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10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

11 In the Matter of:

12 THE COMMISSIONER OF FINANCIAL
13 PROTECTION AND INNOVATION,

14 Complainant,

15 v.

16 PV WEALTH ADVISORS LLC, DANIEL
17 CUNNINGHAM, and CHRISTOPHER LEACH,

18 Respondents.

NOTICE OF INTENT TO ISSUE ORDER
LEVYING ADMINISTRATIVE
PENALTIES AND STATEMENT IN
SUPPORT

(Cal. Corp. Code § 25252)

19 The Commissioner of Financial Protection and Innovation (Commissioner) is informed and
20 believes, and based upon such information and believe, alleges and charges as follows:

21 **I.**

22 **JURISDICTION AND VENUE**

23 1. The Commissioner is authorized to administer and enforce the provisions of the
24 Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL), and the regulations
25 promulgated thereunder at title 10 of the California Code of Regulations (CCR), which includes the
26 licensure, examination, and regulation of investment advisers and broker-dealers.

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1 about \$10,000.00 per transaction. In fact, Cunningham later admitted that prior to 2014, he did not
2 even know how to open a brokerage account, let alone trade. In addition, Leach indicated that his
3 own knowledge and experience about options was “little to none.”

4 d. Leach was an investment adviser representative. In fact, at the time of such
5 representation, he was not registered as an investment adviser representative.

6 e. Leach promised that the client would never lose her “Nest Egg.” In fact, the
7 Respondents directly caused the client’s portfolio to lose 47% of its value.

8 13. In addition, in connection with the offers and sales of securities, Respondents made, or
9 caused to be made, omissions of material fact to investors and potential investors, including that:

10 a. Respondents failed to disclose any risks associated with Options.

11 b. Respondents failed to disclose that they were not registered as either a broker-
12 dealer or an investment adviser.

13 14. Corporations Code section 25401 prohibits the offer or sale of securities in this state
14 by means of written or oral communications that include untrue statements of material fact or omit
15 materials facts necessary in order to make the statements made, in light of the circumstances under
16 which they were made, not misleading. The omissions and misrepresentations of the Respondents are
17 material facts necessary in order to make the statements made, in the light of the circumstances under
18 which they were made, not misleading.

19 **III.**

20 **NOTICE OF INTENT TO ISSUE ORDER LEVYING ADMINISTRATIVE PENALTIES**

21 15. The Commissioner re-alleges and incorporates by reference paragraphs 1 to 14 of this
22 Statement in Support, also contained in the Commissioner’s Desist and Refrain Order, as though fully
23 set forth herein.

24 16. Corporations Code section 25252 authorizes the Commissioner to issue an order
25 levying administrative penalties against any person for willful violations of any provision of CSL and
26 any rules promulgated thereunder.

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1 17. Based on the foregoing findings, the Commissioner finds that the Respondents
2 conducted business as a broker-dealer in this state without first securing from the Commissioner a
3 certificate, authorizing them to do so, in violation of Corporations Code section 25210.

4 18. Further, the Commissioner finds that the Respondents engaged in a manipulative,
5 deceptive or other fraudulent scheme, device, or contrivance, in violation of Corporations Code
6 section 25216 and CCR section 260.216.

7 19. Further, the Commissioner finds that the Respondents effected securities transactions,
8 in this state, by means of written or oral communications which included untrue statements of
9 material fact or omitted to state material facts necessary in order to make the statements made, in the
10 light of the circumstances under which they were made, not misleading, in violation of Corporations
11 Code section 25401.

12 20. Pursuant to California Corporations Code section 25252(b), the Commissioner hereby
13 provides notice of intent to levy administrative penalties against PV Wealth, Cunningham, and Leach
14 for the statutory amount of not more than five thousand dollars (\$5,000.00) for the first violation, not
15 more than ten thousand dollars (\$10,000.00) for the second violation, and not more than fifteen
16 thousand dollars (\$15,000.00) for each subsequent violation, or according to proof, for PV Wealth,
17 Cunningham, and Leach's willful violations of the CSL.

18 WHEREFORE, good cause showing, and pursuant to Corporations Code section 25252(b),
19 the Commissioner prays for an order levying administrative penalties, against PV Wealth Advisors
20 LLC, Daniel Cunningham, and Christopher Leach, as follows:

21 a. That pursuant to Corporations Code section 25252(b), the Commissioner levy
22 administrative penalties of \$5,000.00 for the first violation of Corporations Code section 25210,
23 \$10,000.00 for the second violation of Corporations Code section 25210, as listed below, for a total
24 amount of \$15,000.00 or according to proof:

- 25 i. First violation: \$5,000.00 for the first violation of Corporations Code
26 section 25210; and
- 27 ii. Section violation: \$10,000.00 for the second violation of Corporations
28 Code section 25210.

1 b. That pursuant to Corporations Code section 25252(b), the Commissioner levy
2 administrative penalties of \$15,000.00 for each violation of Corporations Code section 25216, as
3 listed below, for a total amount of \$105,000.00 or according to proof:

- 4 i. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
5 paragraph 11a;
- 6 ii. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
7 paragraph 11b;
- 8 iii. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
9 paragraph 11c;
- 10 iv. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
11 paragraph 11d;
- 12 v. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
13 paragraph 11e;
- 14 vi. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
15 paragraph 11f; and
- 16 vii. \$15,000.00 for the manipulative, deceptive or other fraudulent scheme in
17 paragraph 11g.

18 c. That pursuant to Corporations Code section 25252(b), the Commissioner levy
19 administrative penalties of \$15,000.00 for each violation of Corporations Code section 25401, as
20 listed below, for a total amount of \$180,000.00 or according to proof:

- 21 i. \$15,000.00 for the misrepresentation in paragraph 11a, made in at least two
22 transactions;
- 23 ii. \$15,000.00 for the misrepresentation in paragraph 11b, made in at least two
24 transactions;
- 25 iii. \$15,000.00 for the misrepresentation in paragraph 11c, made in at least two
26 transactions;
- 27 iv. \$15,000.00 for the misrepresentation in paragraph 11d, made in at least one
28 transaction;

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- v. \$15,000.00 for the misrepresentation in paragraph 11e, made in at least one transaction;
- vi. \$15,000.00 for the omission in paragraph 12a, made in at least two transactions; and
- vii. \$15,000.00 for the omission in paragraph 12b, made in at least two transactions.

The total amount of administrative penalties for violations of Corporations Code sections 25210, 25216, and 25401, is \$300,000.00, or according to proof.

Dated: April 17, 2024
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By _____
RYAN M. CASSIDY
Counsel
Enforcement Division