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

12 In the Matter of:

13 THE COMMISSIONER OF FINANCIAL
14 PROTECTION AND INNOVATION,

15 Complainant,

16 v.

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

19 Respondents.
20

CRD No.: 5604046
CONSENT ORDER

21
22 The Commissioner of Financial Protection and Innovation (Commissioner) and Respondents
23 Christopher Leach (Leach) and Daniel Cunningham (Cunningham) (Respondents) enter into this
24 Consent Order with respect to the following facts:

25 **I. RECITALS**

26 A. The Commissioner of Financial Protection and Innovation (Commissioner) regulates California
27 investment advisers and broker-dealers under the Corporate Securities Law of 1968 (CSL). *See* CAL.

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1 CORP. CODE §§ 25000-25707¹. Under section 25600, the Commissioner is authorized to administer
2 and enforce the provisions of the CSL and the regulations promulgated thereunder.

3 B. At all relevant times, PV Wealth Advisors, LLC (PV Wealth) is and was a California limited
4 liability company, formed on March 27, 2015. PV Wealth’s principal business address 30021 Avenida
5 Esplendida, Rancho Palos Verdes, California 90275.

6 C. At all relevant times, Daniel Cunningham (Cunningham), a resident of Los Angeles County,
7 California, is and was PV Wealth’s sole owner and CEO.

8 D. At all relevant times, Christopher Leach (CRD No. 5604046) (Leach), a resident of Los
9 Angeles County, California, is and was working for PV Wealth, including meeting with clients and
10 soliciting prospective clients.

11 E. At all relevant times, PV Wealth never held a broker-dealer certificate nor an investment
12 adviser certificate, pursuant to sections 25210 and 25230, nor were Cunningham or Leach registered
13 representatives of any licensed broker-dealer at any time.

14 F. During the period of March 2015 through January 2018, PV Wealth, Cunningham, and Leach
15 engaged in the business of effecting transactions in securities, in California, for the accounts of others,
16 in violation of section 25210.

17 G. In connection with effecting transactions in securities, PV Wealth, Cunningham, and Leach
18 engaged in the following manipulative, deceptive or other fraudulent schemes, including:

- 19 1. Impersonating a client, in order to attempt to remove trading restrictions on a client’s
20 account, from the custodian of the brokerage account, Charles Schwab & Co., Inc.
21 (Schwab).
- 22 2. Impersonating a client, by using the client’s username and password, in order to trade
23 in the client’s brokerage account, held at Schwab.
- 24 3. Instructing the client to lie to Schwab, the custodian of the brokerage account, to
25 obtain option trading approval.

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28 ¹ Unless stated otherwise, all section references are to the California Corporations Code.

- 1 4. Providing false information on a client's account application to obtain option trading
- 2 approval from Schwab, the custodian of the brokerage account.
- 3 5. Instructing a client to shred documents from Schwab, the custodian of the brokerage
- 4 account.
- 5 6. Instructing the client to ignore the letters from Schwab, the custodian of the brokerage
- 6 account, because according to Cunningham, Schwab was "wrong."
- 7 7. Telling the client "You are gaining about a thousand dollars a day. He [Cunningham]
- 8 is being very conservative with you," when in fact, the client lost 46% of her portfolio.

9 H. In connection with the offers and sales of securities, PV Wealth, Cunningham, and Leach
10 made, or caused to be made, misrepresentations of material fact or omissions of material fact, to
11 investors and potential investors, including that:

- 12 1. Respondents would invest the portfolio conservatively to hedge risk and generate
- 13 revenue. In fact, Respondents invested the client's portfolio in highly speculative
- 14 securities with significant risk.
- 15 2. Cunningham touted himself as having extensive knowledge in trading stocks,
- 16 including 20 years of trading experience and that he averaged around 1,000 trades per
- 17 year, with about \$20,000.00 per transaction. In fact, Cunningham later admitted that
- 18 prior to 2014, he did not even know how to open a brokerage account, let alone trade.
- 19 3. Cunningham touted himself as having extensive knowledge in trading options,
- 20 including 4 years of trading experience and that he averaged around 500 option trades
- 21 per year, with about \$10,000.00 per transaction. In fact, Cunningham later admitted
- 22 that prior to 2014, he did not even know how to open a brokerage account, let alone
- 23 trade. In addition, Leach indicated that his own knowledge and experience about
- 24 options was "little to none."
- 25 4. Leach was an investment adviser representative. In fact, at the time of such
- 26 representation, he was not registered as an investment adviser representative.
- 27 5. Leach promised that the client would never lose her "Nest Egg." In fact, the
- 28 Respondents directly caused the client's portfolio to lose 47% of its value.

