

IN THE COURT OF APPEALS OF THE STATE OF NEVADA

JAMES DAVID LINCOLN, AN
INDIVIDUAL,
Appellant,
vs.
FREEDOM FINANCIAL, LLC, A
FOREIGN LIMITED LIABILITY
COMPANY,
Respondent.

No. 67692

FILED

APR 14 2016

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

ORDER OF AFFIRMANCE

Appeal from an order granting a motion to dismiss for lack of jurisdiction in a contract action. Eighth Judicial District Court, Clark County; Nancy L. Allf, Judge.

Appellant James David Lincoln—a resident of Clark County, Nevada—held a promissory note secured by a deed of trust recorded against property located in California (the “Note”). A “Note Broker” affiliated with non-party California NoteBuyer, LLC (“CNB”) sent a letter to Lincoln soliciting him to sell the Note. CNB wrote, “If you WANT or NEED cash for the note you are receiving monthly payments on, I may be able to help you. [...] I partner with other investors and funding sources to pay CASH in return for your timely monthly payments. We focus on notes in the Western States.” Lincoln responded to the letter and negotiated terms with CNB. Based on their discussions, CNB sent a letter to Lincoln confirming that “[CNB] and/or its assigns agree to purchase the above referenced note for \$35,000. Purchase agreement to include a 12 month option for seller to buy back the note.” Lincoln signed the offer letter and returned it to CNB. Respondent Freedom Financial, LLC—a Washington limited liability company—subsequently sent correspondence

to Lincoln enclosing documents by which Lincoln would sell the Note to Freedom Financial. The terms of the agreement Freedom Financial provided to Lincoln were consistent with the terms set forth in CNB's letter. Lincoln executed the documents and the parties completed the transaction. The record indicates that Freedom Financial did not have any other direct contact with Nevada relating to the underlying agreement, and that Freedom Financial was involved in one other Nevada transaction in several years prior.


Lincoln later filed a complaint with the Eighth Judicial District Court in Clark County, Nevada asserting claims against Freedom Financial arising out of Freedom Financial's alleged failure to honor the parties' agreement when Lincoln attempted to exercise the "buy back" option. After the close of discovery and upon Freedom Financial's NRCP 12(b)(2) motion, the district court dismissed Lincoln's claims for lack of personal jurisdiction. On appeal, Lincoln argues the district court erred by dismissing his claims because Freedom Financial had sufficient contacts with the state—either on its own or through its alleged agent, CNB.¹


This court reviews the district court's legal determination regarding personal jurisdiction *de novo*. See *Baker v. Eighth Judicial Dist. Court*, 116 Nev. 527, 531, 999 P.2d 1020, 1023 (2000). Having considered the parties' arguments and reviewed the record on appeal, we conclude that the district court did not err in granting Freedom Financial's motion to dismiss. "[A] nonresident defendant must have sufficient minimum contacts with the forum state so that subjecting the defendant to the

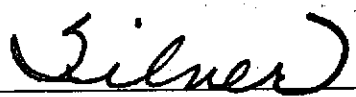
¹We do not recount the facts except as necessary to our disposition.

state's jurisdiction will not offend traditional notions of fair play and substantial justice." *Fulbright & Jaworski v. Eighth Judicial Dist. Court*, 131 Nev. ___, ___, 342 P.3d 997, 1001 (2015) (internal quotation marks and citation omitted). "When a challenge to personal jurisdiction is made, the plaintiff has the burden of introducing competent evidence of essential facts which establish a prima facie showing that personal jurisdiction exists." *Trump v. Eighth Judicial Dist. Court*, 109 Nev. 687, 692-93, 857 P.2d 740, 743-44 (1993) (quoting *Abbott-Interfast v. District Court*, 107 Nev. 871, 873, 821 P.2d 1043, 1044 (1991)). In addition, an alleged agency relationship through which the plaintiff seeks to attribute another person's contacts to the defendant must also be established by prima facie evidence. *Id.* at 694, 857 P.2d at 745. Here, the record does not include evidence sufficient to constitute a prima facie showing that an agency relationship existed between CNB and Freedom Financial such that CNB's contacts could be attributed to Freedom Financial, or that Freedom Financial had sufficient direct contacts with the state to support the exercise of personal jurisdiction. We therefore,

ORDER the judgment of the district court AFFIRMED.


_____, C.J.
Gibbons


_____, J.
Tao


_____, J.
Silver

cc: Hon. Nancy L. Alf, District Judge
Nathaniel J. Reed, Settlement Judge
Johnson & Gubler, P.C.
Law Offices of Steven J. Parsons
Eighth District Court Clerk