

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

SHARATH CHANDRA, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. 2023-217

Petitioner,

FILED

vs.

OCT 05 2023

JOHN PRUDHONT,
B.1001930.LLC,

REAL ESTATE COMMISSION

BY *Kelley Valadez*

Respondent.

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division") hereby notifies RESPONDENT JOHN PRUDHONT ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapter 233B and Chapter 645 of the Nevada Revised Statutes ("NRS"), and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.806 (3), and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Broker under license number B.1001930.LLC and holds a Business Broker Permit Number BUSB.0006958.BKR and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FACTUAL ALLEGATIONS

1. RESPONDENT is broker of record of The Business Brokers LLC. [NRED0001-0003].
2. RESPONDENT broker's license was first issued in 2017. [NRED0002].
3. In 2021, The Division sent a courtesy email to RESPONDENT reminding him to submit Trust Account Reconciliation form 546, or 546A, annually, and reminding RESPONDENT of the annual

1 deadline for submitting these forms (the last day in February every year). The RESPONDENT did submit
2 his 546A Affidavit form for 2022. [NRED0023; 0004].

3 4. In 2023, RESPONDENT failed to submit his mandatory 546A Affidavit form by the
4 expiration month of his broker's license (February 28, 2023). [NRED0004-0009].

5 5. Between April 3, 2023, and April 16, 2023, The Division sent two letters to
6 RESPONDENT, notifying him of the \$250 fine, requesting him to complete his 546A form, and advising
7 him of his appeal rights if he disagreed with the finding of violation and/or imposition of the
8 fine. [NRED0005-0009].

9 6. On April 3, 2023, the Division fined RESPONDENT \$250 for failing to timely submit the
10 mandatory 546A Affidavit form pursuant to NAC 645.806(3). [NRED0006-0007].

11 7. The April 3, 2023, letter was returned as undeliverable to RESPONDENT's business
12 address on record with the Division. [NRED0005; NRED0002-0003].

13 8. The April 16, 2023, second letter was mailed to RESPONDENTs business address listed
14 on RESPONDENT's brokerage website. [NRED0005; 0008-0009].

15 9. On May 22, 2023, the Division Investigator emailed RESPONDENT to request that he
16 return his 546A form, pay the \$250.00 fine, and to advise RESPONDENT of potential fines from the
17 Commission. [NRED0010-0011].

18 10. On May 23, 2023, Eileen Prudhont, wife of RESPONDENT and a concurrent broker for
19 The Business Brokers LLC with RESPONDENT, responded with two emails from RESPONDENT's
20 email address claiming RESPONDENT did not receive notification of the 2021 violation. [NRED0012-
21 0015; 0016-0017].

22 11. In response, the Division Investigator sent a copy of the March 18, 2021, email, which
23 included the investigator's reminder to submit a 546A form on an annual basis. [NRED0018-0024].

24 12. On May 23, 2023, The Division received the RESPONDENT's completed 546A form for
25 2023, but **did not** receive the \$250 fine payment for the violation. [NRED0004].

26 13. On June 6, 2023, the Division sent an NRS 233B letter, return receipt requested, to
27 RESPONDENT stating the Division's intent to file a complaint with the Commission for violation of
28 NAC 645.804 (3). [NRED0025-0028].

1 **VIOLATIONS OF LAW**

2 RESPONDENT has committed the following violations of law:

3 1. RESPONDENT violated NRS 645.633(1)(b) pursuant to NAC 645.806(3) by failing
4 to timely submit his annual Form 546A Affidavit to the Division for 2023, due by the last day of the
5 expiration month for his broker license.

6 2. RESPONDENT violated NRS 645.633(1)(b) pursuant to NAC 645.695 by failing to
7 pay the \$250.00 administrative fine levied by the Division for failure to timely submit the 2023 Form
8 546A Affidavit.

9 **DISCIPLINE AUTHORIZED**

10 Pursuant to NRS 645.630, the Commission is empowered to impose an administrative fine of up
11 to \$10,000 per violation and suspend, revoke, or place conditions on RESPONDENT'S license if
12 warranted.

13 Additionally, under NRS 622.400, the Commission is authorized to impose costs of the
14 proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission
15 otherwise imposes discipline on RESPONDENT.

16 Therefore, the Division requests that the Commission take such disciplinary action as it deems
17 appropriate under the circumstances.

18 **NOTICE OF HEARING**

19 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
20 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
21 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

22 **THE HEARING WILL TAKE PLACE on November 7, 2023, commencing at 9:00 a.m., or**
23 **as soon thereafter as the Commission is able to hear the matter, and each day thereafter**
24 **commencing at 9:00 a.m. through November 9, 2023, or earlier if the business of the Commission**
25 **is concluded. The Commission meeting will be held on November 7, 2023, at the Nevada State**
26 **Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102**
27 **with video conferencing to Nevada Division of Insurance, 1818 E. College Parkway, Suite 103,**
28 **Carson City, Nevada 89706. The meeting will continue on each day thereafter commencing at 9:00**

1 a.m. through November 9, 2023, at the Nevada State Business Center, 3300 West Sahara Avenue,
2 4th Floor – Nevada Room, Las Vegas, Nevada 89102 with video conferencing to Nevada Division
3 of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, until the business
4 of the Commission is concluded.

5 **STACKED CALENDAR:** Your hearing is one of several hearings scheduled at the same
6 time as part of a regular meeting of the Commission that is expected to last from November 7, 2023
7 through November 9, 2023, or earlier if the business of the Commission is concluded. Thus, your
8 hearing may be continued until later in the day or from day to day. It is your responsibility to be
9 present when your case is called. If you are not present when your hearing is called, a default may
10 be entered against you and the Commission may decide the case as if all allegations in the complaint
11 were true. If you have any questions please call Kelly Valadez, Commission Coordinator (702)
12 486-4606.

13 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open meeting
14 under Nevada’s open meeting law, and may be attended by the public. After the evidence and arguments,
15 the commission may conduct a closed meeting to discuss your alleged misconduct or professional
16 competence. You are entitled to a copy of the transcript of the open and closed portions of the meeting,
17 although you must pay for the transcription.

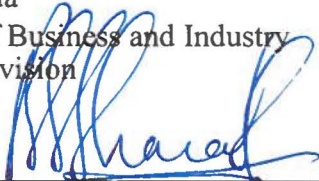
18 As the Respondent, you are specifically informed that you have the right to appear and be heard
19 in your defense, either personally or through your counsel of choice. At the hearing, the Division has the
20 burden of proving the allegations in the complaint and will call witnesses and present evidence against
21 you. You have the right to respond and to present relevant evidence and argument on all issues involved.
22 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
23 witnesses on any matter relevant to the issues involved.

24 You have the right to request that the Commission issue subpoenas to compel witnesses to testify
25 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate
26 the relevance of the witness’ testimony and/or evidence. Other important rights you have are listed in
27 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.875.
28

1 The purpose of the hearing is to determine if the Respondent has violated NAC 645 and/or NAC
2 645 and if the allegations contained herein are substantially proven by the evidence presented and
3 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
4 pursuant to NRS 645.235, 645.633 and or 645.630.

5 DATED this 4 day of OCTOBER, 2023.

6 State of Nevada
7 Department of Business and Industry
8 Real Estate Division

9 By: 
10 SHARATH CHANDRA, Administrator
11 3300 West Sahara Avenue, Suite 350
12 Las Vegas, Nevada 89102

13 AARON D. FORD
14 Attorney General

15 By: /s/ Jeremy R. DeLong
16 PHIL W. SU (Bar No. 10450)
17 Senior Deputy Attorney General
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