



Department of
Cannabis Control
CALIFORNIA

Gavin Newsom
Governor

Clint Kellum
Director

March 25, 2026

VIA EMAIL AND CERTIFIED MAIL

SL Project, Inc.
Anna Karapetyan, Owner
1217 48th Avenue
Oakland, CA 94601
slprojectinc@gmail.com

Anna Karapetyan
5137 Kenneth Avenue
Fair Oaks, CA 95627
5115projectinc@gmail.com

Via First-Class Mail

Re: SL Project, Inc. - Case No. DCC24-0002613-INV
Default Decision and Order

Dear Ms. Karapetyan:

Pursuant to the Department of Cannabis Control's authority under Government Code section 11520, the Department finds Respondent SL Project, Inc., in default and therefore will proceed as described in the attached Default Decision and Order.

Be advised that Government Code section 11520, subdivision (c), provides that Respondent may serve a written motion requesting that the Decision be vacated upon stating the ground relied on within seven (7) days after service of the Decision. Respondent may address any written motion to the Department via email at DCCDecisions@cannabis.ca.gov, or by post or courier to:

Department of Cannabis Control
Office of the General Counsel
2920 Kilgore Road
Rancho Cordova, CA 95670

The Department in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

Barring such a timely motion, the attached Default Decision and Order involving SL Project, Inc. will become effective on April 24, 2026.

Sincerely,

Douglas Smurr
Assistant General Counsel

Enclosure

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**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER
1217 48th Avenue,
Oakland, CA 94601**

**Cannabis Cultivation - Small Indoor
License No. CCL23-0000607**

Respondent.

Case No. DCC24-0002613-INV

DEFAULT DECISION AND ORDER

[Gov. Code, §11520]

FINDINGS OF FACT

1. On or about January 13, 2026, Complainant Evelyn Schaeffer, in her official capacity as the Deputy Director of the Compliance Division of the Department of Cannabis Control, filed Accusation No. DCC24-0002613-INV against SL Project, Inc.; Anna Karapetyan, Owner (Respondent) before the Department of Cannabis Control. (Accusation attached as Exhibit A.)
2. On or about August 5, 2024, the Department of Cannabis Control (Department) issued Cannabis Cultivation - Small Indoor License No. CCL23-0000607 to Respondent. The Cannabis Cultivation - Small Indoor License expired on August 5, 2025, and has not been renewed.
3. On or about January 13, 2026, Respondent was served by Certified and First Class Mail copies of the Accusation No. DCC24-0002613-INV, Statement to Respondent, Notice of

1 Defense, Request for Discovery and Discovery Statutes (Government Code sections 11507.5,
2 11507.6, and 11507.7) at Respondent's address of record which, pursuant to California Code of
3 Regulations, title 4, section 15002, is required to be reported and maintained with the
4 Department. Respondent's address of record was and is: 1217 48th Avenue, Oakland, CA 94601.

5 4. Service of the Accusation was effective as a matter of law under the provisions of
6 Government Code section 11505(c) and/or Business and Professions Code section 124.

7 5. Government Code section 11506(c) states, in pertinent part:

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

13 6. The Department takes official notice of its records and the fact that Respondent failed
14 to file a Notice of Defense within 15 days after service upon them of the Accusation, and
15 therefore waived its right to a hearing on the merits of Accusation No. DCC24-0002613-INV.

16 7. California Government Code section 11520(a) states, in pertinent part:

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

21 8. Pursuant to its authority under Government Code section 11520, the Department finds
22 Respondent is in default. The Department will take action without further hearing and, based on
23 the relevant evidence contained in the Default Decision Investigatory Evidence Packet in this
24 matter, finds that the charges and allegations in Accusation No. DCC24-0002613-INV, are
25 separately and severally, found to be true and correct by clear and convincing evidence.

26 9. The Department finds that the actual costs for Investigation and Enforcement are
27 \$23,825.34 as of March 18, 2026.

28 **DETERMINATION OF ISSUES**

1. Based on the foregoing findings of fact, Respondent SL Project, Inc., with Anna
Karapetyan as Owner, has subjected its Cannabis Cultivation - Small Indoor License No. CCL23-
0000607 to discipline.

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

2 3. The Department of Cannabis Control is authorized to revoke Respondent's Cannabis
3 Cultivation - Small Indoor License based upon the following violations alleged in the Accusation
4 which are supported by the evidence contained in the Default Decision Investigatory Evidence
5 Packet in this case:

- 6 a. Violation of Business and Professions Code section 26030, subdivisions (a) and (c),
7 and California Code of Regulations (CCR), title 4, sections 15048.2, 15048.4 and
8 15048.5 [Failure to tag the cannabis and cannabis products with Unique Identifiers];
- 9 b. Violation of Business and Professions Code sections 26030, subdivisions (a) and (c)
10 and 26160, subdivision (e), and CCR, title 4, section 15000.3, subdivision (d) [Denied
11 Department Access to Licensed Premises];
- 12 c. Violation of Business and Professions Code section 26030, subdivisions (a) and (c),
13 and CCR, title 4, section 15004 [Failure to Disclose a Financial Interest Holder];
- 14 d. Violation of Business and Professions Code section 26030, subdivisions (a) and (c),
15 and CCR, title 4, section 15047.2 [Failure to Report in Track and Trace System]; and
- 16 e. Violation of Business and Professions Code section 26030, subdivisions (a) and (c),
17 and section 26039.5 [Misbranded Cannabis and Cannabis products].

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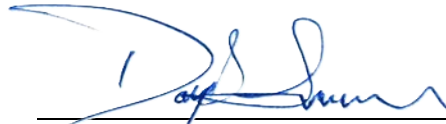
ORDER

IT IS SO ORDERED that Cannabis Cultivation - Small Indoor License No. CCL23-0000607, issued to Respondent SL Project, Inc.; Anna Karapetyan, Owner, 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 on April 24, 2026.

It is so ORDERED, March 25, 2026.



Douglas Smurr
Assistant General Counsel
FOR THE DEPARTMENT OF CANNABIS CONTROL

Default Decision and Order - LIC.docx
DOJ Matter ID:SA2025803000

Attachment:
Exhibit A: Accusation

Exhibit A

Accusation

1 ROB BONTA
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Supervising Deputy Attorney General
3 MICHAEL DUONG
Deputy Attorney General
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7 *Attorneys for Complainant*

8 **BEFORE THE**
DEPARTMENT OF CANNABIS CONTROL
9 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:	Case No. DCC24-0002613-INV
12 SL PROJECT, INC.	ACCUSATION
13 ANNA KARAPETYAN, OWNER	
14 1217 48th Avenue,	
15 Oakland, CA 94601	
16 Cannabis Cultivation - Small Indoor	
17 License No. CCL23-0000607	
18 Respondent.	

19 Complainant alleges:

20 **PARTIES**

21 1. Evelyn Schaeffer (Complainant) brings this Accusation solely in her official capacity
22 as the Deputy Director of the Compliance Division of the Department of Cannabis Control
23 (Department).

24 2. On or about August 5, 2024, the Department issued Cannabis Cultivation - Small
25 Indoor License CCL23-0000607 to SL Project, Inc. (Respondent) with Anna Karapetyan (Owner
26 Karapetyan). The Cannabis Cultivation - Small Indoor License was in full force and effect at all
27 times relevant to the charges brought herein and expired on August 5, 2025.

28 ///

JURISDICTION

3. This Accusation is brought before the Director of the Department (Director), under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.

4. Section 26010 of the Code states:

There is in the Business, Consumer Services, and Housing Agency, the Department of Cannabis Control under the supervision and control of a director. The director shall administer and enforce the provisions of this division related to the department.

5. Section 26010.5, subdivision (d), of the Code states:

The department has the power, duty, purpose, responsibility, and jurisdiction to regulate commercial cannabis activity as provided in this division.

6. Section 26012, subdivision (a), of the Code states:

It being a matter of statewide concern, except as otherwise authorized in this division, the department shall have the sole authority to create, issue, deny, renew, discipline, condition, suspend, or revoke licenses for commercial cannabis activity.

7. Section 26013, subdivision (a), of the Code states:

The department shall make and prescribe reasonable rules and regulations as may be necessary to implement, administer, and enforce its duties under this division in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Those rules and regulations shall be consistent with the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act.

8. Section 26031 of the Code states:

(a) The department may suspend, revoke, place on probation with terms and conditions, or otherwise discipline licenses issued by the department and fine a licensee, after proper notice and hearing to the licensee, except as provided in Section 26031.01, if the licensee is found to have committed any of the acts or omissions constituting grounds for disciplinary action. The disciplinary proceedings under this chapter shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein.

(b) The department may suspend or revoke a license when a local agency has notified the department that a licensee within its jurisdiction is in violation of state rules and regulations relating to commercial cannabis activities, and the department, through an investigation, has determined that the violation is grounds for suspension or revocation of the license.

1 (c) The department may take disciplinary action against a licensee for any
2 violation of this division when the violation was committed by the licensee's officers,
3 directors, owners, agents, or employees while acting on behalf of the licensee or
engaged in commercial cannabis activity.

4 (d) The suspension or expiration of a license issued by the department, or its
5 suspension, forfeiture, or cancellation by order of the department or by order of a
6 court of law, or its surrender without the written consent of the department, shall not,
7 during any period in which it may be renewed, restored, reissued, or reinstated,
deprive the department of its authority to institute or continue a disciplinary
proceeding against the licensee upon any ground provided by law or to enter an order
suspending or revoking the license or otherwise taking disciplinary action against the
licensee on any such ground.

8 9. Section 26034 of the Code states:

9 All accusations against licensees shall be filed by the department within five
10 years after the performance of the act or omission alleged as the ground for
11 disciplinary action; provided, however, that the foregoing provision shall not
12 constitute a defense to an accusation alleging fraud or misrepresentation as a ground
13 for disciplinary action. The cause for disciplinary action in that case shall not be
deemed to have accrued until discovery, by the department, of the facts constituting
the fraud or misrepresentation, and, in that case, the accusation shall be filed within
five years after that discovery.

14 **STATUTORY PROVISIONS**

15 10. Section 26030 of the Code in pertinent part states:

16 Grounds for disciplinary action include, but are not limited to, all of the
17 following:

18 (a) Failure to comply with the provisions of this division or any rule or
regulation adopted pursuant to this division.

19 . . .

20 (c) Any other grounds contained in regulations adopted by the department
21 pursuant to this division.

22 . . .

23 11. Section 26031, subdivision (d) of the Code states:

24 The suspension or expiration of a license issued by the department, or its
25 suspension, forfeiture, or cancellation by order of the department or by order of a
26 court of law, or its surrender without the written consent of the department, shall not,
27 during any period in which it may be renewed, restored, reissued, or reinstated,
deprive the department of its authority to institute or continue a disciplinary
proceeding against the licensee upon any ground provided by law or to enter an order
suspending or revoking the license or otherwise taking disciplinary action against the
licensee on any such ground.

1 12. Section 26039.5 of the Code states in pertinent part:

2 (a) Cannabis or a cannabis product is misbranded if it is any of the following:

3 (1) Cultivated, processed, manufactured, packed, or held in a location not duly
4 licensed as provided in this division.

5 (2) Consists of cannabis or cannabis product that was cultivated, processed,
6 manufactured, packed, or held in a location not duly licensed as provided in this
7 division.

8 (3) Its labeling is false or misleading in any particular.

9 (4) Its labeling or packaging does not conform to the requirements of Section
10 26120 or any other labeling or packaging requirement established pursuant to this
11 division.

12 (b) It is unlawful to cultivate, process, manufacture, sell, deliver, hold, or offer
13 for sale cannabis or a cannabis product that is misbranded.

14 (c) It is unlawful to misbrand cannabis or a cannabis product.

15 (d) It is unlawful to receive in commerce cannabis or a cannabis product that is
16 misbranded or to distribute, deliver, or offer for delivery any such cannabis or
17 cannabis product.

18 13. Section 26160, subdivision (e) of the Code states:

19 A licensee, or its agent or employee, that refuses, impedes, obstructs, or
20 interferes with an inspection of the premises or records of the licensee pursuant to this
21 section, has engaged in a violation of this division.

