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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

**TO:** Darlene Dantes, President and Treasurer  
Capapie, Inc.  
1230 Horn Ave., Apt 308  
West Hollywood, CA 90069  
or  
1 E. Oak Street  
Chicago, IL 60611  
or  
502 East John Street  
Carson City, NV 89706

**DESIST AND REFRAIN ORDER**

**(For violations of section 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all relevant times herein, Capapie, Inc. (hereinafter, "Capapie") was a California corporation located at 1230 Horn Ave., Apt 308, West Hollywood, California 90069. Capapie also conducted business at 1 E. Oak Street, Chicago, IL 60611 and at 502 East John Street, Carson City, Nevada 89706.
2. On December 1, 2006, Capapie forfeited to do business in California.
3. At all relevant times herein, Darlene Dantes (hereinafter, "Dantes") was the president and treasurer of Capapie and managed and controlled Capapie.
4. Beginning at least as early as 2004, Dantes and Capapie offered or sold securities in the form of investment contracts. Dantes and Capapie promised to increase the investors' credit score by accruing charges on the investors' credit cards and completely paying back the entire monthly bill.
5. The purported purpose of the offering was to improve the investors' credit score in order to raise funds for real estate investment(s). Dantes and Capapie would use the funds to invest in real estate on behalf of the investors.

1           6. These investment contracts are securities pursuant to California Corporations Code  
2 section 25019.

3           7. These securities were offered or sold in this state in issuer transactions. The Department  
4 of Corporations has not issued a permit or other form of qualification authorizing any person to offer  
5 or sell these securities in this state.

6           8. In connection with the offers and sales of these securities, Dantes and Capapie made  
7 untrue statements of material facts. These misrepresentations included, but are not limited to the  
8 following:

- 9           a. Investors were told that Dantes and Capapie would incur small debts on the investors’  
10 credit card(s) and pay back the entire amount every month in order to improve the  
11 investors’ credit score and line of credit.
- 12           b. Investors would receive an improved credit score in order to raise funds for real estate  
13 investment(s).
- 14           c. Investors were told that Dantes and Capapie would draw money from their credit card(s)  
15 and use the funds to invest in real estate on behalf of the investors.
- 16           d. Investors were told that Dantes holds title to several real properties and that their  
17 investment would be secured by Dante’s properties; yet, Dantes did not hold title to  
18 several real properties and the investments were not secured.
- 19           e. Dantes and Capapie incurred large amount of debts on the investors’ credit cards and did  
20 not pay back the debts or only paid minimum payments for a limited period of time.
- 21           f. Dantes and Capapie promised to establish a Cash Reserve equivalent to 3% of the total  
22 available credit line per credit card as calculated on a monthly basis.
- 23           g. Dantes and Capapie would return all accounts and credit cards back to the investors with  
24 total balance reduced to zero.

25           9. In connection with the offers and sales of securities, Dantes and Capapie omitted to  
26 disclose to investors that:

- 27           a. Dantes and Capapie opened up new credit cards under the investors’ name without  
28 knowledge or authorization from the investors.

- 1           b. On February 23, 2005, Clocktower Lofts Condominium Associations filed an unlawful
- 2           detrainer against Dantes.
- 3           c. On June 17, 2005, Diane Steffen filed a civil lawsuit against Capapie in San Francisco
- 4           Municipal Court.
- 5           d. On November 3, 2005, Barry Realty Inc. filed an unlawful detainer against Dantes.
- 6           e. On November 27, 2006, the County of Los Angeles filed a tax lien against Capapie.

7           Based upon the foregoing findings, the California Corporations Commissioner is of the  
8 opinion that the investment contracts, are securities subject to qualification under the California  
9 Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified  
10 in violation of Corporations Code section 25110.

11           Pursuant to Section 25532 of the California Corporations Code, Darlene Dantes and Capapie,  
12 Inc. are hereby ordered to desist and refrain from the further offers or sales of securities in the State  
13 of California, including, but not limited to investment contracts, unless and until qualification has  
14 been made under said law or unless exempt.

15           Further, based upon the foregoing, the California Corporations Commissioner is of the  
16 opinion that the securities issued by Darlene Dantes and Capapie, Inc. were offered and sold in this  
17 state by means of oral and written communications which included untrue statements of material fact  
18 or omitted to state material facts necessary in order to make the statements made, in the light of the  
19 circumstances under which they were made, not misleading, in violation of section 25401 of the  
20 Corporate Securities Law of 1968.

21           Pursuant to section 25532 of the Corporate Securities Law of 1968, Darlene Dantes and  
22 Capapie, Inc. are hereby ordered to desist and refrain from offering or selling or buying or offering to  
23 buy any securities in the State of California, including but not limited to, investment contracts, by  
24 means of any written or oral communication which includes an untrue statement of a material fact or  
25 omits to state a material fact necessary in order to make the statements made, in the light of the  
26 circumstances under which they were made, not misleading.

27           This Order is necessary, in the public interest, for the protection of investors and consistent  
28 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

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Dated: February 25, 2008  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Lead Corporations Counsel  
Enforcement Division