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9 UNITED STATES DISTRICT COURT
10 EASTERN DISTRICT OF CALIFORNIA
11 SACRAMENTO DIVISION
12

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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.
20

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

REQUEST FOR SCHEDULING
CONFERENCE

21 Plaintiff Securities and Exchange Commission (“Commission”) provides a status report
22 regarding the litigation and requests a scheduling conference under Federal Rule of Civil
23 Procedure 16 and Local Rule 16-240.

24 The Commission commenced this action on August 23, 2007. On August 24, 2007, the
25 Court issued a Temporary Restraining Order (“TRO”) and Order Appointing Temporary
26 Receiver upon the request of the Commission.
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1 On October 30, 2007, the Court issued an Agreed Order Appointing Receiver. The order
2 appointed Michael J. Quilling as Receiver over the three corporate defendants, Secure
3 Investment Services, Inc., American Financial Services, Inc., and Lyndon Group, Inc.

4 On November 2, 2007, the Court held a hearing on the Commission's request for a
5 preliminary injunction. In an order issued on November 6, 2007, the Court granted the
6 Commission's request, adopting the TRO as the Court's preliminary injunction order (with
7 certain items excluded from asset freeze provisions of the TRO).

8 The Commission has served all defendants with the summons and complaint. On
9 November 9, 2007, Neuhaus filed an answer to the Commission's complaint. Snowden filed her
10 answer on November 13, 2007. On December 5, 2007, the Receiver filed a statement that
11 Neuhaus had died during the pendency of the action. On January 10, 2008, the Court issued a
12 Judgment of Permanent Injunctive Relief and Severing Other Remedies for Later Determination
13 ("Partial Judgment") as to the corporate defendants. The corporate defendants consented to the
14 entry of the Partial Judgment, which permanently enjoins them from violations of certain
15 provisions of the federal securities laws and provides for later determination of whether to
16 require disgorgement and impose civil money penalties.

17 The Commission believes that with Neuhaus and Snowden having filed their answers and
18 the corporate defendants having entered into a partial settlement with the Commission, it would
19 now be appropriate to hold a scheduling conference. The Commission understands that Judge
20 Lew is scheduled to be in Sacramento on March 7 and 21, 2007, and the Commission is available
21 on those dates.

22
23 Dated: February 1, 2008

Respectfully submitted,

24
25 /s/ Thomas J. Eme
26 THOMAS J. EME
27 Attorney for Plaintiff
28 SECURITIES AND EXCHANGE COMMISSION