22 **REGULATORY PROVISIONS**

23 14. Title 4 of the California Code of Regulations, section 15000.3, subdivision (d), states:

24 Licensees shall ensure that the Department has immediate access to their licensed
25 premises. If the Department is denied access to a licensee's premises for any reason, the
26 licensee shall be held responsible and subject to discipline. If the Department is denied
27 access to one licensee's premises because of another licensee's refusal to grant access when
28 the only access to one licensed premises is through another licensed premises, all licensees
shall be held responsible and subject to discipline.

15. Title 4 of the California Code of Regulations, section 15004, subdivision (a), states:

An applicant for a commercial cannabis license or a licensee shall disclose all
financial interest holders. A financial interest holder of the commercial cannabis
business includes all of the following, except as provided in subsection (b):

...

(2) A person providing a loan to the commercial cannabis business.

1 16. Title 4 of the California Code of Regulations, section 15047.2, in pertinent part,
2 states:

3 . . .

4 (b) All commercial cannabis activity shall be accurately recorded in the track
5 and trace system.

6 (c) A licensee is responsible for the accuracy and completeness of all data and
7 information entered into the track and trace system. The licensee is responsible for
8 all actions taken by the designated account manager or other account users while
9 performing track and trace activities.

10 . . .

11 17. Title 4 of the California Code of Regulations, section 15048.2, in pertinent part,
12 states:

13 (a) A licensee shall only use plant and package tags provided and distributed by
14 the Department or the Department's designee.

15 (b) A licensee shall only use plant and package tags assigned in the track and
16 trace system to that licensee and shall not transfer unused tags to any other licensee.

17 18. Title 4 of the California Code of Regulations, section 15048.4, in pertinent part states:

18 . . .

19 (b) Mature cannabis plants shall be tagged as follows:

20 (1) Each mature plant shall be tagged with a plant tag. A plant tag shall be
21 attached to the main stem at the base of each plant, placed in a position so it is visible
22 and within clear view of an individual standing next to the mature plant, and kept free
23 from dirt and debris.

24 19. Title 4 of the California Code of Regulations, section 15048.5, subdivision (b), states:

25 Each harvest batch and manufactured cannabis batch shall be assigned a package tag
26 and recorded in the track and trace system. For each harvest batch, the package tag shall be
27 assigned and recorded in the track and trace system no later than the time at which any part
28 of that harvest batch has finished undergoing any applicable drying, curing, grading, and
trimming.

COST RECOVERY

20. Section 26031.1 of the Code states:

(a) Except as otherwise provided by law, in an order issued in resolution of a disciplinary proceeding before the department, the administrative law judge, upon request, may direct a licensee found to have committed a violation to pay a sum not to

1 exceed the reasonable costs of the investigation and enforcement of the case.

2 (b) A certified copy of the actual costs, or a good faith estimate of costs where
3 actual costs are not available, signed by the department or its designated
4 representative shall be prima facie evidence of reasonable costs of investigation and
5 prosecution of the case. The costs shall include the amount of investigative and
6 enforcement costs up to the date of the hearing, including, but not limited to, charges
7 imposed by the Attorney General.

8 (c) The administrative law judge shall make a proposed finding of the amount
9 of reasonable costs of investigation and prosecution of the case when requested
10 pursuant to subdivision (a). The finding of the administrative law judge with regard to
11 costs shall not be reviewable by the department to increase the cost award. The
12 department may reduce or eliminate the cost award, or remand to the administrative
13 law judge if the proposed decision fails to make a finding on costs requested pursuant
14 to subdivision (a).

15 (d) If an order for recovery of costs is made and timely payment is not made as
16 directed in the department's decision, the department may enforce the order for
17 repayment in any appropriate court. This right of enforcement shall be in addition to
18 any other rights the department may have as to any licensee to pay costs.

19 (e) In any action for recovery of costs, proof of the department's decision shall
20 be conclusive proof of the validity of the order of payment and the terms for payment.

21 (f)(1) Except as provided in paragraph (2), the department shall not renew or
22 reinstate the license of any licensee who has failed to pay all of the costs ordered
23 under this section.

24 (2) Notwithstanding paragraph (1), the department may, in its discretion,
25 conditionally renew or reinstate for a maximum of one year the license of any
26 licensee who demonstrates financial hardship and who enters into a formal agreement
27 with the department to reimburse the department within that one-year period for the
28 unpaid costs.

(g) All costs recovered under this section shall be considered a reimbursement
for costs incurred and shall be deposited into the Cannabis Control Fund to be
available upon appropriation by the Legislature.

(h) Nothing in this section shall preclude the department from including the
recovery of the costs of investigation and enforcement of a case in any stipulated
settlement.

FACTUAL ALLEGATIONS

21. On November 4, 2024, Department staff was notified by a law enforcement agency of
plans to evict a tenant at the licensed premises, Plywealth Investment Group LLC (Plywealth
Investment), the Property Lessor of Respondent's licensed premises (licensed premises).
Plywealth Investment did not possess a commercial cannabis license.

1 22. On November 12, 2024, Department staff attempted to conduct an unannounced
2 compliance inspection of Respondent’s licensed premises. Department staff were met by a
3 security guard who identified himself as “D.S.,” who provided Department staff with his
4 identification, and who stated that although he had access to the facility, he was not sure that he
5 was allowed to let Department staff inside. Department staff then called Owner Karapetyan,
6 identified themselves, and informed her that they were at the licensed premises to conduct a
7 compliance inspection and requested access. Owner Karapetyan stated that she would contact an
8 “employee” and have them open the licensed premises for the compliance inspection. In the
9 presence of Department staff, D.S. answered a call from Owner Karapetyan on his speaker phone
10 option, wherein Department staff overheard her direct D.S. to deny access and inform them that
11 no one was available to provide access to the licensed premises. After D.S. informed Department
12 staff they could not access the licensed premises, Department staff contacted Owner Karapetyan
13 by telephone, who initiated a three-way call with her “compliance manager,” M.O., who both
14 continued to deny the Department’s access to the licensed premises. Before leaving the area,
15 Department staff informed Owner Karapetyan that Respondent was in violation of Department
16 regulations for denying Department staff access to the licensed premises.

17 23. On November 19, 2024, Department staff returned to Respondent’s licensed premises
18 to assist a local law enforcement agency with evicting Respondent’s lessor, Plywealth
19 Investment. While the eviction was occurring, Department staff contacted P.C., Plywealth
20 Investment’s Managing Member, and asked P.C. about his business relationship with Respondent
21 and Owner Karapetyan. P.C. stated that, “Anna [Owner Karapetyan] pays me, and I pay Anna.”
22 When asked why the P.C. would pay Owner Karapetyan, his response was that “she pays for the
23 [cannabis] licenses,” and “she is good at getting the licenses.” At that point, P.C. abruptly ended
24 the interview and stated he needed to contact his attorney.

25 24. Once inside the licensed premises, Department staff observed cannabis plants in
26 various stages of growth and multiple large bags of processed cannabis flower and cannabis trim.
27 Only a small number of the live plants had California Cannabis Track and Trace (CCTT) unique
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1 identifier tags¹ (UIDs) attached to them, however all the live plants appeared to be unsourced
2 because Department staff was unable to locate them in Respondent’s CCTT account or on any
3 manifest associated with Respondent. None of the bags of cannabis flower or cannabis trim had
4 UIDs attached. As a result, Department staff embargoed 7,078 cannabis plants and 522.78 pounds
5 of cannabis flower that day on grounds that the cannabis was from an unlicensed source and
6 misbranded. The embargoed cannabis was later voluntarily destroyed.

7 25. On November 26, 2024, Department staff conducted a telephone interview with
8 Owner Karapetyan, who immediately apologized for not granting the Department access to the
9 licensed premises on November 12, 2025. When asked about the eviction and her business with
10 P.C., she stated that, P.C. “reached out to me, you know if you/we [sic] could get into some sort
11 of agreement where I would get a license, he would help manage the operation and we wouldn’t
12 discuss payment or any type of partnership or anything like that until after the first harvest, which
13 was coming up now.” Owner Karapetyan stated that M.O. and P.C. were supposed to manage the
14 operation, that P.C. paid the cannabis application and licensing fees, and that she would
15 reimburse P.C. after the cannabis product was sold. Owner Karapetyan further stated that she
16 assists people with obtaining their cannabis cultivation licenses and, specifically that she did not
17 make any financial investments in the property and that the P.C. “was funding the operation.”
18 Owner Karapetyan further stated that the seeds for the cannabis plants came from P.C. and that
19 the seeds were already on the licensed premises. She also stated she did not participate on the
20 production side of Respondent’s cannabis business and that it was a “poor decision” to engage in
21 business with P.C.

22 **FIRST CAUSE FOR DISCIPLINE**

23 (UID Tag Requirements)

24 26. Respondent is subject to disciplinary action under Code section 26030, subdivisions
25 (a) and (c), and California Code of Regulations (CCR), title 4, sections 15048.2, 15048.4 and
26 15048.5, in that Respondent failed to properly tag the cannabis and cannabis products, as more

27 ¹ UID is a 24-digit alphanumerical identifier used within the CCTT inventory
28 management system for cannabis and cannabis products, utilized to track and trace them
throughout the supply chain.

1 particularly alleged in paragraph 24, above, which is hereby incorporated by reference and
2 realleged as if fully set forth herein.

3 **SECOND CAUSE FOR DISCIPLINE**

4 (Access to Licensed Premises)

5 27. Respondent is further subject to disciplinary action under Code sections 26030,
6 subdivisions (a) and (c) and 26160, subdivision (e), and CCR, title 4, section 15000.3, subdivision
7 (d), in that Respondent denied Department access for a compliance inspection, as more
8 particularly alleged in paragraphs 22 and 25, above, which are hereby incorporated by reference
9 and realleged as if fully set forth herein.

10 **THIRD CAUSE FOR DISCIPLINE**

11 (Disclose Financial Interest)

12 28. Respondent is further subject to disciplinary action under Code section 26030,
13 subdivisions (a) and (c), and CCR, title 4, section 15004, in that Respondent failed to disclose that
14 Plywealth Investment's Member Manager, P.C. was a financial interest holder in Respondent's
15 cannabis business, as more particularly alleged in paragraphs 23, and 25, above, which are hereby
16 incorporated by reference and realleged as if fully set forth herein.

17 **FOURTH CAUSE FOR DISCIPLINE**

18 (Track and Trace System)

19 29. Respondent is further subject to disciplinary action under Code section 26030,
20 subdivisions (a) and (c), and CCR, title 4, section 15047.2, in that Respondent failed to properly
21 report its activities in the track and trace system, as more particularly alleged in paragraphs 24
22 and 25, above, which are hereby incorporated by reference and realleged as if fully set forth
23 herein.

24 **FIFTH CAUSE FOR DISCIPLINE**

25 (Misbranded Cannabis Products)

26 30. Respondent is further subject to disciplinary action under Code section 26030,
27 subdivisions (a) and (c), and section 26039.5, in that Respondent misbranded cannabis and
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1 cannabis products, as more particularly alleged in paragraph 24, above, which is hereby
2 incorporated by reference and realleged as if fully set forth herein.

3 **PRAYER**

4 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
5 and that the following the hearing, the Director of Department of Cannabis Control issue a
6 decision:

7 1. Revoking or suspending outright or suspending with terms and conditions or fining or
8 any combination thereof, the Cannabis Cultivation - Small Indoor License Number CCL23-
9 0000607, issued to Respondent SL Project, Inc. with Anna Karapetyan, Owner;

10 2. Ordering Respondent SL Project, Inc. with Anna Karapetyan, Owner to pay the
11 Department of Cannabis Control the reasonable costs of the investigation and enforcement of this
12 case, pursuant to Business and Professions Code section 26031.1;

13 3. Ordering the destruction of cannabis and cannabis goods in the possession of SL
14 Project, Inc. with Anna Karapetyan, Owner at Respondent's expense, if revocation of Cannabis
15 Cultivation - Small Indoor License Number CCL23-0000607 is ordered, pursuant to California
16 Code of Regulations, title 4, section 15024.1, subdivision (a); and

17 4. Taking such other and further action as deemed necessary and proper.

