

February 5, 2025

#### NOTICE OF PROVISIONAL LICENSE REVOCATION

Robert Levie Clone Wizards, Inc. and Mendocino Magic Farms, Inc. 47885 Baur Ranch Road Covelo, CA 95428

Via electronic mail: Rlevie@clonewizard.com

Re: Notice of Result of Provisional License Review for License # C13-0000234-LIC and

CCL19-0001554

Premises Address: 47885 Baur Ranch Road, Covelo, CA 95428, APN: 032-294-05-00

Dear Robert Levie:

This letter is to inform you that, effective February 5, 2025, the Department of Cannabis Control (Department) is revoking provisional license numbers C13-0000234-LIC issued to Clone Wizards, Inc. and CCL19-0001554 issued to Mendocino Magic Farms, Inc., for the above-referenced premises. The Department has evidence that Clone Wizards, Inc. and Mendocino Magic Farms, Inc. have failed to comply with the requirements applicable to its commercial cannabis licenses and has engaged in activity that poses harm to public health, safety, or welfare.

Specifically, the Department has discovered evidence of the following violations:

1. California Code of Regulations, title 4, section 15047.2, subdivision (b) and (d). General Requirements.

All commercial cannabis activity shall be accurately recorded in the California track and trace system. (CCR, tit. 4, § 15047.2 (b).) A licensee is responsible for the accuracy and completeness of all data and information entered into the track and trace system. A person shall not intentionally misrepresent or falsify information entered into the track and trace system. (CCR, tit. 4, § 15047.2 (d).)

On March 15, 2023, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Robert Levie (Levie) was involved in a traffic stop by Department of Fish and Wildlife (CDFW) Wardens. Levie was driving a truck and cargo trailer transporting 3,234.8 pounds of cannabis material. The cannabis was not labeled with any California Cannabis Track and Trace system (CCTT METRC) package tags. Additionally, Levie produced a CCTT METRC shipping manifest for the cannabis transportation to CDFW Wardens that the Department determined to be falsified and not recorded in the CCTT METRC system. The manifest listed Clone Wizards, Inc. as the transporter and Mendocino Magic Farms, Inc. as the originating entity. Levie admitted to creating the false CCTT METRC shipping manifest and stated that the cannabis he was transporting was not tracked in the CCTT METRC system. Levie stated that he found the cannabis on the side of the road in possession of two unknown individuals,

Compliance Division • 2920 Kilgore Road, Rancho Cordova, CA 95670 800-61-CA-DCC (800-612-2322) • info@cannabis.ca.gov • www.cannabis.ca.gov

Business, Consumer Services and Housing Agency

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collected it, and was attempting to complete a sale of the cannabis to an unknown unlicensed individual.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie failed to accurately record all commercial cannabis activity in CCTT METRC which violates California Code of Regulations, title 4, section 15047.2, subdivision (b). Levie intentionally misrepresented or falsified information entered into the track and trace system which violates California Code of Regulations, title 4, section 15047.2, subdivision (d).

2. California Code of Regulation, 4, section 15311, subdivisions (b) and (l). Requirements for the Transportation of Cannabis and Cannabis Products.

The following requirements apply when transporting cannabis and cannabis products between licensees or licensed premises: Prior to transporting any cannabis and cannabis products, the licensed distributor shall have a completed sales invoice or receipt that meets the requirements of the Business and Professions Code section 26161. The licensed distributor shall only transport cannabis and cannabis products listed on the sales invoice or receipt. The sales invoice or receipt may not be altered or changed once transport begins. (CCR, tit. 4 § 15311 (b).) A licensed distributor transporting cannabis and cannabis products shall only travel between licensees shipping or receiving cannabis and cannabis products and its own licensed premises when engaged in the transportation of cannabis and cannabis products. (CCR, tit. 4 § 15311 (l).)

On March 15, 2023, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie was involved in a traffic stop by CDFW Wardens. Levie was driving a truck and cargo trailer transporting 3,234.8 pounds of cannabis material. The cannabis was not labeled with any CCTT METRC package tags. Additionally, Levie produced a CCTT METRC shipping manifest for the cannabis transportation to CDFW Wardens that the Department determined to be falsified and not recorded in the CCTT METRC system. The manifest listed Clone Wizards, Inc. as the transporter and Mendocino Magic Farms, Inc. as the originating entity. Levie admitted to creating the false CCTT METRC shipping manifest and stated that the cannabis he was transporting was not tracked in the CCTT METRC system. Levie stated that he found the cannabis on the side of the road in possession of two unknown individuals, collected it, and was attempting to complete a sale of the cannabis to an unknown unlicensed individual. On April 12, 2023, the Department asked Levie to produce all invoices for cannabis plants/products bought and sold from December 2022 to the date of the request. Levie did not provide an invoice or receipt for the cannabis transported on March 15, 2023.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie failed to have a completed sales invoice or receipt for the cannabis transported on March 15, 2023, which violates California Code of Regulations, title 4, section 15311, subdivision (b). Levie transported the cannabis from an unlicensed location which violates California Code of Regulations, title 4, section 15311, subdivision (l).

