

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

IN THE MATTER OF: )

DARLENE DANTES, and )  
CAPAPIE, INC., its/her partners, )  
officers and directors, agents, employees, )  
affiliates, successors and assigns. )

No 0800324

ORDER OF PROHIBITION

**TO RESPONDENTS: Darlene Dantes and Capapie, Inc.**  
**2300 West Wabansia**  
**Suite 216**  
**Chicago, Illinois 60647**  
**and**  
**287 South Robertson Boulevard**  
**Beverly Hills, California 90211**  
**and**  
**6303 Owensmouth Avenue**  
**Woodland Hills, California 91367**  
**and**  
**12178 Ventura Boulevard**  
**Studio City, California 91604**

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 1, 2008 which prohibited Darlene Dantes and Capapie, Inc., their partners, officers and directors, agents, employees, affiliates, successors and assigns ("Respondents") from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

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WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent Darlene Dantes (at times hereinafter "Dantes." and together with Capapie "Respondents") has last known addresses of 2300 West Wabansia, Suite 216, Chicago, Illinois 60647 and 287 South Robertson Boulevard, Beverly Hills, California 90211 and 6303 Owensmouth Avenue, Woodland Hills, California 91367 and 12178 Ventura Boulevard, Studio City, California 91604.
2. Respondent Capapie, Inc. (at times hereinafter "Capapie" or together with Dantes, "Respondents") has last known addresses of 2300 West Wabansia, Suite 216, Chicago, Illinois 60647, and 287 South Robertson Boulevard, Beverly Hills, California 90211, and 6303 Owensmouth Avenue, Woodland Hills, California 91367, and 12178 Ventura Boulevard, Studio City, California 91604.
3. Respondent Dantes, at all relevant times herein, was the president and treasurer of Capapie, and managed the day-to-day affairs of Capapie.
4. August 2005 Respondents Dantes and Capapie offered to at least one Illinois resident ("Investor") the opportunity to "earn 2% monthly interest" on amounts loaned to Respondents, and to "improve credit scores" for Investor, by allowing Respondents names to be placed on the Investor's credit cards, and to make purchases and cash advances with the credit cards for "up to 30% of the credit limit".
5. The Investor accepted the offer set forth in paragraph 4 and between August 2005 and April 2007 Respondents used the Investor's credit cards to make purchases and to take cash advances which were charged to Investor's account.
6. The activities described above in paragraphs 4-5 constitute the offer and sale of an investment contract and are therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

### **FAILURE TO REGISTER SECURITIES**

7. Section 5 of the Act provides, *inter alia* that all securities except those exempt under Section 3 or those offered and sold under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
8. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.

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9. Section 12.A of the Act provides *inter alia* that it shall be a violation for any person to offer and sell any security except in accordance with the provisions of the Act.
10. Section 12.D of the Act provides *inter alia* that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
11. By virtue of the foregoing Respondents have violated Sections 12.A and 12.D of the Act.

**FRAUD IN SALE OF SECURITIES**

12. Respondents failed and refused to pay Investor the 2% monthly interest as promised, failed and refused to limit use of the credit cards to "30% of the credit limit" as promised, and failed and refused to "improve the credit" of Investor, but instead used 100% of the available credit and damaged Investor's credit score.
13. Respondents also failed and refused to notify Investor of the risk involved in the investment contract that could result in the loss of the Investor's money and good credit rating.
14. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.
15. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Darlene Dantes and Capapie, Inc.** and their partners, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State.

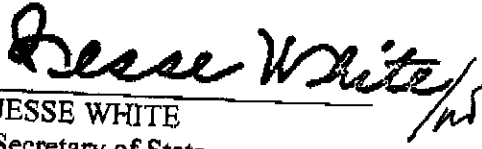
**NOTICE:** Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony for each offence.

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**This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.**

Dated: This 12<sup>th</sup> day of November 2008.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

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