18
19 DATED: January 8, 2026

Evelyn Schaeffer

EVELYN SCHAEFFER
Deputy Director of the Compliance
Division
Department of Cannabis Control
State of California
Complainant

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39391953

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8 **BEFORE THE**
DEPARTMENT OF CANNABIS CONTROL
9 **STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

11 **SL PROJECT, INC.;**
12 **ANNA KARAPETYAN, OWNER**

13 Respondent.

Case No. DCC24-0002613-INV

STATEMENT TO RESPONDENT

[Gov. Code §§ 11504, 11505(b)]

14 TO RESPONDENT:

15 Enclosed is a copy of the Accusation that has been filed with the Department of Cannabis
16 Control (Department), and which is hereby served on you.

17 Unless a written request for a hearing signed by you or on your behalf is delivered or
18 mailed to the Department, represented by Deputy Attorney General Michael Duong, within
19 fifteen (15) days after a copy of the Accusation was personally served on you or mailed to you,
20 you will be deemed to have waived your right to a hearing in this matter and the Department may
21 proceed upon the Accusation without a hearing and may take action thereon as provided by law.

22 The request for hearing may be made by delivering or mailing one of the enclosed forms
23 entitled "Notice of Defense," or by delivering or mailing a Notice of Defense as provided in
24 section 11506 of the Government Code, to

25
26 **Michael Duong**
Deputy Attorney General
27 **1300 I Street, Suite 125**
Sacramento, CA 95814
28 **Michael.Duong@doj.ca.gov**

1 You may, but need not, be represented by counsel at any or all stages of these proceedings.

2 The enclosed Notice of Defense, if signed and filed with the Department, shall be deemed a
3 specific denial of all parts of the Accusation, but you will not be permitted to raise any objection
4 to the form of the Accusation unless you file a further Notice of Defense as provided in section
5 11506 of the Government Code within fifteen (15) days after service of the Accusation on you.

6 If you file any Notice of Defense within the time permitted, a hearing will be held on the
7 charges made in the Accusation.

8 The hearing may be postponed for good cause. If you have good cause, you are obliged to
9 notify the Office of Administrative Hearings, Special Education Division, 1515 Clay Street, Suite
10 206, Oakland, CA 94612, within ten (10) working days after you discover the good cause.
11 Failure to notify the Office of Administrative Hearings within ten (10) days will deprive you of a
12 postponement.

13 Copies of sections 11507.5, 11507.6, and 11507.7 of the Government Code are enclosed.

14 If you desire the names and addresses of witnesses or an opportunity to inspect and copy
15 the items mentioned in section 11507.6 of the Government Code in the possession, custody or
16 control of the Department you may send a Request for Discovery to the above designated Deputy
17 Attorney General.

18 **NOTICE REGARDING STIPULATED SETTLEMENTS**

19 It may be possible to avoid the time, expense and uncertainties involved in an
20 administrative hearing by disposing of this matter through a stipulated settlement. A stipulated
21 settlement is a binding written agreement between you and the government regarding the matters
22 charged and the discipline to be imposed. Such a stipulation would have to be approved by the
23 Department of Cannabis Control but, once approved, it would be incorporated into a final order.

24 Any stipulation must be consistent with the Department's established disciplinary
25 guidelines; however, all matters in mitigation or aggravation will be considered. A copy of the
26 Department's Disciplinary Guidelines will be provided to you on your written request to the state
27 agency bringing this action.

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If you are interested in pursuing this alternative to a formal administrative hearing, or if you have any questions, you or your attorney should contact Deputy Attorney General Michael Duong at the earliest opportunity.

Dated: January 9, 2026

ROB BONTA
Attorney General of California
GREGORY M. CRIBBS
Supervising Deputy Attorney General

Michael Duong
MICHAEL DUONG
Deputy Attorney General
Attorneys for Complainant

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Statement to Respondent.docx

1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MICHAEL DUONG
Deputy Attorney General
4 State Bar No. 327666
1300 I Street, Suite 125
5 Sacramento, CA 95814
Telephone: (916) 210-6807
6 Facsimile: (916) 327-8643
E-mail: Michael.Duong@doj.ca.gov
7 *Attorneys for Complainant*

8 **BEFORE THE**
9 **DEPARTMENT OF CANNABIS CONTROL**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against: 12 SL PROJECT, INC.; ANNA KARAPETYAN, OWNER 13 Respondent.	Case No. DCC24-0002613-INV REQUEST FOR DISCOVERY
---	--

14 TO RESPONDENT:

15 Under section 11507.6 of the Government Code of the State of California, parties to an
16 administrative hearing, including the Complainant, are entitled to certain information concerning
17 the opposing party's case. A copy of the provisions of section 11507.6 of the Government Code
18 concerning such rights is included among the papers served.

19 PURSUANT TO SECTION 11507.6 OF THE GOVERNMENT CODE, YOU ARE
20 HEREBY REQUESTED TO:

- 21 1. Provide the names and addresses of witnesses to the extent known to the Respondent,
22 including, but not limited to, those intended to be called to testify at the hearing, and
- 23 2. Provide an opportunity for the Complainant to inspect and make a copy of any of the
24 following in the possession or custody or under control of the Respondent:
 - 25 a. A statement of a person, other than the Respondent, named in the
26 initial administrative pleading, or in any additional pleading, when it is claimed that
27

1 the act or omission of the Respondent as to this person is the basis for the
2 administrative proceeding;

3 b. A statement pertaining to the subject matter of the proceeding made
4 by any party to another party or persons;

5 c. Statements of witnesses then proposed to be called by the
6 Respondent and of other persons having personal knowledge of the acts, omissions or
7 events which are the basis for the proceeding, not included in (a) or (b) above;

8 d. All writings, including but not limited to reports of mental, physical
9 and blood examinations and things which the Respondent now proposes to offer in
10 evidence;

11 e. Any other writing or thing which is relevant and which would be
12 admissible in evidence, including but not limited to, any patient or hospital records
13 pertaining to the persons named in the pleading;

14 f. Investigative reports made by or on behalf of the Respondent
15 pertaining to the subject matter of the proceeding, to the extent that these reports (1)
16 contain the names and addresses of witnesses or of persons having personal
17 knowledge of the acts, omissions or events which are the basis for the proceeding, or
18 (2) reflect matters perceived by the investigator in the course of his or her
19 investigation, or (3) contain or include by attachment any statement or writing
20 described in (a) to (e), inclusive, or summary thereof.

21 IN ADDITION, if cost recovery is requested in the pleading prayer, provide all writings
22 which will support any objection which may be made by the Respondent, to Respondent's
23 payment of investigation and enforcement costs to the Board.

24 For the purpose of this Request for Discovery, "statements" include written statements by
25 the person, signed, or otherwise authenticated by him or her, stenographic, mechanical, electrical
26 or other recordings, or transcripts thereof, of oral statements by the person, and written reports or
27 summaries of these oral statements.
28

1 YOU ARE HEREBY FURTHER NOTIFIED that nothing in this Request for Discovery
2 should be deemed to authorize the inspection or copying of any writing or thing which is
3 privileged from disclosure by law or otherwise made confidential or protected as attorney's work
4 product.

5 Your response to this Request for Discovery should be directed to the undersigned attorney
6 for the Complainant at the address on the first page of this Request for Discovery within 30 days
7 after the service of the Accusation.

8 Failure without substantial justification to comply with this Request for Discovery may
9 subject the Respondent to sanctions pursuant to sections 11507.7 and 11455.10 to 11455.30 of the
10 Government Code.

11 Dated: January 9, 2026

ROB BONTA
Attorney General of California
GREGORY M. CRIBBS
Supervising Deputy Attorney General

Michael Duong
MICHAEL DUONG
Deputy Attorney General
Attorneys for Complainant

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Request for Discovery.docx

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER,**

Respondent.

Case No. DCC24-0002613-INV

NOTICE OF DEFENSE

(Gov. Code §§ 11505 and 11506)

I hereby acknowledge receipt of a copy of the Accusation in the above-entitled proceeding, as well as the Statement to Respondent, Government Code sections 11507.5, 11507.6 and 11507.7, Complainant's Request for Discovery, and two copies of a Notice of Defense.

I further acknowledge that by filing this Notice of Defense, the Respondent is entitled to a hearing on the merits of the Accusation, and that under Government Code section 11506, the Respondent has a right to file a further Notice of Defense within the time specified in that section.

This Notice of Defense is filed on my own behalf as the Respondent or in my capacity as an authorized representative of an entity named as the Respondent in the Accusation.

Date:

Print Your Name:

Your Signature:

Respondent's Mailing Address:

Phone:

E-mail

Check one box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name

Counsel's Mailing Address

Phone:

E-mail:

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearings and a copy sent to the Deputy Attorney General who represents Complainant so that Respondent's counsel will be on record to receive legal notices, pleadings and other papers.

Check box if applicable:

- I wish to avoid a hearing if possible and be considered for a stipulated settlement or stipulated surrender of license.

The agency taking the action described in the Accusation may have formulated disciplinary guidelines. You may obtain a copy of the guidelines by requesting them in writing from the agency. A link to the agency's website can be found on-line at <https://cannabis.ca.gov> at https://www.dca.ca.gov/about_us/entities.shtml.

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Notice of Defense.docx

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER,**

Respondent.

Case No. DCC24-0002613-INV

NOTICE OF DEFENSE

(Gov. Code §§ 11505 and 11506)

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This Notice of Defense is filed on my own behalf as the Respondent or in my capacity as an authorized representative of an entity named as the Respondent in the Accusation.

Date:

Print Your Name:

Your Signature:

Respondent's Mailing Address:

Phone:

E-mail

Check one box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name

Counsel's Mailing Address

Phone:

E-mail:

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearings and a copy sent to the Deputy Attorney General who represents Complainant so that Respondent's counsel will be on record to receive legal notices, pleadings and other papers.

Check box if applicable:

- I wish to avoid a hearing if possible and be considered for a stipulated settlement or stipulated surrender of license.

The agency taking the action described in the Accusation may have formulated disciplinary guidelines. You may obtain a copy of the guidelines by requesting them in writing from the agency. A link to the agency's website can be found on-line at <https://cannabis.ca.gov> at https://www.dca.ca.gov/about_us/entities.shtml.

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Notice of Defense.docx

**COPY OF GOVERNMENT CODE SECTIONS 11507.5, 11507.6 AND 11507.7
PROVIDED PURSUANT TO GOVERNMENT CODE SECTIONS 11504 AND 11505**

SECTION 11507.5: Exclusivity of discovery provisions

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

SECTION 11507.6: Request for discovery

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

SECTION 11507.7: Petition to compel discovery; Order; Sanctions

(a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of Section 915 of the Evidence Code and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

DECLARATION OF SERVICE BY CERTIFIED MAIL AND FIRST CLASS MAIL

(Separate Mailings)

Case Name: *In the Matter of the Accusation against SL Project, Inc.*

Case No.: **DCC24-0002613-INV**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On January 13, 2026, I served the attached **ACCUSATION; STATEMENT TO RESPONDENT; REQUEST FOR DISCOVERY; NOTICE OF DEFENSE [two copies] & COPY OF GOVERNMENT CODE SECTIONS** by placing a true copy thereof enclosed in a sealed envelope as certified mail with return receipt requested, and another true copy was enclosed in a second sealed envelope as first-class mail in the internal mail collection system at the Office of the Attorney General at 1300 I Street, Suite 125, Sacramento, CA 95814, addressed as follows:

SL PROJECT, INC.
Anna Karapetyan, Owner
1217 48th Avenue,
Oakland, CA 94601
Courtesy via Electronic Mail
5115projectinc@gmail.com
Via First Class & Certified Mail

Anna Karapetya
Attention CSC Global, LLC
P.O. BOX 2830
Fair Oaks, CA 95628
Via First Class Mail

Anna Karapetya
5137 Kenneth Avenue
Fair Oaks, CA 95628
Via First Class Mail

Certified Article Number

9414 7266 9904 2247 1968 93

SENDER'S RECORD

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on January 13, 2026, at Sacramento, California.

Bryn Barton

Declarant



Signature

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER
1217 48th Avenue,
Oakland, CA 94601**

**Cannabis Cultivation - Small Indoor
License No. CCL23-0000607**

Respondent.

Case No. DCC24-0002613-INV

**DEFAULT DECISION INVESTIGATORY
EVIDENCE PACKET**

[Gov. Code §11520]

The Default Decision Investigatory Evidence Packet in support of the Default Decision and Order in the above-entitled matter consists of the following.

