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IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
SECURE INVESTMENT SERVICES, INC.; )  
AMERICAN FINANCIAL SERVICES, INC.; )  
LYNDON GROUP, INC.; KIMBERLY )  
SNOWDEN; and LINDA NEUHAUS, in her )  
capacity as the administrator and )  
personal representative of the )  
estate of Donald Neuhaus, )  
 )  
Defendants. )  
\_\_\_\_\_ )

2:07-cv-01724-GEB-CMK  
ORDER

On July 17, 2008, Receiver Michael J. Quilling ("the Receiver") filed a motion in which he seeks an order requiring two insurance companies to transfer Donald Neuhaus's ("Neuhaus") interests in five insurance policies to the Receiver. Plaintiff Securities and Exchange Commission, Defendant Kimberly Snowden and Examiner Steven A. Harr filed non-oppositions to the motion.

In October 2007, the Receiver and Neuhaus negotiated a compromise and settlement agreement in which Neuhaus agreed to execute any documentation required to transfer his individual interests in

1 insurance policies to the Receiver. (Mot. at 2:4-9; Order Authorizing  
2 Compromise & Settlement Agreement, Oct. 25, 2007 (Dkt. #67).) As  
3 administrator and personal representative of Neuhaus's estate, Linda  
4 Neuhaus signed forms ("transfer requests") transferring Neuhaus's  
5 ownership and beneficiary interests in, *inter alia*, three multiple-  
6 owner insurance policies (i.e., policies with numerous fractional  
7 owners) provided by Transamerica Occidental Life Insurance Company  
8 ("Transamerica") and two multiple-owner policies provided by United of  
9 Omaha Life Insurance Company ("United"). (Mot. at 2:10-3:4.)

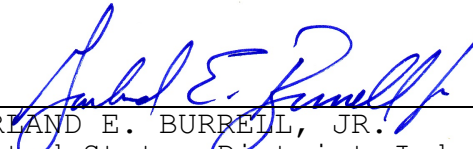
10 The transfer requests were submitted to Transamerica and  
11 United, but at the time the motion was filed, Transamerica had  
12 transferred only Neuhaus's ownership interests in the policies to the  
13 Receiver, and has refused to transfer Neuhaus's beneficiary interests.  
14 (Id. at 3:7-9.) United has refused to transfer any of Neuhaus's  
15 interests to the Receiver. (Id. at 3:9-10.) Transamerica and United  
16 have informed the Receiver that they will only transfer Neuhaus's  
17 remaining interests in these policies to the Receiver upon (1) written  
18 consent from all owners of fractional interests in the policies, or  
19 (2) a court order directing Transamerica and United to honor the  
20 transfer requests without written consent from all owners of  
21 fractional interests in the policies. (Id. at 3:11-14.)

22 The Receiver argues that the other fractional owners of the  
23 policies "do not have a legitimate reason to oppose this motion  
24 because none can claim Neuhaus' beneficiary interest in these or any  
25 other policies." (Id. at 3:19-21.) Further, the Receiver asserts the  
26 order it now seeks "would serve the receivership[] [estate's] best  
27 interests because it increases receivership assets without spending  
28 the time and money to obtain written consent from nearly 110 other

1 owners." (Id. at 3:21-23.) Counsel for the Receiver declares he has  
2 received letters from Transamerica and United stating they do not  
3 oppose entry of an order compelling them to transfer Neuhaus's  
4 interests in the policies at issue to the Receiver. (Decl. of Brent  
5 J. Rodine in Supp. of Mot., Exs. 1-2.) Since the transfer of  
6 Neuhaus's interests to the Receiver has already been approved, and the  
7 requested order appears necessary to effectuate that approval, the  
8 motion is granted and the hearing on this motion set for August 25,  
9 2008 is vacated.

10 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that (1)  
11 Transamerica Occidental Life Insurance Company shall execute all  
12 transfers of interests from Donald Neuhaus, Linda Neuhaus, or entities  
13 formerly under their control to the Receiver without the written  
14 consent of the other owners of policy number 92252406, policy number  
15 60025185 and policy number 60057369 or third parties; and (2) United  
16 of Omaha Life Insurance Company shall execute all transfers of  
17 interests from Donald Neuhaus, Linda Neuhaus, or entities formerly  
18 under their control to the Receiver without the written consent of the  
19 other owners of policy number BU1099709 and policy number BU1099720 or  
20 third parties.

21 Dated: August 12, 2008

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GARLAND E. BURRELL, JR.  
United States District Judge