



THE LAW OFFICES OF

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***BY FEDERAL EXPRESS AND EMAIL***

March 4, 2021

William A. White, Jr.  
Wilfred N. Mbah  
Jefferson Thomas Scott  
Members of the Licenses and Permits Standing Committee  
Somerville City Council  
City Hall  
93 Highland Avenue  
Somerville, MA 02143

RE: Michael R. Bayles d/b/a Tosh Enterprises, LLC  
Petition for Revocation of License

Gentlemen:

Enclosed please find the *Petition For Revocation Of Junk Dealer – Pawnbroker License And/Or Other Appropriate Sanctions*, which I am filing on behalf of my client Matthew Shannon.

After you have had a chance to review the *Petition*, I would appreciate it if you would schedule this matter for review and hearing at a meeting of the Licenses and Permits Standing Committee in the near future.

Please let me know if I can provide any additional information for your consideration.

Very truly yours,

Stephen W. Rider

Enclosure

cc: John J. Long, City Clerk ✓

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, ss.

CITY OF SOMERVILLE,  
BOARD OF ALDERMAN,  
STANDING COMMITTEE ON  
LICENSES AND PERMITS

MATTHEW R. SHANNON,

*Petitioner,*

v.

MICHAEL R. BAYLES d/b/a TOSH  
ENTERPRISES, LLC and LBC BOUTIQUE  
& LOAN,

*Respondents.*

**PETITION FOR REVOCATION OF JUNK DEALER – PAWNBROKER  
LICENSE AND/OR OTHER APPROPRIATE SANCTIONS**

Petitioner Matthew R. Shannon (herein “Shannon”) hereby petitions the Board of Aldermen of the City of Somerville, Massachusetts and its Standing Committee on Licenses and Permits (the “Committee”) to take the following actions with respect to the Junk Dealer License issued to Michael R. Bayles d/b/a Tosh Enterprises, LLC:

A. That the Board of Aldermen revoke the Junk Dealer License issued to Michael Bayles in so far as that license permits Bayles to operate as a pawnbroker in the City of Somerville;

B. That the Board of Aldermen order Michael Bayles to prepare and submit to the Committee an accurate account of each pawn loan he and/or his businesses have made in the prior three (3) years listing: (i) Name, address and telephone number each borrower; (ii) Date the loan was made; (iii) The amount of the loan; (iv) A full description of each item pawned in connection with the loan; (v) The original terms of the loan, including the interest rate, any fees charged, and

the date when the loan was scheduled to be repaid; (vi) The payments made by the borrower with respect to the loan, including the amounts and dates of any payments; and (vii) Whether the pawned items were returned to the borrower and, if not, whether the items were ultimately sold and the circumstances of such sale(s) and the disposition of the proceeds;

C. That the Board order Michael Bayles to make restitution to each and every one of his pawn customers during the prior three (3) years by refunding to each one of them the entirety of all the interest charged and paid by the customer on his/her pawn loan; and

D. That the Board order such other and further sanctions and relief as against Michael Bayles that the Board and the Committee deem just and appropriate.

#### **FACTS AND ARGUMENTS SUPPORTING THIS PETITION**

As grounds for this Petition, Petitioner Matthew R. Shannon states as follows:

##### **I. Background on Parties.**

1. Petitioner Matthew R. Shannon is an individual who maintains his principal place of business at 195 Whiting Street, Suite 3, Hingham, Plymouth County, Massachusetts 02043. For many years, Shannon has been a professional jeweler, operating a business named "Matthew's Jewelers, LLC."

2. Respondent Michael R. Bayles (herein "Bayles") is an individual who resides at 11 Shipley Court in Middleton, Essex County, Massachusetts.

3. Respondent Tosh Enterprises, LLC (herein "Tosh") is a Massachusetts limited liability company with its principal place of business at 260 Elm Street, Unit 109, Somerville, Middlesex County, Massachusetts. Respondent Bayles is the Manager of Tosh and, upon information and belief, either the sole or the majority member of the company.

4. Since at least 2017, Bayles has held a Junk Dealers license issued by the Board of Aldermen of the City of Somerville. A copy of Bayles' license is attached hereto as Exhibit A. This license grants Bayles permission to operate his business as a pawnbroker. For several years prior to the issuance of this license, Bayles held another Somerville Junk Dealers license under the name "La Chic Boutique." This license also authorized Bayles to operate his business as a pawnbroker.

5. Pursuant to these licenses, since at least 2009, Bayles has operated a pawnbroker business in the City of Somerville. He first operated under the name "La Chic Boutique" from a storefront at 235A Elm Street, Somerville. In or about 2016, Bayles moved his pawn broker business across the street to 260 Elm Street and began operating under the name "LBC Boutique & Loan." Bayles also switched his Junk Dealers license into the name of a new LLC he organized, named "Tosh Enterprises, LLC." *See Exhibit A.*

## **II. Bayles charged illegal interest rates to Shannon.**

6. In early 2019, Petitioner Shannon found himself short of cash to pay for his personal, family and household expenses. In order to keep himself afloat, Shannon took several pawn loans from Bayles d/b/a Tosh Enterprises, LLC, providing numerous pieces of jewelry and other items as security. Shannon transacted these loans through Bayles' Somerville store location.

7. Shannon eventually obtained approximately 20 pawn loans from Bayles, amounting to nearly \$80,000 in principal. Attached hereto as Exhibit B is a listing of the pawn loans taken by Shannon from Bayles starting in March 2019, with all the information that Shannon has been able to obtain, to date, concerning these loans. As can be seen for Exhibit B, the interest rates charged to Shannon on these loans ranged from 36% to over 150% annual percentage rates.

