)**

25 80. Respondent Superior is subject to disciplinary action for unprofessional conduct  
26 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code of Federal  
27 Regulation section 1305.05 subdivision (a). The circumstances are that on or around December  
28 15, 2014; February 10, 2015; and February 18, 2015; Respondent allowed Margolin to order

1 Schedule II controlled substances on behalf of Respondent Superior without a Power of Attorney,  
2 as set forth more particularly in paragraphs 67-68.

3 **SEVENTH CAUSE FOR DISCIPLINE**

4 **(Failure to Have a Wholesaler License)**

5 81. Respondent Superior is subject to disciplinary action for unprofessional conduct  
6 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code section 4016  
7 subdivision (a). The circumstances are that on or around February 24, 2016, inspectors  
8 discovered that Respondent Superior was acting as a reverse distributor without a wholesaler  
9 license, as set forth more particularly in paragraphs 30-73.

10  
11 **Respondent Superior II**

12 **EIGHTH CAUSE FOR DISCIPLINE**

13 **(Failure to Have Licensed Pharmacy Staff Receive Dangerous Drugs)**

14 82. Respondent Superior II is subject to disciplinary action under Code section 4301,  
15 subdivisions (o) and (j), in that Respondent violated Code section 4059.5, subdivision (a) when  
16 Respondent allowed unlicensed pharmacy staff to receive and sign for delivery of dangerous  
17 drugs, as set forth more particularly in paragraphs 67-73.

18 **NINTH CAUSE FOR DISCIPLINE**

19 **(Failure to Comply with Compounding Quality Assurance)**

20 83. Respondent Superior II is subject to disciplinary action under Code section 4301,  
21 subdivisions (o) and (j), in that Respondent violated Health and Safety Code section 11209,  
22 subdivision (b) when Respondent allowed unlicensed pharmacy staff to receive and sign for  
23 delivery of controlled substances, as set forth more particularly in paragraphs 67-73.

24 **TENTH CAUSE FOR DISCIPLINE**

25 **(Failure to Maintain Acquisition and Disposition Records)**

26 84. Respondent Superior is subject to disciplinary action for unprofessional conduct  
27 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code section 4081  
28 subdivision (a) by failing to keep for at least 3 years, and/or make available for inspection, its

records of manufacture sale, acquisition, receipt, shipment, or disposition of dangerous drugs for Abilify 10 mg and Seroquel XR 300mg, as set forth in paragraphs 30-55.

### **ELEVENTH CAUSE FOR DISCIPLINE**

#### **(Engaging in Prohibited Acts)**

85. Respondent Superior II is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subdivisions (j) and (o), in that Respondents violated Code section 4169 subdivision (a)(1) and (5). The circumstances are that on or around September 5, 2013, Inspector K.R. found prescription drugs dispensed by ASAP Pharmacy to patients in Respondent Superior II's active drug stock, as set forth more particularly in paragraphs 36-41.

### **TWELFTH CAUSE FOR DISCIPLINE**

#### **(Adulterated Drugs and Devices)**

86. Respondent Superior II is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subdivisions (j) and (o), in that Respondents violated Health and Safety Code section 111255. The circumstances are that on or around September 5, 2013, inspectors discovered that Respondent Superior II had 5 bottles of Seroquel XR 400 mg, 2 bottles of Seroquel XR 300 mg, and 1 bottle of Abilify 10 mg with patient labels dispensed by ASAP Pharmacy on the pharmacy's shelving in active stock, as set forth more particularly in paragraphs 36-41.

#### **Respondent Khlghatyan**

Respondent Khlghatyan was pharmacist-in-charge of Respondent Superior and Respondent Superior II at all relevant times. Respondent Khlghatyan is therefore responsible under Code section 4113(c) for Respondents Superior's and Superior II's compliance with all state and federal laws and regulations pertaining to the practice of pharmacy.

### **THIRTEENTH CAUSE FOR DISCIPLINE**

#### **(Failure to Have a Pharmacist on Duty)**

87. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subdivision (o), for violating Regulation section 1714.1(e), as

1 pharmacist-in-charge, in that Respondent Superior was without a pharmacist for greater than  
2 thirty minutes. The circumstances are set forth in paragraph 75 above.

3 **FOURTEENTH CAUSE FOR DISCIPLINE**

4 **(Failure to Have a Licensed Pharmacy Staff Receive Dangerous Drugs)**

5 88. Respondent Khlghatyan is subject to disciplinary action under Code section 4301,  
6 subdivisions (o) and (j), as a pharmacist-in-charge, in that Respondent violated Code section  
7 4059.5, subdivision (a). The circumstances are set forth in paragraphs 76 and 82 above.

