

1 CLOTHILDE V. HEWLETT
Commissioner
2 MARY ANN SMITH
Deputy Commissioner
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6 Department of Financial Protection and Innovation
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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
PROTECTION AND INNOVATION,

14 Complainant,

15 v.

16 ATWOOD CONSORTIUM LLC, and DANIEL
T. NERO,

17 Respondents.
18

AMENDED DESIST AND REFRAIN
ORDER;

and

AMENDED CLAIM FOR ANCILLARY
RELIEF

(Corp. Code § 25532)

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. FACTUAL BACKGROUND**

22 1. At all relevant times, Atwood Consortium, LLC (Atwood), is and was a California
23 limited liability company located at 757 Linden Avenue, Los Altos, California 94022 operating as the
24 sole manager of CFP Fund I, LLC (CFP), a California limited liability company.

25 2. At all relevant times, Daniel T. Nero (Nero), is and was the managing member of
26 Atwood.

27 3. At all relevant times, CFP Fund I, LLC (The Fund), is and was a California limited
28 liability company located at 757 Linden Avenue, Los Altos, California 94022.

1 State of California unless and until he has first applied for and secured from the Commissioner a
2 certificate, authorizing them to act as an investment adviser, or unless exempt.

3 **III. CLAIM FOR ANCILLARY RELIEF IN THE FORM OF DISGORGEMENT**

4 Complainant re-alleges and reincorporates by reference, as set forth fully above in
5 paragraphs 1 to 9.

6 Corporations Code section 25532 authorizes the Commissioner to seek ancillary relief on
7 behalf of any person injured by violations of any provision of the Corporations Code and any rules
8 promulgated thereunder.

9 Based on the foregoing findings, the Commissioner finds that the Respondents collected from
10 the California pooled investment vehicle, while engaged in unregistered investment advisory activities,
11 in an amount of \$743,665.70, in violation of Corporations Code sections 25230.

12 WHEREFORE, good cause showing and the Commissioner’s determination that this action is
13 in the public interest and necessary to effectuate the Department’s primary, legitimate, regulatory
14 purpose based upon the Respondents’ violations of the Corporations Code, the Commissioner hereby
15 prays for an order of ancillary relief pursuant to Corporation Code section 25532, individually, jointly
16 and severally against Respondents as follows:

17 A) Full Disgorgement, consisting of the total investment advisory fees collected by the
18 Respondents, in the amount of \$743,665.70. or according to proof.

19 This Order is necessary, in the public interest, for the protection of investors, and consistent
20 with the purposes, policies, and provisions of the CSL.

21 DATED: April 26, 2023
22 Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



23 By: _____
24 MARY ANN SMITH
25 Deputy Commissioner
26 Enforcement Division
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