



Department of  
Cannabis Control  
CALIFORNIA

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

March 25, 2025

VIA CERTIFIED MAIL

Srbuhi Ponchukyan and Leo Small  
Owners, LVS Holdings, LLC  
7460 Varna Ave.  
Long Angeles, CA 91605

Narek Balagyozyan, Esq.  
Shevin Law Group  
15260 Venture Blvd., Suite 1400  
Sherman Oaks, CA 91403

Re: LVS Holdings, LLC - Case No. C9-24-0000001-APP  
Order Adopting Stipulated Settlement and Order as Final Decision

Dear Messrs. Ponchukyan, Small, and Balagyozyan:

Pursuant to sections 11415.60 and 11517(c)(2)(C) of the Government Code, attached please find a copy of the Department of Cannabis Control's Order Adopting Stipulated Settlement and Order as the Final Decision in the above-referenced matter involving LVS Holdings, LLC.

The Department's Order and Final Decision will be effective on April 24, 2025. Pursuant to this Final Decision and its stipulated settlement, LVS Holdings, LLC, has waived any right to reconsideration or appeal in this matter.

Sincerely,

Douglas Smurr  
Assistant General Counsel  
[info@cannabis.ca.gov](mailto:info@cannabis.ca.gov)  
[www.cannabis.ca.gov](http://www.cannabis.ca.gov)

1  
2  
3  
4  
5  
6  
7  
8 **BEFORE THE**  
9 **DEPARTMENT OF CANNABIS CONTROL**  
10 **OF THE STATE OF CALIFORNIA**

11 In the Matter of Statement of Issues Against: ) CASE NO. C9-24-0000001-APP  
12 )  
13 LVS HOLDINGS, LLC; ) **ORDER ADOPTING STIPULATED**  
14 Owners Srбуhi Ponchukyan and Leo Small ) **SETTLEMENT AND ORDER AS FINAL**  
15 7460 Varna Ave. ) **DECISION**  
16 Los Angeles, CA 91650 )  
17 Retailer – Non-Storefront License Applicant )  
18 Respondent. )

19 Pursuant to Government Code sections 11415.60, and 11517(c)(2)(C), the Department  
20 of Cannabis Control hereby makes a technical or other minor change to the proposed stipulated  
21 settlement and order by changing the incorrectly noted case number from DCC23-0001957-INV  
22 to the correct case number of DCC Case No. C9-24-0000001-APP, and adopts the attached

23 ///

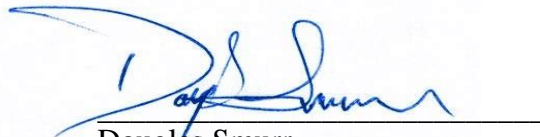
24 ///

25 ///

1 Stipulated Settlement and Order as its Final Decision in this matter.

2  
3 This Order and Final Decision shall become effective on April 24, 2025.

4  
5 IT IS SO ORDERED, March 25, 2025.

6  
7 

8 Douglas Smurr  
9 Assistant General Counsel  
10 FOR THE DEPARTMENT OF CANNABIS CONTROL  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 ROB BONTA  
2 Attorney General of California  
3 HARINDER K. KAPUR  
4 Senior Assistant Attorney General  
5 GREGORY M. CRIBBS  
6 Supervising Deputy Attorney General  
7 State Bar No. 175642  
8 300 South Spring Street, Suite 1702  
9 Los Angeles, CA 90013-1230  
10 Telephone: (213) 269-6259  
11 E-mail: Gregory.Cribbs@doj.ca.gov  
12 *Attorneys for Complainant*

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

In the Matter of the Statement of Issues  
Against:

**LVS HOLDINGS, LLC;  
Srbuhi Ponchukyan and Leo Small, Owners**

**Cannabis – Retailer Non-Storefront License  
Applicant**

Applicant.

Case No. C9-24-0000001-APP

**STIPULATED SETTLEMENT**

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

**PARTIES**

1.e Michael Cheng (Complainant) is Deputy Director of the Licensing Division of the Department of Cannabis Control (Department). He brought the above-referenced action solely in his official capacity, and is represented in this matter by Rob Bonta, Attorney General of the State of California, by Gregory M. Cribbs, Supervising Deputy Attorney General.