A. **Bayles' loans to Shannon violated the State's Criminal Usury Statute.**

8. The interest rates charged by Bayles on these loans to Shannon were unlawful and in violation of the State's Criminal Usury Statute, which provides:

Whoever in exchange for either a loan of money or other property knowingly contracts for, charges, takes or receives, directly or indirectly, interest and expenses the aggregate of which exceeds an amount greater than twenty per centum per annum upon the sum loaned or the equivalent rate for a longer or shorter period, shall be guilty of criminal usury. . .

Mass. Gen. Laws ch. 271, § 49(a).

9. Bayles has claimed in the past that he and his affiliates are exempt from the State's Criminal Usury Statute and, as a result, he may charge any interest rate he wishes on pawn loans. Bayles' claims of exemption are wrong. There are only two exemptions available under the Criminal Usury Statute and Bayles is not eligible for either one.

10. First, under the State's Criminal Usury Statute, a lender may exempt himself from the 20% interest rate ceiling if, prior to making a loan, he registers with the Attorney General. M.G.L. ch. 271 § 49(d). Neither Bayles nor any of his affiliates has ever registered with the Attorney General under this provision. *See* Letter dated August 18, 2020 from the AG's Public Records Officer attached hereto as Exhibit C.

11. Second, a lender may be exempt from the 20% interest cap in the Criminal Usury Statute under § 49(e), which provides:

The provisions of this section shall not apply to any loan the rate of interest for which is regulated under any other provision of general or special law or regulations promulgated thereunder or to any lender subject to control, regulation or examination by any state or federal regulatory agency.

Mass. Gen. Laws Ch. 271, § 49(e).

12. In the past, Bayles has claimed that he is entitled to this exemption because Bayles holds a pawnbroker's license from the City of Somerville. This assertion is simply wrong. The

City of Somerville is not a “state or federal regulatory agency” nor does the City regulate interest rates charged by pawnbrokers. *See* <https://www.mass.gov/service-details/approved-pawnbroker-regulations-and-interest-rates> (last visited 10/15/20).

13. In fact, Bayles’ license (a copy is attached as Exhibit A) is issued pursuant to the City’s Ordinance regulating “Junk Dealers,” not pawnbrokers. *See* Code of Ordinances of the City of Somerville, Part I, Chapter 8, Article III entitled “Junk and Secondhand Goods.” ([https://library.municode.com/ma/somerville/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH8LIPE\\_MIBURE\\_ARTIIIJUSEGO](https://library.municode.com/ma/somerville/codes/code_of_ordinances?nodeId=PTIICOOR_CH8LIPE_MIBURE_ARTIIIJUSEGO) (last visited 10/19/20)). The City of Somerville has no Ordinances regulating pawnbrokers, much less the interest rates that pawnbrokers charge.

14. As with Shannon, upon information and belief, Bayles has also charged his other customers interest rates on their pawn loans that exceed the 20% per annum limit imposed by the State Criminal Usury Statute.

**B. Bayles’ loans also violate State statutes governing Small Loans.**

15. In addition, most of the loans made by Bayles to Shannon were for less than \$6,000 and therefore subject to the State statutes and regulations governing Small Loans, Mass. Gen. Laws ch. 140 § 96 *et seq.* This Statute makes it a criminal act to make loans in the Commonwealth of \$6,000 or less at interest rates greater than 12% per annum unless the lender obtains a license from the Division of Banks of the Commonwealth of Massachusetts. Bayles is not licensed by the Division of Banks under this Statute.

16. Upon information and belief, the large majority of the pawn loans made by Bayles and his affiliates to customers other than Shannon were for amounts less than \$6,000 and were made at interest rates greatly in excess of 12% per annum. Each of these loans was made by these Defendants in violation of Mass. Gen. Laws ch. 140 § 96 governing Small Loans.

17. Pursuant to Mass. Gen. Laws ch. 140 § 110, all of the loans made by Bayles to Shannon and others which were in amounts of \$6,000 or less, where the actual interest rate to be paid inclusive of expenses and “service fees” was greater than 12% per annum, are void and Bayles is required to rebate to Shannon and his other customers all interest and expenses paid in connection with such illegal loans.

**C. Bayles’ loans also violate State statutes regulating pawnbrokers.**

18. Lastly, Bayles has also consistently violated the State Statutes which regulate the business of pawnbrokers in the Commonwealth, Mass. Gen. Laws ch. 140 § 70 *et seq.* Mass. Gen. Laws ch. 140 § 72 states that the licensing authority which licenses pawnbrokers, *i.e.*, in this case the City Council of Somerville, shall fix the rate of interest to be charged by the pawnbrokers.

Under Mass. Gen. Laws ch. 140 § 78:

“The authorities who grant licenses to pawnbrokers shall establish regulations, to the satisfaction of the commissioner of banks, relative to the business carried on and the rate of interest to be charged by them, and a pawnbroker shall not charge or receive upon any loan a greater rate of interest than that fixed by the licensing authorities.”

19. The Somerville City Council, however, has not established *any* interest rates for pawnbrokers and no such interest rates have been approved by the Commissioner of Banks or the Division of Banks. *See* <https://www.mass.gov/service-details/approved-pawnbroker-regulations-and-interest-rates> (last visited 8/17/20). Accordingly, Bayles and his affiliates are prohibited by State law from charging any interest on their pawn loans, absent this approval.

\* \* \* \* \*

20. Shannon currently estimates that he paid Bayles approximately \$7,123.50 in interest that was charged illegally by Bayles, and which Bayles should be ordered to promptly refund to Shannon.

