

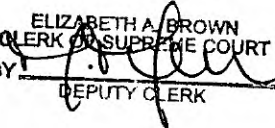
IN THE SUPREME COURT OF THE STATE OF NEVADA

ROSHANAK MAHBAN; AND
ROSHANAK MAHBAN AS TRUSTEE
OF THE MAHBAN FAMILY TRUST, ON
BEHALF OF HERSELF AND ALL
THOSE SIMILARLY SITUATED,
Appellants,
vs.
PRESTIGE DEFAULT SERVICES, LLC,
Respondent.

No. 84166

FILED

MAR 09 2023

ELIZABETH A. BROWN
CLERK OF SUPREME COURT
BY  DEPUTY CLERK

ORDER OF AFFIRMANCE

This is an appeal from a district court order granting summary judgment in a declaratory relief action. Eighth Judicial District Court, Clark County; Mark R. Denton, Judge.¹

Appellants sought declaratory relief that respondent Prestige Default Services, LLC (Prestige LLC) violated NRS 107.028 because it did not hold a valid Nevada business license during the time it served as the foreclosure trustee on appellants' property. Prestige Default Services (Prestige Corp.) was a California corporation that held a Nevada business license and converted to Prestige LLC in California in 2019. Prestige LLC renewed Prestige Corp.'s Nevada business license after the conversion. Appellants filed the underlying action asserting that Prestige LLC lacked a

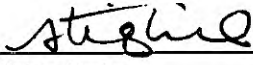
¹Pursuant to NRAP 34(f)(1), we have determined that oral argument is not warranted.

valid Nevada business license, and the district court later granted Prestige LLC's motion for summary judgment, concluding that Prestige Corp.'s Nevada business license was a right that had vested in Prestige LLC upon the completion of the conversion.


Appellants argue the district court erred in concluding that a business license is a property right and that the California conversion was sufficient to provide Prestige LLC with a vested right in Prestige Corp.'s Nevada business license. We disagree. *See Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005) ("This court reviews a district court's grant of summary judgment de novo."). Because the laws of the state where the foreign LLC is organized govern its organization, NRS 86.543, Prestige LLC's compliance with California laws regarding conversion was sufficient to make Prestige Corp.'s conversion to Prestige LLC valid. When a corporation converts to an LLC, the corporation's rights are vested in the LLC. Cal. Corp. Code § 1158(b)(1) (explaining that upon a conversion, the old entity's rights and properties are vested in the new entity); *see also* NRS 92A.250(3)(c),(f) (providing that in a conversion all of the old entity's property and interests are vested in the new entity). A "right" is defined as "[a] power, privilege, or immunity secured to the person by law," *Right*, Black's Law Dictionary (10th ed. 2014), and a "license" is defined as "[a] privilege granted by a state or city upon the payment of a fee, the recipient of the privilege then being authorized to do some act or series of acts that would otherwise be impermissible," *License*, Black's Law Dictionary (10th ed. 2014). Because a Nevada business license is a right that vests in a converted entity, the district court did not err in concluding that Prestige

LLC had a vested right in Prestige Corp.'s Nevada business license, and thus, held a valid business license. Accordingly, we

ORDER the judgment of the district court AFFIRMED.²


_____, C.J.
Stiglich


_____, J.
Lee


_____, J.
Bell

cc: Hon. Mark R. Denton, District Judge
Eleissa C. Lavelle, Settlement Judge
Black & Wadhams
Lipson Neilson P.C.
Eighth District Court Clerk

²In light of this order, we need not reach the parties' other arguments on appeal.