2.e Applicant LVS Holdings, LLC (Applicant) with Srbuhi Ponchukyan and Leo Small, Owners (Owners) is represented in this proceeding by attorney Narek Balagyozyan, Esq. of

1 Shevin Law Group, whose address is: 15260 Ventura Blvd, Suite No. 1400, Sherman Oaks,  
2 California 91403. Applicant is acting in this proceeding through Leo Small, Owner, who has been  
3 designated and authorized by LVS Holdings, LLC to enter into this agreement on behalf of the  
4 Applicant (hereafter "Authorized Representative").

5 3.e On or about March 31, 2023, the Department received an application for an Annuale  
6 Cannabis Retailer Non-Storefront License from LVS Holdings LLC, with Srбуhi Ponchukyan  
7 and Leo Small as Owners, which was assigned Application Number C9-23-0000063-APP.  
8 Subsequently, on or about June 28, 2023, the Department issued Provisional Cannabis Retailer  
9 Non-Storefront License Number C9-0000768-LIC to LVS Holding, LLC, with Srбуhi  
10 Ponchukyan and Leo Small as Owners. On or about January 17, 2024, the Department revoked  
11 Provisional Cannabis Retailer Non-Storefront License Number C9-0000768-LIC, for failure to  
12 complete the credentialing process for the California Cannabis Track and Trace (CCTT) System.

13 4.e On or about January 24, 2024, the Department received an application for an Annuale  
14 Cannabis Retailer Non-Storefront License from LVS Holdings LLC, with Srбуhi Ponchukyan  
15 and Leo Small as Owners, which was assigned Application Number C9-24-0000001-APP, and in  
16 which the Owners certified under penalty of perjury to the truthfulness of all statements, answers,  
17 and representations in the application. The Department denied the application on May 22, 2024.

#### 18 **JURISDICTION**

19 5. Statement of Issues No. C9-24-0000001-APP was filed before the Department and is  
20 currently pending against Applicant. The Statement of Issues and all other statutorily required  
21 documents were properly served on Applicant on November 20, 2024. Applicant timely requested  
22 a hearing regarding Statement of Issues No. C9-24-0000001-APP.

23 6.e A true and correct copy of Statement of Issues No. C9-24-0000001-APP is attachede  
24 as Exhibit A and incorporated herein by reference.

#### 25 **ADVISEMENT AND WAIVERS**

26 7.e Applicant and its current owners of record and members have carefully read, fullye  
27 discussed with counsel, and understand Statement of Issues No. C9-24-0000001-APP. Applicant  
28

1 and its current owners of record and members have also carefully read, fully discussed with  
2 counsel, and understand the effects of this Stipulated Settlement.

3 8. Applicant and its current owners of record are fully aware of their legal rights in this  
4 matter, including the right to a hearing on the alleged causes for denial of its Annual Cannabis  
5 Retailer Non-Storefront License Application as alleged in Statement of Issues No. C9-24-  
6 0000001-APP; the right to confront and cross-examine the witnesses against them; the right to  
7 present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel  
8 the attendance of witnesses and the production of documents; the right to reconsideration and  
9 court review of an adverse decision; and all other rights accorded by the California  
10 Administrative Procedure Act and other applicable laws.

11 9.e Applicant voluntarily, knowingly, and intelligently waives and gives up each and  
12 every right set forth above.

### 13 CULPABILITY

14 10. Applicant understands and agrees that the factual allegations in Statement of Issues  
15 No. C9-24-0000001-APP, if proven at a hearing, constitute cause for denial of its application for  
16 a Cannabis Retailer Non-Storefront License.

17 11. For the purpose of resolving this action without the expense and uncertainty of further  
18 proceedings, Applicant agrees that, at a hearing, Complainant could establish a factual basis for  
19 the factual allegations in Statement of Issues No. C9-24-0000001-APP, and that Applicant hereby  
20 gives up its right to contest those factual allegations and causes for denial.

21 12.e Applicant agrees that its application No. C9-24-0000001-APP is subject to denial and  
22 agrees to be bound by the terms of this Stipulated Settlement.

### 23 CONTINGENCY

24 13.e This stipulation shall be subject to approval by the Department. Applicant  
25 understands and agrees that counsel for Complainant and the staff of the Department may  
26 communicate directly with the Department regarding this stipulation and settlement, without  
27 notice to or participation by Applicant or its counsel. By signing the stipulation, Applicant  
28 understands and agrees that it may not withdraw its agreement or seek to rescind the stipulation

1 prior to the time the Department considers and acts upon it. If the Department fails to adopt this  
2 stipulation as its Decision and Order, the Stipulated Settlement shall be of no force or effect,  
3 except for this paragraph, it shall be inadmissible in any legal action between the parties, and the  
4 Department shall not be disqualified from further action by having considered this matter.

5 14.e The parties understand and agree that Portable Document Format (PDF) and facsimile  
6 copies of this Stipulated Settlement, including PDF and facsimile signatures thereto, shall have  
7 the same force and effect as the originals.

8 15.e This Stipulated Settlement may be signed in any number of counterparts, each of e  
9 which is an original and all of which taken together form one single document.

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

16 18.e In consideration of the foregoing admissions and stipulations, the parties agree that e  
17 the Department may, without further notice or formal proceeding, issue and enter the following  
18 Order:

19 **ORDER**

20 1. **WITHDRAWAL OF APPEAL:** Applicant's appeal of the Statement of Issues  
21 Number C9-24-0000001-APP and request for administrative hearing is deemed withdrawn and  
22 any further appeal is waived.

23 2. **SUBMISSION OF NEW APPLICATION:** Applicant LVS Holdings LLC, with  
24 Srбуhi Ponchukyan and Leo Small as Owners, may submit a new Application for a Retailer Non-  
25 Storefront License, which shall include a disclosure of the revocation of its Provisional Cannabis  
26 Retailer Non-Storefront License Number C9-0000768-LIC.

27 3.e **REVIEW OF NEW APPLICATION:** Upon submission of the new Application for  
28 a Cannabis Retailer Non-Storefront License, the Application will not be subject to denial based

1 upon either the fact that Applicant's Provisional Retailer Non-Storefront License Number C9-  
2 0000768-LIC had been revoked in the three years immediately preceding the date the new  
3 Application is filed or upon the fact that the new Application is submitted prior to one year from  
4 the May 22, 2024 date of application denial.

5 ACCEPTANCE

6 I have carefully read the above Stipulated Settlement and have fully discussed it with my  
7 attorney, Narek Balagyozyan, Esq. I understand the stipulation and the effect it will have on the  
8 appeal of the denial of application number C9-24-0000001-APP. I enter into this Stipulated  
9 Settlement voluntarily, knowingly, and intelligently, and agree to be bound by this Stipulated  
10 Settlement.

11  
12 DATED: 03/14/2025

S. Ponchukyan  
LVS Holdings, LLC  
By: Srбуhi Ponchukyan, Owner  
Applicant

13  
14  
15  
16  
17 DATED: 03/14/2025

Leo Small  
LVS Holdings, LLC  
By: Leo Small, Owner/Authorized Representative  
Applicant

18  
19  
20  
21 I have read and fully discussed with Applicant LVS Holdings, LLC, Srбуhi Ponchukyan,  
22 Owner and Leo Small, Owner/Authorized Representative, the terms and conditions and other  
23 matters contained in the above Stipulated Settlement and Order. I approve its form and content.  
24

25 DATED: 03/14/2025

N. Balagyozyan  
NAREK BALAGYOZYAN  
Attorney for Applicant



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

ENDORSEMENT

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

DATED: March 14, 2025

Respectfully submitted,

*Gregory M. Cribbs*

ROB BONTA  
Attorney General of California  
HARINDER K. KAPUR  
Senior Assistant Attorney General

GREGORY M. CRIBBS  
Supervising Deputy Attorney General

*Attorneys for Complainant*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Exhibit A**