8 **FIFTEENTH CAUSE FOR DISCIPLINE**

9 **(Failure to Comply with Compounding Quality Assurance)**

10 89. Respondent Khlghatyan is subject to disciplinary action under Code section 4301,  
11 subdivisions (o) and (j), as a pharmacist-in-charge, in that Respondent violated Health and Safety  
12 Code section 11209, subdivision (b). The circumstances are set forth in paragraphs 77 and 88  
13 above.

14 **SIXTEENTH CAUSE FOR DISCIPLINE**

15 **(Allowing Unlicensed Individuals Act as a Pharmacist )**

16 90. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
17 pursuant to section 4301, subdivisions (j) and (o), as a pharmacist-in-charge, in that Respondent  
18 violated Code section 4051 subdivisions (a) and (b). The circumstances are set forth in paragraph  
19 78 above.

20 **SEVENTEENTH CAUSE FOR DISCIPLINE**

21 **(Failure to Maintain Acquisition and Disposition Records)**

22 91. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
23 pursuant to section 4301, subdivisions (j) and (o), as pharmacist-in-charge, in that Respondent  
24 violated Code section 4081 subdivision (a) by failing to keep for at least 3 years, and/or make  
25 available for inspection, its records of manufacture sale, acquisition, receipt, shipment, or  
26 disposition of dangerous drugs. The circumstances are set forth in paragraphs 79 and 84 above.

27 ///

28 ///

1 **EIGHTEENTH CAUSE FOR DISCIPLINE**

2 **(Failure to Have a Power of Attorney)**

3 92. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
4 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code of Federal  
5 Regulation section 1305.05 subdivision (a). The circumstances are set forth in paragraph 80  
6 above.

7 **NINETEENTH CAUSE FOR DISCIPLINE**

8 **(Failure to Have a Wholesaler License)**

9 93. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
10 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Code section 4016  
11 subdivision (a). The circumstances are set forth in paragraph 81 above.

12 **TWENTIETH CAUSE FOR DISCIPLINE**

13 **(Adulterated Drugs and Devices)**

14 94. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
15 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated Health and Safety  
16 Code section 111255. The circumstances are set forth in paragraph 86 above.

17 **TWENTY-FIRST CAUSE FOR DISCIPLINE**

18 **(Engaging in Fraud)**

19 95. Respondent Khlghatyan is subject to disciplinary action for unprofessional conduct  
20 pursuant to section 4301, subdivisions (f), in that Respondent was involved in a billing fraud  
21 scheme using ASAP Pharmacy prior to Respondent Superior receiving a Medi-Cal license, as set  
22 forth more particularly in paragraphs 30-74.

23  
24 **Respondent Petoyan**

25 **TWENTY-SECOND CAUSE FOR DISCIPLINE**

26 **(Engaging in Fraud)**

27 96. Respondent Petoyan is subject to disciplinary action for unprofessional conduct  
28 pursuant to section 4301, subdivisions (f), in that Respondent was involved in a billing fraud



1 scheme using ASAP Pharmacy prior to Respondent Superior receiving a Medi-Cal license, as set  
2 forth more particularly in paragraphs 30-74.

3 **TWENTY-THIRD CAUSE FOR DISCIPLINE**

4 **(Failure to Transfer a Permit and Submit a Change of Ownership)**

5 97. Respondent Petoyan is subject to disciplinary action for unprofessional conduct  
6 pursuant to section 4301, subdivisions (j) and (o), in that Respondents violated California Code of  
7 Regulations section 1709 (c) when Respondents Petoyan, and Danielian failed to complete an  
8 application of ownership when they transferred their ownership to Respondent Stepanyan.

9 **TWENTY-FOURTH CAUSE FOR DISCIPLINE**

10 **(Conviction of a Substantially Related Crime)**

11 98. Respondent Petoyan is subject to discipline under sections 490, 493, and 4301,  
12 subdivision (l) in conjunction with California Code of Regulations, title 16, section 1770, in that  
13 he was convicted of a crime that is substantially related to the qualifications, duties, and functions  
14 of a pharmacy technician. On or about July 23, 2020 in a criminal proceeding entitled *USA v.*  
15 *Tadevosyan et al* (U.S. District Court, 2017, No3:17cr564), Respondent was convicted of one  
16 felony count of violating 18 U.S.C. § 371 [Conspiracy to engage in the unlawful wholesale  
17 distribution of drugs]. Respondent was committed to the Bureau of Prisons for a term of 12  
18 months and 1 day. His reporting date was delayed to March 1, 2021, due to concerns regarding  
19 the COVID-19 pandemic. Upon release from incarceration, Respondent will be placed on  
20 supervised release for a term of three years under the standard conditions in force for the district  
21 (with the drug testing provision suspended) and additional special conditions. A special monetary  
22 assessment of \$100.00 was imposed and due payable immediately.