1 partner, employee of, or person performing similar functions for, an investment adviser, or any other
2 person for a period of 24 months, commencing on the Effective Date, as defined in Paragraph 53
3 below.

4 2. Suspension Order(Leach): Pursuant to section 25232.1, the Commissioner hereby
5 orders that Leach (CRD No. 5604046) be suspended from any position of employment,
6 management, or control of any investment adviser, broker-dealer, or commodity adviser, any officer,
7 director, partner, employee of, or person performing similar functions for, an investment adviser, or
8 any other person for a period of 24 months, commencing on the Effective Date , as defined in
9 Paragraph 53 below.

10 3. Administrative Penalty: Respondents agree to pay to the Commissioner an
11 administrative penalty in the amount of \$85,000.00 (Penalty) as follows: one payment of forty-five
12 thousand dollars (\$45,000.00) due on or before October 1, 2024; and eight equal payments of five
13 thousand dollars (\$5,000.00), made on a quarterly basis, on or before the first days of the months of
14 December, March, June, and September, commencing on December 1, 2024, and the final payment is
15 due on September 1, 2026. The Penalty shall be made payable in the form of a cashier's check or
16 Automated Clearing House deposit payable to the "Department of Financial Protection and
17 Innovation" and transmitted to the attention of "Accounting – Litigation" at the Department of
18 Financial Protection and Innovation, 2101 Arena Boulevard, Sacramento, California 95834-2036.
19 Notice of such payment shall be forwarded to Ryan M. Cassidy, Counsel, Enforcement Division, by
20 email at: ryan.cassidy@dfpi.ca.gov. In the event the payment due date falls on a weekend or holiday,
21 the payment shall be due the next business day.

22 4. Order to Pay Restitution: Pursuant to section 25532, PV Wealth, Cunningham, and
23 Leach are hereby ordered to pay restitution in the amount of seventy-five thousand dollars (\$75,000),
24 to the California client (A.M.) for services performed from June 1, 2015, through June 30, 2017
25 (Restitution). Restitution payments shall be made to A.M., as follows: one payment of fifteen
26 thousand dollars (\$15,000.00) due on or before October 1, 2024; and three equal payments of twenty
27 thousand dollars (\$20,000), made on or before March 1, 2025, September 1, 2025, and March 1,
28 2026. Notice of such payment shall be forwarded to Ryan M. Cassidy, Counsel, Enforcement

1 Division, by email at: ryan.cassidy@dfpi.ca.gov. In the event the payment due date falls on a
2 weekend or holiday, the payment shall be due the next business day.

3 5. Final Desist and Refrain Order: Pursuant to section 25532, PV Wealth Advisors LLC,
4 Daniel Cunningham, and Christopher Leach are hereby ordered to desist and refrain from violating
5 sections 25210, 25216, and 25401 and California Code of Regulations, title 10, section 260.216.

6 6. Waiver of Hearing Rights: Cunningham and Leach acknowledge that the
7 Commissioner is ready, willing, and able to proceed with the filing of an administrative enforcement
8 action on the charges contained in this Consent Order. Cunningham and Leach hereby waive the right
9 to any hearings, and to any reconsideration, appeal, or other right to review which may be afforded
10 pursuant to the CSL, the California Administrative Procedure Act, the California Code of Civil
11 Procedure, or any other provision of law. Cunningham and Leach further expressly waive any
12 requirement for the filing of an action pursuant to Government Code section 11415.60 (b). By
13 waiving such rights, Cunningham and Leach effectively consent to this Consent Order and all the
14 terms becoming final.

15 7. Failure to Comply with Consent Order: PV Wealth, Cunningham, and Leach agree that if
16 they fail to meet any requirement of this Consent Order, the Commissioner may, in addition to all other
17 available remedies he may invoke under the CSL, immediately bar Cunningham and Leach. PV Wealth,
18 Cunningham, and Leach hereby waive any notice and hearing rights to contest the immediate revocation
19 which may be afforded under the CSL, the California Administrative Procedure Act, the California Code
20 of Civil Procedure, or any other provision of law in connection therewith.

21 8. Information Willfully Withheld or Misrepresented: This Consent Order may be
22 revoked, and the Commissioner may pursue any and all remedies available under law against
23 Cunningham and Leach if the Commissioner discovers that Cunningham and Leach knowingly or
24 willfully withheld or misrepresented information used for and relied upon in this Consent Order.

