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

In the Matter of Accusation Against:)	CASE NO. DCC23-0005183-COMP
)	
)	
JIVA HWD, LLC;)	
RAJIVV POTTABATHNI, OWNER)	
22701 Foothill Blvd.)	FINAL DECISION AND ORDER
Hayward, CA 94541)	
)	
Cannabis Microbusiness License No.)	
C10-0001108-LIC)	
)	
Respondent.)	
)	

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Department of Cannabis Control, as its Final Decision in this matter.

This Order shall become effective on April 2, 2025.

IT IS SO ORDERED, March 3, 2025.

Douglas Smurr
Assistant General Counsel
FOR THE DEPARTMENT OF
CANNABIS CONTROL

1 ROB BONTA
Attorney General of California
2 GREGORY M. CRIBBS
Supervising Deputy Attorney General
3 MATTHEW S. BEASLEY
Deputy Attorney General
4 State Bar No. 288070
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 269-6705
6 Facsimile: (916) 731-2126
E-mail: Matthew.Beasley@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 **JIVA HWD, LLC;**
13 **RAJIV POTTABATHNI, OWNER**
14 **22701 Foothill Blvd**
15 **Hayward, CA 94541**
16 **Cannabis - Retailer License No.**
17 **C10-0001108-LIC**

18 Respondent.

Case No. DCC23-0005183-COMP

19 **STIPULATED SETTLEMENT AND**
20 **DISCIPLINARY ORDER**

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

23 **PARTIES**

24 1. Jeff Merriman (Complainant) was the Deputy Director of the Compliance Division of
25 the Department of Cannabis Control (Department). He brought the above-referenced action
26 solely in his official capacity but has since left the Department. Evelyn Schaeffer is now the
27 Deputy Director of the Compliance Division of the Department and now the Complainant in her
28 official capacity in this matter, and is represented in this matter by Rob Bonta, Attorney General
of the State of California, by Matthew S. Beasley, Deputy Attorney General.

2. Respondent Jiva HWD, LLC, Rajiv Pottabathni, Owner (Respondent) is represented
in this proceeding by attorney Henry G. Wykowski, whose address is: 235 Montgomery St., Suite

1 657, San Francisco, California 94104. Respondent is acting in this proceeding through Rajiv
2 Pottabathni, Owner, and he has been designated and authorized by Jiva HWD, LLC to enter into
3 this agreement on behalf of the Respondent (hereafter “Authorized Representative”).

4 3. On or about June 22, 2022, the Department issued Cannabis - Retailer License No.
5 C10-0001108-LIC to Respondent. The Cannabis - Retailer License was in full force and effect at
6 all times relevant to the charges brought in Accusation No. DCC23-0005183-COMP, and will
7 expire on June 22, 2025, unless renewed.

8 **JURISDICTION**

9 4. Accusation No. DCC23-0005183-COMP was filed before the Department and is
10 currently pending against Respondent. The Accusation and all other statutorily required
11 documents were properly served on Respondent on January 12, 2024. Respondent timely filed its
12 Notice of Defense contesting the Accusation.

13 5. A true and correct copy of Accusation No. DCC23-0005183-COMP is attached as
14 Exhibit A and incorporated herein by reference.

15 **ADVISEMENT AND WAIVERS**

16 6. Respondent and its current owners of record and members have carefully read, fully
17 discussed with counsel, and understand the charges and allegations in Accusation No. DCC23-
18 0005183-COMP. Respondent and its current owners of record and members have also carefully
19 read, fully discussed with counsel, and understand the effects of this Stipulated Settlement and
20 Disciplinary Order.

21 7. Respondent and its current owners of record are fully aware of their legal rights in
22 this matter, including the right to a hearing on the charges and allegations in Accusation No.
23 DCC23-0005183-COMP; the right to confront and cross-examine the witnesses against them; the
24 right to present evidence and to testify on its own behalf; the right to the issuance of subpoenas to
25 compel the attendance of witnesses and the production of documents; the right to reconsideration
26 and court review of an adverse decision; and all other rights accorded by the California
27 Administrative Procedure Act and other applicable laws.

