

MAY 7 2008

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

AMERICAN ELDER GROUP, LLC

Respondent.

No. 08A-086-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that American Elder Group, LLC violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. American Elder Group, LLC ("American" or "Respondent") is, and was at all material times licensed as an Arizona resident accident/health, life, property and casualty producer, Arizona license number 90364, which expires March 31, 2010.

2. John Edward Tencza ("Tencza") is the Manager of American and is named as American's designated licensed responsible producer on its Insurance License Renewal Application for a Business Entity ("renewal application") which American submitted to the Department on March 28, 2006. At the time American submitted its renewal application, Tencza was licensed as a resident accident/health, life, property and casualty producer, Arizona license number 42637. Tencza's Arizona producer's license expired on May 31, 2006.

1 3. American's address of record is: 16050 N. 76th Street, #205, Scottsdale, Arizona
2 85260.

3 4. Tencza's address of record is: 7779 E. Nestling Way, Scottsdale, Arizona
4 85255. On August 29, 2007, the Arizona Corporation Commission provided the Department
5 with a new address for Tencza: 2741 W. Piazza Dr., Meridian, ID 83646-5620.

6 5. On September 17, 2007, the Department sent American and Tencza letters,
7 return receipt requested, asking them to either provide the name of a new designated
8 responsible licensed producer or surrender the business entity insurance license for American
9 by October 15, 2007.

10 6. On September 19, 2007, the Post Office returned the September 17, 2007 letter
11 to American as "Forward Time Expired – Return to Sender." An online check by the
12 Department on February 13, 2008 of the status of the September 17, 2007 letter sent to
13 Tencza showed that the Post Office successfully delivered the letter to Tencza's address of
14 record on September 18, 2007.

15 7. To date, neither American or Tencza have provided to the Department the name
16 of a new designated responsible licensed producer or surrendered the business entity
17 insurance license for American.

18 8. On August 13, 2007, the Arizona Corporation Commission, filed an "Order to
19 Cease and Desist, Order of Restitution, Order for Administrative Penalties and Consent to
20 Same By: John Edward Tencza and Christine M. Tencza, American Elder Group, LLC and
21 American Elder Group, Inc.," In the Matter of John Edward Tencza and Christine M. Tencza,
22 et al, Docket No. S-20483A-06-0661 (the "ACC Order"). In the ACC Order, American and
23 Tencza admitted to offering and selling securities within or from Arizona that were neither

1 registered nor exempt from registration while neither registered as dealers or salesmen nor
2 exempt from registration in violation of Arizona's securities laws.

3 **CONCLUSIONS OF LAW**

4 1. The Director has jurisdiction over this matter.

5 2. Respondent's conduct, as described above, constitutes failure to designate an
6 individually licensed insurance producer who is responsible for the business entity's
7 compliance with the insurance laws of this state, a violation of A.R.S. § 20-285(D)(3).

8 3. Respondent's conduct, as described above, constitutes violating any provision of
9 Title 20, within the meaning of A.R.S. § 20-295(A)(2).

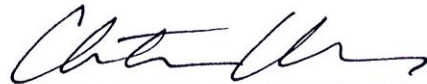
10 4. Grounds exist for the Director to suspend, revoke, or refuse to renew
11 Respondent's insurance license, impose a civil penalty and/or order restitution pursuant to
12 A.R.S. §§ 20-295(A), (B) and (F).

13 **ORDER**

14 IT IS HEREBY ORDERED THAT

15 1. Respondent may surrender its license, Arizona license number 90364.

16 DATED AND EFFECTIVE this 7th day of May, 2008.

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19 CHISTINA URIAS
20 Director of Insurance

21 **CONSENT TO ORDER**

22 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
23 and Order.

1 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,
2 and admits the foregoing Findings of Fact and consents to the entry of the foregoing
3 Conclusions of Law and Order.

4 3. Respondent is aware of its right to notice and a hearing at which it may be
5 represented by counsel, present evidence and examine witnesses. Respondent irrevocably
6 waives its right to such notice and hearing and to any court appeals relating to this Consent
7 Order.

8 4. Respondent states that no promise of any kind or nature whatsoever, except as
9 expressly contained in this Consent Order, was made to it to induce it to enter into this
10 Consent Order and that it has entered into this Consent Order voluntarily.

11 5. Respondent acknowledges that the acceptance of this Consent Order by the
12 Director is solely to settle this matter against it and does not preclude any other agency,
13 including the Department, officer, or subdivision of this state or this agency from instituting civil
14 or criminal proceedings as may be appropriate now or in the future.

15 6. Respondent acknowledges that this Consent Order is an administrative action
16 that will be reported to the NAIC and that it may have to report this administrative
17 action on any future licensing applications either to the Department or other states'
18 Departments of Insurance.

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