3. California Code of Regulations, title 4, section 15314 (a) (b) (c) and (d). Shipping Manifest Requirements.



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Prior to transporting cannabis or cannabis products, a licensed distributor shall generate a shipping manifest through the track and trace system. (CCR, tit 4 § 15314 (a).) The licensed distributor shall transmit the shipping manifest to the Department and the licensee that will receive the cannabis or cannabis products prior to transporting the cannabis or cannabis product. (CCR, tit 4 § 15314 (b).) The licensed distributor shall ensure and verify that the cannabis or cannabis products being taken into possession for transport at the originating licensed premises are as described and accurately reflected in the shipping manifest. (CCR, tit 4 § 15314 (c).) A shipping manifest shall accompany every transport of cannabis or cannabis product. (CCR, tit 4 § 15314 (d).)

On March 15, 2023, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie was involved in a traffic stop by CDFW Wardens. Levie was driving a truck and cargo trailer transporting 3,234.8 pounds of cannabis material. The cannabis was not labeled with any CCTT METRC package tags. Additionally, Levie produced a CCTT METRC shipping manifest for the cannabis transportation to CDFW Wardens that the Department determined to be falsified and not recorded in the CCTT METRC system. The manifest listed Clone Wizards, Inc. as the transporter and Mendocino Magic Farms, Inc. as the originating entity. Levie admitted to creating the false CCTT METRC shipping manifest and stated that the cannabis he was transporting was not tracked in the CCTT METRC system. Levie stated that he found the cannabis on the side of the road in possession of two unknown individuals, collected it, and was attempting to complete a sale of the cannabis to an unknown unlicensed individual.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie failed to generate a shipping manifest through CCTT METRC and failed to transmit a copy to the Department prior to transporting the cannabis, failed to obtain and transport cannabis from a licensed premises, and failed to have a valid transport manifest during transport of the cannabis, which violates California Code of Regulations, title 4, section 15314, subdivisions (a), (b), (c) and (d).

# 4. California Code of Regulations, title 4, section 15000.1, subdivision (b). General Requirements.

Commercial cannabis activity shall only be conducted between licensees.

On March 15, 2023, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie was involved in a traffic stop by CDFW Wardens. Levie was driving a truck and cargo trailer transporting 3,234.8 pounds of cannabis material. The cannabis was not labeled with any CCTT METRC package tags. Additionally, Levie produced a CCTT METRC shipping manifest for the cannabis transportation to CDFW Wardens that was determined by the Department to be falsified and not recorded in the CCTT METRC system. Levie admitted to creating the false CCTT METRC shipping manifest and stated that the cannabis he was transporting was not tracked in the CCTT METRC system. Levie stated that he found the cannabis on the side of the road in possession of two unknown individuals, collected it, and was attempting to complete a sale of the cannabis to an unknown unlicensed individual.



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Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie engaged in commercial cannabis activity with unlicensed individuals, which violates, title 4, section 15000.1, subdivision (b).

## 5. California Code of Regulations, title 4, section 15037, subdivision (c). General Record Retention Requirements.

Licensees must keep and maintain records in connection with the licensed commercial cannabis business. Records must be legible and accurate. No person may intentionally misrepresent or falsify records.

On March 15, 2023, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie was involved in a traffic stop by CDFW Wardens. Levie was driving a truck and cargo trailer transporting 3,234.8 pounds of cannabis material. The cannabis was not labeled with any CCTT METRC package tags. Additionally, Levie produced a CCTT METRC shipping manifest for the cannabis transportation to CDFW Wardens that was determined by the Department to be falsified and not recorded in the CCTT METRC system. The manifest listed Clone Wizards, Inc. as the transporter and Mendocino Magic Farms, Inc. as the originating entity. Levie admitted to creating the false CCTT METRC shipping manifest and stated that the cannabis he was transporting was not tracked in the CCTT METRC system. Levie stated that he found the cannabis on the side of the road in possession of two unknown individuals, collected it, and was attempting to complete a sale of the cannabis to an unknown unlicensed individual.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie falsified a shipping manifest and misrepresented to law enforcement officers and the Department that the manifest was for the cannabis he was transporting on March 15, 2023, from an unlicensed location, which violates, title 4, section 15037, subdivision (c).

# 6. California Code of Regulations, title 4, section 15047.2, subdivision (b) and (c). General Requirements.

All commercial cannabis activity shall be accurately recorded in the California track and trace system. (CCR, tit. 4, § 15047.2 (b).) A licensee is responsible for the accuracy and completeness of all data and information entered into the track and trace system. The licensee is responsible for all actions taken by the designated account manager or other account users while performing track and trace activities. (CCR, tit. 4, § 15047.2 (c).)