**Statement of Issues Number C9-24-0000001-APP**

1 ROB BONTA  
Attorney General of California  
2 HARINDER K. KAPUR  
Senior Assistant Attorney General  
3 GREGORY M. CRIBBS  
Supervising Deputy Attorney General  
4 State Bar No. 175642  
300 So. Spring Street, Suite 1702  
5 Los Angeles, CA 90013  
Telephone: (213) 269-6259  
6 E-mail: Gregory.Cribbs@doj.ca.gov  
*Attorneys for Complainant*  
7

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

11 In the Matter of the Statement of Issues  
12 Against:

Case No. C9-24-0000001-APP

13 **LVS HOLDINGS LLC;**  
14 **SRBUHI PONCHUKYAN, Owner**

**STATEMENT OF ISSUES**

15 **Retailer - Non-Storefront License Applicant**  
16 Applicant.

17 **PARTIES**

18 1. Michael Cheng (Complainant) brings this Statement of Issues solely in his official  
19 capacity as the Deputy Director of the Licensing Division of the Department of Cannabis Control  
20 (Department).

21 2. On or about March 31, 2023, the Department received an application for an Annual  
22 Adult-Use and Medicinal Retailer Non-Storefront License from LVS Holdings LLC, with Srбуhi  
23 Ponchukyan and Leo Small as owners, which was assigned application number C9-23-0000063-  
24 APP. Subsequently, on or about June 28, 2023, the Department issued Provisional Adult-Use and  
25 Medicinal Retailer Non-Storefront License number C9-0000768-LIC to LVS Holding, LLC, with  
26 Srбуhi Ponchukyan and Leo Small as owners. On or about January 17, 2024, the Department  
27 revoked Provisional Adult-Use and Medicinal Retailer Non-Storefront License number C9-  
28

0000768-LIC, for failure to complete the credentialing process for the California Cannabis Track and Trace (CCTT) System.

3. On or about January 24, 2024, the Department received an application for an Annual Adult-Use and Medicinal Retailer Non-Storefront License from LVS Holdings LLC, with Srбуhi Ponchukyan as owner, which was assigned application number C9-24-0000001-APP, and in which she certified under penalty of perjury to the truthfulness of all statements, answers, and representations in the application. The Department denied the application on May 22, 2024.

### JURISDICTION

4. This Statement of Issues 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.

5. 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.

6. 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....

7. 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....

8. 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....

9. 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.

....

(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.

10. Section 26058 of the Code states:

Upon the denial of any application for a license, the department shall notify the applicant in writing. Within 30 days of service of the notice, the applicant may file a written petition for a license with the department. Upon receipt of a timely filed petition, the department shall set the petition for hearing. The hearing shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein. Any appeal from a final decision of the department shall be conducted in accordance with Chapter 4 (commencing with Section 26040).

#### **STATUTORY PROVISIONS**

11. Section 26030 of the Code states:

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

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

(b) Conduct that constitutes grounds for denial of licensure pursuant to Chapter 2 (commencing with Section 480) of Division 1.5 or discipline of a license pursuant to Chapter 3 (commencing with Section 490) of Division 1.5.

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

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

12. Section 26051.5 of the Code states:

(a) An applicant for a state license issued pursuant to this division to conduct commercial cannabis activity, as defined in Section 26001, shall do all of the following:

...

1 (4) Provide a statement, signed by the applicant under penalty of perjury, that  
2 the information provided is complete, true, and accurate.

3 ...

4 (7) Provide any other information required by the department....

5 13. Section 26055 of the Code states:

6 (a) The department may issue state licenses only to qualified applicants....

7 14. Section 26057 of the Code states:

8 (a) The department shall deny an application if either the applicant, or the  
9 premises for which a state license is applied, do not qualify for licensure under this  
10 division.

11 (b) The department may deny the application for licensure or renewal of a state  
12 license if any of the following conditions apply:

13 (1) Failure or inability to comply with the provisions of this division, any rule  
14 or regulation adopted pursuant to this division, or any requirement imposed to protect  
15 natural resources, including, but not limited to, protections for instream flow, water  
16 quality, and fish and wildlife.

17 (2) Conduct that constitutes grounds for denial of licensure under Chapter 2  
18 (commencing with Section 480) of Division 1.5, except as otherwise specified in this  
19 section and Section 26059.