21. In addition, Shannon believes that Bayles routinely charges illegal interest, as a regular part of his pawnbroker business, to Bayles' numerous other customers, many of whom are in much more desperate financial circumstances than Shannon. Shannon believes that this Committee should also require Bayles to identify all these borrowers and to account for the illegal interest Bayles has charged them.

**III. Bayles has engaged in numerous other deceptive and unlawful practices.**

22. Over the many years Bayles has operated as a pawnbroker in Somerville, Bayles has engaged in numerous additional unfair and deceptive acts and practices.

**A. Bayles uses false advertising.**

23. For example, Bayles has consistently and routinely made false, fraudulent and inaccurate representations in his advertising and other promotional materials concerning the ownership of the pawnbroker business he runs under the name LBC Boutique & Loan. Bayles has regularly and falsely claimed that someone named "Margaret Burton" was the owner of LBC Boutique & Loan and that "Margaret Burton" has been actively involved in the business for 45 years. Bayles stated on his website that the "most important thing about Margaret is that she puts fair prices on everything." See <https://bostonpawnbroker.com/faq/> (last visited 10/14/20) copy attached as Exhibit D. In fact, there is no person involved in the Bayles business named "Margaret Burton." Upon information and belief, this "Margaret Burton" was Bayles' grandmother, who died in 2010 and was never involved in the pawnbroker business. (Shortly after Mr. Shannon included



this information concerning the fictitious “Margaret Burton” in a lawsuit he filed against Bayles on October 20, 2020, Bayles scrubbed these statements concerning “Margaret Burton” from his website.)

**B. Bayles uses a false name in his business.**

24. In addition, as a regular part of his business activities, Bayles routinely provides customers and others with a false name, often identifying himself as “Dylan McDermitt” and other names that he has invented to mislead customers and third parties. Indeed, Bayles now hosts a podcast on the internet called “Pawn Legends” in which he identifies himself only as “Dylan McDermitt,” and is often referred to as “D-Mac.” Bayles does not limit these misrepresentations to his advertising and customers. Just last year, Bayles was arrested for providing this false name to a State Trooper who was investigating a report of stolen merchandise at his pawn shop. Indeed, the Standing Committee on Licenses and Permits investigated this incident last year and only decided not to take action against Bayles’ license when the criminal charges against him were ultimately dropped. (*See Exhibit E* hereto.)

**C. Bayles makes false representations to his customers about their legal rights.**

25. Bayles also routinely misrepresents to his customers what the customers’ legal rights are with respect to the items they pawn. For example, on or about December 10, 2019, Bayles, through Tosh Enterprises, LLC, sent a notice to Shannon entitled, “LEGAL NOTICE OF PAWN EXPIRATION,” a copy of which is attached as Exhibit F. In this “LEGAL NOTICE,” Bayles stated that one of Shannon’s loans, for which he had pawned jewelry and a gold coin, was due to be paid. The Notice went on to state:

“If said pawn is not redeemed or the interest and storage charges paid up to the date below, said pawn will be forfeited to the licensee [*i.e.* Tosh Enterprises, LLC] and licensee shall become vested with all right, title and interest in such pawn and to dispose of as its own property, in accordance with the law of the state of Massachusetts.”

26. This statement from Bayles’ “LEGAL NOTICE” is false; Massachusetts law does not permit a pawnbroker to simply seize the property that was pawned in the event of a borrower’s default. Instead, under Mass. Gen. Laws ch. 140 § 71, a pawnbroker is required to sell the pawned articles at auction and give the borrower 10-days prior written notice of the sale. The proceeds of that sale must be applied to the costs of sale and the loan, with the surplus paid over to the borrower. The pawned items never are “forfeited” to the pawnbroker, as Bayles misrepresents in his letter, and the pawnbroker never “become[s] vested with all right, title and interest” in the pawned items “to dispose of as its own property,” as Bayles falsely states. Upon information and belief, as a regular and routine part of his pawn broker business, Bayles has sent this “LEGAL NOTICE” to his other customers affirmatively misrepresenting the customers’ legal rights.

**D. Bayles substitutes collateral.**

27. In addition to charging Shannon unlawful rates of interest, on at least one occasion, Bayles substituted collateral, in violation of the law. Shannon gave to Bayles, as collateral on one of his loans, a gold coin with historic value. When he paid off this loan, and went to retrieve his property, Bayles gave him a different gold coin of lesser value. Apparently, Bayles had taken Shannon’s gold coin and sold it to another customer, substituted another coin of lesser value, and then lied to Shannon about this substitution, claiming that the gold coin which was returned was the same one Shannon originally provided.

**E. Bayles concocted an illegal scheme to blackmail Shannon.**

28. In early 2020, Shannon began to learn about and understand Bayles’ violations of State laws governing interest rates. When Shannon raised these issues with Defendant Bayles,

Bayles consistently misrepresented to Shannon that Bayles was entitled to charge the rates being charged and that he had all the approvals necessary for such exorbitant charges. Shannon continued to object, however, that he was being charged excessive and illegal interest rates and refused to pay the illegal amounts. In response, Bayles refused to return several thousand dollars worth of jewelry and other items that Shannon had pawned for an \$8,150 loan.

29. During the period when Shannon was disputing Bayles' interest rates, Bayles concocted a scheme to threaten, intimidate and blackmail Shannon by entrapping him into making a loan or purchase in violation of the Town of Hingham's regulations and By-Laws. Specifically, Bayles planned to send a surrogate into Shannon's Hingham jewelry store to see if he could entice Shannon into making a pawn loan, which Shannon was not licensed to make.

30. In pursuit of this plan, on January 31, 2020, Bayles sent two people to Shannon's jewelry store in Hingham, Louise Gladyszak and her son, named Andrew Gladyszak, who is listed as the "Security Supervisor" for Bayles' Tosh Enterprises, LLC on his Facebook page. Neither Louise nor Andrew Gladyszak disclosed to Shannon or his employee that they were connected to Bayles or that they had been sent by Bayles.