On April 11, 2023, the Department conducted an inspection of Clone Wizards, Inc. and Mendocino Magic Farms, Inc. premises. At the time of the inspection Mendocino Magic Farms was not actively growing cannabis plants in any of the 9 hoophouses on the premises. A review of Mendocino Magic Farms CCTT METRC account, however, showed 144 active cannabis plants and 3 active cannabis packages. When asked why the CCTT METRC accounts did not accurately reflect the inventory on the premises, owner Levie stated that he



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did not have any harvests from the previous season because all of his cannabis failed testing, that he destroyed the failed cannabis and that it was on the compost pile, that he was behind in his CCTT METRC reporting, and that he hired Cannavenue Group/Cannave Support to perform all CCTT METRC data entry.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie failed to record accurate and complete data and information for Mendocino Magic Farms commercial cannabis activity in CCTT METRC, which violates California Code of Regulations, title 4, section 15047.2, subdivision (b) and (c).

### 7. Business and Professions Code section 26160, subdivision (c) and (d). Record-Keeping Requirements.

The Department may examine the records of a licensee and inspect the premises of a licensee as the department deems necessary to perform its duties under MAUCRSA. Licensees shall provide and deliver records to the department upon request. (B&PC § 26160(c).) Licensees shall keep records identified by the department on the premises of the location licensed. The department may make any examination of the records of any licensee. Licensees shall also provide and deliver copies of documents to the department upon request. (B&PC § 26160(d).)

On April 12, 2023, the Department sent an email to Levie at Rlevie@clonewizards.com asking for the following records: All email correspondence between himself and Cannavenue Group/Cannave support (CCTT METRC support) from January 1, 2023 to current; All invoices for cannabis plants/products bought and sold from December 2022 to current; All certificate of analysis testing results for all strains (test results for "LA Kushcake, Ice Cream Cake, Duct Tape, Kushmints Zskittles, Ice Punch received); and CCTT METRC Manifest #4879941 from VBF Brands, Inc. (1,200 ice cream cake clone cuttings) never received on CCTT METRC.

The Department reviewed Levie's response to the request and found Levie did not provide the certificate of analysis testing results for all the strains identified as failed batches (Oreo, Gush Mints, Gary Payton), the email correspondence between Levie and Cannave support, or the invoices for all cannabis bought and sold from December 2022 to April 12, 2023.

Clone Wizards, Inc. and Mendocino Magic Farms, Inc. owner Levie failed to provide the Department with copies of all documents requested by the Department, which violates Business and Professions Code Section 26160, subdivision (c) and (d).

A Notice of Provisional License Review was provided to you, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. on December 23, 2024. The Notice of Provisional License Review provided an opportunity to request an informal meeting and submit documentation related to the violations for consideration. You, or any representative from Clone Wizards, Inc. and Mendocino Magic Farms, Inc. did not request an informal meeting or submit any documentation related to the violations for consideration.



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The Department has determined that revocation of Clone Wizards, Inc. and Mendocino Magic Farms, Inc.'s provisional license is appropriate. Clone Wizards, Inc. and Mendocino Magic Farms, Inc. are directed to cease all commercial cannabis activity pursuant to the licenses. Additionally, cannabis or cannabis products may not be received at, or transferred from the premises referenced above. California Code of Regulations, title 4, section 15024.1 provides the requirements for disposing cannabis and cannabis products that remain on the premises following the termination of Clone Wizards, Inc. and Mendocino Magic Farms, Inc.

Pursuant to Business and Professions Code section 26038 and California Code of Regulations, title 4, section 15000.1, it is unlawful to engage in commercial cannabis activity without a valid state license. If Clone Wizards, Inc. and/or Mendocino Magic Farms, Inc., or any person associated with the business is selling, manufacturing, cultivating, distributing, or testing cannabis and/or cannabis products or otherwise engaging in commercial cannabis activity without a valid license, the Department may initiate further action. Such action may include but is not limited to embargo of cannabis and cannabis products, administrative fines, civil actions, criminal actions, and denial of an annual license application.

As the license is revoked, Clone Wizards, Inc. and Mendocino Magic Farms, Inc. must comply with the provisions of California Code of Regulations, title 4, section 17817 and conspicuously and continuously display the Notice of Revocation, provided with this Notice, on the exterior of the premises referenced in this Notice. The Notice of Revocation shall remain continuously on the premises for at least 15 calendar days. Failure to comply with this requirement may result in further disciplinary action.

For questions regarding this Notice of Provisional License Revocation, please contact Jose Barajas at Jose.Barajas@cannabis.ca.gov.

Sincerely,

Evelyn Schaeffer

Deputy Director of Compliance Department of Cannabis Control

cc: Michael Cheng,

Deputy Director of Licensing Department of Cannabis Control