Exhibit 1: Pleadings offered for jurisdictional purposes: Accusation No. DCC24-0002613-INV, statement to respondent, notice of defense (two blank copies), request for discovery, discovery statutes (government code sections 11507.5, 11507.6 and 11507.7), proofs of service;

Exhibit 2: License History Certification for SL Project, Inc.; Anna Karapetyan, Owner Cannabis Cultivation - Small Indoor License No. CCL23-0000607;

Exhibit 3: Certification of Costs by Department for Investigation and Enforcement in Case No. DCC24-0002613-INV dated March 3, 2026;

Exhibit 4: Certification of Costs by Department of Justice for Prosecution in Case No. DCC24-0002613-INV dated March 16, 2026; and

Exhibit 5: Investigative Report (without attachments) [Case No. DCC24-0002613-INV].

Dated: March 18, 2026

Respectfully submitted,

ROB BONTA
Attorney General of California
GREGORY M. CRIBBS
Supervising Deputy Attorney General

Michael Duong

MICHAEL DUONG
Deputy Attorney General
Attorneys for Complainant

Exhibit 1

Accusation No. DCC24-0002613-INV
Statement to Respondent
Notice of Defense
Request for Discovery
Discovery Statutes, Proofs of Service

1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MICHAEL DUONG
Deputy Attorney General
4 State Bar No. 327666
1300 I Street, Suite 125
5 Sacramento, CA 95814
Telephone: (916) 210-6807
6 Facsimile: (916) 327-8643
E-mail: Michael.Duong@doj.ca.gov
7 *Attorneys for Complainant*

8 **BEFORE THE**
DEPARTMENT OF CANNABIS CONTROL
9 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:	Case No. DCC24-0002613-INV
12 SL PROJECT, INC.	ACCUSATION
13 ANNA KARAPETYAN, OWNER	
14 1217 48th Avenue,	
15 Oakland, CA 94601	
16 Cannabis Cultivation - Small Indoor	
17 License No. CCL23-0000607	
18 Respondent.	

19 Complainant alleges:

20 **PARTIES**

21 1. Evelyn Schaeffer (Complainant) brings this Accusation solely in her official capacity
22 as the Deputy Director of the Compliance Division of the Department of Cannabis Control
23 (Department).

24 2. On or about August 5, 2024, the Department issued Cannabis Cultivation - Small
25 Indoor License CCL23-0000607 to SL Project, Inc. (Respondent) with Anna Karapetyan (Owner
26 Karapetyan). The Cannabis Cultivation - Small Indoor License was in full force and effect at all
27 times relevant to the charges brought herein and expired on August 5, 2025.

28 ///

JURISDICTION

3. This Accusation is brought before the Director of the Department (Director), under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.

4. Section 26010 of the Code states:

There is in the Business, Consumer Services, and Housing Agency, the Department of Cannabis Control under the supervision and control of a director. The director shall administer and enforce the provisions of this division related to the department.

5. Section 26010.5, subdivision (d), of the Code states:

The department has the power, duty, purpose, responsibility, and jurisdiction to regulate commercial cannabis activity as provided in this division.

6. Section 26012, subdivision (a), of the Code states:

It being a matter of statewide concern, except as otherwise authorized in this division, the department shall have the sole authority to create, issue, deny, renew, discipline, condition, suspend, or revoke licenses for commercial cannabis activity.

7. Section 26013, subdivision (a), of the Code states:

The department shall make and prescribe reasonable rules and regulations as may be necessary to implement, administer, and enforce its duties under this division in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Those rules and regulations shall be consistent with the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act.

8. Section 26031 of the Code states:

(a) The department may suspend, revoke, place on probation with terms and conditions, or otherwise discipline licenses issued by the department and fine a licensee, after proper notice and hearing to the licensee, except as provided in Section 26031.01, if the licensee is found to have committed any of the acts or omissions constituting grounds for disciplinary action. The disciplinary proceedings under this chapter shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein.

(b) The department may suspend or revoke a license when a local agency has notified the department that a licensee within its jurisdiction is in violation of state rules and regulations relating to commercial cannabis activities, and the department, through an investigation, has determined that the violation is grounds for suspension or revocation of the license.

1 (c) The department may take disciplinary action against a licensee for any
2 violation of this division when the violation was committed by the licensee's officers,
3 directors, owners, agents, or employees while acting on behalf of the licensee or
engaged in commercial cannabis activity.

4 (d) The suspension or expiration of a license issued by the department, or its
5 suspension, forfeiture, or cancellation by order of the department or by order of a
6 court of law, or its surrender without the written consent of the department, shall not,
7 during any period in which it may be renewed, restored, reissued, or reinstated,
deprive the department of its authority to institute or continue a disciplinary
proceeding against the licensee upon any ground provided by law or to enter an order
suspending or revoking the license or otherwise taking disciplinary action against the
licensee on any such ground.

8 9. Section 26034 of the Code states:

9 All accusations against licensees shall be filed by the department within five
10 years after the performance of the act or omission alleged as the ground for
11 disciplinary action; provided, however, that the foregoing provision shall not
12 constitute a defense to an accusation alleging fraud or misrepresentation as a ground
13 for disciplinary action. The cause for disciplinary action in that case shall not be
deemed to have accrued until discovery, by the department, of the facts constituting
the fraud or misrepresentation, and, in that case, the accusation shall be filed within
five years after that discovery.

14 **STATUTORY PROVISIONS**

15 10. Section 26030 of the Code in pertinent part states:

16 Grounds for disciplinary action include, but are not limited to, all of the
17 following:

18 (a) Failure to comply with the provisions of this division or any rule or
regulation adopted pursuant to this division.

19 . . .

20 (c) Any other grounds contained in regulations adopted by the department
21 pursuant to this division.

22 . . .

23 11. Section 26031, subdivision (d) of the Code states:

24 The suspension or expiration of a license issued by the department, or its
25 suspension, forfeiture, or cancellation by order of the department or by order of a
26 court of law, or its surrender without the written consent of the department, shall not,
27 during any period in which it may be renewed, restored, reissued, or reinstated,
28 deprive the department of its authority to institute or continue a disciplinary
proceeding against the licensee upon any ground provided by law or to enter an order
suspending or revoking the license or otherwise taking disciplinary action against the
licensee on any such ground.

1 12. Section 26039.5 of the Code states in pertinent part:

2 (a) Cannabis or a cannabis product is misbranded if it is any of the following:

3 (1) Cultivated, processed, manufactured, packed, or held in a location not duly
4 licensed as provided in this division.

5 (2) Consists of cannabis or cannabis product that was cultivated, processed,
6 manufactured, packed, or held in a location not duly licensed as provided in this
7 division.

8 (3) Its labeling is false or misleading in any particular.

9 (4) Its labeling or packaging does not conform to the requirements of Section
10 26120 or any other labeling or packaging requirement established pursuant to this
11 division.

12 (b) It is unlawful to cultivate, process, manufacture, sell, deliver, hold, or offer
13 for sale cannabis or a cannabis product that is misbranded.

14 (c) It is unlawful to misbrand cannabis or a cannabis product.

15 (d) It is unlawful to receive in commerce cannabis or a cannabis product that is
16 misbranded or to distribute, deliver, or offer for delivery any such cannabis or
17 cannabis product.

18 13. Section 26160, subdivision (e) of the Code states:

19 A licensee, or its agent or employee, that refuses, impedes, obstructs, or
20 interferes with an inspection of the premises or records of the licensee pursuant to this
21 section, has engaged in a violation of this division.

22 **REGULATORY PROVISIONS**

23 14. Title 4 of the California Code of Regulations, section 15000.3, subdivision (d), states:

24 Licensees shall ensure that the Department has immediate access to their licensed
25 premises. If the Department is denied access to a licensee's premises for any reason, the
26 licensee shall be held responsible and subject to discipline. If the Department is denied
27 access to one licensee's premises because of another licensee's refusal to grant access when
28 the only access to one licensed premises is through another licensed premises, all licensees
shall be held responsible and subject to discipline.

15. Title 4 of the California Code of Regulations, section 15004, subdivision (a), states:

An applicant for a commercial cannabis license or a licensee shall disclose all
financial interest holders. A financial interest holder of the commercial cannabis
business includes all of the following, except as provided in subsection (b):

...

(2) A person providing a loan to the commercial cannabis business.

1 16. Title 4 of the California Code of Regulations, section 15047.2, in pertinent part,
2 states:

3 . . .

4 (b) All commercial cannabis activity shall be accurately recorded in the track
5 and trace system.

6 (c) A licensee is responsible for the accuracy and completeness of all data and
7 information entered into the track and trace system. The licensee is responsible for
8 all actions taken by the designated account manager or other account users while
9 performing track and trace activities.

10 . . .

11 17. Title 4 of the California Code of Regulations, section 15048.2, in pertinent part,
12 states:

13 (a) A licensee shall only use plant and package tags provided and distributed by
14 the Department or the Department's designee.

15 (b) A licensee shall only use plant and package tags assigned in the track and
16 trace system to that licensee and shall not transfer unused tags to any other licensee.

17 18. Title 4 of the California Code of Regulations, section 15048.4, in pertinent part states:

18 . . .

19 (b) Mature cannabis plants shall be tagged as follows:

20 (1) Each mature plant shall be tagged with a plant tag. A plant tag shall be
21 attached to the main stem at the base of each plant, placed in a position so it is visible
22 and within clear view of an individual standing next to the mature plant, and kept free
23 from dirt and debris.

24 19. Title 4 of the California Code of Regulations, section 15048.5, subdivision (b), states:

25 Each harvest batch and manufactured cannabis batch shall be assigned a package tag
26 and recorded in the track and trace system. For each harvest batch, the package tag shall be
27 assigned and recorded in the track and trace system no later than the time at which any part
28 of that harvest batch has finished undergoing any applicable drying, curing, grading, and
trimming.

COST RECOVERY

20. Section 26031.1 of the Code states:

(a) Except as otherwise provided by law, in an order issued in resolution of a disciplinary proceeding before the department, the administrative law judge, upon request, may direct a licensee found to have committed a violation to pay a sum not to

1 exceed the reasonable costs of the investigation and enforcement of the case.

2 (b) A certified copy of the actual costs, or a good faith estimate of costs where
3 actual costs are not available, signed by the department or its designated
4 representative shall be prima facie evidence of reasonable costs of investigation and
5 prosecution of the case. The costs shall include the amount of investigative and
6 enforcement costs up to the date of the hearing, including, but not limited to, charges
7 imposed by the Attorney General.

8 (c) The administrative law judge shall make a proposed finding of the amount
9 of reasonable costs of investigation and prosecution of the case when requested
10 pursuant to subdivision (a). The finding of the administrative law judge with regard to
11 costs shall not be reviewable by the department to increase the cost award. The
12 department may reduce or eliminate the cost award, or remand to the administrative
13 law judge if the proposed decision fails to make a finding on costs requested pursuant
14 to subdivision (a).

15 (d) If an order for recovery of costs is made and timely payment is not made as
16 directed in the department's decision, the department may enforce the order for
17 repayment in any appropriate court. This right of enforcement shall be in addition to
18 any other rights the department may have as to any licensee to pay costs.

19 (e) In any action for recovery of costs, proof of the department's decision shall
20 be conclusive proof of the validity of the order of payment and the terms for payment.

21 (f)(1) Except as provided in paragraph (2), the department shall not renew or
22 reinstate the license of any licensee who has failed to pay all of the costs ordered
23 under this section.

24 (2) Notwithstanding paragraph (1), the department may, in its discretion,
25 conditionally renew or reinstate for a maximum of one year the license of any
26 licensee who demonstrates financial hardship and who enters into a formal agreement
27 with the department to reimburse the department within that one-year period for the
28 unpaid costs.

(g) All costs recovered under this section shall be considered a reimbursement
for costs incurred and shall be deposited into the Cannabis Control Fund to be
available upon appropriation by the Legislature.

(h) Nothing in this section shall preclude the department from including the
recovery of the costs of investigation and enforcement of a case in any stipulated
settlement.

FACTUAL ALLEGATIONS

21. On November 4, 2024, Department staff was notified by a law enforcement agency of
plans to evict a tenant at the licensed premises, Plywealth Investment Group LLC (Plywealth
Investment), the Property Lessor of Respondent's licensed premises (licensed premises).
Plywealth Investment did not possess a commercial cannabis license.

