

1 **BEFORE THE DEPARTMENT OF BUSINESS & INDUSTRY**

2 **LAS VEGAS, NEVADA**

3
4 IN THE MATTER OF:)
5 FALCON CREDIT MANAGEMENT, LLC)
6 d/b/a DAMIAN FALCONE & COMPANY,)
7 Covered Service Provider License No.)
8 3379)
9 and)
10 DAMIAN ROLAND FALCONE,)
11 Qualified Employee)
12 Associated Covered Service Provider)
13 License No. 47088,)

14 Respondents.)

MLD Case No. 2016-004

FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND ORDER

15 This is a contested case between Claimant, the Mortgage Lending Division
16 (DML), and Respondents, Falcon Credit Management LLC d/b/a Damian Falcone &
17 Company (“FCM”) and Damian Roland Falcone (“Falcone”) (collectively,
18 “Respondents”).

19 This matter was commenced on September 26, 2016, when DML issued a Notice
20 of Intent to Issue and Enter Final Order Revoking Covered Provider License And
21 Associated Covered Service Provider License, Requiring Payment of Restitution,
22 Imposing Administrative Fine, And Assessing Administrative Costs, and Notice of
23 Opportunity for Hearing. Respondents requested a hearing pursuant to NRS 645F.855.
24 On March 8, 2017, MLD issued a Complaint. Also on March 8, 2017, DML referred the
25 matter for hearing, and I was appointed.

26 The hearing took place June 5-7, 2017. Witnesses Diana Martinez, Jessica
27 Monsour, Geoff Powers, Raymond Del Rosario, Marie Del Graziano, and Damian
28 Roland Falcone testified under oath, and each was subject to direct and cross-
examination. The parties stipulated to the admission of all documentary exhibits: DML’s
exhibits, MLD000001-000396, and Respondents’ exhibits, FALCONE000001-000617.
Prior to the commencement of the hearing, Respondents voluntarily surrendered their

1 covered service provider and associated covered service provider licenses.

2 **I. ISSUES**

3 Did Respondents violate NAC 645F.475, NRS 645F.405, NAC 645F.835(3)(c),
4 or NAC 645F.600(2)(a)?

5 **II. FINDINGS OF FACT**

6 Falcone is the owner of several businesses and the holder of several professional
7 licenses. Among the businesses Falcone owns is FCM, which offers a variety of
8 services, including debt management, bankruptcy counseling, and loan modification.
9 FCM has held a license as an NRS Chapter 645F covered service provider since
10 January 15, 2010.¹ Falcone has also possessed an NRS Chapter 645F associated
11 covered service provider license since January 15, 2010.² Respondents' activities as
12 NRS Chapter 645F licensed covered service providers are under the regulatory
13 jurisdiction of DML.

14 **Consent Order**

15 On November 28, 2012, Respondents entered into a Voluntary Consent Order
16 with DML.³ The terms of the Consent Order instructed Respondents to cease and desist
17 claiming, demanding, charging, collecting, or receiving advance fees from a homeowner
18 before the homeowner executes an agreement with its lender or servicer incorporating
19 an offer of mortgage assistance.⁴ The Consent Order also ordered Respondents to pay
20 restitution to the nine homeowners from whom they collected such advance fees;
21 Respondents complied with the Consent Order.

22 In the 2014 Final Report of Examination issued by DML, Respondents were
23 determined to be in violation of the prohibition on the collection of advance fees.⁵

24
25
26
27

¹ MLD000001.

² MLD000002.

³ MLD000384-394.

⁴ MLD000384-394.

⁵ FALCONE000169.

1 **Annual Exam and 2016 Final Report**

2 DML conducts annual examinations of NRS Chapter 645F licensees. At the
3 conclusion of each annual exam, DML issues a final report containing its findings. In
4 September 2015, Diana Martinez, DML Compliance Audit Investigator, began the annual
5 examination of Respondents covering the period from January 1, 2014, through March
6 30, 2015. DML investigators reviewed seven client files out of the fifty-four client files
7 that Respondents processed during that time period.⁶ DML issued a Final Report of
8 Examination dated June 14, 2016 (“Final Report”), setting forth DML staff’s findings of
9 violations and exceptions identified during the examination.⁷ Respondents received a
10 rating of “4” in the Final Report, with DML noting four primary violations for which
11 Respondents were required to take immediate remedial action: failure to maintain
12 complete and suitable records, collection of advanced fees, deceptive advertising, and
13 violating an order of the Commissioner.⁸ Respondents’ counsel authored a detailed letter
14 in response to the Final Report, which contained proposed solutions to the four
15 violations.⁹ DML did not alter its Final Report. DML ultimately commenced this action
16 seeking revocation of Respondents’ licenses and the payment of restitution, fines, and
17 costs based on the four violations noted in the Final Report.