28

1 By U.S. Postal Service:
2 Department of Cannabis Control
3 Attn: Cashiers
4 P.O. Box 419106
5 Ranch Cordova, CA 95741-9106

6 By FedEx or UPS:
7 Department of Cannabis Control
8 Attn: Cashiers
9 2920 Kilgore Road
10 Rancho Cordova, CA 95670-9106

11 5. Failure to complete the payments or comply with the terms of this Order shall result
12 in further disciplinary action or non-renewal of Respondent's Cannabis - Retailer License No.
13 C10-0001108-LIC and denial of any other license sought, as the Department deems appropriate.
14 Additionally, failure to complete the payment shall result in Respondent's immediate obligation
15 and responsibility to pay the full amount of the Department's costs of investigation and
16 enforcement pursuant to Business and Professions Code section 26031 and California Code of
17 Regulations, title 4, section 17813, in the amount of seven thousand, one hundred and seven
18 dollars (\$7,107), less any partial payments received prior to the failure to complete payments or
19 comply with the terms of this Order and will result in enforcement of the Order in the Superior
20 Court.

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ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Henry Wykowski. I understand the stipulation and the effect it will have on my Cannabis - Retailer License. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Department of Cannabis Control.

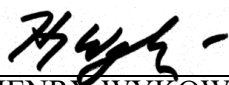


DATED: 02/25/25

JIVA HWD, LLC
By: RAJIV POTTABATHNI,
OWNER/AUTHORIZED REPRESENTATIVE
Respondent

I have read and fully discussed with Respondent Jiva HWD, LLC, Rajiv Pottabathni, Owner/Authorized Representative, the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 02/25/2025



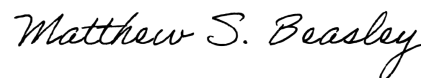
HENRY WYKOWSKI
Attorney for Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Department of Cannabis Control.

DATED: 2/26/25

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



MATTHEW S. BEASLEY
Deputy Attorney General
Attorneys for Complainant

Exhibit A

Accusation No. DCC23-0005183-COMP

1 ROB BONTA
Attorney General of California
2 JOSHUA B. EISENBERG
Supervising Deputy Attorney General
3 ETHAN TURNER
Deputy Attorney General
4 State Bar No. 294891
1300 I STREET, SUITE 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 210-7898
Facsimile: (916) 327-2319
7 *Attorneys for Complainant*

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

11 In the Matter of the Accusation Against:

12 **JIVA HWD, LLC**
13 **Rajiv Pottabathni, Owner**
14 **22701 Foothill Boulevard**
Hayward, CA 94541

15 **License Number C10-0001108-LIC**

16 Respondent.

Case No. DCC23-0005183-COMP
OAH Case No.

ACCUSATION

17
18 **PARTIES**

19 1. Jeff Merriman (Complainant) brings this Accusation solely in his official capacity as
20 the Deputy Director of the Compliance Division of the Department of Cannabis Control
21 (Department).

22 2. On or about June 22, 2022, the Department issued Adult-Use and Medicinal-Use
23 Retailer License Number C10-0001108-LIC to Jiva HWD, LLC (Respondent) with Rajiv
24 Pottabathni as Owner. On or about June 22, 2023, the Adult-Use and Medicinal-Use Retailer
25 License Number C10-0001108-LIC was renewed. The Adult-Use and Medicinal-Use Retailer
26 License was in full force and effect at all times relevant to the charges brought herein and will
27 expire on June 22, 2024, unless renewed.

28 ///

JURISDICTION

3. This Accusation is brought before the Director (Director) for the Department, 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 state:

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. . . .

8. Section 26031 of the Code states, in part:

(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.

...

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

///

1 9. Section 26034 of the Code states:

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

10 **STATUTORY PROVISIONS**

11 10. Section 26030 of the Code states:

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

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

16 ...

17 (c) Any other grounds contained in regulations adopted by a licensing authority
18 pursuant to this division.

19 (d) Failure to comply with any state law including, but not limited to, the
20 payment of taxes as required under the Revenue and Taxation Code, except as
21 provided for in this division or other California law....

22 **REGULATORY PROVISIONS**

23 11. Title 4 of the California Code of Regulations, section 15000.5 states:

24 In construing and enforcing the provisions of the Act and the regulations in this
25 division, the act, omission, or failure of an agent, officer, representative, or other
26 person acting for or employed by a licensee, within the scope of their employment or
27 office, shall in every case be deemed the act, omission, or failure of the licensee.

28 12. Title 4 of the California Code of Regulations, section 15048, states, in pertinent
part:

(a) Each applicant or licensee shall identify an owner of the commercial
cannabis business as the track and trace system account manager. A licensee may
change the account manager by submitting a written request to the Department.

(b) No later than 10 calendar days after license issuance, the designated account
manager shall:

...

