



## OFFICE OF NAVAJO NATION HUMAN RIGHTS COMMISSION

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**Immediate Release:**  
September 16, 2022

### **More than \$451,000 returned to Consumers in Tate's Auto Settlement.**

**St. Michaels, Navajo Nation (ARIZ)** – The Navajo Nation Human Rights Commissions (“Commission”) is pleased to announce settlement checks were sent out from the Federal Trade Commission (“FTC”) in the Tate’s Auto Group settlement. Individuals who qualified for the settlement should be receiving a check in the mail or a payment by PayPal. The paper checks must be cashed within 90 days and the PayPal must be redeem in 30 days. According the Federal Trade Commission’s press release “Consumers who have questions about their refund should call the refund administrator, JND Legal Administration, at 888-964-0009.”

- December 2012, the commission held three public hearings for victims of Predatory Auto Sale Tactics in Dilkon, Kayenta, Arizona and Crownpoint, New Mexico. The result of the public hearings brought a vast amount of complaints to the Commission on predatory auto sales with a majority of the complaints involving Tate’s Auto Group.
- The Commission forwarded the cases that were filed against Tate’s Auto dealerships surrounding the Navajo Nation to the Federal Trade Commission for review.
- July 2018 the Federal Trade Commission filed a complaint with U.S. District Court of Arizona against Tate’s Auto on falsifying consumer information on financing documents. The case was on going during the Tate’s Bankruptcy case in 2019.
- The Federal Trade Commission settlement included a monetary judgement of \$7,203,227 unsecured claim against Tate’s Auto Group. This first settlement was referred to the bankruptcy case. Due to it being an unsecured claim the \$7.2 million could not be paid out. The FTC entered a second settlement with Tate’s Auto in 2021 in the amount of \$450,000.
- Today, the FTC is sending out payments to 3,508 eligible individuals who received financed vehicles from Tate’s Auto Group and had their vehicle repossessed.

Leonard Gorman, Navajo Nation Human Rights Commission Executive Director states “Navajo consumers must always be careful when making major purchases such as buying a vehicle. It is important to understand the contract you our signing. The contract itself says you can take the contract with you to study it. Consumers don't take advantage of this opportunity to study their contracts.” Gorman further pointed out that FTC entered two different settlements. “The first settlement was in the amount of \$7.2 million but it was referred to Tate's Auto bankruptcy proceedings where the \$7.2 million could not be funded.” The Commission continues to advocate for Navajo consumers to file a complaint with office if they are experiencing unfair business practices in border towns.

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*See attached Press Release from the Federal Trade Commission*



FEDERAL TRADE COMMISSION  
PROTECTING AMERICA'S CONSUMERS

For Release

## Federal Trade Commission Returns More Than \$415,000 To Consumers Harmed by Deceptive Car Dealer Tate's Auto

September 15, 2022

**Tags:** [Consumer Protection](#) | [Bureau of Consumer Protection](#) | [Cars](#) | [Finance](#) | [deceptive/misleading conduct](#) | [consumer refunds](#) | [Credit and Finance](#) | [Credit and Loans](#)

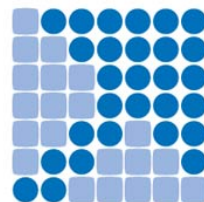
The Federal Trade Commission is sending payments totaling more than \$415,000 to 3,508 consumers who financed a car or truck at a Tate's Auto dealership after January 1, 2013, and later had the vehicle repossessed. Tate's Auto, which operated dealerships in Arizona and New Mexico, allegedly deceived consumers about payment information and falsified information on consumers' financing applications.

Eligible consumers will receive a check in the mail, unless they specifically requested a PayPal payment. Recipients should cash checks within 90 days or redeem PayPal payments within 30 days. Consumers who have questions about their refund should call the refund administrator, JND Legal Administration, at 888-964-0009. The Commission never requires people to pay money or provide account information to get a refund.

The [FTC sued Tate's Auto in 2018](#) for inflating consumers' income on financing applications to third-party lenders, as well as deceiving consumers about the lease or financing terms of the vehicles they were buying. Many of Tate's customers were citizens of the Navajo Nation, and Tate's Auto frequently ran radio and print ads in Navajo media. The FTC [settled with the auto dealerships in August 2020](#) and ultimately reached [a settlement with the individual defendant](#) in July 2021 that required the

defendant to pay money for consumer redress. The FTC wishes to acknowledge the valuable assistance of the Navajo Nation Human Rights Commission during the investigation of this case.

The Commission's [interactive dashboards for refund data](#) provide a state-by-state breakdown of refunds in FTC cases. In 2021, Commission actions led to more than \$472 million in refunds to consumers across the country, but



Explore  
Data  
with the FTC

Learn more about **FTC refunds**  
to consumers

Source: Federal Trade Commission | FTC.gov

these refunds were the result of cases resolved before the U.S. Supreme Court ruled in 2021 that the Commission lacks authority under Section 13(b) to seek monetary relief in federal court going forward. Because of that ruling, the Commission no longer has its strongest tool to return money to consumers, and it will become harder to provide refunds to consumers harmed by deceptive and unfair conduct going forward. The [Commission has urged Congress](#) to restore the Commission's ability to get money back for consumers.

The Federal Trade Commission works to promote competition and [protect and educate consumers](#). Learn more about consumer topics at [consumer.ftc.gov](#), or report fraud, scams, and bad business practices at [ReportFraud.ftc.gov](#). Follow the [FTC on social media](#), read [consumer alerts](#) and the [business blog](#), and [sign up to get the latest FTC news and alerts](#).

## Press Release Reference

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[FTC Charges Auto Dealerships in Arizona and New Mexico with Falsifying Consumers' Information on Financing Documents](#)

[Auto Dealer Group to Cease Business Operations As Part of FTC Settlement](#)

[FTC Obtains \\$450,000 Settlement in Tate's Auto Group Case](#)

## Contact Information

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### Contact for Consumers

Refund Administrator  
JND Legal Administration  
[888-964-0009](tel:888-964-0009)

### Media Contact

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