31. Louise Gladyszak at first stated that she wanted to sell a gold necklace with a cross on it because she needed money, but wanted the right to buy it back in the future with the payment of interest. If accepted by Shannon, this would have been deemed a pawnbroker loan. But Bayles' ploy did not work. Shannon told Gladyszak that she was proposing a pawn transaction and that Shannon did not do pawn business. He gave her the names of a few local pawnbrokers who might help her.

32. Having been rebuffed for a pawn loan by Shannon, Gladyszak continued to insist that she needed money and then offered to sell the jewelry to Shannon. After further discussion,

Shannon agreed to buy the necklace for its value as gold, and paid Gladyszak the sum of \$ 200. Shannon provided Gladyszak with a receipt for this sale expressly identifying what was bought, the amount paid and the date of the transaction, January 31, 2020.

33. Upon information and belief, Bayles then concocted an alternate scheme to make it appear that Shannon had violated a By-Law of the Town of Hingham which requires buyers of second-hand jewelry like Shannon to hold possession of the item for thirty (30) days after purchase. (This is in order to give the local Police an opportunity to recover items that may have been stolen.)

34. On Saturday, February 29, 2020, the day before the 30-day holding period was to expire, Bayles caused his agent Gladyszak to send two letters to Shannon, in which she claimed that she did not in fact own the necklace she had sold to Shannon and asking for it back. Upon information and belief, Gladyszak's representation that she did not own the necklace she sold to Shannon and/or was not authorized to sell it to Shannon was false. In addition, Gladyszak/Bayles falsely dated these letters February 26, 2020, *i.e.*, within the 30-day holding period, but in fact did not mail them until Saturday, February 29, 2020. Moreover, they mailed these letters by Registered Mail and Priority Mail, knowing that neither letter would be delivered until well into the following week. In fact, the letters were not delivered until sometime after March 3, 2020, after the 30-day holding period had expired. Upon information and belief, Bayles knew that the letters would not reach Shannon until after the expiration of the 30-day holding period and that, by the time Shannon got the letters, he would have sold the necklace to the smelter to melt down for its gold.

35. Nevertheless, in this phony letter, Gladyszak states: "It has come to my attention that I sold you a gold necklace with a cross within 30 days time frame of this letter with evidence." This statement was false because Gladyszak and Bayles both knew that the letter was back-dated

and would not reach Shannon until after the 30-day holding period had expired. Nevertheless, in this letter, Gladyszak/Bayles demanded return of the necklace and made vague threats of "police involvement" if it was not returned. Gladyszak thereafter called the Hingham Police, upon information and belief upon Bayles' instructions, and falsely complained that Shannon had wrongfully refused to return her necklace. Since that time, Gladyszak has made several additional calls harassing the Hingham Police to take action against Shannon, in retribution for Shannon's dispute with Bayles over interest rates.


### CONCLUSION

As set forth in detail above, Michael R. Bayles has operated his pawnbroker business, and continues to operate his pawnbroker business, in violation of various State statutes and regulations, using a medley of unfair and deceptive acts and practices to defraud his customers, including Petitioner Shannon. The Somerville Board of Aldermen, as the licensing authority, have the responsibility to put a stop to Bayles' wrongful activities as soon as possible, and to provide Bayles's customers with an appropriate remedy, like that suggested in this Petition.

### VERIFICATION AND CERTIFICATION OF PETITIONER

I, Matthew R. Shannon, state under the pains and penalties of perjury that I have read the foregoing Petition and the facts stated therein are true, other than those allegations made upon information and belief, which allegations I believe to be true.

Executed under that pains and penalties of perjury this <sup>29<sup>th</sup></sup> day of December, 2020.



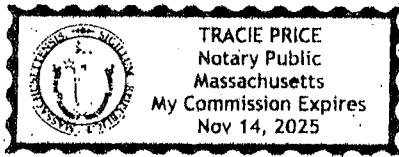
Matthew R. Shannon, Petitioner

COMMONWEALTH OF MASSACHUSETTS

PLYMOUTH ss.

December 17, 2020

On this 21<sup>st</sup> day of December, 2020, before me, the undersigned notary public, personally appeared Matthew R. Shannon, proved to me through satisfactory evidence of identification, which were MA DRIVERS LICENSE, to be the person who signed the preceding or attached document in my presence, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of (his) (her) knowledge and belief.



Tracie Price  
Notary Public  
My commission expires NOV 14<sup>th</sup> 2025

Respectfully submitted,

Stephen W. Rider  
Stephen W. Rider, Esq., BBO # 419820  
Stephen W. Rider, P.C.  
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*Counsel to Petitioner Matthew R. Shannon*

