

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Noah Joshua Phillips
 Rohit Chopra
 Rebecca Kelly Slaughter
 Christine S. Wilson

In the Matter of

LVTR LLC, a limited liability company, d/b/a Las Vegas Trail Riding, and

TOMI A. TRUAX, individually and as manager of LVTR LLC.

DOCKET NO. C-4679

COMPLAINT

The Federal Trade Commission, having reason to believe that LVTR LLC (also d/b/a Las Vegas Trail Riding and Las Vegas Trail Ride) and Tomi A. Truax, individually and as owner and manager of LVTR LLC (collectively “Respondents”) have violated the Consumer Review Fairness Act of 2016, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent LVTR LLC (“LVTR”) is a Nevada limited liability company with its principal office or place of business in Henderson, Nevada. LVTR sells recreational horseback riding services.
2. Respondent Tomi A. Truax is owner and manager of LVTR. Individually or in concert with others, she controlled or participated in the acts and practices of LVTR, including the acts and practices alleged in this complaint. Her principal office or place of business is the same as that of LVTR.
3. The acts and practices of Respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

Course of Conduct

4. From approximately mid-2015 through at least May 2018, Respondents used, in their form contracts offered to customers in the course of selling their services, the following provision:

CONFIDENTIALITY / NON DISPARAGEMENT – I agree not to call Animal Control or any governmental agency or individuals if there is a discrepancy to how the horses/ animals or property are taken care of. You will be charged a minimum of \$5000.00 in damages if you report anything or making contact with any persons or agency or by having another individuals(s) do it on your behalf. You will be held responsible for all fines that occur which includes but not limited to court, our legal representation, and fines. I agree to our non-disparagement and protection of reputation clause. For purposes of this Section, “disparage” shall mean any negative statement, whether written or oral including social media about our Company, Volunteers, Owners, Representatives, etc. For every violation, the rider will be charged a fine. The only allowance for a less than a 5 star review is through our own review system PeekPro. The Rider agrees and acknowledges that this non-disparagement provision is a material term of this Agreement, the absence of which would have resulted in the Company refusing to enter into this Agreement. I agree to not disclose by any means whatsoever the terms and conditions of this agreement to any person, group, or entity of any kind whatsoever. For every violation, I will be charged a \$5,000.00 fine per negative review. If I bring forth a lawsuit, mediation, arbitration, or any legal action, I will pay the STABLE \$20,000.00 at time of initiation, \$20,000.00 during, and \$20,000 after the resolution.

A copy of the LVTR “Release and Waiver of Liability, Assumption of Risk and Indemnification Agreement” that includes this paragraph is attached as Exhibit A hereto. Respondents’ form contracts were in effect on or after December 14, 2017.

VIOLATION OF THE CONSUMER REVIEW FAIRNESS ACT

5. The Consumer Review Fairness Act of 2016 (“CRFA”), Pub. L. No. 114-258, 15 U.S.C. § 45b, was enacted on December 14, 2016. As of March 14, 2017, Section 2(b) of the CRFA renders void, and Section 2(c) of the CRFA prohibits the offering of, provisions in form contracts that: prohibit or restrict individual consumers’ ability to communicate reviews, performance assessments, and similar analyses about a seller’s goods, services, or conduct; or that impose a penalty or fee against individual consumers who engage in such communications. 15 U.S.C. §§ 45b(a)(2), 45b(b)(1), and 45b(c).

6. The Commission is authorized to enforce Section 2(c) of the CRFA in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act, 15 U.S.C. §§ 41-58, were incorporated into and made a part of the CRFA. 15 U.S.C. § 45b(d)(2)(A). The Commission’s

enforcement authority under the CRFA applies to contracts in effect on or after December 14, 2017. 15 U.S.C. § 45b(i)(2).

7. Pursuant to 15 U.S.C. § 45b(d)(1), a violation of 15 U.S.C. § 45b(c) shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under Section 18(a)(1)(B) of the FTC Act, 15 U.S.C. § 57a(a)(1)(B).

Count I

8. As described in Paragraph 4 of this Complaint, Respondents have offered, in the course of selling their services, form contracts, as that term is defined in 15 U.S.C. § 45b(a)(3), that contained a provision made void by 15 U.S.C. § 45b(b)(1).

9. Therefore, the acts and practices set forth in Paragraph 4 of this Complaint occurring on or after March 14, 2017 violated Section 2(c) of the CRFA, 15 U.S.C. § 45b(c).

THEREFORE, the Federal Trade Commission this nineteenth day of June, 2019, has issued this Complaint against Respondents.

By the Commission.

April J. Tabor
Acting Secretary

SEAL: