

Utah Division of Consumer Protection
160 East 300 South, Second Floor
PO Box 146704
Salt Lake City, UT 84114-6704
PH. (801) 530-6601/FAX (801) 530-6001

**BEFORE THE DIVISION OF CONSUMER PROTECTION
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

FLUENT HOME, LLC, a Delaware limited
liability company;

Respondent.

ADMINISTRATIVE CITATION

**DCP Legal File No. CP-2024-060
DCP Case No. 140951, 144621, and
146259**

PURSUANT TO THE AUTHORITY granted by Utah Code § 13-2-6, which empowers the Division of Consumer Protection (Division) to issue a citation upon reasonable cause to believe a person has violated or is violating any statute listed in Utah Code § 13-2-1, it appears, upon information and belief, that you are in violation of the *Utah Consumer Sales Practices Act* (CSPA), Utah Code § 13-11-1 *et seq.* and the *Utah Consumer Sales Practices Act Rule* (CSPA Rule), Utah Admin. Code R152-11-1 *et seq.* The Division incorporates by reference all information in the Notice attached to this Citation. The Division alleges:

RESPONDENTS

1. Fluent Home, LLC is a Delaware limited liability company, registered as a foreign entity with the Utah Division of Corporations and Commercial Code, with a registered address of 3400 North 1200 West, Lehi, UT. 84043. The Respondent

operates out of their new address of 808 East Utah Valley Drive, American Fork, UT 84003.

2. The business identified above will be referred to as "Respondent."
3. At all times relevant to this Citation, Respondent operated in Utah and provided home security systems, customer service, billing, and other related business services to consumers across the United States.

BACKGROUND AND INFORMATION

VG Complaint

4. Consumer VG (see Appendix A) contacted Respondent in June 2022 inquiring how to cancel Respondent's services. VG was informed the contract was auto renewed and was effective through October 2022. VG did not receive any notification from Respondent regarding the auto-renewal deadlines prior to the contract auto-renewing.
5. VG was instructed to call back in October to cancel. Respondent did not inform VG that the cancellation request was required to be in writing.
6. In October 2022, VG called Respondent to cancel the contract and was informed that VS was required to pay 80% of the remaining contract to cancel, as the contract was auto renewed for a second time. VG did not receive any notification from Respondent prior to the contract auto-renewing for the second time.
7. In January of 2023, VG filed a complaint with the Division. During the investigation, the Division contacted Respondent, requesting a copy of the notice Respondent sent to consumers regarding auto-renewal deadlines. Respondent

represented to the Division that a notice was not sent to VG as VG was not a Utah resident.

MS Complaint

8. Consumer MS (see Appendix A) signed a 36-month contract with Respondent on July 13, 2019. Respondent auto renewed MS's contract in the summer of 2022. MS did not receive notification from Respondent of the auto-renewal and subsequent auto-renewal payments.
9. MS contacted Respondent in December of 2022 requesting to cancel MS's security service and a refund of any overpayments made by MS to Respondent.
10. Respondent informed MS that a refund for any balance reflecting on MS's account would be forthcoming.
11. In February 2023, after no refund was received, MS contacted Respondent again inquiring about the refund for overpayments. Respondent informed MS his account was still active because the cancellation request was not in writing.
12. On February 1, 2023, MS sent Respondent a request for cancellation via certified letter and email. Respondent notified MS that the account would be charged another monthly payment, and that amount would be deducted from any refund amount due to MS.
13. MS did not receive any further communication from Respondent until MS received a refund check issued on May 5, 2023.

14. MS received notification that the check issued by Respondent was rejected by MS's financial institution because Respondent's account had insufficient funds. MS incurred bank fees for the rejected check.
15. MS contacted Respondent and was informed Respondent would look into the issue.
16. MS did not receive any further communications from Respondent.
17. MS received a new refund check on August 23, 2023.

SN Complaint

18. Consumer SN (see Appendix A) contacted Respondent in June of 2022 to cancel SN's security service with Respondent. Respondent assured SN that SN's account would be cancelled on June 9, 2022.
19. In December of 2022, SN discovered Respondent was still processing payments from SN's bank account.
20. SN, through an attorney, made multiple written requests to terminate Respondent's security services, and requests for reimbursement of any unauthorized charges made by Respondent.
21. Respondent failed to provide reimbursement for unauthorized charges to SN.
22. In August of 2023, SN filed a complaint with the Division. The Division received notification from Respondent that SN's contract was cancelled.
23. During the course of the Division's investigation, Respondent provided the Division with a sampling of 50 contracts with consumers from various states. Respondent represented to the Division that Respondent did not provide auto-

renewal notifications to any of its customers prior to auto-renewing their contracts.

24. Utah Code § 15-10-201(2)(c)(i) requires Respondent to provide written notice to consumers no later than 30 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract, and no sooner than 90 calendar days before the last day on which the consumer may give notice of the consumer's intention to terminate the service contract.

