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12 UNITED STATES DISTRICT COURT
13 EASTERN DISTRICT OF CALIFORNIA
14 SACRAMENTO DIVISION

15 SECURITIES AND EXCHANGE COMMISSION,

16 Plaintiff,

17 v.

18 SECURE INVESTMENT SERVICES, INC.,
19 AMERICAN FINANCIAL SERVICES, INC.,
20 LYNDON GROUP, INC., DONALD F. NEUHAUS,
21 and KIMBERLY A. SNOWDEN,

22 Defendants.

Case No. 07-CV-01724-LEW-CMK

NOTICE OF RELATED CASE

23 PLEASE TAKE NOTICE that plaintiff Securities and Exchange Commission
24 (“Commission”) believes the above-captioned action is potentially related to two cases:
25 Neuhaus, et al. v. Securities and Exchange Commission, No. 2:07-mc-00025-FCD-GGH, a civil
26 action previously filed in this District, and U.S. v. Donald Fred Neuhaus, et al., No. 07-CR-366
27 GEB, a criminal proceeding currently pending in this District.

28 Under Local Rule 83-123, cases are considered related when “both actions involve the
same parties and are based on the same or a similar claim,” or “both actions involve similar

1 questions of fact and the same question of law and their assignment to the same Judge or
2 Magistrate Judge is likely to effect a substantial savings of judicial effort, either because the
3 same result should follow in both actions or otherwise.”

4 In the previously filed civil action, Donald Neuhaus and Kimberly Snowden challenged
5 the Commission’s investigative subpoenas seeking their bank records. The Commission issued
6 those subpoenas as part of an investigation into possible fraudulent sales of securities in the form
7 fractionalized interests in life insurance policies. In the above-captioned case, the Commission’s
8 complaint alleges that Neuhaus, Snowden, and three corporations they control conducted a
9 fraudulent scheme of selling at least \$25 million in fractionalized interests in life insurance
10 policies to hundreds of investors starting in 2001. Neuhaus, Snowden, and other individuals are
11 defendants in the criminal case, where the indictment is based on the same or a similar scheme,
12 and involves charges of mail fraud, securities fraud, and money laundering.

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14 Dated: August 23, 2007

Respectfully submitted,

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16 /S/ Thomas J. Eme
THOMAS J. EME

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