Dated: March 3, 2021





**CITY OF SOMERVILLE**  
Commonwealth of Massachusetts  
93 Highland Avenue  
Somerville, MA 02143  
(617) 625-6600

**BUSINESS LICENSE RENEWAL - Junk Dealer**

File #: 16-017247

License #: BL16-000147

Address: 260 Elm ST

Licensee: michael bayles Tosh Enterprises LLC

DBA Name: Tosh Enterprises LLC

Business Ownership Type: LLC

Legal Name of Entity: Tosh Enterprises LLC

Owners/Officers: Michael Bayles, , ,

**License Information:**

**Will you operate as a Pawnbroker?** Yes

**Describe the wares you will primarily purchase:** High end fashion, Jewelry

**Describe the wares you will primarily sell:** High end fashion, Jewelry

Approval Conditions: None

**Approved By:**

**John J. Long, Approved**

**City Treasurer, Approved**

**John J. Long, Approved**





SHANNON LOANS  
EXHIBIT B

Date	Ticket No.	Amount	Maturity Date	"Convenience/Service Fee"	Original "Finance Charge"	Stated APR	Calculated Rate
3/18/19	35753	\$ 3,000.00	4/15/19		\$ 300.00		130.00%
3/19/19	35776	\$ 2,400.00	4/15/19		\$ 240.00		108.00%
3/19/19	35778	\$ 4,000.00	3/28/19		\$ 120.00		162.00%
3/28/19	35952	\$ 2,640.00	5/28/19		\$ 168.00		34.00%
5/9/19	36686	\$ 7,000.00	5/28/19		\$ 210.00		134.00%
7/2/19	37841	\$ 9,500.00	10/24/19		\$ 1,140.00		122.00%
7/9/19	37943	\$ 4,000.00	11/22/19		\$ 600.00	36%	40.26%
7/12/19	37997	\$ 5,000.00	7/23/19		\$ 150.00		166.00%
7/19/19	38115	\$ 1,000.00	11/19/19		\$ 120.00	36%	35.61%
7/23/19	38190	\$ 5,150.00	11/23/19	\$ 257.50	\$ 1,287.50	60%	89.02%
8/15/19	38644	\$ 3,000.00	12/15/19	\$ 150.00	\$ 750.00	60%	89.75%
8/18/19	38699	\$ 1,000.00	12/18/19	\$ 50.00	\$ 250.00	60%	89.75%
9/3/19	39012	\$ 5,000.00	1/3/20	\$ 250.00	\$ 1,250.00	60%	89.75%
10/24/19	lt-ibc000194	\$ 6,600.00	11/5/19		\$ 208.00		211.00%
10/25/19	LT-LBC000219-01	\$ 1,500.00	12/23/19	\$ 150.00	\$ 90.00		98.98%
11/5/19	LT-LBC000450	\$ 4,800.00	3/5/20		\$ 576.00	36%	36.20%
11/19/19	LT-LBC000737	\$ 1,000.00	3/19/20		\$ 120.00	36%	36.20%
12/9/19	LT-LBC001071	\$ 5,150.00	4/27/20		\$ 1,287.50	60%	65.18%
12/27/19	LT-LBC001398	\$ 3,000.00	4/27/20		\$ 900.00	60%	89.75%
<b>TOTALS</b>		<b>\$ 74,740.00</b>			<b>\$ 9,767.00</b>		





MAURA HEALEY  
ATTORNEY GENERAL

THE COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF THE ATTORNEY GENERAL  
ONE ASHBURTON PLACE  
BOSTON, MASSACHUSETTS 02108

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August 18, 2020

Law Offices of  
Stephen W. Rider, P.C.  
350 Lincoln Street – STE 2400  
Hingham, MA 02043

Dear Attorney Rider:

In response to your letter dated August 7, 2020, you requested a copy of a usury notification Mass G.L. ch. 271 section 49(d) in regards to Michael R. Bayles d/b/a LBC Boutique & Loan, Tosh Enterprises, LLC, and La Chic Boutique, LLC to the Attorney General's Office.

Please be informed the Attorney General's Office did not received notification in regards to the lenders mentioned about for the years of 2015 through the present regarding Mass G.L. ch. 271 section 49(d).

If you have any questions, please do not hesitate to call.

Sincerely,

Joanne Quigley  
Public Records Officer  
Administrative Assistant  
Insurance and Unemployment Fraud Unit

/jq



# About LBC Boutique & Loan

## Owner of LBC Boutique & Loan in Davis Square, Somerville

The owner's father worked at the Jeweler's Building in a gold buyer and silver buyer. We unfortunately moved out of the jewelers building in 1996 luckily we opened up another place to buy gold and silver that I believe is a better place to buy and sell gold & silver than the downtown jewelers building at 333 Washington St Boston. Gary loved working everyday in the building buying and selling gold & silver and diamonds. We decided to move to Davis Square Somerville to buy and sell Silver and Gold.

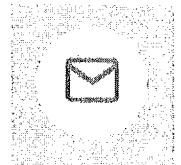
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We are now located at 260 Elm St in Somerville Ma 02144.

We pay highest in the state and prove it by text 617 821 6229



**Margaret Burton**  
Owner

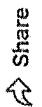




Denise Bayles  
May 18, 2015 · 🌐



3



Share









CITY OF SOMERVILLE, MASSACHUSETTS  
CLERK OF COMMITTEES

April 10, 2019

REPORT OF THE LICENSES AND PERMITS COMMITTEE

Attendee Name	Title	Status	Arrived
Mary Jo Rossetti	Chair	Present	
Wilfred N. Mbah	Vice Chair	Present	
Jefferson Thomas ("J.T.") Scott	Ward Two City Councilor	Present	

The meeting was held in the Committee Room and was called to order by Chairwoman Rossetti at 6:04pm and adjourned at 8:16pm.

Others present: John Long - City Clerk; Jason Grossfield - Law; Detective Stephen Jones - Police; Kimberly Wells - Assistant Clerk of Committees

**Approval of the February 13, 2019 Minutes**

<b>RESULT:</b>	<b>ACCEPTED</b>
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**Public Hearing on the petition of Edrissi Group, Inc., dba Sam's Falafel and Shawarma, for an Extended Operating Hours License at 215 Highland Avenue, to remain open until 3 AM Monday through Saturday nights, for in-store, take-out, and delivery service.**

The applicant, Mr. Sam Edrissi, spoke on his own behalf and noted that extending the hours will help provide the community with healthy options, which are much needed in the late-night hours. Currently, the business closes at 12am and at 9pm on Sundays. Two community members spoke in favor and two against.