COUNTS 1-53

25. Respondent knowingly or intentionally failed to provide written notice to consumers of the automatic renewal provisions set forth in Utah Code § 15-10-201(2)(c)(i). The above actions violate the CSPA, Utah Code § 13-11-4(2)(x):

(2) Without limiting the scope of Subsection (1), a supplier commits a deceptive act or practice if the supplier knowingly or intentionally:

...

(x) fails to comply with the restrictions of Section 15-10-201 on automatic renewal provisions;

26. **The above actions are alleged as at least 53 violations of the above-referenced statute with a maximum potential fine of up to \$2,500 per violation.**

COUNTS 54-55

27. Respondent failed to provide a refund within 30 days of a valid refund request from MS and SN.
28. The above actions violate Utah Admin. Code R15211-10(C):

(C) It shall be a deceptive act or practice in connection with a consumer transaction for a supplier who has accepted a deposit and has received from the consumer within a reasonable time a valid request for refund of the deposit to fail to make the refund within 30 calendar days after receipt of such request.

29. The above actions are alleged as two violations of the above-referenced rule with a maximum potential fine of up to \$2,500 per violation.

Total Alleged Counts: 55
Total Potential Fine: \$137,500

DATED this 23 day of May, 2024.



Steven Petersen – Investigator
UTAH DIVISION OF CONSUMER PROTECTION

DATED this 23 day of May, 2024.



Daniel Larsen – Managing Analyst
UTAH DIVISION OF CONSUMER PROTECTION

Appendix A

Consumer Name	Consumer Initials	City of Residence	State of Residence
	VG		MO
	MS		TX
	SN		ID

CERTIFICATE OF SERVICE

I certify that I have this day issued and served the foregoing citation on the parties of record in this proceeding set forth below by mailing a copy thereof, properly addressed by first class mail and certified mail with postage prepaid, to:

FLUENT HOME, LLC
3400 NORTH 1200 WEST
LEHI, UT 84043

FLUENT HOME, LLC
[REDACTED]
AMERICAN FORK, UTAH 84003

FLUENT HOME, LLC
C/O CORPORATION SERVICE COMPANY – REGISTERED AGENT
15 WEST SOUTH TEMPLE, SUITE 600
SALT LAKE CITY, UT 84101

I hereby certify that I have this day issued and served the foregoing citation by email to the following:

Division of Consumer Protection
dcplegal@utah.gov

Department of Commerce
Administrative Law Judges
CommerceALJs@utah.gov

Dated this ____ day of May, 2024.

Steven Petersen– Investigator
UTAH DIVISION OF CONSUMER PROTECTION

NOTICE - IMPORTANT - READ CAREFULLY

This citation may be contested by filing a request for review, in writing, within 20 days of issuance of this citation. Following receipt of a request for review, an informal hearing will be scheduled before the State of Utah, Department of Commerce, Division of Consumer Protection pursuant to Utah Code § 63G-4-203, Procedures for Informal Adjudicative Proceedings. The purpose for the hearing is a review of the citation for factual and legal sufficiency and other questions to be determined by the presiding officer.

A citation that is not contested becomes the final default order of the Division. A defaulted party may make a motion to the presiding officer to set aside a default. Utah Code § 63G-4-209(3). The defaulted party may seek agency review pursuant to Utah Code § 63G-4-301, or reconsideration pursuant to Utah Code § 63G-4-302, only of the presiding officer's decision on the motion to set aside the default. See Utah Code § 63G-4-209(3)(c).

In addition to any fines that may be levied, a cease and desist order may be entered against you. An intentional violation of a final cease and desist order is a third degree felony. Utah Code § 13-2-6(2).

To request a review of the citation, please send your written request for review to DCPLegal@utah.gov, or by mail to:

Katherine Hass – Director
Utah Division of Consumer Protection
160 East 300 South, Second Floor
PO Box 146704
Salt Lake City, UT 84114-6704

A presiding officer will be designated by the Director of the Division of Consumer Protection to conduct the hearing in your case and may be reached at:

Department of Commerce - Administrative Law Judges
Heber M. Wells Bldg., 2nd Floor
160 East 300 South
Salt Lake City, UT 84114
(801) 530-6166
Email: CommerceALJs@utah.gov

A copy of Utah Admin. Code R477-101, Administrative Law Judge Conduct Committee, is available online at <https://rules.utah.gov/publicat/code/r477/r477-101.htm>.