18 **Respondents’ Record-Keeping**

19 Respondents created and maintained ledgers for each of their clients, recording
20 the dates and purposes of payments made by the client and the last four digits of the
21 bank account into which Respondents deposited the money.¹⁰ Respondents also
22 maintained internal accounting records, in the form of QuickBooks, which documented
23 a wide variety of credits and debits—from client payments to mediation fees to web
24 design to attorney fees.¹¹ The QuickBooks records for the bank account ending in 1221
25

26 _____
⁶ FALCONE000044.

27 ⁷ FALCONE000042-51.

⁸ FALCONE000046-47.

28 ⁹ FALCONE000001-4.

¹⁰ MLD000006-156.

¹¹ MLD000364-383.

1 (the only QuickBooks records included in evidence) reveal that the account co-mingled
2 funds from a variety of sources and used those funds for a variety of purposes, many
3 not related to NRS Chapter 645F licensed activities.

4 **Respondents' Contracts With and Software Membership Sales To Clients**

5 Respondents created a Service Agreement that served as the contract between
6 it and each of its clients.¹² The Service Agreement stated that the client requested "Loss
7 Mitigation, Financial, Credit and Debt Management services" from Respondents and
8 agreed to pay the schedule of fees set forth in the Agreement.¹³ Among the terms of the
9 Agreement was a statement that Respondents would provide the client either a 4- or 6-
10 month "membership to FalconDox software for the purpose of managing personal credit
11 and debt."¹⁴ For the software membership, the customer agreed to pay an amount
12 ranging from \$1,000 to \$2,000 "upon the commencement of this agreement."¹⁵ The
13 software membership was presented as part and parcel of Respondents' service
14 package; it was not billed as optional. Once a client paid for the software membership,
15 he or she was provided a link to sign in via email; the link expired if the client did not click
16 on it within two days.

17 Falcone told Marie Del Graziano that the software was essentially a record-
18 keeping device. She was to upload all documents she received from her bank to the
19 software, and the software would assess those documents for legal violations that could
20 be used as leverage in Respondents' negotiations with her bank. Ms. Del Graziano did
21 upload the communications she received from her bank, nearly 100 documents in total.
22 Ms. Del Graziano paid Respondents \$6,000 for three 4-month subscriptions to the
23 software.¹⁶ Ms. Del Graziano had trouble accessing the software from her home but was
24 able to access it from Respondents' office.

25 Falcone told Geoff Powers he could use the software to view the status of and
26

27 ¹² FALCONE000231-234.

¹³ FALCONE000231.

¹⁴ FALCONE000231; MLD000244.

¹⁵ FALCONE000232; MLD000244.

¹⁶ MLD000037.

1 details pertaining to his case. Mr. Powers never accessed the software, nor did he care
2 to, believing it to be a tool used by Respondents. Mr. Powers paid Respondents \$2,000
3 for one 4-month subscription to the software.¹⁷

4 Falcone told Raymond Del Rosario the software was necessary for the loan
5 modification he sought. Mr. Del Rosario did not attempt to access the software because
6 he believed the software was simply a necessary tool for Respondents to obtain loss
7 mitigation on his behalf. Mr. Del Rosario paid Respondents \$2,000 for one 4-month
8 subscription to the software.¹⁸

9 None of the testifying witnesses understood the software to be an optional
10 purchase; all understood it to be the cost of obtaining Respondents' services.
11 Respondents did not tell any of the testifying witnesses the software was for their use in
12 managing their personal credit and debt, nor did any of the testifying witnesses use the
13 software for that purpose. All of the testifying witnesses paid money toward the software
14 subscription before executing any agreement with their servicer or lender for mortgage
15 assistance.

16 III. LEGAL ANALYSIS AND CONCLUSIONS OF LAW

17 a. Respondents Failed to Maintain Complete and Suitable Records in 18 Violation of NAC 645F.475.

19 DML charges Respondents with violating NAC 645F.475, which sets forth the
20 record-keeping requirements by which all NRS Chapter 645F licensees must abide.

