

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 57968 / June 16, 2008**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13068**

**In the Matter of**

**JOHN E. TENCZA,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**MAKING FINDINGS, AND IMPOSING**  
**REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against John E. Tencza (“Tencza” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Tencza, age 45, currently resides in Meridian, Idaho. During 2001 through 2003, Tencza was the managing member and owner of American Elder Group, L.L.C. ("AEG"), an Arizona limited liability company. At that time, AEG had its principal place of business in Scottsdale, Arizona where Tencza then lived. During 2001 through 2003, Tencza, individually and acting through AEG, acted as an unregistered broker or dealer and offered and sold unregistered securities called Universal Leases to investors in the United States. Tencza received transaction based payments for his Universal Lease sales and for the Universal Lease sales of others that Tencza had recruited to sell Universal Leases. Tencza is not registered as a broker or dealer with the Commission or associated with a broker or dealer that is registered with the Commission.

2. On May 9, 2008, an order of permanent injunction was entered by consent against Tencza, permanently enjoining him from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rules 10b-5 and 10b-10 thereunder, and from aiding and abetting violations of Exchange Act Rule 10b-10, in the civil action entitled Securities and Exchange Commission v. Michael E. Kelly, et al., Civil Action Number 07-C-4979, in the United States District Court for the Northern District of Illinois.

3. The Commission's complaint alleged that Tencza and AEG participated in a massive fraud run by Michael E. Kelly that victimized thousands of investors across the United States by raising at least \$428 million through the offer and sale of fraudulent and unregistered securities called Universal Leases. Universal Leases were securities in the form of investment contracts that were structured as timeshares in several hotels in Cancun, Mexico, coupled with pre-arranged servicing agreements with a purportedly independent leasing agent that promised investors a safe investment and guaranteed returns. The complaint alleged that Tencza and AEG offered and sold Universal Leases to investors and that Tencza also sold Universal Leases under the name "American Investment Management Group, Inc." The complaint further alleged, among other things, that Tencza made false and misleading statements about the safety of the Universal Leases and about the purportedly independent leasing agent, and also failed to make required disclosures about the commissions he was being paid for his Universal Lease sales.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Tencza's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Tencza be, and hereby is barred from association with any broker or dealer.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Florence E. Harmon  
Acting Secretary