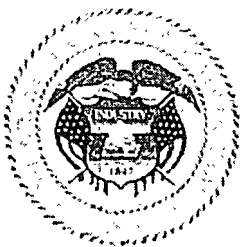
Please be advised that all inquiries, correspondence, or other contacts concerning this citation, with the exception of any written request for review as set out above, should be directed to the below-named Division employee, designated by the Director of the Division of Consumer Protection pursuant to Utah Code § 13-2-6(3):

Steven Petersen – Investigator
Utah Division of Consumer Protection
PO Box 146704
Salt Lake City, UT 84114-6704
Telephone: (801) 530-6601

FREQUENTLY ASKED QUESTIONS

1. **How can I talk to someone at the Division about this citation?** The name of the investigator assigned to your case appears at the end of your citation. If you call the Division, 801-530-6601 and press 0, the receptionist can help transfer you to the assigned investigator.
2. **Can I resolve the citation without a hearing?** Contact the investigator assigned to your case if you are interested in a settlement to see if a settlement is possible in your case.
3. **How do I respond to the citation?** You may challenge the citation by submitting a written Request for Review using the attached form or using your own form.
4. **How long do I have to respond to the citation?** You have 20 calendar days from issuance of the citation to submit a Request for Review.
5. **What happens after I submit a Request for Review?** The presiding officer will send you a Notice of Administrative Hearing specifying a time, date, and location of a hearing before the Division.
6. **Who will preside over the case?** The name of the presiding officer for the hearing will be on your Notice of Administrative Hearing. Please address the presiding officer by name (e.g., "Judge Smith"). You may contact the presiding officer with any technical or procedural questions, but the presiding officer may not discuss the merits of the case with you.
7. **What if I have a scheduling conflict with the scheduled hearing time?** Failure to attend a hearing may result in a default and entry of judgment against you. You may ask the presiding officer assigned to your case, in writing, to reschedule the hearing if you have a conflict or require more time to prepare. A request for additional time is within the discretion of the presiding officer and may not be granted, particularly if requested only shortly before the scheduled hearing.
8. **What should I expect at a hearing?** An administrative law judge will act as the presiding officer and direct the proceeding. The hearing room has two tables for the parties, with the presiding officer sitting at the front of the hearing room. Generally, you (and your counsel, if applicable) will sit at one of the tables and Division staff will sit at the other table. Beginning with the Division, both sides will have an opportunity to present witnesses, evidence, and argument in support of why the citation should or should not stand.
9. **What kind of evidence can I present?** All parties may testify, present evidence, and comment on the issues. In presenting evidence, any party may examine witnesses and submit exhibits. At the request of either party, or at his or her own initiative, the presiding officer may also choose to examine a witness. Any party may ask to present a witness by telephone. The presiding officer may exclude any evidence he or she deems irrelevant, immaterial, or unduly repetitious or improper.
10. **How can I determine what evidence the Division has?** Discovery is prohibited in informal hearings, but parties may request information contained in the agency's files to the extent permitted by law. You may contact the assigned investigator to request access to this information.
11. **What is the burden of proof for the Division at a hearing?** Generally, the Division is responsible to prove its case against you by substantial evidence.
12. **Must I have an attorney?** You may represent yourself or be represented through an attorney. You may also represent a business that you own or manage.

You should not rely on this letter alone for instructions regarding hearings. The hearing is governed by law (including the Administrative Procedures Act, see Utah Code § 63G-4 *et al.*, Utah Division of Consumer Protection, see Utah Code § 13-2 *et al.*, and Department of Commerce Administrative Procedures Act Rules, see Utah Admin. Code R151-4.) You may access these laws and rules at le.utah.gov and rules.utah.gov.



DIVISION OF CONSUMER PROTECTION
Heber M. Wells Building
160 East 300 South
PO Box 146704
Salt Lake City, UT 84114-6741
Telephone: (801) 530-6601
Fax: (801) 530-6001

REQUEST FOR REVIEW

DCP Legal File No.		Date of Citation:	
Name:		Phone: ()	
Address:			
City:		State:	Zip:
Email:			

Requests for review must be received by the division within 20 calendar days of issuance of the citation. Utah Code § 13-2-6(3). If you fail to make a timely request, the citation shall become the final order of the division. If you represent multiple respondents, please submit a separate request for each respondent.

You may wish to consult an attorney before submitting this form and any attachments.

Select only one of the following:

- ☐ I admit to the statutory violation(s) described in the citation. The presiding officer will enter an order, assess a fine, and issue a cease and desist order.
- ☐ I admit to the statutory violation(s) described in the citation, but request a hearing to explain the circumstances of the violation(s) and request a reduced fine. *(If desired, attach a brief typewritten explanation of the circumstances of the violations. The presiding officer may ask you to submit an additional response.)*
- ☐ I contest the occurrence of the violation(s) described in the citation and request a hearing to contest the citation. *(If desired, attach a brief typewritten response to the allegations in the citation. The presiding officer may ask you to submit an additional response.)*

I certify that I have knowingly and voluntarily made the above election of rights. I understand that if I request a hearing the presiding officer will notify me in writing of the hearing date. If I fail to appear at the hearing, a default judgment may be entered against me. I acknowledge that I have either sought the advice of an attorney or have voluntarily chosen not to do so.

Signature	Date of Signature
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