21 **NAC 645F.475 Retention and maintenance of 22 certain records; "complete and suitable records" 23 interpreted. (NRS 645F.255, 645F.390)**

- 24 1. Each licensee shall keep and maintain, at all times at
25 each location where the licensee conducts business,
26 complete and suitable records of all transactions by
27 the licensee at that location. Each licensee shall also
28 keep and maintain, at all times at each such location,
all original books, papers and data, or copies thereof,
clearly reflecting the financial condition of the
business of the licensee and shall retain records of all
of the activity of the licensee for a period of at least 4

¹⁷ MLD000062.

¹⁸ MLD000051.

1 years after the date of the last activity relating to the
2 transaction.

3 2. As used in this section, “complete and suitable
4 records” means a file that includes, but is not limited
5 to, the following documents, if applicable to the type
6 and purpose of the transaction:

- 7 (a) All contracts entered into between the licensee and
8 the homeowner;
- 9 (b) Any additional contracts entered into between parties
10 to the transaction;
- 11 (c) All disclosures provided to the homeowner;
- 12 (d) All authorizations signed by the homeowner;
- 13 (e) All worksheets;
- 14 (f) All mortgage statements and notices;
- 15 (g) All related loan documentation for the loan subject to
16 modification or other covered services;
- 17 (h) All lender or servicer requested items, including, but
18 not limited to, hardship letters, bank statements, W-2
19 forms, pay stubs, expense support or tax returns;
- 20 (i) All correspondence between the lender or homeowner
21 with the licensee, including, but not limited to, letters,
22 messages sent via electronic mail, facsimiles and logs
23 related to calls or other contacts or information;
- 24 (j) All loan modification offers or agreements provided to,
25 or received from, the lender or servicer;
- 26 (k) Copies of all public, recorded documents, including,
27 but not limited to, the notice of default and election to
28 sell and the notice of sale;
- (l) Any other documentation used by the licensee in the
normal course of business as it relates to a
homeowner;
- (m) A copy of each item of advertising material that was
published or distributed by or on behalf of the licensee
in the format in which the material was published or
distributed;
- (n) A copy of any written complaint against the licensee,
together with all correspondence, notes, responses
and other documentation related to the disposition of
the complaint;
- (o) All checkbooks, check registers, bank statements,
deposit slips, withdrawal slips, cancelled checks and
other records that relate to the business of the
licensee;
- (p) Copies of all federal tax withholding forms, reports of
income for federal taxation and evidence of payments
to all employees, independent contractors and other
persons that worked for the licensee;
- (q) Copies of all documents evidencing a contractual
relationship between the licensee and any third-party

1 provider of services related to covered transactions,
2 including, but not limited to, contracts, invoices,
3 billings and remittances to the third-party provider by
4 or on behalf of the licensee;

- 5 (r) Copies of all material correspondence related to the
6 business of the licensee not covered in paragraph (i),
7 including, but not limited to, electronic messages; and
- 8 (s) Copies of all reports, audits, examinations,
9 inspections, reviews, investigations or other similar
10 activities relating to the business of the licensee
11 performed by any third party, including, but not limited
12 to, any regulatory or supervisory authority.

13 DML asserts that Respondents violated NAC 645F.475 by failing to separate the
14 financial records for its licensed activities from financial records for its other myriad
15 activities and this prevented DML's examiners from ascertaining Respondents' financial
16 condition. Specifically, DML contends, "[T]he Licensee fails to maintain complete and
17 suitable financial records related to all deposits, payments[,] and transfers listed on the
18 general ledgers for all accounts utilized by the Licensee. These accounts are not
19 properly identified and prevent [DML] from distinguishing transactions applicable to the
20 Licensee from transactions applicable to other businesses of the Licensee."

21 The QuickBooks records for the bank account ending in 1221 reveal that the
22 account was not restricted solely to debits and credits for NRS 645F-licensed activities;
23 rather, Respondents used the 1221 account for activities including web design,
24 accounting fees, attorney's fees, and credit card payments.¹⁹ The QuickBooks records
25 for the bank account ending in 1221 did not clearly identify which deposits were
26 associated with which clients. In certain instances, deposits recorded on the ledgers did
27 not match the deposits recorded on the QuickBooks records.²⁰ The co-mingled nature
28 of the bank account ending in 1221 made it impossible for DML investigators to ensure
the accuracy of Respondents' accounting and ascertain their true financial condition.

Respondents failed to maintain complete and suitable records in violation of NAC
645F.475. NAC 645F.835(3)(c) authorizes the imposition of an administrative fine of up

¹⁹ MLD000381.

²⁰ See, e.g., MLD000046 and MLD000370.