23  
24 **Respondent Niva**

25 **TWENTY-FIFTH CAUSE FOR DISCIPLINE**

26 **(Failure to Maintain Acquisition and Disposition Records)**

27 99. Respondent Niva is subject to disciplinary action for unprofessional conduct pursuant  
28 to section 4301, subdivisions (j), (o), and (q), in that Respondents failed to provide the requested

1 acquisition and disposition records requested by the board on or around September 25, 2013, as  
2 set forth more particularly in paragraph 74.

3 **TWENTY-SIXTH CAUSE FOR DISCIPLINE**

4 **(Failure to Transfer a Permit and Submit a Change of Ownership)**

5 100. Respondent Niva is subject to disciplinary action for unprofessional conduct pursuant  
6 to section 4301, subdivisions (j) and (o), in that Respondent violated California Code of  
7 Regulations section 1709 (c) when Respondents Petoyan, and Danielian failed to complete an  
8 application of ownership when they transferred their ownership of Respondent Niva to  
9 Respondent Stepanyan, as set forth more particularly in paragraphs 56-62.

10  
11 **Respondent Danielian**

12 **TWENTY-SEVENTH CAUSE FOR DISCIPLINE**

13 **(Failure to Transfer a Permit and Submit a Change of Ownership)**

14 101. Respondents Danielian is subject to disciplinary action for unprofessional conduct  
15 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated California Code of  
16 Regulations section 1709 (c) when Respondents Petoyan and Danielian failed to complete an  
17 application of ownership when they transferred their ownership of Respondent Niva to  
18 Respondent Stepanyan, as set forth more particularly in paragraphs 56-62.

19  
20 **Respondent Stepanyan**

21 **TWENTY-EIGHTH CAUSE FOR DISCIPLINE**

22 **(Failure to Transfer a Permit and Submit a Change of Ownership)**

23 102. Respondent Stepanyan is subject to disciplinary action for unprofessional conduct  
24 pursuant to section 4301, subdivisions (j) and (o), in that Respondent violated California Code of  
25 Regulations section 1709 (c) when Respondents Petoyan and Danielian failed to complete an  
26 application of ownership when they transferred their ownership of Respondent Niva to  
27 Respondent Stepanyan, as set forth more particularly in paragraphs 56-62.

28 ///

**TWENTY-NINTH CAUSE FOR DISCIPLINE**

**(Fraudulent completion of Renewal Form)**

103. Respondent Stepanyan is subject to disciplinary action for unprofessional conduct pursuant to section 4301, subdivisions (g) in that on or around July 1, 2014, Respondent Stepanyan signed a wholesaler permit renewal form as the President and Owner of Respondent Niva, however there was never an application for change of ownership submitted with the Board, as set forth more particularly in paragraphs 56 to 62.

**OTHER MATTERS**

104. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 48287 issued to Superior Pharmacy shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for 5 years if Pharmacy Permit PHY 48287 is placed on probation or until Pharmacy Permit PHY 48287 is reinstated if it is revoked.

105. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 48287 issued to Superior Pharmacy while Maragarita Khlghatyan has been an officer and owner and had knowledge of or knowingly participated in any conduct for which the licensee is disciplined, Maragarita Khlghatyan shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for 5 years if Pharmacy Permit Number PHY 48287 is placed on probation or until Pharmacy Permit Number PHY 48287 is reinstated if revoked.

106. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 49215 issued to Superior Pharmacy II shall be prohibited from serving as a manager, administrator, owner, member, officer, director, associate, or partner of a licensee for 5 years if Pharmacy Permit PHY 49215 is placed on probation or until Pharmacy Permit PHY 49215 is reinstated if it is revoked.

107. Pursuant to Code section 4307, if discipline is imposed on Pharmacy Permit Number PHY 49215 issued to Superior Pharmacy II while Maragarita Khlghatyan has been an officer and owner and had knowledge of or knowingly participated in any conduct for which the licensee is

1 disciplined, Maragarita Khlghatyan shall be prohibited from serving as a manager, administrator,  
2 owner, member, officer, director, associate, or partner of a licensee for 5 years if Pharmacy  
3 Permit Number PHY 49215 is placed on probation or until Pharmacy Permit Number PHY 49215  
4 is reinstated if revoked.