Community member Mr. Greg Epstein, who lives at 3 Spring Hill Terr, which is two blocks from the restaurant, shared that this is one of the best restaurants in Somerville and is special to the neighborhood. We need more businesses like this and Sam is a gracious member of the community and Mr. Epstein fully supports his petition. Ms. Casey Accardi, also a neighbor, echoed many of Mr. Epstein's comments. She added that it would be beneficial to have a later opening time to serve people who work non-traditional shifts, and also people with vegan or vegetarian requirements. Sam is a huge part of the sense of community in the neighborhood. Mr. John Sullivan, a neighbor on Hudson Street, noted that there has been a history of trash and rodent issues with the property. Other properties on the block are adversely affected from this trash. Additionally, there is a lack of public restrooms, and issues with patrons' cars parking in bus stop zones. Kathryn McCarthy, a neighbor at 82 Hudson Street, shared her problems with

trash, which she is constantly reporting. The rats are also a big issue, which she is quite upset about. She also noted that the additional traffic at the late hour is another concern.

Mr. Long added that written comments, 5 in favor and 3 opposed, were also submitted.

Chairwoman Rossetti added that Councilor Niedergang, the Councilor of the Ward where the business is located, shared a letter of support.

**207558: New Extended Operating Hours License, Sam's Falafel and Shawarma, 215 Highland Ave, remaining open to 3AM Mon-Sat for in-store, take-out, and delivery service.**

Mr. Edrissi addressed the trash issues and shared that it is a concern for him as well. He has suggested to the property owner that he and the other businesses could combine to pay for additional trash removal (the current schedule is twice per week). He added that he has never denied anyone use of the restroom, though it is not required for a business of his size.

Councilor Mbah voiced his support and suggested that we can find a common solution to address the rodent issues. Councilor Scott noted that the Committee would not be involved were it not for the specific hours and Mr. Long confirmed that any business reserves the right to be open between 5am and midnight. Councilor Scott added that there are complaints about rodents at restaurants across the City, but they are a challenge to address. Based on the example of the business next door, which has not generated extra complaints, it seems that the traffic and other issues will not be significant. He wondered what steps the Committee could take to address the health concerns.

Mr. Edrissi has been in the property for just about one year and enjoys the work and is committed to a healthy environment and serving the community. Chairwoman Rossetti agreed that there is a rodent issue and she appreciates Mr. Edrissi's proactive attempts to address this. She plans to reach out to ISD for thorough checks to the property. She is in favor of offering a 6 month trial for 2:30am on the weekends and 2:00am during the week. If this goes well, the applicant can try again for a 3:00am extended closing time.

Chairwoman Rossetti moved to extend the operating hours to 2:00am Sunday through Thursday and 2:30am Friday and Saturday, to be reevaluated after 6 months.

The motion was approved on a voice vote.

**RESULT:**

**APPROVED AS AMENDED**

**207772: Police Detective conveying a report of the arrest of the owner of Tosh Enterprises, which holds a Junk Dealer License at 260 Elm St.**

The applicant Mr. Bayles has been at this location for two years, with an additional nine years at a location across the street. He commented that it was a deeply embarrassing moment but there was no ill will. He is often concerned about his safety due to the nature of his business, so he frequently uses a pseudonym to protect his own privacy and the safety of his family. He uses this pseudonym on social media and on his business cards as well.

Councilor Scott asked whether the investigation was still open, which Mr. Bayles was unsure of. He also wondered whether there were complaints about this business and Mr. Long responded that there have been calls from unsatisfied customers, but no documented complaints. Detective Jones has been overseeing second-hand stores and pawn shops for three years and has had a good relationship with Mr.

Bayles and his shop manager. The store is required to report purchases to the Police Department monthly. Tracking this data helped the department identify potential criminals. This was formerly done via spreadsheet, but is now using a software which allows for more real-time reporting on a daily basis. The nature of the business comes with the risk that items may be taken by the Police. Detective Jones has not had any prior issues with the business relative to returning items or providing requested documentation.

Chairwoman Rossetti confirmed that the officer from the State Police properly identified himself as an officer when he approached Mr. Bayles. Mr. Bayles added that he gave the officer the information that he needed, and shared his contact information. The incident in question was from August and the officer was inquiring in January, which is why he was confident the items were no longer in the store. The store was busy, and he was distracted. Mr. Bayles has video that demonstrates that the officer reacted harshly to the alternate name, which led to the quick escalation of the incident.

The court date is scheduled for April 25. Mr. Bayles commented that he has attempted to attend court on two other occasions but the state police officer was unprepared. Chairwoman Rossetti expressed an interest in waiting to hear the outcome of the court proceedings before making a determination. Mr. Bayles's attorney noted that there is a high likelihood that nothing will be resolved that day, as it is not a trial date. Mr. Grossfield shared that procedurally, any witnesses, statements, and videos are accepted for the show-cause hearing. The outcome of the case does not impact what happens in the Committee; the licenses can be revoked at the pleasure of the Council.

Mr. Bayles's attorney further noted that this incident was wrong but not egregious, and it should be considered that there have been few complaints and Mr. Bayles has had a good relationship with the Police. Councilor Scott added that the business has had several names, and the owner has been on the national news with conflicting accounts about a Grammy Award that had been re-sold through his store. Detective Jones added that the department does do checks and balances to try to ensure compliance, but the reporting system is only as good as what is entered.

**RESULT:**

**KEPT IN COMMITTEE**

**Show-Cause Hearing on why the Junk Dealer License for Tosh Enterprises, 260 Elm St, should not be suspended, revoked, modified or not renewed, based upon an alleged incident (see #207772).**

The copy of the video was unable to provide sufficient sound, so Chairwoman Rossetti will work with IT to arrange for it to be viewed at the next meeting, which she will schedule for a date in May. She also recommended that the Show-Cause Hearing remain open until the completion of the viewing of video and/or the court case.