1 22. On November 12, 2024, Department staff attempted to conduct an unannounced
2 compliance inspection of Respondent’s licensed premises. Department staff were met by a
3 security guard who identified himself as “D.S.,” who provided Department staff with his
4 identification, and who stated that although he had access to the facility, he was not sure that he
5 was allowed to let Department staff inside. Department staff then called Owner Karapetyan,
6 identified themselves, and informed her that they were at the licensed premises to conduct a
7 compliance inspection and requested access. Owner Karapetyan stated that she would contact an
8 “employee” and have them open the licensed premises for the compliance inspection. In the
9 presence of Department staff, D.S. answered a call from Owner Karapetyan on his speaker phone
10 option, wherein Department staff overheard her direct D.S. to deny access and inform them that
11 no one was available to provide access to the licensed premises. After D.S. informed Department
12 staff they could not access the licensed premises, Department staff contacted Owner Karapetyan
13 by telephone, who initiated a three-way call with her “compliance manager,” M.O., who both
14 continued to deny the Department’s access to the licensed premises. Before leaving the area,
15 Department staff informed Owner Karapetyan that Respondent was in violation of Department
16 regulations for denying Department staff access to the licensed premises.

17 23. On November 19, 2024, Department staff returned to Respondent’s licensed premises
18 to assist a local law enforcement agency with evicting Respondent’s lessor, Plywealth
19 Investment. While the eviction was occurring, Department staff contacted P.C., Plywealth
20 Investment’s Managing Member, and asked P.C. about his business relationship with Respondent
21 and Owner Karapetyan. P.C. stated that, “Anna [Owner Karapetyan] pays me, and I pay Anna.”
22 When asked why the P.C. would pay Owner Karapetyan, his response was that “she pays for the
23 [cannabis] licenses,” and “she is good at getting the licenses.” At that point, P.C. abruptly ended
24 the interview and stated he needed to contact his attorney.

25 24. Once inside the licensed premises, Department staff observed cannabis plants in
26 various stages of growth and multiple large bags of processed cannabis flower and cannabis trim.
27 Only a small number of the live plants had California Cannabis Track and Trace (CCTT) unique
28

1 particularly alleged in paragraph 24, above, which is hereby incorporated by reference and
2 realleged as if fully set forth herein.

3 **SECOND CAUSE FOR DISCIPLINE**

4 (Access to Licensed Premises)

5 27. Respondent is further subject to disciplinary action under Code sections 26030,
6 subdivisions (a) and (c) and 26160, subdivision (e), and CCR, title 4, section 15000.3, subdivision
7 (d), in that Respondent denied Department access for a compliance inspection, as more
8 particularly alleged in paragraphs 22 and 25, above, which are hereby incorporated by reference
9 and realleged as if fully set forth herein.

10 **THIRD CAUSE FOR DISCIPLINE**

11 (Disclose Financial Interest)

12 28. Respondent is further subject to disciplinary action under Code section 26030,
13 subdivisions (a) and (c), and CCR, title 4, section 15004, in that Respondent failed to disclose that
14 Plywealth Investment's Member Manager, P.C. was a financial interest holder in Respondent's
15 cannabis business, as more particularly alleged in paragraphs 23, and 25, above, which are hereby
16 incorporated by reference and realleged as if fully set forth herein.

17 **FOURTH CAUSE FOR DISCIPLINE**

18 (Track and Trace System)

19 29. Respondent is further subject to disciplinary action under Code section 26030,
20 subdivisions (a) and (c), and CCR, title 4, section 15047.2, in that Respondent failed to properly
21 report its activities in the track and trace system, as more particularly alleged in paragraphs 24
22 and 25, above, which are hereby incorporated by reference and realleged as if fully set forth
23 herein.

24 **FIFTH CAUSE FOR DISCIPLINE**

25 (Misbranded Cannabis Products)

26 30. Respondent is further subject to disciplinary action under Code section 26030,
27 subdivisions (a) and (c), and section 26039.5, in that Respondent misbranded cannabis and
28

1 cannabis products, as more particularly alleged in paragraph 24, above, which is hereby
2 incorporated by reference and realleged as if fully set forth herein.

3 **PRAYER**

4 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
5 and that the following the hearing, the Director of Department of Cannabis Control issue a
6 decision:

7 1. Revoking or suspending outright or suspending with terms and conditions or fining or
8 any combination thereof, the Cannabis Cultivation - Small Indoor License Number CCL23-
9 0000607, issued to Respondent SL Project, Inc. with Anna Karapetyan, Owner;

10 2. Ordering Respondent SL Project, Inc. with Anna Karapetyan, Owner to pay the
11 Department of Cannabis Control the reasonable costs of the investigation and enforcement of this
12 case, pursuant to Business and Professions Code section 26031.1;

13 3. Ordering the destruction of cannabis and cannabis goods in the possession of SL
14 Project, Inc. with Anna Karapetyan, Owner at Respondent's expense, if revocation of Cannabis
15 Cultivation - Small Indoor License Number CCL23-0000607 is ordered, pursuant to California
16 Code of Regulations, title 4, section 15024.1, subdivision (a); and

17 4. Taking such other and further action as deemed necessary and proper.

18
19 DATED: January 8, 2026

Evelyn Schaeffer

EVELYN SCHAEFFER
Deputy Director of the Compliance
Division
Department of Cannabis Control
State of California
Complainant

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1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MICHAEL DUONG
Deputy Attorney General
State Bar No. 327666
4 1300 I Street, Suite 125
Sacramento, CA 95814
5 Telephone: (916) 210-6807
Facsimile: (916) 327-8643
6 E-mail: Michael.Duong@doj.ca.gov
Attorneys for Complainant
7

8 **BEFORE THE**
DEPARTMENT OF CANNABIS CONTROL
9 **STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

11 **SL PROJECT, INC.;**
12 **ANNA KARAPETYAN, OWNER**

13 Respondent.

Case No. DCC24-0002613-INV

STATEMENT TO RESPONDENT

[Gov. Code §§ 11504, 11505(b)]

14 TO RESPONDENT:

15 Enclosed is a copy of the Accusation that has been filed with the Department of Cannabis
16 Control (Department), and which is hereby served on you.

17 Unless a written request for a hearing signed by you or on your behalf is delivered or
18 mailed to the Department, represented by Deputy Attorney General Michael Duong, within
19 fifteen (15) days after a copy of the Accusation was personally served on you or mailed to you,
20 you will be deemed to have waived your right to a hearing in this matter and the Department may
21 proceed upon the Accusation without a hearing and may take action thereon as provided by law.

22 The request for hearing may be made by delivering or mailing one of the enclosed forms
23 entitled "Notice of Defense," or by delivering or mailing a Notice of Defense as provided in
24 section 11506 of the Government Code, to

25
26 **Michael Duong**
Deputy Attorney General
27 **1300 I Street, Suite 125**
Sacramento, CA 95814
28 **Michael.Duong@doj.ca.gov**

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If you are interested in pursuing this alternative to a formal administrative hearing, or if you have any questions, you or your attorney should contact Deputy Attorney General Michael Duong at the earliest opportunity.

Dated: January 9, 2026

ROB BONTA
Attorney General of California
GREGORY M. CRIBBS
Supervising Deputy Attorney General

Michael Duong
MICHAEL DUONG
Deputy Attorney General
Attorneys for Complainant

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Statement to Respondent.docx

1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MICHAEL DUONG
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1300 I Street, Suite 125
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Telephone: (916) 210-6807
6 Facsimile: (916) 327-8643
E-mail: Michael.Duong@doj.ca.gov
7 *Attorneys for Complainant*

8 **BEFORE THE**
9 **DEPARTMENT OF CANNABIS CONTROL**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against: 12 SL PROJECT, INC.; ANNA KARAPETYAN, OWNER 13 Respondent.	Case No. DCC24-0002613-INV REQUEST FOR DISCOVERY
---	--

14 TO RESPONDENT:

15 Under section 11507.6 of the Government Code of the State of California, parties to an
16 administrative hearing, including the Complainant, are entitled to certain information concerning
17 the opposing party's case. A copy of the provisions of section 11507.6 of the Government Code
18 concerning such rights is included among the papers served.

19 PURSUANT TO SECTION 11507.6 OF THE GOVERNMENT CODE, YOU ARE
20 HEREBY REQUESTED TO:

- 21 1. Provide the names and addresses of witnesses to the extent known to the Respondent,
22 including, but not limited to, those intended to be called to testify at the hearing, and
- 23 2. Provide an opportunity for the Complainant to inspect and make a copy of any of the
24 following in the possession or custody or under control of the Respondent:
 - 25 a. A statement of a person, other than the Respondent, named in the
26 initial administrative pleading, or in any additional pleading, when it is claimed that
27

1 the act or omission of the Respondent as to this person is the basis for the
2 administrative proceeding;

3 b. A statement pertaining to the subject matter of the proceeding made
4 by any party to another party or persons;

5 c. Statements of witnesses then proposed to be called by the
6 Respondent and of other persons having personal knowledge of the acts, omissions or
7 events which are the basis for the proceeding, not included in (a) or (b) above;

8 d. All writings, including but not limited to reports of mental, physical
9 and blood examinations and things which the Respondent now proposes to offer in
10 evidence;

11 e. Any other writing or thing which is relevant and which would be
12 admissible in evidence, including but not limited to, any patient or hospital records
13 pertaining to the persons named in the pleading;

14 f. Investigative reports made by or on behalf of the Respondent
15 pertaining to the subject matter of the proceeding, to the extent that these reports (1)
16 contain the names and addresses of witnesses or of persons having personal
17 knowledge of the acts, omissions or events which are the basis for the proceeding, or
18 (2) reflect matters perceived by the investigator in the course of his or her
19 investigation, or (3) contain or include by attachment any statement or writing
20 described in (a) to (e), inclusive, or summary thereof.

21 IN ADDITION, if cost recovery is requested in the pleading prayer, provide all writings
22 which will support any objection which may be made by the Respondent, to Respondent's
23 payment of investigation and enforcement costs to the Board.

24 For the purpose of this Request for Discovery, "statements" include written statements by
25 the person, signed, or otherwise authenticated by him or her, stenographic, mechanical, electrical
26 or other recordings, or transcripts thereof, of oral statements by the person, and written reports or
27 summaries of these oral statements.
28

1 YOU ARE HEREBY FURTHER NOTIFIED that nothing in this Request for Discovery
2 should be deemed to authorize the inspection or copying of any writing or thing which is
3 privileged from disclosure by law or otherwise made confidential or protected as attorney's work
4 product.

5 Your response to this Request for Discovery should be directed to the undersigned attorney
6 for the Complainant at the address on the first page of this Request for Discovery within 30 days
7 after the service of the Accusation.

8 Failure without substantial justification to comply with this Request for Discovery may
9 subject the Respondent to sanctions pursuant to sections 11507.7 and 11455.10 to 11455.30 of the
10 Government Code.

11 Dated: January 9, 2026

ROB BONTA
Attorney General of California
GREGORY M. CRIBBS
Supervising Deputy Attorney General

Michael Duong
MICHAEL DUONG
Deputy Attorney General
Attorneys for Complainant

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Request for Discovery.docx

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER,**

Respondent.

Case No. DCC24-0002613-INV

NOTICE OF DEFENSE

(Gov. Code §§ 11505 and 11506)

I hereby acknowledge receipt of a copy of the Accusation in the above-entitled proceeding, as well as the Statement to Respondent, Government Code sections 11507.5, 11507.6 and 11507.7, Complainant's Request for Discovery, and two copies of a Notice of Defense.

I further acknowledge that by filing this Notice of Defense, the Respondent is entitled to a hearing on the merits of the Accusation, and that under Government Code section 11506, the Respondent has a right to file a further Notice of Defense within the time specified in that section.

This Notice of Defense is filed on my own behalf as the Respondent or in my capacity as an authorized representative of an entity named as the Respondent in the Accusation.

Date:

Print Your Name:

Your Signature:

Respondent's Mailing Address:

Phone:

E-mail

Check one box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name

Counsel's Mailing Address

Phone:

E-mail:

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearings and a copy sent to the Deputy Attorney General who represents Complainant so that Respondent's counsel will be on record to receive legal notices, pleadings and other papers.

Check box if applicable:

- I wish to avoid a hearing if possible and be considered for a stipulated settlement or stipulated surrender of license.