20 (3) Failure to provide information required by the department.

21 ...

22 (7) The applicant, or any of its officers, directors, or owners, has been  
23 sanctioned by the department, the Bureau of Cannabis Control, the Department of  
24 Food and Agriculture, or the State Department of Public Health or a city, county, or  
25 city and county for unauthorized commercial cannabis activities, has had a license  
26 suspended or revoked under this division in the three years immediately preceding the  
27 date the application is filed with the department.

28 ...

(9) Any other condition specified in law.

(c) The withdrawal of an application for a license after it has been filed with the  
department shall not deprive the department of its authority to institute or continue a  
proceeding against the applicant for the denial of the license upon any ground  
provided by law or to enter an order denying the license upon any ground.

///  
///  
///

## REGULATORY PROVISIONS

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

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

16. Title 4 of the California Code of Regulations, section 15002, states:

...

(c) An application must be completed by an owner as defined by section 15003. An application for an annual cannabis license includes the following:

...

(16) A complete list of every owner of the commercial cannabis business, as defined in section 15003. Each individual named on this list shall submit the following information:

...

(M) If applicable, a detailed description of any administrative orders or civil judgments for violations of labor standards, any suspension of a commercial cannabis license, revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity by a licensing authority, local agency, or state agency against the owner in their individual capacity or a business entity in which the owner was an owner or officer within the three years immediately preceding the date of the application. The owner may provide mitigating information including, but not limited to, a statement of rehabilitation to the Department for consideration if any prior discipline disclosed pursuant to this section may result in denial of the application.

...

(29) An applicant shall disclose whether they have been denied a license or had a license suspended or revoked by the Department or any other state cannabis licensing authority. The applicant shall provide the type of license denied, suspended, or revoked, the name of the licensing authority, and the date of the denial, suspension, or revocation....

17. Title 4 of the California Code of Regulations, section 15010, states:

...

(b) An applicant shall provide evidence of compliance with, or exemption from, CEQA (division 13 (commencing with section 21000) of the Public Resources Code).

The evidence provided may be any one of the following:

(1) A signed copy of a project-specific Notice of Determination or Notice of Exemption and a copy of the associated CEQA document, or reference to

1 where it may be located electronically, a project description, and any  
2 accompanying permitting documentation from the local jurisdiction used for  
3 review in determining site-specific environmental compliance. Documentation  
4 may include a copy of the administrative record previously certified or adopted  
5 by the local jurisdiction that has already reviewed the commercial cannabis  
6 business' proposed commercial cannabis activities...

7 (B) Staff reports and related documents prepared by the local jurisdiction....

8 18. Title 4 of the California Code of Regulations, section 15021, states:

9 (a) The Department may deny an application for a new license or a renewal of a  
10 license for any reason specified in Business and Professions Code section 26057, and  
11 on any additional grounds including grounds for denial under section 15018, and  
12 grounds for discipline under the Act or this division.

13 (b) Upon denial of an application for a license or renewal of a license, the  
14 Department shall notify the applicant in writing of the reasons for denial, and the  
15 right to a hearing to contest the denial.

16 (c) The applicant may request a hearing to contest the denial by submitting a  
17 written request to the Department at [appeals@cannabis.ca.gov](mailto:appeals@cannabis.ca.gov).

18 ...

19 19. Title 4 of the California Code of Regulations, section 15048, states:

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

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

25 (1) Complete new user system training provided by the Department.

26 (2) Email [support@metrc.com](mailto:support@metrc.com) from the designated account manager's email  
27 address to request access to the track and trace system.

