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9 UNITED STATES DISTRICT COURT  
10 EASTERN DISTRICT OF CALIFORNIA  
11 SACRAMENTO DIVISION  
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14 SECURITIES AND EXCHANGE COMMISSION,

15 Plaintiff,

16 v.

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

19 Defendants.  
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Case No. 2:07-CV-01724-LEW-CMK

JUDGMENT OF PERMANENT  
INJUNCTIVE RELIEF AND  
SEVERING OTHER REMEDIES  
FOR LATER DETERMINATION AS  
TO SECURE INVESTMENT  
SERVICES, INC., AMERICAN  
FINANCIAL SERVICES, INC., AND  
LYNDON GROUP, INC.

21 The Securities and Exchange Commission having filed a Complaint and Defendants  
22 Secure Investment Services, Inc., American Financial Services, Inc., and Lyndon Group, Inc.  
23 (“Defendants”) having entered a general appearance by and through their Court-appointed  
24 Receiver; consented to the Court’s jurisdiction over Defendants and the subject matter of this  
25 action; consented to entry of this Judgment of Permanent Injunctive Relief and Severing other  
26 Remedies for Later Determination as to Secure Investment Services, Inc., American Financial  
27 Services, Inc., and Lyndon Group, Inc. (“Judgment”) without admitting or denying the  
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1 allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions  
2 of law; and waived any right to appeal from this Judgment:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants and their  
5 respective officers, agents, servants, employees, attorneys, and those persons in active concert or  
6 participation with any of them, who receive actual notice of this Judgment, by personal service  
7 or otherwise, and each of them, are permanently restrained and enjoined from, directly or  
8 indirectly, through the use of the means or instruments of transportation or communication in  
9 interstate commerce or the mails, offering to sell or selling securities, or, directly or indirectly,  
10 carrying or causing securities to be carried through the mails or in interstate commerce, for the  
11 purpose of selling or delivery after selling, in violation of Sections 5(a) and 5(c) of the Securities  
12 Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77(e)(a) and 77(e)(c)].

13 II.

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
15 Defendants and their respective officers, agents, servants, employees, attorneys, and those  
16 persons in active concert or participation with any of them, who receive actual notice of this  
17 Judgment, by personal service or otherwise, and each of them, are permanently restrained and  
18 enjoined from, directly or indirectly, in the offer or sale of any securities, by the use of any  
19 means or instruments of transportation or communication in interstate commerce or by the use of  
20 the mails:

21 A. Employing any device, scheme or artifice to defraud;

22 B. Obtaining money or property by means of any untrue statement of a material fact or  
23 any omission to state a material fact necessary in order to make the statements made,  
24 in the light of the circumstances under which they were made, not misleading; or

25 C. Engaging in any transaction, practice, or course of business which operates or would  
26 operate as a fraud or deceit upon the purchaser;

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

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
3 Defendants and their respective officers, agents, servants, employees, attorneys, and those  
4 persons in active concert or participation with any of them, who receive actual notice of this  
5 Judgment, by personal service or otherwise, and each of them, are permanently restrained and  
6 enjoined from, directly or indirectly, in connection with the purchase or sale of any securities, by  
7 the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility  
8 of any national securities exchange:

9 A. Employing any device, scheme or artifice to defraud;

10 B. Making any untrue statement of a material fact or omitting to state a material fact  
11 necessary in order to make the statements made, in the light of the circumstances  
12 under which they were made, not misleading; or

13 C. Engaging in any act, practice, or course of business which operates or would operate  
14 as a fraud or deceit upon any person;

15 in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15  
16 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 [17 C.F.R. § 240.10b-5].

17 IV.

18 Upon motion of the Commission, the Court shall determine whether it is appropriate to  
19 order disgorgement of ill-gotten gains and prejudgment interest thereon, and/or a civil penalty  
20 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the  
21 Exchange Act [15 U.S.C. § 78u(d)(3)], and, if so, the amount(s) of the disgorgement and/or civil  
22 penalty. In connection with the Commission’s motion for disgorgement and/or civil penalties,  
23 and at any hearing held on such a motion: (a) Defendants will be precluded from arguing that  
24 they did not violate the federal securities laws as alleged in the Complaint; (b) Defendants may  
25 not challenge the validity of the Consent of Secure Investment Services, Inc., American  
26 Financial Services, Inc., and Lyndon Group, Inc. (“Consent”) or this Judgment; (c) solely for the  
27 purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true  
28 by the Court; and (d) the Court may determine the issues raised in the motion on the basis of

1 affidavits, declarations, excerpts of sworn deposition or investigative testimony, and  
2 documentary evidence, without regard to the standards for summary judgment contained in Rule  
3 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion for  
4 disgorgement and/or civil penalties, the parties may take discovery, including discovery from  
5 appropriate non-parties.

6 V.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is  
8 incorporated herein with the same force and effect as if fully set forth herein, and that  
9 Defendants shall comply with all of the undertakings and agreements set forth therein.

10 VI.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain  
12 jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

13 VII.

14 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil  
15 Procedure, the Clerk is ORDERED to enter this Judgment forthwith and without further notice.

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17 Dated: January 10, 2008

18 /s/ Ronald S. W. Lew  
19 UNITED STATES DISTRICT JUDGE  
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