The agency taking the action described in the Accusation may have formulated disciplinary guidelines. You may obtain a copy of the guidelines by requesting them in writing from the agency. A link to the agency's website can be found on-line at <https://cannabis.ca.gov> at https://www.dca.ca.gov/about_us/entities.shtml.

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Notice of Defense.docx

**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**SL PROJECT, INC.; ANNA
KARAPETYAN, OWNER,**

Respondent.

Case No. DCC24-0002613-INV

NOTICE OF DEFENSE

(Gov. Code §§ 11505 and 11506)

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This Notice of Defense is filed on my own behalf as the Respondent or in my capacity as an authorized representative of an entity named as the Respondent in the Accusation.

Date:

Print Your Name:

Your Signature:

Respondent's Mailing Address:

Phone:

E-mail

Check one box:

I am represented by counsel, whose name, address and telephone number appear below:

Counsel's Name

Counsel's Mailing Address

Phone:

E-mail:

I am not now represented by counsel. If and when counsel is retained, immediate notification of the attorney's name, address and telephone number will be filed with the Office of Administrative Hearings and a copy sent to the Deputy Attorney General who represents Complainant so that Respondent's counsel will be on record to receive legal notices, pleadings and other papers.

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The agency taking the action described in the Accusation may have formulated disciplinary guidelines. You may obtain a copy of the guidelines by requesting them in writing from the agency. A link to the agency's website can be found on-line at <https://cannabis.ca.gov> at https://www.dca.ca.gov/about_us/entities.shtml.

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**COPY OF GOVERNMENT CODE SECTIONS 11507.5, 11507.6 AND 11507.7
PROVIDED PURSUANT TO GOVERNMENT CODE SECTIONS 11504 AND 11505**

SECTION 11507.5: Exclusivity of discovery provisions

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

SECTION 11507.6: Request for discovery

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

(a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;

(b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;

(c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;

(d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;

(e) Any other writing or thing which is relevant and which would be admissible in evidence;

(f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

SECTION 11507.7: Petition to compel discovery; Order; Sanctions

(a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.

(b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.

(c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.

(d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of Section 915 of the Evidence Code and examine the matters in accordance with its provisions.

(e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.

(f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the moving party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

DECLARATION OF SERVICE BY CERTIFIED MAIL AND FIRST CLASS MAIL

(Separate Mailings)

Case Name: *In the Matter of the Accusation against SL Project, Inc.*

Case No.: **DCC24-0002613-INV**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On January 13, 2026, I served the attached **ACCUSATION; STATEMENT TO RESPONDENT; REQUEST FOR DISCOVERY; NOTICE OF DEFENSE [two copies] & COPY OF GOVERNMENT CODE SECTIONS** by placing a true copy thereof enclosed in a sealed envelope as certified mail with return receipt requested, and another true copy was enclosed in a second sealed envelope as first-class mail in the internal mail collection system at the Office of the Attorney General at 1300 I Street, Suite 125, Sacramento, CA 95814, addressed as follows:

SL PROJECT, INC.
Anna Karapetyan, Owner
1217 48th Avenue,
Oakland, CA 94601
Courtesy via Electronic Mail
5115projectinc@gmail.com
Via First Class & Certified Mail

Anna Karapetya
Attention CSC Global, LLC
P.O. BOX 2830
Fair Oaks, CA 95628
Via First Class Mail

Certified Article Number

9414 7266 9904 2247 1968 93

SENDER'S RECORD

Anna Karapetya
5137 Kenneth Avenue
Fair Oaks, CA 95628
Via First Class Mail

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on January 13, 2026, at Sacramento, California.

Bryn Barton

Declarant



Signature

Exhibit 2

License History Certification for Respondent



Cannabis Cultivation License

Adult-Use

Business Name:

SL Project Inc

Doing Business As DBA:

License Number: CCL23-0000607

License Type: Annual Adult-Use-Small Indoor

Main Premises:

1217 48th Avenue
Oakland, CA 94601

Main APN: 34-2255-13-4

Valid: 08/05/2024

Expires: 08/05/2025

The license authorizes SL Project Inc to engage in commercial cannabis cultivation at the premises address listed above until the expiration date of this license. This license issued is pursuant to Division 10 of the California Business and Professions Code and is not transferable to any other person or premises location. This license shall always be displayed in a prominent place at the licensed premises. This license shall be subject to suspension or revocation if the licensee is determined to be in violation of Division 10 of the Business and Professions Code or regulations adopted thereunder.

Additional Premises APN(s) and Addresses:

Exhibit 3

Certification of Costs by Department for Investigation and Enforcement

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**BEFORE THE
DEPARTMENT OF CANNABIS CONTROL
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

SL PROJECT, INC.;
ANNA KARAPETYAN, OWNER
1217 48th Avenue
Oakland, CA 94601

Cannabis Cultivation – Small Indoor
License No. CCL23-0000607

Respondent.

Case No. DCC24-0002613-INV

**DECLARATION OF JON SILVA IN
SUPPORT OF REQUEST TO
RECOVER INVESTIGATION AND
ENFORCEMENT COSTS**

13 I, Jon Silva, declare and certify as follows:

- 14 1. I am employed as a Supervising Special Investigator (SSI) I within the
15 Investigative Services Branch (ISB) of the Compliance Division of the Department of
16 Cannabis Control (Department) and have personal knowledge of the facts stated herein.
- 17 2. I have been designated as the Department representative to certify the costs of
18 investigation in this case pursuant to Business and Professions Code section 26031.1. I
19 make this certification in my official capacity as an SSI I and as a public employee pursuant
20 to Evidence Code section 664.
- 21 3. In addition to myself, the following list of Supervising or Special Investigators were
22 assigned to the investigation of this case, which was opened by the Department's Compliance
23 Division on or about November 19, 2024, Aric Engkabo, SSI I, Bob Topping, SI, Kevin Johnson,
24 SI, Steven Rodriguez, SI, Matthew McLean, SI, Isabel Sanchez, SI, Denis Rakitskiy, SI, and
25 Lindsay Kearns, SI.
- 26 4. In my official capacity as an SSI I, I review the costs incurred by the Department's
27 ISB in its enforcement of the laws and regulations under the Department's jurisdiction and
28 certify that these costs were incurred by the Department. I am familiar with the time reporting

1 system of the Department's Compliance Division for the reasonable and necessary investigative
2 work performed on a particular case. It is the duty of supervising special investigators to keep
3 track of the time spent and to report that time in the Department's case management system at
4 or near the time of the tasks performed.

5 5. The summary of investigative and enforcement activities entitled SL Project INC
6 Certification of Cost Recovery was obtained from the Department's case management system
7 and includes the details of tasks performed by Supervising and or Special Investigators as
8 maintained in the Department's case management system. The costs related to investigative
9 and enforcement activity include field time, research and report writing, meetings, and use of
10 state vehicles. I hereby certify that the SL Project INC Certification of Cost Recovery, attached
11 hereto and herein incorporated by reference, is a true and correct copy of the investigative and
12 enforcement activity for this case. The summary of investigative and enforcement activity
13 encompasses the total hours spent by the Department's ISB through March 3, 2026. The
14 summary of investigative and enforcement activities does not include tasks performed after this
15 date.

16 6. I certify, pursuant to the provisions of the Business and Professions Code section
17 26031.1, that to the best of my knowledge the costs of investigative and enforcement services
18 set forth in this declaration are correct and were necessarily incurred in this case. The total
19 hours of investigative and enforcement activities by all assigned supervising or special
20 investigators and rates applicable to the above-entitled case are as follows:

21 a) Field Time:

22 Rate per hour: \$101.00 multiplied by 118 hours = \$15,075.00

23 b) Research and Report Writing:

24 Rate per hour: \$101.00 multiplied by 20 hours = \$2,020.00

25 c) Meetings:

26 Rate per hour: \$101.00 multiplied by 35 hours = \$3,535.00

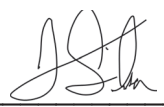
27 d) Use of State Vehicles:

28 6 vehicles at \$.58 per mile multiplied by 1923 miles = \$1,115.34

I declare under penalty of perjury under the laws of the State of California that the

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foregoing is true and correct and that this declaration was executed in Sacramento County on March 3, 2026.



Digitally signed by Jon Silva
Date: 2026.03.03 15:46:55
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JON SILVA
Declarant

Last Name	First Name	Hourly Rate	Field Time	Research and Report	Meetings	Total Hours	Total Expense
Lead SI, Kearns	Lindsay	\$101.00	22	14	20	56	\$5,656.00
SSI I, Silva	Jon	\$101.00	18	6	15	39	\$3,939.00
SI, Topping	Bob	\$101.00	13				\$114.00
SSI I.Engkabo	Aric	\$101.00	13				\$114.00
SI, Sanchez	Isabel	\$101.00	6				\$606.00
SI, Johnson	Kevin	\$101.00	15				\$1,515.00
SI, Rakitskiy	Denis	\$101.00	8				\$808.00
SI, McClean	Matthew	\$101.00	8				\$808.00
SI, Rodriquez	Steven	\$101.00	15				\$1,515.00
Total Personnel Services							\$15,075.00
Total Personnel Services and Operating Expense							\$16,190.34

Operating Expense	Count	Miles	@.58 per mile
State Vehicles	6	1923	\$1,115.34
U-Haul Rental			\$0.00
U-Haul Gas			\$0.00
Total Operating Expense			\$1,115.34

Exhibit 4

Certification of Costs by Department of Justice for Prosecution

(SL PROJECT, INC.; ANNA KARAPETYAN, OWNER)

1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MICHAEL DUONG
Deputy Attorney General
4 State Bar No. 327666
1300 I Street, Suite 125
5 Sacramento, CA 95814
Telephone: (916) 210-6807
6 Facsimile: (916) 327-8643
E-mail: Michael.Duong@doj.ca.gov
7 *Attorneys for Complainant*

8 **BEFORE THE**
9 **DEPARTMENT OF CANNABIS CONTROL**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. DCC24-0002613-INV

12 **SL PROJECT, INC.; ANNA**
13 **KARAPETYAN, OWNER**

CERTIFICATION OF
PROSECUTION COSTS:
DECLARATION OF MICHAEL DUONG

14 Respondent.

15 Business and Professions Code section
26031.1]

16
17 I, MICHAEL DUONG, hereby declare and certify as follows:

18 1. I am a Deputy Attorney General employed by the California Department of Justice
19 (DOJ), Office of the Attorney General (Office). I am assigned to the Cannabis Control Section in
20 the Civil Division of the Office. I have been designated as the representative to certify the costs
21 of prosecution by DOJ and incurred by the Department of Cannabis Control in this case. I make
22 this certification in my official capacity and as an officer of the court and as a public employee
23 pursuant to Evidence Code section 664.

24 2. I represent the Complainant, Evelyn Schaeffer, Deputy Director of the Compliance
25 Division of the Department of Cannabis Control, in this action. I was assigned to handle this case
26 on or about September 24, 2025.

27 3. Our Office's computerized case management system reflects that the following
28 persons have also performed tasks related to this matter: Gregory Cribbs, Supervising Deputy

1 Attorney General; Helen Koh, Senior Legal Analyst; Michael Duong, Deputy Attorney General;
2 Harinder Kapur, Senior Assistant Attorney General.

3 4. I am familiar with the time recording and billing practices of DOJ and the procedure
4 for charging the client agency for the reasonable and necessary work performed on a particular
5 case. It is the duty of the time keeping employees to keep track of the time spent and to report
6 that time in DOJ's computerized case management system at or near the time of the tasks
7 performed.

8 5. On March 18, 2026, I requested a billing summary for this case from the Accounting
9 Department of the DOJ. In response, on March 18, 2026, I received a document entitled "Matter
10 Time Activity by Professional Type." I hereby certify that the Matter Time Activity by
11 Professional Type, attached hereto as Exhibit A, and herein incorporated by reference, is a true
12 and correct copy of the billing summary for this matter that I received from the Accounting
13 Department. The summary includes the billing costs incurred by me, as well as other
14 professionals of the DOJ who worked on the matter; and sets forth the tasks undertaken, the
15 amount of time billed for the activity, and the billing rate by professional type. The billing
16 summary is comprehensive of the charges by the Office to the Department of Cannabis Control
17 through March 18, 2026.

18 6. Based upon the time reported through March 18, 2026, as set forth in Exhibit A, DOJ
19 has billed the Department of Cannabis Control \$7,635.00 for the time spent working on the
20 above-entitled case.

