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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

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

Defendants.

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

ORDER ON PRELIMINARY INJUNCTION
REQUEST

BACKGROUND

This matter came before the Court at a hearing on November 2, 2007, on the issue of whether the Court should issue a preliminary injunction as requested by Plaintiff Securities and Exchange Commission (“Commission”).

On August 23, 2007, the Commission filed its complaint, application for a temporary restraining order and order to show cause why a preliminary injunction should not issue, and other items in support. On August 24, 2007, the Court issued a temporary restraining order (“TRO”) and set the show cause hearing for September 21, 2007, later rescheduling the hearing for November 2.

1 On October 26, 2007, one week before the preliminary injunction hearing date, Defendant
2 Kimberly Snowden filed a notice stating that she did not oppose the principal injunctive relief sought
3 by the Commission, but did oppose certain asset freeze, discovery, and document preservation
4 language the Commission had proposed to the other parties. Snowden's notice also sought a stay of
5 discovery. On October 29, 2007, the Commission filed its reply brief, which included a request that
6 the Court strike Snowden's notice as untimely.

7 ORDER

8 Having considered the papers submitted by the parties and their arguments presented at the
9 November 2 hearing, the Court now rules as follows:


10 1. The Commission has demonstrated a likelihood of success on the merits, and
11 irreparable injury is presumed. Accordingly, the Commission's request for a preliminary injunction
12 is GRANTED, in that the TRO is adopted as the Court's preliminary injunction order and will remain
13 in full force and effect until trial or further order of the Court, except that excluded from the asset
14 freeze provisions in paragraphs IV. and V. of the TRO are the following: (a) all routine
15 disbursements, draws, and/or salaries that Kimberly Snowden's husband receives in the future from
16 his law firm; (b) future income that Kimberly Snowden receives up to the pre-tax amount of \$1,800
17 monthly; and (c) future Social Security payments and other income that Donald Neuhaus and/or his
18 wife receive up to the combined total pre-tax amount of \$3,000 monthly.

19 2. Snowden's request for a stay of discovery is DENIED.

20 3. The Commission's request to strike Snowden's October 26 notice is DENIED.

21 4. IT IS ORDERED that all parties shall complete their initial disclosures under Rule
22 26(a) of the Federal Rules of Civil Procedure by November 9, 2007.

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26 DATED: November 6, 2007.



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Judge of the United States District Court