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

29 20. Title 4 of the California Code of Regulations, section 17801, states:

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

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



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

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

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

### 11 FACTUAL ALLEGATIONS

#### 12 Licensure History of Respondent's Provisional Retailer Non-Storefront 13 License Number C9-0000768-LIC

14 21. On or about March 31, 2023, the Department received an application for an Annual  
15 Adult-Use and Medicinal Retailer Non-Storefront License from LVS Holdings LLC, with Srбуhi  
16 Ponchukyan and Leo Small as owners, which was assigned application number C9-23-0000063-  
17 APP. On or about June 28, 2023, the Department issued Provisional Adult-Use and Medicinal  
18 Retailer Non-Storefront License number C9-0000768-LIC to LVS Holding, LLC (Respondent),  
19 with Srбуhi Ponchukyan (Owner Ponchukyan) and Leo Small as owners. Pursuant to Title 4 of  
20 the California Code of Regulations section 15048, subdivision (b)(3), Respondent was required to  
21 identify and designate an owner of its commercial cannabis business as the track and trace system  
22 account manager. The designated account manager was required to complete the credentialing  
23 process to establish a login within ten (10) calendar days of the license issue date, or by July 8,  
24 2023.

25 22. On July 17, 2023, a Department representative emailed a CCTT system reminder to  
26 Owner Ponchukyan's designated email account. In that email, Owner Ponchukyan was identified  
27 as the account manager for Respondent's Provisional Adult-Use and Medicinal Retailer Non-  
28 Storefront License and was given notice to immediately complete the mandatory credentialing  
process, complete the new user training, and email METRC to request access to the CCTT  
system. In the July 17, 2023, email, Owner Ponchukyan was also notified that engaging in  
commercial cannabis activity prior to completing these requirements may result in disciplinary  
action against the license.

1       23. On August 18, 2023, Respondent and Owner Ponchukyan were served electronically  
2 and via U.S. Mail with a Notice to Comply for failure to complete the credentialing process to  
3 establish a login for the CCTT System. Respondent was required to return a signed copy of the  
4 Notice to Comply to the Department by September 22, 2023, and provide a written  
5 response as to how the violation was corrected. Respondent did not complete the actions required  
6 by the deadline provided. .

7       24. On October 25, 2023, the Department issued a Notice of Provisional License Review  
8 to Respondent for its failure to comply with the requirement to create and maintain an account  
9 with the CCTT System. The Notice of Provisional License Review advised Respondent that the  
10 Department was reviewing its Provisional Adult-Use and Medicinal Retailer Non-Storefront  
11 License number C9-0000768-LIC for revocation and provided Respondent with an opportunity to  
12 correct the violation and achieve compliance. Respondent was advised to request an informal  
13 meeting within 5 days of issuance (of the Notice of Provisional License Review) and submit  
14 documentation related to the violations for consideration. Respondent did not request a meeting  
15 or submit documents to the Department. On or about January 17, 2024, the Department revoked  
16 Provisional Adult-Use and Medicinal Retailer Non-Storefront License number C9-0000768-LIC  
17 pending completion of its Provisional License Review, for failure to complete the credentialing  
18 process for the California Cannabis Track and Trace (CCTT) System.

19               **January 24, 2024, Annual Retailer – Non-Storefront License Application**

20       25. On or about January 24, 2024, the Department received Respondent's application for  
21 an Annual Retailer – Non-Storefront License, which was assigned an application number of C9-  
22 24-0000001-APP (Application). The application listed Leo Small and Srбуhi Ponchukyan as the  
23 owners of LVS Holdings, LLC. As part of the application process, the Department received an  
24 owner submittal for Leo Small and Srбуhi Ponchukyan. The owner submittal form requires each  
25 owner to disclose any sanctions or license revocations by a licensing authority within the 3 years  
26 preceding the application date for unauthorized commercial cannabis activities. Despite the  
27 Department's January 17, 2024, revocation of Respondent's Provisional Retailer Non-Storefront  
28 License number C9-0000768-LIC, owners Leo Small and Srбуhi Ponchukyan failed to disclose

1 the recent revocation of its provisional license. By signing the owner submittal form(s), owners  
2 Leo Small and Srбуhi Ponchukyan declared that the information submitted was complete, true,  
3 and accurate, and that a misrepresentation of fact is cause for rejection of the application or denial  
4 of a license.

5 26. In addition, Respondent was required to submit evidence of compliance with, or  
6 exemption from, the California Environmental Quality Act (CEQA), as part of the annual license  
7 application process. Per the local jurisdiction's requirements, Respondent was required to submit  
8 a form and, upon its filing, the local jurisdiction would then update its draft project specific  
9 environmental review findings and prepare the final environmental document required under  
10 CEQA. Respondent did not submit the requisite form to its local jurisdiction, nor did it submit  
11 evidence of CEQA compliance or exemption to the Department.