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7. To the best of my knowledge the items of cost set forth in this certification are correct and were necessarily incurred in this case.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 03/18/2026, in the City of Sacramento, California.

Michael Duong

MICHAEL DUONG
Deputy Attorney General
Declarant

SA2025803000
85573708.docx

Exhibit A



Matter Time Activity By Professional Type

As of Mar 18, 2026

Matter ID: SA2025803000				Date Opened: 09/09/2025						
Description: SL Project, Inc. (ACC)										
Professional Type: Attorney										
Fiscal Year: 2025										
Professional: Gregory M. Cribbs										
Trans #	Date	Section	Client	Task	Hours Worked	Rate	Amount	Adj ?	Statement Date	
605861190	10/21/25	CV-CCS:290	02668	Supervisory Review	3.00	\$228.00	\$684.00		10/31/25	
605944985	12/9/25	CV-CCS:290	02668	Supervisory Review	2.00	\$228.00	\$456.00		12/31/25	
605946866	12/10/25	CV-CCS:290	02668	Supervisory Review	1.00	\$228.00	\$228.00		12/31/25	
605957255	12/16/25	CV-CCS:290	02668	Supervisory Review	0.25	\$228.00	\$57.00		12/31/25	
Gregory M. Cribbs Totals:					6.25		\$1,425.00			
Professional: Harinder K. Kapur										
803286502	9/24/25	CV-CCS:290	02668	Case Management	0.25	\$228.00	\$57.00		9/30/25	
Harinder K. Kapur Totals:					0.25		\$57.00			
Professional: Michael Duong										
307867910	9/24/25	CV-CCS:290	02668	Client Communication	0.50	\$228.00	\$114.00		9/30/25	
307870685	9/26/25	CV-CCS:290	02668	Case Evaluation/Assessment	4.50	\$228.00	\$1,026.00		9/30/25	
307876630	9/26/25	CV-CCS:290	02668	Communication with Other Party	0.25	\$228.00	\$57.00		9/30/25	
307884030	10/1/25	CV-CCS:290	02668	Pleading Preparation	1.50	\$228.00	\$342.00		10/31/25	
307885417	10/2/25	CV-CCS:290	02668	Pleading Preparation	1.50	\$228.00	\$342.00		10/31/25	
307885418	10/3/25	CV-CCS:290	02668	Pleading Preparation	1.75	\$228.00	\$399.00		10/31/25	
307895307	10/8/25	CV-CCS:290	02668	Pleading Preparation	1.50	\$228.00	\$342.00		10/31/25	
307920604	10/21/25	CV-CCS:290	02668	Pleading Preparation	2.00	\$228.00	\$456.00		10/31/25	
307921246	10/22/25	CV-CCS:290	02668	Pleading Preparation	0.75	\$228.00	\$171.00		10/31/25	
308025791	12/16/25	CV-CCS:290	02668	Pleading Preparation	1.00	\$228.00	\$228.00		12/31/25	
308044393	12/29/25	CV-CCS:290	02668	Client Communication	0.25	\$228.00	\$57.00		12/31/25	
308046029	12/29/25	CV-CCS:290	02668	Client Communication	0.25	\$228.00	\$57.00		12/31/25	
308047567	12/30/25	CV-CCS:290	02668	Pleading Preparation	1.00	\$228.00	\$228.00		12/31/25	
308062603	1/8/26	CV-CCS:290	02668	Client Communication	0.25	\$228.00	\$57.00		1/31/26	
308063285	1/9/26	CV-CCS:290	02668	Pleading Preparation	1.00	\$228.00	\$228.00		1/31/26	
308094546	1/26/26	CV-CCS:290	02668	Communication with Other Party	0.25	\$228.00	\$57.00		1/31/26	



Matter Time Activity By Professional Type

As of Mar 18, 2026

Trans #	Date	Section	Client	Task	Hours Worked	Rate	Amount	Adj ?	Statement Date
308111159	2/2/26	CV-CCS:290	02668	Document Analysis	0.50	\$228.00	\$114.00		2/28/26
308145920	2/13/26	CV-CCS:290	02668	Case Management	0.25	\$228.00	\$57.00		2/28/26
308158495	2/19/26	CV-CCS:290	02668	Contract/Document Preparation	0.50	\$228.00	\$114.00		2/28/26
308146668	2/20/26	CV-CCS:290	02668	Settlement Preparation/Negotiation	2.25	\$228.00	\$513.00		2/28/26
308161429	2/26/26	CV-CCS:290	02668	Client Communication	0.25	\$228.00	\$57.00		2/28/26
308197831	3/18/26	CV-CCS:290	02668	Client Communication	0.25	\$228.00	\$57.00		
308198044	3/18/26	CV-CCS:290	02668	Pleading Preparation	1.00	\$228.00	\$228.00		
Michael Duong Totals:					23.25		\$5,301.00		
2025 Totals:					29.75		\$6,783.00		
Attorney Totals:					29.75		\$6,783.00		



Matter Time Activity By Professional Type

As of Mar 18, 2026

Matter ID: SA2025803000				Date Opened: 09/09/2025					
Description: SL Project, Inc. (ACC)									
Professional Type: Paralegal									
Fiscal Year: 2025									
Professional: Helen Koh									
Trans #	Date	Section	Client	Task	Hours Worked	Rate	Amount	Adj ?	Statement Date
803266858	9/9/25	CV-CCS:290	02668	Case Management	1.00	\$213.00	\$213.00		9/30/25
803288069	9/26/25	CV-CCS:290	02668	Case Management	0.25	\$213.00	\$53.25		9/30/25
803397738	12/30/25	CV-CCS:290	02668	Case Management	0.25	\$213.00	\$53.25		12/31/25
803446054	2/10/26	CV-CCS:290	02668	Case Management	0.75	\$213.00	\$159.75		2/28/26
803446762	2/11/26	CV-CCS:290	02668	Contract/Document Preparation	1.25	\$213.00	\$266.25		2/28/26
803459293	2/23/26	CV-CCS:290	02668	Case Management	0.25	\$213.00	\$53.25		2/28/26
803486720	3/16/26	CV-CCS:290	02668	Case Management	0.25	\$213.00	\$53.25		
Helen Koh Totals:					4.00		\$852.00		
2025 Totals:					4.00		\$852.00		
Paralegal Totals:					4.00		\$852.00		
SA2025803000 Totals:					33.75		\$7,635.00		



Cost of Suit Summary

As of Mar 18, 2026

MatterID: SA2025803000	Date Opened: Sep 9, 2025	Total Legal Costs:	\$7,635.00
Description: SL Project, Inc. (ACC)		Cost of Suit:	\$0.00
		Grand Total:	\$7,635.00

Totals include WIP time.

Rate	Hrs Wrkd	Amount
Matter Time Activity Summary		
Attorney		
<i>2025-2026</i>		
\$228.00	29.75	\$6,783.00
Total For: 2025-2026		\$6,783.00
Total for: Attorney		\$6,783.00
Paralegal		
<i>2025-2026</i>		
\$213.00	4.00	\$852.00
Total For: 2025-2026		\$852.00
Total for: Paralegal		\$852.00
Total Legal Costs		\$7,635.00

Entry No	Journal Date	Vendor #	Vendor	Schedule	Reference	Amount
Cost of Suit						
<i>* Denotes soft costs which are not included in totals.</i>						

Exhibit 5

Investigative Report (without attachment) [Case No. DCC24-0002613-INV]



INVESTIGATION REPORT



**Department of
Cannabis Control**
CALIFORNIA



CASE INFORMATION

Case Number DCC24-0002613-INV	Date Received November 6, 2024
License Number CCL23-0000607	Legal Business Name of Licensee or Unlicensed Party SL Project, Inc.
DBA N/A	Premises Address 1217 48th Avenue, Oakland California, 94601
Business Phone Number (916) 390-6845	Author's Name Lindsay Kearns
Date of Incident November 12, 2024, and November 19, 2024	Location of Incident 1217 48th Avenue, Oakland, California, 94601

DESIGNATED RESPONSIBLE PARTY (OWNER) OR UNLICENSED PERSON(S)

Name (First, Middle, Last) Anna Karapetyan	Title Designated Responsible Party/ Owner
Address (include street, city, state, and zip code) 100 Hegenberger Road, Suite 130, Oakland, California, 94601	
E-mail Address slprojectinc@gmail.com	Phone Number (916) 390-6845

DESIGNATED RESPONSIBLE PARTY (OWNER) OR UNLICENSED PERSON(S)

Name (First, Middle, Last) Peter Choy	Title Unlicensed Person
Address (include street, city, state, and zip code) 3 Jouett Sqare, Alameda, CA 94501	
E-mail Address Unknown	Phone Number (415) 990-8807

DESIGNATED RESPONSIBLE PARTY (OWNER) OR UNLICENSED PERSON(S)

Name (First, Middle, Last) Mike O'Hara	Title Unlicensed Person/ Compliance Manager
Address (include street, city, state, and zip code) Unknown	
E-mail Address Unknown	Phone Number (209) 327-2399

Miscellaneous Information

Anna Karapetyan is the Designated Responsible Party/Owner/ Applicant for the following cultivation applications:

- LCA23-0000641: 5115 Project, Inc
- LCA23-0000408: 1100 Project, Inc.



INVESTIGATION REPORT

SUMMARY

On November 12, 2024, Department of Cannabis Control Special Investigators attempted to conduct an unannounced regulatory compliance inspection of Annual Small Indoor Licensee, SL Project, Inc. (CCL23-0000607), located at 1217 48th Avenue, Oakland, California, 94601. Investigators were denied entry.

On November 19, 2024, Alameda County Sheriff's Office served an eviction warrant at the same location. California Department of Cannabis Control Special Investigators conducted a regulatory compliance inspection at the time of eviction and located 7,078 unsourced cannabis plants and 522.78 pounds of unsourced, processed cannabis flower and trim. All cannabis goods were placed under embargo pursuant to Business and Professions Code (BPC) 26039.3. The embargoed product was left in the care of the property owner, Oakhurst IF REO-48th Ave., LLC.

On November 26, 2024, Anna Karapetyan, the Designated Responsible Party, opted to destroy the embargoed product and she submitted a Voluntary Condemnation & Destruction form to DCC via email. Karapetyan made an attempt to schedule a waste hauling company to remove the product from the facility however, Oakhurst IF REO-48th Ave., LLC. removed the product prior to coordinating with Karapetyan.

On December 9, 2024, Andrew Ditlevsen, the attorney representing Oakhurst IF REO-48th Ave., LLC., contacted DCC to advise that on December 8, 2024, the premises had been burglarized however, the product placed under embargo had already been removed and destroyed.

BACKGROUND

On August 5, 2024, SL Project, Inc. (CCL23-0000607), located at 1217 48th Avenue Oakland, California received approval for their Annual Small Indoor License (Attachment A). Anna Karapetyan is listed as the Owner, Designated Responsible Party, Agent for Service, and Business Contact in the Department database (Accela) (Attachment B). Anna Karapetyan is also the Designated Responsible Party/Owner/Applicant for two additional DCC cultivation application licenses (5115 Project, Inc., LCA23-0000641 and 1100 Project, Inc., LCA23-0000408).

On November 4, 2024, I was notified by California Department of Fish and Wildlife (CDFW) Warden, S. Kennedy, that Alameda County Sheriff's Office was planning to serve SL Project, Inc. with an eviction warrant. The previous property owner, Peter Choy and Plywealth Investment Group had defaulted on their construction loan and the property was awarded back to the lender, Oakhurst IF REO – 48th Ave., LLC (Attachments C, D). Mr. Choy is known to DCC and law enforcement for engaging in illegal cannabis cultivation activity. On July 26, 2024, a judgement was entered against Choy for violations of the California Fish and Game Code and the California Business and Professions Code, totaling \$4,954,351.00 (case # 23CV042750) (Attachment E). Mr. Choy does not possess a DCC license to engage in commercial cannabis activity.

CDFW Warden Kennedy provided me with email correspondence dated: October 20, 2024, between Adam S. Cohen, (an individual identifying himself as the representative for Peter Choy) and Lathrop GPM, LLC., (legal representation for the lender), indicating that proceeding with the eviction would cause Mr. Choy over \$1,000,000 loss in revenue from the inventory that was in the building (Attachment F). On November 4, 2024, I conducted a records search of Metrc to verify cultivation activity being conducted by SL Project, Inc. Since being granted their license in August, SL Project, Inc. had not reported any cultivation activity.



