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8 UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA
10 SACRAMENTO DIVISION

11 SECURITIES AND EXCHANGE COMMISSION,
12 Plaintiff,

13 vs.

14 SECURE INVESTMENT SERVICES, INC.,
15 AMERICAN FINANCIAL SERVICES, INC.,
LYNDON GROUP, INC., DONALD F. NEUHAUS,
16 and KIMBERLY A. SNOWDEN,

17 Defendants.
18

Case No. 2:07-cv-01724 LEW CMK

TEMPORARY RESTRAINING ORDER AND
ORDER TO SHOW CAUSE RE
PRELIMINARY INJUNCTION

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20 The matter came before the Court on the application of plaintiff Securities and Exchange
21 Commission (“Commission”) for a temporary restraining order, order to show cause why a
22 preliminary injunction should not be issued, and for other relief. The Court has received and
23 considered the Commission’s complaint, application, memorandum of points and authorities, and the
24 declarations of Thomas J. Eme, Milo H. Segner, Jr., Michael G. Moore, Gerry H. Goldsholle, Ronald
25 C. Baer, and Michael J. Quilling, and all materials attached to the declarations, and other materials
26 filed by the Commission.

27 BEING SO ADVISED, THE COURT FINDS THAT:

28 1. This Court has jurisdiction over the parties to, and the subject matter of, this action.

[PROPOSED] TRO

- 1 A. Employing any device, scheme or artifice to defraud;
- 2 B. Obtaining money or property by means of any untrue statement of a material fact or
- 3 any omission to state a material fact necessary in order to make the statements made,
- 4 in the light of the circumstances under which they were made, not misleading; or
- 5 C. Engaging in any transaction, practice, or course of business which operates or would
- 6 operate as a fraud or deceit upon the purchaser;

7 in violation of Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)].

8 III.

9 IT IS ORDERED that defendants and their respective officers, agents, servants, employees,

10 attorneys, and those persons in active concert or participation with any of them, who receive actual

11 notice of this Order, by personal service or otherwise, and each of them, are temporarily restrained

12 and enjoined from, directly or indirectly, in connection with the purchase or sale of any securities, by

13 the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of

14 any national securities exchange:

- 15 A. Employing any device, scheme or artifice to defraud;
- 16 B. Making any untrue statement of a material fact or omitting to state a material fact
- 17 necessary in order to make the statements made, in the light of the circumstances
- 18 under which they were made, not misleading; or
- 19 C. Engaging in any act, practice, or course of business which operates or would operate
- 20 as a fraud or deceit upon any person;

21 in violation of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5

22 [17 C.F.R. § 240.10b-5].

23 IV.

24 IT IS ORDERED that defendants and their respective officers, agents, servants, employees,

25 attorneys, and those persons in active concert or participation with any of them, who receive actual

26 notice of this Order, by personal service or otherwise, and each of them, are temporarily restrained

27 and enjoined from transferring, assigning, selling, hypothecating, changing, wasting, dissipating,

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1 converting, concealing, encumbering, or otherwise disposing of, in any manner, any funds, assets,
2 securities, claims, or other property of defendants wherever located.

3 V.

4 IT IS ORDERED that any financial or brokerage institution or other person or entity located
5 within the territorial jurisdiction of the United States courts and holding any funds or other assets in
6 the name, for the benefit, or under the control of defendants and which receives actual notice of this
7 Order by personal service or otherwise, shall hold and retain within its control and prohibit the
8 withdrawal, removal, transfer or other disposal of any such funds or other assets except as otherwise
9 ordered by this Court. Excluded from this freeze are all routine disbursements, draws, and/or salaries
10 that Kimberly Snowden's husband receives in the future from his law firm. Also excluded from this
11 freeze are all future Social Security payments that Donald Neuhaus and/or his wife receive.

12 VI.

13 IT IS ORDERED that, except as otherwise ordered by this Court, defendants and their
14 respective officers, agents, servants, employees, attorneys, and those persons in active concert or
15 participation with any of them, who receive actual notice of this Order, by personal service or
16 otherwise, and each of them, be and hereby are temporarily restrained and enjoined from, directly or
17 indirectly: destroying, mutilating, concealing, transferring, altering, or otherwise disposing of, in any
18 manner, any documents, which includes all books, records, computer programs, computer files,
19 computer printouts, correspondence, memoranda, brochures, or any other documents of any kind in
20 their possession, custody or control, however created, produced, or stored (manually, mechanically,
21 electronically, or otherwise), pertaining in any manner to defendants.

22 VII.

23 IT IS ORDERED that the parties to this action may immediately take discovery by any means
24 authorized under Rules 26 through 36 and Rule 45, Federal Rules of Civil Procedure.

25 VIII.

26 IT IS ORDERED that defendants shall each file with this Court and serve upon the
27 Commission, within five days of service of this Order, a sworn accounting of:
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