

STATE OF ARIZONA  
Department of Insurance and Financial Institutions  
**FILED** December 8, 2023 by AS

**STATE OF ARIZONA**

**DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS**

In the Matter of:

**WINTER, CHESTER NORMAN**

(National Producer No. 9777408)

Respondent.

**No. 23A-054-INS**

**CONSENT ORDER**

The Arizona Department of Insurance and Financial Institutions (“Department”) has received evidence that **Chester Norman Winter (“Respondent”)** violated provisions of Arizona Revised Statutes (“A.R.S.”) Title 20. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Respondent was at all material times licensed as an Arizona resident insurance producer, National Producer Number 9777408, with lines of authority in casualty, property, and life insurance. The Department first licensed Respondent on October 23, 2007. Respondent’s license is scheduled to expire on July 31, 2023.

2. Respondent’s addresses of record with the Department are as follows: 5285 E. Williams Cir., Ste. 4500, Tucson, AZ 85711-7456 (business address); 15624 N. 156th Lane, Surprise, AZ 85374-8813 (mailing address); and [chester.winter@gmail.com](mailto:chester.winter@gmail.com) and [chester@genroseinsurance.com](mailto:chester@genroseinsurance.com) (email addresses).

1           3.     On or about February 13, 2023, the Department received a Termination for  
2 Cause letter from Liberty Mutual Insurance Company (“Liberty Mutual”) informing the  
3 Department that Respondent was terminated for cause because he “falsified addresses and  
4 created fake VIN numbers to sell policies.” On March 15, 2023, the Department received  
5 Liberty Mutual’s complete investigation file.

6           4.     The Department commenced an investigation into this matter.

7           5.     The Department’s investigation determined that Respondent provided false  
8 vehicle identification numbers (“VIN”), incorrect vehicle purchase dates and garaging  
9 information in order to qualify consumers for discounts that they would not have received  
10 otherwise.

11           a)     Out of 52 auto policies reviewed, 33 indicated a pattern of false VINs.  
12 For the policies that had invalid VINs entered, the numbers were off by one digit,  
13 consistently the last digit.

14           b.     Out of 52 auto policies reviewed, 37 were listed with purchase dates  
15 that were two years before the vehicle was manufactured.

16           c.     Per standard policy review, the following items were identified:

- 17                   •     Five auto policies identified with garaging address that differed  
18 from the client’s primary address.
- 19                   •     Four policies identified with incorrect Residence Description.
- 20                   •     Two policies identified with Multi-Car/Other discount  
21 misapplied.

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- One Mobile Home policy bound with incorrect Replacement Cost details.
- Three policies identified with Multi-Policy Auto discount misapplied.
- One policy listed the incorrect Property Purchase Date.
- Two policies identified the incorrect Vendor Report details for claims history.
- Five policies bound were paid by Agent for a third-party carrier.

d. On March 28, 2023, a Department conducted an Examination Under Oath (“EUO”) of respondent. During the EUO, when asked about falsifying garaging addresses, Respondent stated that sometimes when a customer said they were thinking about moving to an area, Respondent would include an address in the area to provide a quote, but would forget to remove the address afterward. When discussing the input of false vehicle identification numbers, Respondent explained that some were his own typos on the VINs from when dealerships called him to obtain insurance for customers. He admitted, however, that he falsified some VINs on purpose to help customers. Respondent explained that Liberty Mutual charged a higher premium if the insured purchased a used vehicle. Respondent stated that he “was trying to help customers that purchased a used vehicle because he felt Liberty Mutual’s system was surcharging when they didn’t need to be surcharged.” The investigator reviewed with Respondent a customer’s policy where the customer was receiving a Homeowner Discount but did not have ownership interest in that

1 property. When asked about that specific incident, Respondent could not provide an  
2 explanation.

3 **CONCLUSIONS OF LAW**

4 6. The Director has jurisdiction over this matter.

5 7. Respondent's conduct, as described above, constitutes a violation of Title 20  
6 or any rule, subpoena or order of the Director. A.R.S. § 20-295(A)(2).

7 8. Respondent's conduct, as described above, constitutes having intentionally  
8 misrepresenting the terms of an actual or proposed insurance contract or application for  
9 insurance of A.R.S. § 20-295(A)(5).