1 to \$10,000 for this violation. Respondents shall be subject to a \$5,000 fine for this
2 violation because their failure to segregate their business accounts is egregious in light
3 of Falcone's years of business experience; but, their voluntary surrender of their licenses
4 ensures no further violations of this particular kind.

5 **b. Respondents Collected Advance Fees in Violation of NRS 645F.405.**

6 DML charges Respondents with violating NRS 645F.405 by charging and
7 collecting a fee for the 4- or 6-month FalconDox software membership at the
8 commencement of Respondents' relationship with clients. NRS 645F.405 prohibits the
9 collection of advance fees from a client:

10 A person who performs any covered service for
11 compensation, a foreclosure consultant and a loan
12 modification consultant **shall not claim, demand, charge,
13 collect or receive any compensation before a
14 homeowner has executed a written agreement with the
15 lender or servicer** incorporating the offer of mortgage
assistance obtained from the lender or servicer by the person
who performs any covered service for compensation, the
foreclosure consultant or the loan modification consultant.

16 (bold emphasis added). There is no dispute that Respondents were performing covered
17 services as defined by NRS 645F.310 for each of the 87 clients at issue²¹ and also that
18 each client executed a Service Agreement and made payment toward the software
19 membership prior to executing a written offer of mortgage assistance. Therefore, the
20 legal question presented is whether Respondents' collection of payment for a software
21 membership constituted an impermissible advance fee or a permissible sale of a
22 product, as Respondents posit.

23 NRS 645F.405 was adopted by the Nevada Legislature in 2011, with the express
24 purpose of bringing Nevada law in line with the Federal Trade Commission's Final Rule,
25 codified by the Bureau of Consumer Financial Protection at 12 C.F.R. § 1015.5
26 (commonly referred to as the MARS Rule or Regulation O).²² Regulation O, adopted in

27
28 ²¹ Respondents placed into evidence financial ledgers for 87 clients, all of whom paid money to Respondents for software memberships.

²² Minutes of Assembly Committee on Commerce and Labor, A.B. 308, 76th Sess., at 30 (NV 2011).

1 2010, followed a lengthy rulemaking process during which the FTC received abundant
2 evidence of for-profit mortgage assistance relief service providers (MARS) committing
3 consumer fraud by accepting thousands of dollars in advance of providing any service,
4 and, in many cases, never providing any mortgage assistance relief services despite the
5 collection of such monies.²³ Regulation O, therefore, prohibits the collection of advance
6 fees by any MARS provider. NRS 645F.405 does the same, applying the prohibition to
7 providers of covered services, foreclosure consultants, and loan modification
8 consultants.

9 In adopting the Final Rule, which became Regulation O, the FTC expressly
10 declined to prohibit the collection of advance fees for “products” in addition to “services,”
11 concluding,

12 The Commission declines to include products in the
13 definition of MARS in the Final Rule. The record
14 demonstrates that providers of services to help consumers
15 modify their mortgages and avoid foreclosure often engage
16 in unfair and deceptive practices; in contrast, neither the
17 Commission's law enforcement experience nor the
18 rulemaking record show that those who sell products for
19 mortgage assistance relief are engaged in the same types of
20 conduct.²⁴

21 However, a for-profit mortgage assistance relief provider may not simply evade
22 application of Regulation O by characterizing an item as a product and collecting an
23 advance fee for it.

24 In 2016, the Consumer Financial Protection Bureau (CFPB) brought an
25 enforcement action against an attorney for violation of, inter alia, Regulation O.²⁵ The
26 defendant, Gordon, created two programs, or agreements, into which he would enter
27 with clients: first, a program in which clients paid for preparation of certain legal
28 “products” advertised to help them in their disputes with the lenders that owned their
mortgages; and second, a “pro bono legal agreement” for the provision of free legal

²³ Mortgage Assistance Relief Services, 75 Fed. Reg. 75,091 (Dec. 1, 2010).

²⁴ *Id.* at 75102.

²⁵ *CFPB v. Gordon*, 819 F.3d 1179, 1184 (9th Cir. 2016).

