ORDER NO. E26-70

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking and Insurance, State of New Jersey, to fine, suspend and/or revoke the insurance producer licenses of Veronica Sanchez, Reference No. 1014160, and Veronica's Insurance Agency Inc., Reference number 1074768.	)	CONSENT ORDER

TO: Veronica Sanchez
693 Market Street
Paterson, New Jersey 07513

Veronica's Insurance Agency Inc.
c/o Veronica Sanchez
693 Market Street
Paterson, New Jersey 07513

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey ("Commissioner"), upon information that Veronica Sanchez ("Sanchez") and Veronica's Insurance Agency Inc. ("VIA") (collectively, "Respondents"), may have violated various provisions of the insurance laws and of the State of New Jersey; and

WHEREAS, Sanchez is currently licensed as a resident insurance producer pursuant to N.J.S.A. 17:22A-32(a); and

WHEREAS, VIA is currently licensed as a resident insurance producer pursuant to N.J.S.A. 17:22A-32(a); and

WHEREAS, Sanchez is the sole owner, principal and designated responsible licensed producer for VIA, which is a New Jersey-domiciled corporation doing business at 693 Market Street, Paterson, New Jersey 07513; and

WHEREAS, Respondents are subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 ("Producer Act"), and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a), the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with N.J.S.A. 17:22A-40(c), or may take any combination of actions, for any one or more of the violations listed in N.J.S.A. 17:22A-40(a)(1) through (19); and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(2), an insurance producer shall not violate any insurance law, regulation, subpoena, or order of the Commissioner or of another state's insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(4), an insurance producer shall not improperly withhold, misappropriate or convert any monies or properties received in the course of doing insurance business; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(8), an insurance producer shall not use fraudulent, coercive or dishonest practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating any provision of the Producer Act shall be liable to a penalty not exceeding $5,000.00 for the first offense and not exceeding $10,000.00 for each subsequent offense; moreover, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of investigation and prosecution; and

WHEREAS, pursuant to N.J.A.C. 11:1-12.2, active officers shall be held individually responsible for all insurance related conduct of the corporate licensee; and

WHEREAS, pursuant to N.J.A.C. 11:17B–3.1(a), insurance producers selling, soliciting or negotiating commercial lines insurance may charge and receive fees for services rendered to an insured or prospective insured, subject to N.J.A.C. 11:17B–3.1(b) to (g); and

WHEREAS, pursuant to N.J.A.C. 11:17B–3.1(b), any insurance producer charging a fee to an insured or prospective insured shall first obtain from the insured or prospective insured a written agreement, which shall be separate and apart from all other agreements and applications, and shall contain the following provisions and no other provisions:

1. A clear statement of the amount of the fee to be charged and the nature of the service to be provided therefor;

2. A statement that such fees are not a part of the premium charged by the insurance company and that such fees can be charged only if the insured or prospective insured so consents in writing;

3. A clear statement as to whether a commission will be received from the purchase of insurance; and

4. The signature of the insured or prospective insured and the licensed insurance producer and the date of execution of the agreement; and

WHEREAS, pursuant to N.J.A.C. 11:17B–3.1(d), a new written agreement shall be entered into for each fee charged and each time a fee is charged; and

WHEREAS, pursuant to N.J.A.C. 11:17B–1.3, a "service fee" means a fee charged an insured or prospective insured by an insurance producer for the placement of insurance or financing, credit reporting, obtaining auto operator's driving records, claim or accident reporting, adjustment of claims, inspection fees, and referral fees; and

WHEREAS, pursuant to N.J.A.C. 11:17B–3.1(a), insurance producers may charge a fee for services rendered in the sale of personal lines property/casualty or personal lines surplus lines insurance, subject to N.J.A.C. 11:17B-3.2; and

WHEREAS, pursuant to N.J.A.C. 11:17B–3.2(a)(1), an insurance producer may charge a service fee for services rendered in the sale or service of personal lines property/casualty or, where the producer is the originating or retail producer, in the sale or service of personal lines surplus lines insurance, but the service fee for any one policy shall not exceed $20.00; and

WHEREAS, on January 20, 2026, the Commissioner issued Order to Show Cause E26-16 ("OTSC E26-16"), alleging violations of New Jersey insurance laws by Respondents as set forth in the following Counts:

COUNT 1
(Overcharging)

IT APPEARING that from January 2015 until December 2016, Respondents regularly charged service fees to consumers in excess of the statutory cap of $20.00 under N.J.A.C. 11:17B-3.2(a)(1); and

IT FURTHER APPEARING that, more specifically, in 2015, Respondents charged 304 consumers a financing fee, which is a type of service fee, that exceeded the $20.00 cap, with the majority of these fees being $40.00; and

IT FURTHER APPEARING that, in 2015, Respondents collected $6,095.00 in excess financing fees; and

IT FURTHER APPEARING that, additionally, in 2015, Respondents charged 25 consumers a homeowner insurance application fee, which is a type of service fee, which exceeded the $20.00 cap, with the majority of these fees being $100.00; and

IT FURTHER APPEARING that, in 2015, Respondents collected $1,750.00 in excess homeowner insurance application fees; and