Councilor Scott noted that the video would not redact the information, as the police report does, and suggested that it perhaps be reviewed by the Law Department or in executive session. Mr. Grossfield will work with Mr. Bayles's attorney to review the information in the video and make that determination.

**207852: Renewing Junk Dealer's License, Tosh Enterprises, 260 Elm St.**

Mr. Long confirmed that it is permissible to approve a shorter-term renewal due to the circumstances. Councilor Scott confirmed with Mr. Grossfield that regardless of the renewal term, the license could be revoked at any time.

Chairwoman Rossetti moved to renew the license while keeping the Show-Cause Hearing open pending the viewing of video and/or determination of the court case.

The motion passed on a voice vote, with Councilor Scott voicing opposition.

<b>RESULT:</b>	<b>APPROVED WITH CONDITIONS</b>
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**207861: Renewing Outdoor Parking License, Star Market, 275 Beacon St.**

The store manager, Mr. White, conveyed to Mr. Long that he would not be able to attend this meeting. Councilor Scott expressed the need for some higher-level accountability, as store-level turnover can be significant. Concerns from neighbors include dumpster operation outside of noise ordinance hours; idling vehicles and construction equipment; and lack of maintenance on storm drains. In a previous phone conversation, the store manager stated that he will work with the corporate office to get this store on a curfew list that the business maintains. Councilor Scott would like to ensure that the next manager will be required to continue this. He wondered whether a condition could be included on the permit to require notification to abutters for construction work. Mr. Long confirmed that the City Council does have the right to condition licenses. Councilor Scott noted that the store manager did not object to any of the conditions that they discussed and he wanted to be a good neighbor.

Councilor Scott moved to approve the license, with the conditions that deliveries and dumpster removals are limited to between 7:00am and 7:00pm; neighbor notification is provided for maintenance or resurfacing work on the parking lot between 7:00pm and 7:00am through an abutter list provided by the City; the drainage on the property is maintained in satisfactory condition; and the snow removal is maintained at the Kent Court path opening.

The motion was approved on a voice vote.

<b>RESULT:</b>	<b>APPROVED WITH CONDITIONS</b>
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**207148: Submitted by Cambridge Network Solutions to install 119 feet of conduit in Medford St at Walnut St, from the communications manhole near 299 Medford Street to the communications manhole in the sidewalk at the intersection of the two streets.**

This request has been withdrawn.

<b>RESULT:</b>	<b>PLACED ON FILE</b>
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**207354: Submitted by Eversource and Verizon New England to install one joint-owned pole in the sidewalk at 10 Ward St.**

This has been previously corrected and approved.

<b>RESULT:</b>	<b>PLACED ON FILE</b>
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**Handouts:**

- Comments (with 207558)



CITY OF SOMERVILLE, MASSACHUSETTS  
CLERK OF COMMITTEES

May 29, 2019

REPORT OF THE LICENSES AND PERMITS COMMITTEE

Attendee Name	Title	Status	Arrived
Mary Jo Rossetti	Chair	Present	
Wilfred N. Mbah	Vice Chair	Absent	
Jefferson Thomas ("J.T.") Scott	Ward Two City Councilor	Present	

Others present: James Aurilio - ISD, John Long - City Clerk, Stephen Jones - SPD, Frank Wright - Law, Peter Forcellese - Legislative Clerk.

The meeting took place in the Sub Committee Room and was called to order at 6:00 PM by Chairman Rossetti and adjourned at 7:24 PM.

**1. Approval of the April 10, 2019 Minutes**

**RESULT:** **ACCEPTED**

**Public Hearing - 207994**

**207994: New Used Car Dealer Class 2 License, Real Auto Shop, 39 Webster Ave, 0 vehicles inside, 20 outside, opening Mon-Fri 8AM-7PM, Sat 8AM-3PM, Sun Closed.**

There was no one present for the public hearing, therefore the public hearing was not held.

Chairman Rossetti expressed her desire to keep this item in committee until another public hearing is held. Mr. Aurilio provided the committee with photos and parking layouts of the site and told members that he believes that approximately 14-16 vehicles would be able to fit on the premises if the Webster Avenue entrance is closed and 2 parking spaces are relocated. He has not spoken to the proprietor.

**RESULT:** **KEPT IN COMMITTEE**

**Public Hearing - 208306**

**208306: New Garage License, Automotive Transport Service, 40 Joy St, for mechanical repairs, washing cars and operating a tow service, 15 cars outside, 9 inside, Mon-Fri 8AM-6PM, Sat-Sun 9AM-3PM.**

The public hearing was held, however, there was no one present to speak on the matter.

Chairman Rossetti would like to keep this item in committee. Councilor Scott mentioned that the applicant had previously appeared before the committee and explained that he was an employee of the

business who was going to purchase and operate it under a different name. Essentially, this is the same business and the only thing changing is the company name. Mr. Long explained that it's the name change that triggers the new license application. Mr. Long has spoken to Mr. Souza about a change to the number of vehicles permitted on the property.

The committee voted to amend the garage license to have storage for 0 vehicles outside and 9 vehicles inside.

The committee voted to amend the used car license to have storage for 15 vehicles outside and 0 inside.

