

1 MARY ANN SMITH
2 Deputy Commissioner
3 Attorney for Complainant

4
5 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
6 OF THE STATE OF CALIFORNIA

7 In the Matter of:

8 THE COMMISSIONER OF FINANCIAL
9 PROTECTION AND INNOVATION,

10 Complainant,

11 v.

12 CRATON CAPITAL MANAGEMENT, LLC,
13 EJNAR KNUDSEN, and RAJU SHAH,
14 Respondents.

15 CRD Nos.: 161653, 6032376, and 6032378

16 ORDER TO DISCONTINUE VIOLATIONS

17 (Cal. Corp. Code § 25249)

18 TO: Craton Capital Management, LLC, Ejnar Knudsen and Raju Shah
19 11925 Wilshire Blvd. Floor 2
20 Los Angeles, CA 90025

21 The Commissioner of Financial Protection and Innovation (Commissioner) is authorized to
22 administer and enforce the provisions of the Corporate Securities Law of 1968 (CSL)¹ and the
23 regulations promulgated thereunder², pursuant to the authority granted in Financial Code section
24 326(a).

25 The Commissioner finds that Craton Capital Management, LLC (CCM) (Central
26 Registration Depository No. 161653)³ an investment adviser licensed by the Commissioner since
27 May 25, 2012, Ejnar Knudsen (CRD No. 6032376), managing member of CCM, and Raju Shah
28 (CRD No. 6032378), managing member of CCM, violated the following section of the CSL.

29 Pursuant to section 25236(a) and 10 C.C.R. 260.236.2(b) and (g), every licensed investment

30 _____
31 ¹ See Cal. Corp. Code §§ 25000-25707. Unless stated otherwise, all section references are to the California Corporations
32 Code.

33 ² See Cal. Code Regs. tit. 10, §§ 260.000-260.617. All further references will employ the format of 10 C.C.R. [section #].

34 ³ The Central Registration Depository (CRD) and Investment Adviser Registration Depository (IARD) are databases
35 maintained by the Financial Industry Regulatory Authority (FINRA) since 2007. They are used to store and maintain
36 information on registered securities and broker firms, as well as individuals who dispense investing and financial advice.

1 adviser is required to have its investment adviser representatives complete and report the requisite
2 continuing education credits for each reporting period (IARCE).

3 On or about April 9, 2025, July 1, 2025, August 7, 2025, September 30, 2025, October 13,
4 2025, October 21, 2025, October 27, 2025, October 29, 2025, November 3, 2025, November 7, 2025,
5 November 17, 2025, November 24, 2025, December 8, 2025, and December 15, 2025, the
6 Commissioner notified CCM, by electronic mail, that IARCE was overdue. Additionally, on or about
7 December 5, 2024, and December 3, 2025, the Commissioner notified CCM, by telephone calls, that
8 IARCE was overdue. As of the date of this order, the IARCE has still not been reported, in violation
9 of section 25236(a) and 10 C.C.R. 260.236.2(b) and (g).

10 NOW, BASED UPON THE FOREGOING, AND GOOD CAUSE APPEARING, it is hereby
11 ORDERED, under the provisions of section 25249, that Craton Capital Management, LLC, Ejnar
12 Knudsen and Raju Shah discontinue the violations of section 25236(a) and 10 C.C.R. 260.236.2(b)
13 and (g). The Commissioner finds this action is appropriate, in the public interest, necessary for the
14 protection of investors, and consistent with the purposes fairly intended by the CSL.

15 Dated: January 21, 2026

KHALIL MOHSENI
16 Commissioner of Financial Protection and Innovation

17 By: _____

JERRY TWOMEY
18 Deputy Commissioner
19 Broker-Dealer Investment Adviser Division