IT FURTHER APPEARING that, in the year 2016, Respondents charged 410 consumers a financing fee that exceeded the $20.00 cap, with the majority of these fees being $40.00; and

IT FURTHER APPEARING that, in 2016, Respondents collected $8,055.00 in excess financing fees; and

IT FURTHER APPEARING that, additionally, in 2016, Respondents charged 33 consumers a homeowner insurance application fee, which is a type of service fee, that exceeded the $20.00 cap, with the majority of these fees being $100.00; and

IT FURTHER APPEARING that, in 2016, Respondents collected $2,017.00 in excess homeowner insurance application fees; and

IT FURTHER APPEARING that by overcharging consumers in fees, Respondents violated N.J.S.A. 17:22A-40(a)(2), (a)(4), and (a)(8), and N.J.A.C. 11:17B-3.2(a)(1); and

IT FURTHER APPEARING that each act of overcharging consumers constitutes a separate violation of the Producer Act; and

COUNT 2
(Failure to issue written fee agreements)

IT FURTHER APPEARING that from January 2015 until December 2016, Respondents failed to obtain written fee contracts on commercial insurance applications, containing the required information and disclosures under N.J.A.C. 11:17B-3.1(b), from at least ten insureds and prospective insureds; and

IT FURTHER APPEARING that by failing to obtain a written fee contract on at least ten commercial insurance applications, Respondents violated N.J.S.A. 17:22A-40(a)(2), (a)(4), and (a)(8), and N.J.A.C. 11:17B–3.1(b); and

IT FURTHER APPEARING that each act of failure to obtain a written fee contract on commercial insurance applications constitutes a separate violation of the Producer Act; and

WHEREAS Respondents were given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS Respondents have waived their right to a hearing on the aforementioned violations; and

WHEREAS Respondents admit and agree to take responsibility for the violations of the above-cited statutes and regulations in OTSC E26-16; and

WHEREAS this matter should be resolved upon the consent of all parties without resort to a formal hearing; and

WHEREAS good cause exists to impose a civil penalty and order restitution in this matter; and

NOW, THEREFORE, IT IS on this 22nd day of May, 2026,

ORDERED AND AGREED that Respondents shall pay a civil penalty in the amount of $15,000, and $1,575 for costs of investigation, for a total payment of $16,575, to the Department of Banking and Insurance; and

IT IS FURTHER ORDERED AND AGREED that the $16,575 due to the Department shall be paid by certified check, cashier's check, or money order made payable to the "**State of New Jersey, General Treasury**," which shall be paid upon execution of this Consent Order by Respondents; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order, together with the payment of $16,575, shall be remitted to:

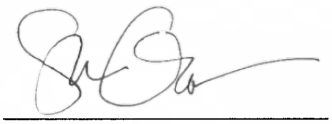
Garen Gazaryan, Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.S.A. 17:22A-45(c), Respondents shall pay restitution in the total amount of $17,917 to all consumers who were overcharged for homeowner insurance application fees and financing fees in 2015 and 2016, as set forth in Count 1 of OTSC E26-16. To the extent that any restitution amounts remain unpaid after six (6) months after entry of this Consent Oder, Respondents shall remit all such undistributed amounts to the New Jersey Unclaimed Property Administration, to be held for the

benefit of the affected consumers. Respondent shall provide proof of payment of this restitution to the Department of Banking and Insurance; and

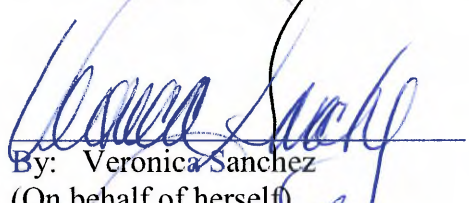
IT IS FURTHER ORDERED AND AGREED that Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order; and

IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the violations contained herein.



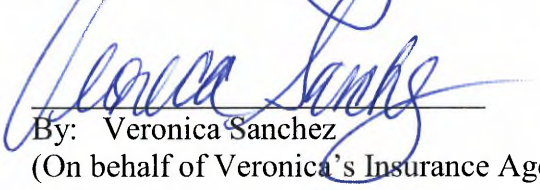
Susan Ochs
Acting Commissioner

CONSENTED TO AS TO FORM, CONTENT AND ENTRY:



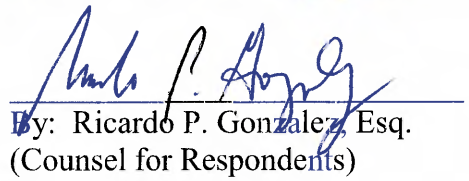
Date: 4/23/26

By: Veronica Sanchez
(On behalf of herself)



Date: 4/23/26

By: Veronica Sanchez
(On behalf of Veronica's Insurance Agency Inc.)



Date: 04/23/26

By: Ricardo P. Gonzalez, Esq.
(Counsel for Respondents)

JENNIFER DAVENPORT
ATTORNEY GENERAL OF NEW JERSEY
(Counsel for NJDOBI)

Garen Gazaryan

Date: 05/05/2026

By: Garen Gazaryan
Deputy Attorney General