5 108. Pursuant to Code section 4307, if discipline is imposed on Wholesaler License  
6 Number WLS 6239 issued to Niva Pharmaceuticals shall be prohibited from serving as a  
7 manager, administrator, owner, member, officer, director, associate, or partner of a licensee for 5  
8 years if Wholesaler License Number WLS 6239 is placed on probation or until Wholesaler  
9 License Number WLS 6239 is reinstated if it is revoked.

10 109. Pursuant to Code section 4307, if discipline is imposed on Wholesaler License  
11 Number WLS 6239 issued to Niva Pharmaceuticals while Suren Petoyan, Mihran Stepanyan  
12 and/or Lucy Danielian have been an officer and owner and had knowledge of or knowingly  
13 participated in any conduct for which the licensee is disciplined, Suren Petoyan, Mihran  
14 Stepanyan, and Lucy Danielian shall be prohibited from serving as a manager, administrator,  
15 owner, member, officer, director, associate, or partner of a licensee for 5 years if Wholesaler  
16 License Number WLS 6239 is placed on probation or until Wholesaler License Number WLS  
17 6239 is reinstated if revoked.

### 18 **PRAYER**

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

21 1. Revoking or suspending Pharmacy Number PHY 48287, issued to Superior  
22 Pharmacy;

23 2. Revoking or suspending Pharmacy Number PHY49215, issued to Superior Pharmacy  
24 II;

25 3. Revoking or suspending Pharmacist License Number RPH 64079, issued to Margarita  
26 Khlghatyan.;

27 4. Prohibiting Margarita Khlghatyan from serving as a manager, administrator, owner  
28 member, officer, director, associate, or partner of a license for 5 years if Pharmacy Permit

1 Number PHY 48287 is placed on probation or until Pharmacy Permit Number PHY 48287 is  
2 reinstated if Pharmacy Permit Number 48287 issued to Superior Pharmacy is revoked;

3 5. Prohibiting Margarita Khlghatyan from serving as a manager, administrator, owner  
4 member, officer, director, associate, or partner of a license for 5 years if Pharmacy Permit  
5 Number PHY 49215 is placed on probation or until Pharmacy Permit Number PHY 49215 is  
6 reinstated if Pharmacy Permit Number 49215 issued to Superior Pharmacy II is revoked;

7 6. Revoking or suspending Pharmacy Technician Registration Number TCH 43450,  
8 issued to Suren Petoyan;

9 7. Revoking or suspending Certificate Number EXC 20715, issued to Suren Petoyan;

10 8. Revoking or suspending Original Wholesale Permit Number WLS 6239, issued to  
11 Niva Pharmaceuticals Inc.;

12 9. Revoking or suspending Pharmacy Technician Registration Number TCH 79133,  
13 issued to Mihran Stepanyan;

14 10. Revoking or suspending Certificate Number EXC 22480, issued to Mihran  
15 Stepanyan;

16 11. Prohibiting Suren Petoyan from serving as a manager, administrator, owner, member,  
17 officer, director, associate, or partner of a licensee for 5 years if Wholesaler License Number  
18 WLS 6239 is placed on probation or until Wholesaler License Number WLS 6239 is reinstated if  
19 Wholesaler License Number WLS 6239 issued to Niva Pharmaceuticals Inc. is revoked;

20 12. Prohibiting Lucy Danielian from serving as a manager, administrator, owner,  
21 member, officer, director, associate, or partner of a licensee for 5 years if Wholesaler License  
22 Number WLS 6239 is placed on probation or until Wholesaler License Number WLS 6239 is  
23 reinstated if Wholesaler License Number WLS 6239 issued to Niva Pharmaceuticals Inc. is  
24 revoked;

25 13. Prohibiting Mihran Stepanyan from serving as a manager, administrator, owner,  
26 member, officer, director, associate, or partner of a licensee for 5 years if Wholesaler License  
27 Number WLS 6239 is placed on probation or until Wholesaler License Number WLS 6239 is  
28

reinstated if Wholesaler License Number WLS 6239 issued to Niva Pharmaceuticals Inc. is  
revoked;

14. Taking such other and further action as deemed necessary and proper.

DATED: 1/13/2021

Signature on File

ANNE SODERGREN  
Executive Officer  
Board of Pharmacy  
Department of Consumer Affairs  
State of California  
*Complainant*

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