<b>RESULT:</b>	<b>APPROVED AS AMENDED</b>
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**207691: New Lodging House License, Tufts University, 123 Packard Ave, 9 residents.**

Tufts representatives Rocco DiRico, the Director of Government Affairs and Community Relations, and Robert Chihade, the Director of Real Estate, appeared before the committee. The property in question was previously owned by a fraternity, Theta Delta Chi, whose members were involved in an incident resulting in the fraternity being suspended until at least 2027, at which time it could would be eligible to petition to return. Consequently, Tufts decided to purchase the property by exercising a clause in the deed that granted Tufts an option to purchase. The sale has since been completed and members were told that the property is within the Tufts zoning district and will be used as a dorm, housing 20 undergrads and 1 graduate student. Tufts will continue to pay real estate taxes on the property and will make several improvements to the property.

The application before the committee states that there will be 9 residents, however Tufts will house 21 residents there. Mr. Long suggested that if this item is approved, it should fall into the regular review cycle of housing in the fall.

The committee approved this item for 9 residents for the remainder of the term of the permit and will address increasing that number to 21 during the fall review.

<b>RESULT:</b>	<b>APPROVED</b>
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**207025: Robert Toro submitting comments re: C&M Auto Sales, licensed as a Used Car Dealer at 39 Webster Ave.**

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
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**207772: Police Detective conveying a report of the arrest of the owner of Tosh Enterprises, which holds a Junk Dealer License at 260 Elm St.**

This item was last discussed by the committee on April 10, 2019. Since that time, the City Solicitor has informed Chairman Rossetti that the video which had been submitted could be viewed in open session. Mr. Bayles, the proprietor of the business in question agreed with the Solicitor's opinion. The committee viewed 2 videos of the interaction between Mr. Bayles and a MA State Trooper at the place of business.

Councilor Scott clarified that the committee/City Council may revoke a license at any time, for cause and Mr. Wright pointed out that there is a higher standard when it involves a criminal case. He also

stated that if a license is revoked without just cause, it could be challenged since it involves the ability of a person to earn a living.

Collin Lee, Mr. Bayles' attorney, told members that 2 previous court hearings were heard and continued. All evidence has been provided to the court and the next court appearance is scheduled for July 2 at Somerville District Court.

Chairman Rossetti expressed her concern that Mr. Bayles gave the wrong name to the trooper, twice and Attorney Lee explained that Mr. Bayles uses a professional alias, (Dylan McDermitt), to protect himself from someone who might want to find personal information about him. Mr. Lee stated that his client provided the trooper with all of the information requested, except for his real name, and doesn't believe that the investigation was impeded, therefore this incident shouldn't affect Mr. Bayles' ability to operate a business and earn a living.

Retired SPD detective, Ernest Nadile, told members that during his time on the force, he worked with pawn shops in the city and dealt with Mr. Bayles, whom he knew as Dylan McDermitt and Michael Bayles. Mr. Nadile commented that Mr. Bayles was very thorough in the operation of his business and followed the law. He explained that, by law, after 31 days, any pawned item not picked up may be sold or disposed of as the pawn broker sees fit. An employee, Daniel Bothe, told the committee that the business worked with police and returned items over 31 days old when they were found to be stolen.

Mr. Bayles stated that he has been in business for 25 years and he provided multiple clippings of him being identified as Dylan McDermitt. He also provided the records for the items being investigated by the State Police. He told the committee, that should a similar situation arise in the future, he would take the police officer aside and provide his real name and explain the reason for using an alias.

SPD Detective Stephen Jones stated that he has spoken to the trooper involved, who said he was following state law and wanted proof that the items were sold. When that proof wasn't provided, the situation escalated. Asked why he didn't provide the information, Mr. Bayles and Mr. Bothe explained that it takes time to gather the records and had the request been made in advance, the information would have been available.

Councilor Scott stated that the actions of both parties are understandable. Chairman Rossetti said that the item will be kept in committee and that the license will remain active, adding that she reserves the right to revisit this item after the court makes its determination on the matter. She asked that the City Clerk be updated after each court appearance.

Committee recessed at 7:02 PM reconvened at 7:05 PM.

**RESULT:**

**KEPT IN COMMITTEE**

**Show-Cause Hearing on why the Junk Dealer License for Tosh Enterprises, 260 Elm St, should not be suspended, revoked, modified or not renewed, based upon an alleged incident (see #207772).**

1. Examples - D McDermitt (with 207772)

Examples - D McDermitt (with 207772)

2. Photos - Real Auto Shop (with 207994)

Photos - Real Auto Shop (with 207994)

3. Documentation (with 207772)

Documentation (with 207772)





..Ref.No: 38644.....

Tosh Enterprises LLC  
260 ELM ST UNIT 109  
Somerville MA 02144

LEGAL NOTICE OF PAWN EXPIRATION  
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Tuesday, December 10, 2019

To:Matthew Shannon  
10 Windy Hill Rd  
Cohasset MA 02025

To Mr. Shannon

You are hereby notified that the time of your pawn ticket no. 38644 pawned with us has expired or it is about to be expired.

This pawn is issued against the following item(s):

[[1 - Jewelry Gold 14k big lot fo misc jealer, necklaces, white yellow, blue cuffliks, gold nvoveau pin, greek blue ring, daimond pendant, empty shanks with stones, .5 diaomond, 1880 gold coin.]]

(END)

Other items may also be included but are not listed here.

If said pawn is not redeemed or the interest and storage charges paid up to the date below, said pawn will be forfeited to the licensee and licensee shall become vested with all right, title and interest in such pawn and to dispose of as its own property, in accordance with the law of the state of Massachusetts.

Specified date of forfeiture: Saturday, December 28, 2019

If you fail to pay this loan, it will not affect your credit and you will not be penalized for feature loans.

This notice is FINAL

Our store phone No. is (617)821-6229  
Tosh Enterprises LLC  
260 ELM ST UNIT 109  
Somerville MA 02144

Privacy Statement

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