

Shush Yaz hit by class action lawsuit

Lawsuit

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GALLUP — A lawsuit against Shush Yaz Trading Company that claims the pawn business violated state laws appears to be on its way toward a trial in June, according to court records.

During a hearing Tuesday, 11th Judicial District Court Judge Robert Aragon denied two requests from the defendants for summary judgment, so the case appears to be moving toward a non-jury trial June 19. The case is scheduled for a status conference June 15.

The lawsuit is a class action complaint for damages

filed by Clara Daye, of Churchrock, against Bo-Tan LLC, Shush Yaz Trading LLC, and Tan-Lou LLC as the operators of Shush Yaz Trading Company.

The complaint alleges that Shush Yaz made a series of pawn loans to Daye and thousands of other people and told them that the business intended to keep their property; however, Shush Yaz reportedly sold their property and never paid over surpluses.

The complaint states these actions violated the

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New Mexico Pawnbrokers Act, the New Mexico Uniform Commercial Code and the New Mexico Unfair Practices Act.

“Shush Yaz makes high cost pawn loans to people living in poverty on the Navajo Nation, then sells ‘dead’ pawn at its store and to wholesalers,” the complaint states.

All of the defendants denied the allegations and asked that the case be dismissed.

The lawsuit was filed in 2015.

The allegations

The complaint states that Daye needed extra money to pay bills or to meet other expenses from time to time, so she went to Shush Yaz to pawn her personal property, including silver and turquoise jewelry and shawls.

When Daye was unable to repay the loans, the lawsuit alleges, Shush Yaz sent her notices misstating the amount she owed and misrepresented the business’ intention of retaining her items.

Shush Yaz reportedly sent Daye a letter stating that her items had become “dead pawn” and would be sold if she didn’t make a minimum payment. Also, the notices reportedly didn’t include certain information required by state law.

The complaint states Shush Yaz sold Daye’s items and received a surplus in excess of the debt amount, but it failed to account for the surplus or notify Daye of the

surplus or return the surplus to Daye.

“This failure is part of a pattern and practice of noncompliance with the UCC and the Pawnbrokers Act,” the lawsuit states. “As a result of Shush Yaz’s misconduct, Ms. Daye and the class members suffered actual damages, including loss of valuable collateral and the loss of much of the value of her collateral.”

The defendants denied most of the statements and allegations made.

Summary judgment

Two of the defendants, Shush Yaz Trading LLC and Tan-Lou LLC, filed motions for summary judgment, meaning they were asking for the judge to make a decision in the case before it goes to trial.

Gregory Steinman represented Shush Yaz, and Jeffrey Mitchell represented Tan-Lou. Nicholas Mattison represented Daye.

Steinman basically argued that Daye’s items hadn’t been sold and that the pawn business charged her fees in line with what state law allows. He also argued that Daye’s items were evidence in the trial, so Shush Yaz had legal rights to retain the property.

Mitchell basically argued that Tan-Lou did not have any involvement in the operation of the pawn business at the time of Daye’s allegations.

The hearing lasted for about an hour Tuesday.

Aragon ultimately denied both motions, but court records indicate he did not explain why.