10 9. Respondent's conduct, as described above, constitutes using fraudulent,  
11 coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or  
12 financial irresponsibility in the conduct of business in this state or elsewhere. A.R.S. § 20-  
13 295(A)(8).

14 10. Grounds exist, in addition to or instead of any suspension or revocation for the  
15 Director to impose a civil penalty of not more than \$250.00 for each unintentional failure or  
16 violation up to an aggregate civil penalty of \$2,500.00, or impose a civil penalty of not more  
17 than \$2,500.00 for each intentional failure or violation, up to an aggregate civil penalty of  
18 \$15,000.00. A.R.S. § 20-295(F).

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**ORDER**

**IT IS HEREBY ORDERED THAT:**

Chester Norman Winter shall pay to the Department a civil money penalty in the amount of **eight thousand dollars (\$8,000.00)** on or before January 6, 2024.

Effective this 8<sup>th</sup> day of December, 2023.

*Barbara D. Richardson*  
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Barbara D. Richardson  
Cabinet Executive Officer  
Executive Deputy Director  
Arizona Department of Insurance and Financial Institutions

**CONSENT TO ORDER**

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1. Respondent acknowledges that it has been served with a copy of the foregoing Consent Order in the above-referenced matter, has read it, is aware of its right to an administrative hearing in this matter and has knowingly and voluntarily waived that right.

2. Respondent accepts the personal and subject matter jurisdiction of the Department over it in this matter.

3. Respondent acknowledges that no promise of any kind or nature has been made to induce it to sign the Consent to Order and it has done so knowingly and voluntarily.

4. Respondent acknowledges and agrees that the acceptance of this Consent to Order by the Director is solely to settle this matter and does not preclude the Department from instituting other proceedings as may be appropriate now or in the future. Furthermore, and notwithstanding any language in this Consent Order, this Consent Order does not preclude in any way any other state agency or officer or political subdivision of this state from instituting proceedings, investigating claims, or taking legal action as may be appropriate now or in the future relating to this matter or other matters concerning Respondent, including but not limited to violations of Arizona’s Consumer Fraud Act. Respondent acknowledges that, other than with respect to the Department, this Consent Order makes no representations, implied or otherwise, about the views or intended actions of any other state agency or officer or political subdivision of the state relating to this matter or other matters concerning Respondent.

5. Respondent acknowledges and agrees that failure to correct the violations set forth above in this Consent Order, or any repeat findings of the above violations in the

1 future, can result in disciplinary action which may include a greater civil money penalty and  
2 suspension or revocation of its license.

3 6. Respondent waives all rights to seek an administrative or judicial review or  
4 otherwise to challenge or contest the validity of this Consent Order and its accompanying  
5 parts before any court of competent jurisdiction.

6 7. Respondent acknowledges that this Consent Order is an administrative action  
7 that the Department will report to the National Association of Insurance Commissioners  
8 (NAIC). Respondent further acknowledges that it must report this administrative action to  
9 any and all states in which Respondent holds an insurance license and must disclose this  
10 administrative action on any license application.

11  
12 12/08/2023

DATE

Chester Norman Winter

CHESTER NORMAN WINTER  
(NATIONAL PRODUCER NO. 9777408)

1 **COPY** of the foregoing delivered via email  
this 8<sup>th</sup> day of December, 2023, to:

2 Colin S. Bell, Esq.  
3 Stewart Law Group  
[colin@arizonalawgroup.com](mailto:colin@arizonalawgroup.com)  
4 Attorney for Respondent

5 **COPY** of the foregoing delivered/mailed same date, to:

6 Deian Ousounov, Assistant Director  
7 Gio Espinosa, Regulatory Legal Affairs Officer  
8 Ana Starcevic, Paralegal Project Specialist  
9 Cathy O’Neil, Consumer Regulatory Affairs Officer  
10 Steven Fromholtz, Division Manager, Licensing  
11 Linda Lutz, Legal Assistant, Licensing  
12 Aqueelah Currie, Licensing Supervisor  
13 Wendy Greenwood, Investigations Supervisor  
14 Arizona Department of Insurance and Financial Institutions  
15 100 North 15th Avenue, Suite 261  
16 Phoenix, Arizona 85007-2630

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*Ana Starcevic*  
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