1 services including negotiating with lenders for loan modifications.²⁶ Clients were required
2 to pay for the products to receive the “free” legal services.²⁷ Gordon contended that his
3 actions were not in violation of Regulation O because he only charged fees for the legal
4 products, while providing the loan modification services for free.²⁸

5 The Ninth Circuit rejected Defendant Gordon’s defense wholesale. “This obvious
6 attempt to evade the requirements of Regulation O fails.”²⁹

7 It is undisputed that Gordon’s “pro bono” services were in
8 reality in exchange for consideration, because consumers
9 were eligible for the “pro bono” modification services only if
10 they signed up for and paid the fees for the legal products.
11 Gordon suggests that this court is bound by the language in
12 his contract, stating [that] his services were “pro bono,” but
13 nothing in the regulations suggest that this court must close
14 its eyes to the facts and rely only on the contract itself to
15 determine whether the services were actually “in exchange
16 for consideration.”³⁰

17 Respondents’ similarly obvious attempt to evade the requirements of NRS
18 645F.405 also fails. Clients were effectively required to purchase the software
19 membership to obtain covered services from Respondents. Respondents’ Service
20 Agreement contained stock language incorporating the purchase of the software
21 membership to each client. And, in direct contrast to the Service Agreement’s language
22 concerning other terms, such as financial and credit evaluation services,³¹ the language
23 concerning the software membership did not indicate that the purchase was optional.
24 Further detracting from the credibility of the software membership as an actual product
25 separate from the covered service is the fact that Respondents told each testifying
26 witness the software membership served a different purpose, none matching the
27 purpose stated on Respondents’ Service Agreement. Finally, Respondents’ practical
28 use of the software, to document the legal violations committed by the bank or servicer

26 ²⁶ *Id.* at 1185.

27 ²⁷ *Id.*

28 ²⁸ *Id.* at 1194.

29 ²⁹ *Id.*

30 ³⁰ *Id.* at 1194-95.

31 FALCONE000232.

1 for purposes of leverage during modification negotiations, falls squarely into the
2 description of “forensic accounting” prohibited by Regulation O’s ban on advance fees.³²

3 Respondents violated NRS 645F.405 by charging and collecting advance fees
4 from clients under the guise of software memberships before the clients executed written
5 agreements with the lender or servicer incorporating an offer of mortgage assistance.
6 Pursuant to NAC 645F.835(2), Respondents shall issue restitution to each of the 87
7 clients for whom financial ledgers were included in evidence. NRS 645F.410, authorizes
8 the imposition of an administrative fine of up to \$25,000 for this violation. Respondents
9 shall be subject to an administrative fine in the amount of \$15,000 for this violation
10 because, though it was in circumvention of the spirit and purpose of the prohibition on
11 advance fees, Respondents evidenced multiple consultations with multiple attorneys
12 who approved of the practice, which suggests Respondents practiced some due
13 diligence in endeavoring to abide by the law.

14 **c. Violation of an Order of the Commissioner**

15 DML charges Respondents with violating NAC 645F.835(3)(c), which authorizes
16 discipline against licensees for violating any order of the Commissioner.

- 17 3. For each violation committed by a person who engages
18 in an activity for which licensure as a covered service
19 provider, foreclosure consultant or loan modification
20 consultant is required under this chapter and [chapter](#)
21 [645F](#) of NRS, without regard to whether the person is
22 licensed under this chapter and [chapter 645F](#) of NRS,
23 the Commissioner may impose upon the person an
24 administrative fine of not more than \$10,000, and if
25 the person holds a license as a covered service
26 provider, foreclosure consultant or loan modification
27 consultant, the Commissioner may suspend, revoke
28 or place conditions upon the person’s license, or may
do both, if the person, whether or not acting as such:

[. . .]

- (c) Does not conduct business in accordance with law or
has violated any provision of this chapter or [chapter](#)
[645F](#) of NRS **or any order of the Commissioner;**

(bold emphasis added). DML contends that Respondents violated the 2012 Consent

³² 75 Fed. Reg. at 75,100 n.110, 75,096.

1 Order by charging and collecting advance fees for software memberships.

2 As discussed *supra*, Respondents charged and collected advance fees in
3 violation of NRS 645F.405. This conduct was also in violation of the 2012 Consent Order,
4 which expressly prohibited Respondents from charging or collecting advance fees.

5 Respondents violated NAC 645F.835(3)(c) by charging and collecting advance
6 fees in violation of an order of the Commissioner. NAC 645F.835(3) authorizes the
7 imposition of an administrative fine of up to \$10,000 for this violation. Respondents shall
8 be subject to a \$5,000 fine for this violation because although they did alter the Service
9 Agreement following the 2012 Consent Order in an attempt to come into compliance,
10 they received notice that they were still out of compliance as early as December 2013
11 and at the latest by August 2014, and they did not make any changes.