INVESTIGATION REPORT

CASE NARRATIVE

On November 12, 2024, I attempted to conduct an unannounced regulatory compliance inspection at Annual Small Indoor Licensee: SL Project, Inc. (CCL23-0000607), located at 1217 48th Avenue, Oakland. I observed two security guards at the premises upon arrival, one of them left immediately and the second I identified as Daniel Strong (DOB: 10/19/65). Strong provided me his California Driver's License and Guard Registration Card as identification (Attachment G). Mr. Strong advised me that he had access to the facility, but he was not sure that he was allowed to let DCC Investigators inside. I contacted DRP Anna Karapetyan via telephone and identified myself as an Investigator with DCC. I advised Karapetyan that DCC was at the premises to conduct a regulatory compliance inspection and requested entry into the facility. Karapetyan stated she would contact an employee and have them open the facility, as she was not nearby.

Karapetyan proceeded to call the security guard Daniel Strong. Strong, in my presence, answered his call on speaker phone and I was able to hear the conversation between them. Karapetyan proceeded to direct the security guard to deny access to DCC and to inform us that there was no one available to assist us. At that time, Strong took the phone off speaker and walked away to complete his conversation. I sent a text message to Karapetyan on my department issued cell phone advising her that I was able to hear her instructing the security guard to deny entry, and that we (DCC) needed to access to the licensed premises.

I proceeded to contact Karapetyan via telephone and she placed me on a three-way call with a man that Karapetyan identified as Mike O'Hara. Karapetyan advised that O'Hara is her compliance manager. I conducted a records check of DCC databases Accela and Metrc and O'Hara is not listed as an employee of SL Project, Inc.

O'Hara directed me to provide him with a 3-day notice to comply and leave it on the gate. O'Hara stated he would respond and then schedule an appointment with DCC. I advised Karapetyan and O'Hara that DCC was there for a regulatory compliance inspection. I further advised that I had been made aware that the security guards had access to both the interior and exterior of the facility. Karapetyan and O'Hara continued to deny access stating there was no one there to assist DCC. I advised Karapetyan that SL Project, Inc. was in violation of the DCC Commercial Cannabis Regulations for denying access to the facility, and she would be receiving written communication at later date. Following the telephone conversation, I left the premises

On November 19, 2024, Alameda County Sheriff's Office (ACSO) contacted Supervising Special Investigator (SSI) Silva for DCC assistance during the eviction warrant service of 1217 48th Avenue, Oakland, California, the building that houses SL Project due to their belief that there were cannabis plants being cultivated on the premises.

At about 0950 hours, while the eviction was occurring, SSI J. Silva and I contacted an Asian male adult across the street from the premises. The Asian male identified himself as Peter Choy, and he stated he was the landlord. SSI Silva and I identified ourselves as Investigators with DCC. Choy provided his California Driver's License to SSI Silva (Attachment H) and stated that he owned the building and the property and did not understand what was going on. Choy stated he was working with the bank on payment. When questioned about his business relationship with Anna Karapetyan and SL Project, Inc., he initially stated he was "just the landlord."

Choy stated he was having difficulty paying the mortgage on the property. When questioned about whether SL Project, Inc. was paying their rent, Choy stated: "Anna pays me, and I pay Anna." SSI Silva asked why Choy would pay Anna, a tenant, and his response was: "she pays for the licenses" and "she is good at getting the licenses." Choy abruptly ended the interview and stated he needed to contact his attorney. Choy walked away to make a phone call and returned to speak with SSI Silva and myself. Choy identified his attorney as Mike O'Hara and provided a phone number for him. Choy advised us that if we had further questions, we could speak with his attorney. Let it be noted that Mike O'Hara is the same individual that Karapetyan referred to as her compliance manager.

At about 1005 hours, DCC Investigators were allowed to enter the building to conduct an inspection. Upon entry, I observed eight rooms on the first floor that contained cannabis plants in various stages of growth (Attachments



INVESTIGATION REPORT

I, J). The plant count for each room can be located on the Embargo Notice (Attachment K). There was a room at the end of the hallway that appeared to have been used as a drying room. There were 15 large, black garbage bags that contained processed cannabis flower (Attachment L). DCC Investigators weighed the processed flower, and it amounted to approximately 278.06 pounds. At the opposite end of the hallway, I observed another room that appeared to have been used as drying/processing room. Inside of that room, I observed 11 large, black garbage bags that contained dried cannabis trim (Attachment M). DCC Investigators weighed the processed trim, and it amount to approximately 244.72 pounds.

In the hallway on the first floor, I observed a rack containing various equipment, plant nutrients, and pesticides including Eagle 20 (Attachments N, O). California Department of Pesticide Regulation does not list Eagle 20 as a pesticide product reviewed for use.

On the second floor, I observed 12 rooms that contained cannabis plants in various stages of growth. A small portion of plants on the second floor, in room #203 had Metrc UID tags affixed to them (Attachment P, Q). The tags had not been activated in Metrc and all the plants on the premises appeared to be unsourced because I was unable to locate them in Metrc or on any manifest associated to SL Project (Attachment R). Department staff photographed the cannabis plants and processed product. They were photographed, the individual rooms were counted and labeled with plant/product counts. ASCO successfully evicted the tenant, DCC investigators placed 7,078 unsourced cannabis plants and 522.78 pounds of unsourced, processed cannabis flower and trim under embargo.

On November 26, 2024, at about 1300 hours, SSI Silva and I participated in a telephone interview with DRP Anna Karapetyan.

Summary of Karapetyan interview:

Karapetyan began the interview by apologizing for her actions on November 12, 2024, when DCC Investigators were attempting to conduct a compliance inspection. Karapetyan stated: it was a “bad decision” and cited concern over “being red tagged for problems” as the reason for denying DCC access to the premises.

Karapetyan moved on to discuss the eviction on November 19, 2024, and her business relationship with Peter Choy. Karapetyan stated that “Peter reached out to me, you know if you/we could get into some sort of agreement where I would get a license, he would help manage the operation and we wouldn’t discuss payment or any type of partnership or anything like that until after the first harvest, which was coming up now.”

Karapetyan stated that Choy had the seeds and would be able to “begin the production, get the growing going, all that stuff” (in reference to the seeds that were utilized to cultivate the live plants that were located on the licensed premises). Karapetyan stated she was unfamiliar with Metrc and was not sure what she was supposed to do “especially because there was no transfer product” (in reference to the seeds being unsourced). Karapetyan stated she had planned to input the information into Metrc once the product was finalized and ready to leave the building. She further stated that her compliance manager Mike O’Hara was going to retroactively input all the information into Metrc. Karapetyan stated that O’Hara had full record of the product that was in the building. Karapetyan stated that the product was not leaving the building until she located a buyer and she and O’Hara were going to use their network to start the first transaction. Karapetyan also stated that Peter and Mike were supposed to manage the operations. Karapetyan stated that Choy paid the application and licensing fees, and Karapetyan would reimburse him after the product was sold.

Karapetyan stated she assists people with obtaining their cannabis cultivation licenses. Karapetyan confirmed that she did not have to make a financial investment into the property and Choy was funding the operation. Karapetyan further stated that the seeds for the cannabis plants came from Choy, and that they were already on the premises. Karapetyan also stated she does not participate in anything on the production side of the cannabis business. Karapetyan acknowledged that it was a poor decision to engage in business with Choy.

Upon termination of the phone call, Karapetyan signed and submitted a Voluntary Condemnation and



INVESTIGATION REPORT

Destruction form via email (Attachment S) for all product that was placed under embargo, as she admitted she was unable to source it.



INVESTIGATION REPORT

WITNESS LIST

Witness #1

- Name: Jon Silva
- Title/Position: Supervising Special Investigator
- Phone: (916) 698-9960
- E-mail: jon.silva@cannabis.ca.gov

Witness #2

- Name: Aric Engkabo
- Title/Position: Supervising Special Investigator
- Phone: (916) 298-7552
- E-mail: aric.engkabo@cannabis.ca.gov

Witness #3

- Name: Bob Topping
- Title/Position: Special Investigator
- Phone: (916) 205-6098
- E-mail: bob.topping@cannabis.ca.gov

Witness #4

- Name: Kevin Johnson
- Title/Position: Special Investigator
- Phone: (916) 622-7758
- E-mail: kevin.johnson@cannabis.ca.gov

Witness #5

- Name: Steven Rodriguez
- Title/Position: Special Investigator
- Phone: (916) 759-4297
- E-mail: steven.rodriguez@cannabis.ca.gov

Witness #6

- Name: Matthew McLean
- Title/Position: Special Investigator
- Phone: (916) 223-7121
- E-mail: matthew.mclean@cannabis.ca.gov

Witness #7

- Name: Isabel Sanchez
- Title/Position: Special Investigator
- Phone: (916) 251-4622
- E-mail: isabel.sanchez@cannabis.ca.gov

Witness #8

- Name: Denis Rakitskiy
- Title/Position: Special Investigator
- Phone: (916) 215-7620
- E-mail: denis.rakitskiy@cannabis.ca.gov



INVESTIGATION REPORT

PREPARER

Name

Lindsay Kearns

Title

Special Investigator

Signature

Date

REVIEWER

Name

Jon Silva

Title

Supervising Special Investigator

Signature

Date

LIST OF ATTACHMENTS

- Attachment A: LandVision Property Screenshot
- Attachment B: Accela Screenshot SL Project
- Attachment C: Notice of Eviction
- Attachment D: Writ of Execution
- Attachment E: Signed Default Judgement
- Attachment F: Email/ Plywealth Investment
- Attachment G: Daniel Strong CDL/Guard Card
- Attachment H: Peter Choy CDL
- Attachment I: Cannabis Plants
- Attachment J: Cannabis Plants
- Attachment K: Signed Embargo Notice
- Attachment L: Black Garbage Bags Containing Processed Cannabis Flower
- Attachment M: Black Garbage Bags Processed Cannabis Drying Room
- Attachment N: Eagle 20/ Pesticides
- Attachment O: Pesticide Storage Rack
- Attachment P: Cannabis Plants with UID Tags
- Attachment Q: UID Tag
- Attachment R: Screenshot Metrc Account
- Attachment S: VCD Form

PROOF OF SERVICE

Case Name: In the Matter of the Accusation Against: SL Project, Inc.
DCC Case No. DCC24-0002613-INV
License No. CCL23-0000607, Cultivation-Small Indoor

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is Department of Cannabis Control, 2920 Kilgore Road, Rancho Cordova, CA 95670. On March 25, 2026, I served the within documents:

NOTICE OF DEFAULT DECISION AND ORDER

- VIA ELECTRONIC TRANSMISSION. Pursuant to CCP § 1010.6, I caused the document(s) to be sent to the person(s) at the Email address(es) listed below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.
- VIA CERTIFIED MAIL by placing the envelope for collection and mailing following our ordinary business practices for collecting and transmitting mail through the United States Postal Service to the individual(s) or entity(ies) listed below.
 - Service via certified mail to be completed upon the following business day.

SL Project, Inc.
Anna Karapetyan, Owner
1217 48th Avenue
Oakland, CA 94601
Certified Mail No. 7022 1670 0001 3411 7927
slprojectinc@gmail.com

Anna Karapetyan
5137 Kenneth Avenue
Fair Oaks, CA 95627
Courtesy copy via First-Class Mail
5115projectinc@gmail.com

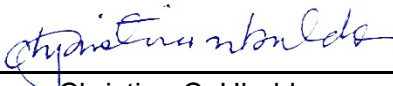
Evelyn Schaeffer (email only)
Deputy Director
Compliance Division
Department of Cannabis Control
Evelyn.Schaeffer@cannabis.ca.gov

Michael Duong (email only)
Deputy Attorney General
Cannabis Control Section
Office of Attorney General
Michael.Duong@doj.ca.gov

I am familiar with the Department's business practices for collecting and transmitting mail through the United States Postal Service. In accordance with those practices, correspondence placed in the Department's internal mail collection system is, in the ordinary course of business, deposited in the United States Postal Service, with postage paid, on the same day.

I declare under penalty of perjury under the laws of the State of California, and the United States of America, that the above is true and correct.

Executed on March 25, 2026, at Rancho Cordova, California.



Christina C. Ubaldo