#### 12 **FIRST CAUSE FOR DENIAL OF APPLICATION**

13 (Respondent's Previously Held Provisional Commercial Cannabis License was Suspended  
14 Within Three Years of the Application Filing Date)

15 27. Respondent's application is subject to denial under Code sections 26057, subdivisions  
16 (a), (b)(1)-(3), (7), and (9), in that one or more of the Respondent's officers, directors, or owners,  
17 have had a license suspended or revoked under this division in the three years immediately  
18 preceding the date the application is filed with the department. The circumstances are more  
19 particularly alleged in paragraphs 21 through 26, above, which are hereby incorporated by  
20 reference and realleged as if fully set forth herein.

#### 21 **SECOND CAUSE FOR DENIAL OF APPLICATION**

22 (Failure to Disclose Prior Commercial Cannabis License Revocation)

23 28. Respondent's application is subject to denial under Code section 26057, subdivision  
24 (b)(3), for violations of Title 4 of the California Code of Regulations section 15002, subdivisions  
25 and (c)(16)(M) and (c)(29), in that its owners, Leo Small and Srбуhi Ponchukyan, failed to  
26 disclose the January 17, 2024, revocation of its Provisional Retailer Non-Storefront License  
27 number C9-0000768-LIC. The circumstances are more particularly alleged in paragraphs 21  
28

1 through 25, above, which are hereby incorporated by reference and realleged as if fully set forth  
2 herein.

3 **THIRD CAUSE FOR DENIAL OF APPLICATION**

4 (Failure to Provide Evidence of Compliance with, or Exemption from CEQA)

5 29.c Respondent's application is subject to denial under Code section 26057, subdivision c  
6 (b)(3) and (b)(9), for violating Title 4 of the California Code of Regulations, section 15002,  
7 subdivision (c)(22), in that Respondent failed to submit evidence of compliance with, or  
8 exemption from CEQA. The circumstances are more particularly alleged in paragraph 26, above,  
9 which is hereby incorporated by reference and realleged as if fully set forth herein.

10 **PRAYER**

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

- 13 1. Denying the application of LVS Holdings LLC, with Srбуhi Ponchukyan and Leoc  
14 Small as owners, for an Annual Adult-Use and Medicinal Retailer Non-Storefront License; and/or  
15 2.c Taking such other and further action as deemed necessary and proper.c

16  
17 DATED: 11/18/2024

Cheng,  
Michael@Cannabis  
Digitally signed by Cheng,  
Michael@Cannabis  
Date: 2024.11.18 11:53:29  
-08'07'

18 MICHAEL CHENG  
19 Deputy Director of the Licensing  
20 Division  
21 Department of Cannabis Control  
22 State of California  
23 Complainant  
24  
25  
26  
27  
28

## PROOF OF SERVICE

Case Name: In the Matter of the Statement of Issues Against: LVS Holdings, LLC

DCC Case No. C9-24-0000001-APP

License Number: Retailer – Non-Storefront License Applicant

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, 2025, I served the within documents:

### ORDER ADOPTING STIPULATED SETTLEMENT AND ORDER AS FINAL DECISION

- ☒ 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.

Narek Balagyozyan, Esq.  
Shevin Law Group  
15260 Venture Blvd., Suite 1400  
Sherman Oaks, CA 91403  
Narek@shevinlaw.com

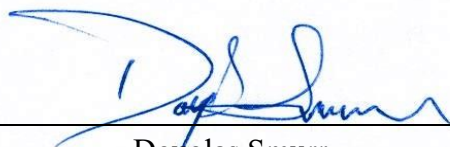
Srbuhi Ponchukyan and Leo Small  
Owners, LVS Holdings, LLC  
7460 Varna Ave.  
Los Angeles, CA 91605  
Suzyponch@gmail.com

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 25, 2025, at Rancho Cordova, California.

  
\_\_\_\_\_  
Douglas Smurr