12 **d. Deceptive Trade Practices**

13 DML charges Respondents with violating NAC 645F.600(2), which requires
14 licensees' advertisements to comply with the general provisions of NRS Chapter 598,
15 the Chapter governing deceptive trade practices. DML contends that Respondents
16 violated NRS 598.0915(5), (9), and (15) by failing to give certain clients access to the
17 software for which they paid. NRS 598.0915 defines certain activities as deceptive trade
18 practices, and the particular subsections at issue are set forth in full below:

19 A person engages in a "deceptive trade practice" if, in the
20 course of his or her business or occupation, he or she:

21 [. . .]

22 5. Knowingly makes a false representation as to the
23 characteristics, ingredients, uses, benefits, alterations
24 or quantities of goods or services for sale or lease or
25 a false representation as to the sponsorship,
26 approval, status, affiliation or connection of a person
27 therewith.

28 [. . .]

9. Advertises goods or services with intent not to sell or
lease them as advertised.

[. . .]

15. Knowingly makes any other false representation in
a transaction.

The credible evidence adduced at hearing did not establish that Respondents

1 failed or refused to provide clients access to the software. Rather, Ms. Del Graziano was
2 able to access the software from Respondents' office, and neither Mr. Powers nor Mr.
3 Del Rosario attempted to access it. While it could be argued that Respondents knowingly
4 made a false representation as to the uses or benefits of the software by marketing them
5 as a tool for credit and debt management, DML did not make that particular allegation in
6 this charge.

7 Respondents did not violate NAC 645F.600(2) in the manner alleged.

8 **IV. ORDER³³**

9 IT IS ORDERED that:

10 Pursuant to NAC 645F.835(3)(c), Respondent FCM's Covered Service Provider
11 license and Falcone's Associated Covered Service Provider license are revoked,
12 effective immediately.

13 Pursuant to NAC 645F.835(3)(c), Respondents shall pay an administrative fine of
14 \$5,000 for their violation of NAC 645F.475. Respondents shall pay this amount to DML
15 in full within 90 days.

16 Pursuant to NAC 645F.835(2), Respondents shall pay restitution in the amount
17 of \$276,635. This amount represents the economic losses suffered by the 87 clients at
18 issue as a result of Respondents' violations of NRS and NAC Chapter 645F.³⁴
19 Respondents shall pay this amount in full within 120 days. DML shall be responsible for
20 properly distributing the restitution monies to the 87 clients within a reasonable amount
21 of time, not to exceed 12 months from the date of receipt of the monies.

22 (cont.)
23
24
25

26 ³³ This is a final decision issued in accordance with both NAC 645F.905 and NRS 233B.125.

27 ³⁴ Pursuant to the Interim Order Pending Audit issued June 23, 2017, Respondents were ordered to
28 conduct a full accounting of the accounts for the 87 clients at issue under the supervision of DML and
submit their respective conclusions concerning the amount of restitution owed. However, upon the
deadline set for submission, which also constituted the date of the close of the hearing, only DML
submitted a fact-based accounting of monies owed. Respondents did not submit any information or
communication whatsoever.

1 Pursuant to NRS 645F.410, Respondents shall pay an administrative fine in the
2 amount of \$15,000 for their violation of NRS 645F.405. Respondents shall pay this
3 amount in full within 90 days.

4 Pursuant to NAC 645F.835(3)(c), Respondents shall pay an administrative fine of
5 \$5,000 for their violation of NAC 645F.835(3)(c). Respondents shall pay this amount in
6 full within 90 days.

7 Pursuant to NAC 645F.440(3), Respondents shall pay DML's costs of
8 investigation in the amount of \$10,920. Respondents shall pay this amount in full within
9 90 days.

10 Dated this 18th day of July, 2017.

11
12 /s/ Denise S. McKay
13 Denise S. McKay
14 Administrative Law Judge
15 State of Nevada
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF MAILING

I, Denise S. McKay, do hereby certify that I deposited in the U.S. mail, postage prepaid, via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER to the following:

Michael Mushkin, Esq.
4475 S. Pecos
Las Vegas, NV 89121

Certified Mail: 7012 1010 0000 1182 3498
Email: Michael@mushlaw.com
Karen@mushlaw.com

Keith Kizer, Esq.
Rickisha Hightower-Singletary, Esq.
Nevada Office of the Attorney General
555 E. Washington Ave., Ste. 3900
Las Vegas, NV 89101

Certified Mail: 7012 1010 0000 1182 3504
Email: KKizer@ag.nv.gov
RSingletary@ag.nv.gov

Dated this 18th day of July, 2017.

/s/ Denise S. McKay