(3) Complete the credentialing process to establish a login....

1 13. Title 4 of the California Code of Regulations, section 17801 states:

2 (a) The Department may issue a Notice to Comply to a licensee for violation(s)
3 of the Act or this division discovered during an investigation or audit or observed
4 during an inspection.

5 (b) The Notice to Comply shall be in writing and describe the nature and facts of
6 each violation, including a reference to the statute or regulation violated, and may
7 indicate the manner in which the licensee must correct the violation(s) to achieve
8 compliance.

9 (c) The Department may serve the Notice to Comply personally, by email, or by
10 mail to the licensee or an employee, agent, or person delegated by the licensee to
11 accept notice.

12 (d) The licensee shall sign and return the Notice to Comply and describe how
13 compliance was achieved within 30 calendar days after the date of personal service
14 or the date of emailing or mailing of the notice or a different date specified by the
15 Department. The Department may also require the licensee to provide a plan for
16 review and approval by the Department on a case-by-case basis.

17 (e) Failure to correct the violation(s) in the Notice to Comply may result in
18 disciplinary action.

19 14. Title 4 of the California Code of Regulations, section 17809 states:

20 (a) When an accusation recommending disciplinary action against a licensee
21 has been filed pursuant to Business and Professions Code section 26031, the
22 accusation shall be served on the licensee in accordance with Government Code
23 section 11505.

24 (b) A hearing shall be conducted in accordance with the provisions of chapter 5
25 (commencing with section 11500) of part 1 of division 3 of title 2 of the Government
26 Code to determine if cause exists to take action against the licensee. At the hearing,
27 the Department shall have all of the powers granted by the statutes cited above and by
28 the Business and Professions Code.

(c) If a hearing on an accusation against a licensee results in a finding that the
licensee has committed any of the acts or omissions constituting grounds for
disciplinary action, the Department may order the license revoked, suspended outright
for a specified period of time, or suspended on probationary restriction for a specified
period of time, including terms and conditions of probation the Department considers
appropriate on the basis of its findings, impose a fine, or any combination thereof.
The Department may also issue other lawful orders it considers appropriate on the
basis of its findings.

COST RECOVERY

25 15. Section 26031.1 of the Code states that:

26 (a) Except as otherwise provided by law, in an order issued in resolution of a
27 disciplinary proceeding before the department, the administrative law judge, upon
28 request, may direct a licensee found to have committed a violation to pay a sum not to
exceed the reasonable costs of the investigation and enforcement of the case.

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

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

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

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

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

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

26 (g) All costs recovered under this section shall be considered a reimbursement
27 for costs incurred and shall be deposited into the Cannabis Control Fund to be
28 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

16. On or about June 22, 2022, the Department issued Adult-Use and Medicinal-Use
Retailer License Number C10-0001108-LIC to Jiva HWD, LLC (Respondent) with Rajiv
Pottabathni as Owner. Respondent was required to identify and designate an owner of its
commercial cannabis business as the track and trace system account manager. The designated
account manager was required to complete the credentialing process to establish a login within
ten (10) calendar days of the license issue date, or by July 2, 2022.


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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director issue a decision:

1. Revoking or suspending the Adult-Use and Medicinal-Use Retailer License Number C10-0001108-LIC to Jiva HWD, LLC (Respondent) with Rajiv Pottabathni as Owner;
2. Ordering Respondent Jiva HWD, LLC (Respondent) with Rajiv Pottabathni as Owner, to pay the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 26031.1; and
3. Taking such other and further action as deemed necessary and proper.

DATED: October 20, 2023



JEFF MERRIMAN
Deputy Director, Compliance Division
Department of Cannabis Control
State of California
Complainant

PROOF OF SERVICE

Case Name: In the Matter of the Accusation Against: JIVA HWD, LLC
DCC Case No. DCC23-0005183-COMP
License Number: C10-0001108-LIC

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 3, 2025, I served the within documents:

FINAL 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.

Henry G. Wykowski, Esq.
235 Montgomery St., Suite. 657
San Francisco, CA 94104
hgw@wykowskilaw.com

Rajiv Pottabathni
Owner, Jiva HWD, LLC
22701 Foothill Blvd.
Hayward, CA 94541
raj@jivalife.org

Harinder Kapur (email only)
Assistant Attorney General
Cannabis Control Section
Office of Attorney General
Harinder.Kapur@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 am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

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 3, 2025, at Rancho Cordova, California.

Erroll Abrahamian