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

TO: Holdyourcar.com
HYC, Inc.
3050 Johnson Road
Hydesville, CA 95547

Jef Arons
HYC, Inc.
2400 E. Ventura Boulevard
Camarillo, CA 93010

DESIST AND REFRAIN ORDER
(For violations of sections 17200, 17210.2 and 17403 of the California Financial Code)

The California Corporations Commissioner finds that:

1. Holdyourcar.com, HYC, Inc. and Jef Arons have engaged in the business of escrow agents by advertising escrow services over the Internet at www.holdyourcar.com, from 2001 to the present as follows:

a) Holdyourcar.com represents on its website that the process works as follows: The buyer and seller agree to the terms of the transaction. The buyer submits a payment to Holdyourcar.com, which verifies the payment. Holdyourcar.com notifies the seller to ship its merchandise and then verifies that the buyer receives the shipment. The buyer accepts the goods. Holdyourcar.com then pays the seller and the transaction is complete.

b) Holdyourcar.com, HYC, Inc. and Jef Arons claim to protect both the buyer and the seller from fraud with this process.

c) Holdyourcar.com, HYC, Inc. and Jef Arons have represented themselves to be licensed escrow agents by advertising that the company is HYC, Inc., located in Hydesville,

1 California, and that it holds Department of Insurance license number 0590760. In fact, the
2 Department of Insurance did not issue a license to HYC, Inc.

3 d) Holdyourcar.com, HYC, Inc. and Jef Arons have represented that the “on-line”
4 escrow services provided by Holdyourcar.com are provided by Internet Escrow Services (IES), and
5 that IES is “fully licensed and accredited as an escrow company and is subject to compliance with all
6 applicable escrow regulations.” In fact, IES is an affiliate of Escrow.com, but Holdyourcar.com is
7 not affiliated with either IES or Escrow.com.

8 2. Neither Holdyourcar.com, HYC, Inc. nor Jef Arons have been issued a license from the
9 Commissioner authorizing either to conduct business as an escrow agent, as required by California
10 Financial Code section 17200.

11 3. Neither Holdyourcar.com, HYC, Inc. nor Jef Arons is exempt from the licensing
12 requirements of Section 17200.

13 4. Neither Holdyourcar.com, HYC, Inc. nor Jef Arons have been issued a license from the
14 Commissioner authorizing either to use words indicating that it is in the escrow business, as required
15 by California Financial Code section 17403.

16 5. Holdyourcar.com, HYC, Inc. and Jef Arons have disseminated or caused to be
17 disseminated false, misleading and/or deceptive statements or representations that it is licensed and
18 refer to Holdyourcar.com’s affiliation with IES, when, in fact, Holdyourcar.com is not affiliated with
19 IES in any way.

20 Based upon the foregoing findings, the California Corporations Commissioner is of the
21 opinion that Holdyourcar.com, HYC, Inc. and Jef Arons and their officers, directors, partners, agents,
22 employees and/or servants are in violation of California Financial Code sections 17200, 17210.2(a)
23 and 17403(a). Pursuant to California Financial Code section 17416, Holdyourcar.com, HYC, Inc.
24 and Jef Arons are hereby ordered to desist and refrain from engaging in the business of receiving
25 escrows for deposit or delivery without first obtaining a license from the Commissioner. Pursuant to
26 California Financial Code section 17403(b), Holdyourcar.com, HYC, Inc. and Jef Arons are further
27 ordered to immediately desist and refrain from issuing, circulating, or publishing any advertisement
28 by means of any communication, including any website, or making use of or circulating any

1 letterheads, billheads, blank notes, blank receipts, blank escrow instructions, certificates, circulars, or
2 any written or printed paper containing any fictitious or corporate name or other words indicating that
3 it is in the escrow business. Pursuant to California Financial Code section 17210.2(c),
4 Holdyourcar.com, HYC, Inc. and Jef Arons are further ordered to immediately desist and refrain
5 from disseminating, or causing or permitting to be disseminated, in any manner whatsoever, any
6 statement or representation which is false, misleading, or deceptive, or which omits to state material
7 information, or which refers to the supervision of that agent by the State of California or any
8 department or official thereof. Holdyourcar.com, HYC, Inc. and Jef Arons are further ordered to
9 immediately desist and refrain from disseminating or causing or permitting to be disseminated, in any
10 manner whatsoever, any statement or representation that Holdyourcar.com is in any manner
11 associated with IES.

12 This Order is necessary, in the public interest, for the protection of investors and consistent
13 with the purposes, policies and provisions of the California Escrow Law. This order shall remain in
14 full force and effect until further order of the California Corporations Commissioner.

15 Dated: January 5, 2006
16 Sacramento, California

17 WAYNE STRUMPFER
18 Acting California Corporations Commissioner

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20 By: _____
21 ALAN S. WEINGER
22 Acting Deputy Commissioner
23 Enforcement Division
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