25 9. Future Actions by Commissioner: If Leach or Cunningham fail to comply with any
26 terms of the Consent Order, the Commissioner may institute proceedings for any and all violations
27 otherwise resolved under this Consent Order. The Commissioner reserves the right to bring any future

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1 actions against Cunningham and Leach, for any and all unknown violations of the CSL or any other
2 law under the Commissioner's jurisdiction.

3 10. Assisting Other Agencies: Nothing in this Consent Order limits the Commissioner's
4 ability to assist any other government agency (whether city, county, state, or federal) with any
5 administrative, civil or criminal action brought by that agency against Cunningham and Leach or
6 any other person based upon any of the activities alleged in this matter or otherwise.

7 11. Headings: The headings to the paragraphs of this Consent Order are inserted for
8 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
9 the provisions hereof.

10 12. Binding: This Consent Order is binding on all heirs, assigns, and/or successors in
11 interest.

12 13. Reliance: Each of the Parties represents, warrants, and agrees that in executing this
13 Consent Order it has relied solely on the statements set forth herein and the advice of its own
14 counsel. Each of the Parties further represents, warrants, and agrees that in executing this Consent
15 Order it has placed no reliance on any statement, representation, or promise of any other party, or
16 any other person or entity not expressly set forth herein, or upon the failure of any party or any other
17 person or entity to make any statement, representation or disclosure of anything whatsoever. The
18 Parties have included this clause: (1) to preclude any claim that any party was in any way
19 fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of parol
20 evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

21 14. Waiver, Amendments, and Modifications: No waiver, amendment, or modification of
22 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.
23 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
24 provision. No waiver by either party of any breach of, or of compliance with, any condition or
25 provision of this Consent Order by the other party will be considered a waiver of any other condition
26 or provision or of the same condition or provision at another time.

27 15. Full Integration: This Consent Order is the final written expression and the complete
28 and exclusive statement of all the agreements, conditions, promises, representations, and covenant

1 between the Parties with respect to the subject matter hereof, and supersedes all prior or
2 contemporaneous agreements, negotiations, representations, understandings, and discussions between
3 and among the Parties, their respective representatives, and any other person or entity with respect to
4 the subject matter covered hereby.

5 16. Governing Law: This Consent Order will be governed by and construed in
6 accordance with California law. Each of the Parties hereto consents to the jurisdiction of such court,
7 and hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
8 forum to the maintenance of such action or proceeding in such court.

9 17. Counterparts: This Consent Order may be executed in one or more separate
10 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
11 together constitute a single document.

12 18. Effect Upon Future Proceedings: If Cunningham and Leach apply for any license,
13 certificate, registration, permit, or qualification under the Commissioner’s current or future
14 jurisdiction, or is the subject of any future action by the Commissioner to enforce this Consent
15 Order, then the subject matter hereof shall be admitted for the purpose of such application(s) or
16 enforcement proceeding(s).

17 19. Voluntary Agreement: Cunningham and Leach enters into this Consent Order
18 voluntarily and without coercion and acknowledges that no promises, threats or assurances have
19 been made by the Commissioner or any officer, or agent thereof, about this Consent Order. The
20 Parties each represent and acknowledge that he, she or it is executing this Consent Order completely
21 voluntarily and without any duress or undue influence of any kind from any source.

22 20. Notice: Any notice required under this Consent Order shall be provided to each party
23 at the following addresses:

24 To Cunningham and Leach: Jason M. Stone
25 Stone & Sallus, LLP
26 2235 Campus Drive
27 El Segundo, California 90245
28 jstone@stonesalluslaw.com

and

1 23. Effective Date: This Consent Order shall become final and effective when signed by
2 all Parties and delivered by the Commissioner’s agent via e-mail to PV Wealth, Cunningham, and
3 Leach’s agent, Jason M. Stone, counsel for Cunningham and Leach, at jstone@stonesalluslaw.com.

4 24. Authority to Sign: Each signatory hereto covenants that he/she possesses all necessary
5 capacity and authority to sign and enter into this Consent Order and undertake the obligations set
6 forth herein.

7 Dated: September 10, 2024

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



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9 By _____
10 MARY ANN SMITH
11 Deputy Commissioner
12 Enforcement Division

13 Dated: September 9, 2024

14 By _____
CHRISTOPHER LEACH, as an Individual

15
16 Dated: September 9, 2024

17 By _____
DANIEL CUNNINGHAM, as an individual and
18 Managing Member of PV Wealth Advisors LLC

19 APPROVED AS TO FORM AND CONTENT

20 Dated: September 10, 2024

21 By _____
Jason M. Stone
22 Stone & Sallus, LLP
23 Counsel for PV WEALTH ADVISORS, LLC,
24 CHRISTOPHER LEACH, and DANIEL
25 CUNNINGHAM
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