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

12 SECURITIES AND EXCHANGE COMMISSION,

13 Plaintiff,

14 vs.

15 SECURE INVESTMENT SERVICES, INC.,
AMERICAN FINANCIAL SERVICES, INC.,
16 LYNDON GROUP, INC., and KIMBERLY A.
SNOWDEN,
17

18 Defendants.
19

Case No. 2:07-CV-1724-GEB-CMK

DECLARATION OF THOMAS J. EME IN
SUPPORT OF PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT AGAINST
KIMBERLY A. SNOWDEN

Date: March 9, 2009
Time: 9:00 a.m.
Judge: Garland E. Burrell, Jr.
Courtroom: 10

1 I, THOMAS J. EME, DECLARE:

2 1. I am over 21 years of age, an attorney duly admitted to practice in the State of
3 Illinois, and employed as a staff attorney in the San Francisco Regional Office of the Securities and
4 Exchange Commission ("Commission"). I am one of the attorneys with primary responsibility for the
5 Commission's litigation of this matter. I make this declaration based on my personal knowledge. If
6 called upon to do so, I could and would testify to the matters stated in this declaration.

7 2. Attached Exhibit 1 is a true and correct copy of the Commission's complaint in
8 this action.

9 3. Attached Exhibit 2 is a true and correct copy of the answer filed by Defendant
10 Kimberly A. Snowden ("Snowden") in this action.

11 4. Attached Exhibit 3 is a true and correct copy of the transcript of testimony that
12 Snowden provided under subpoena on May 14, 2007, during the Commission investigation that
13 preceded the filing of this action. (For ease of presentation, the Commission is submitting these and
14 other transcripts in the condensed multi-page format.)

15 5. Attached Exhibit 4 contains true and correct copies of documents that
16 Defendant Secure Investment Services, Inc. ("SIS") produced to the Commission staff in May 2007
17 in response to the Commission's investigative subpoena. They are copies of letters on SIS letterhead
18 and include a signature line for Snowden in the capacity of Director of Operations.

19 6. Attached Exhibit 5 contains true and correct copies of Independent Agent
20 Agreements that SIS produced to the Commission staff in May 2007 in response to an investigative
21 subpoena.

22 7. Attached Exhibit 6 is a true and correct copy of a declaration by Lloyd T.
23 Routon.

24 8. Attached Exhibit 7 is a true and correct copy of a declaration by Steven L.
25 Riley.

26 9. Attached Exhibit 8 is a true and correct copy of a declaration by Christopher
27 Collignon.

28 10. Exhibit 9 is a true and correct copy of a declaration by Donna M. Levy.

1 11. Attached Exhibit 10 is a true and correct copy of the transcript of the
2 deposition of Kimberly Snowden in this litigation.

3 12. Attached Exhibit 11 is a true and correct copy of the transcript of the
4 deposition of John Shafer in this litigation.

5 13. Attached Exhibit 12 is a true and correct copy of deposition exhibit 1, which
6 was introduced during the Shafer deposition.

7 14. Attached Exhibit 13 is a true and correct copy of deposition exhibit 3, which
8 was introduced during the Shafer deposition.

9 15. Attached Exhibit 14 is a true and correct copy of deposition exhibit 6, which
10 was introduced during the Snowden deposition. The documents contained in the exhibit were either
11 produced to the Commission staff by SIS in May 2007 in response to an investigative subpoena or
12 voluntarily produced to the Commission staff by SIS in February 2007. The documents contain
13 signature lines and text indicating Snowden as an officer and director of SIS and Defendant Lyndon
14 Group, Inc.

15 16. Attached Exhibit 15 is a true and correct copy of deposition exhibit 7, which
16 was introduced during the Snowden deposition. It contains copies of documents I printed from
17 publicly available Internet websites maintained by the Nevada Secretary of State and the Wyoming
18 Secretary of State. The contents of these documents are publicly available at the following web
19 addresses:

20 [https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=NwV](https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=NwV1n%252fGh54TsrBggQco9TA%253d%253d)
21 [1n%252fGh54TsrBggQco9TA%253d%253d](https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=NwV1n%252fGh54TsrBggQco9TA%253d%253d)

22 [https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=PGc](https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=PGcwkrlju9HSC0%252f2d6x2aw%253d%253d)
23 [wkrlju9HSC0%252f2d6x2aw%253d%253d](https://esos.state.nv.us/SOSServices/AnonymousAccess/CorpSearch/CorpDetails.aspx?lx8nvq=PGcwkrlju9HSC0%252f2d6x2aw%253d%253d)

24 <https://wyobiz.wy.gov/Ecommerce/Common/FilingDetail.aspx?FilingNum=2002-000438631>

25 The documents indicate Snowden as an officer and director of SIS and Defendant American
26 Financial Services, Inc. (“AFS”), and an officer of Lyndon Group, Inc.

27 17. Attached Exhibit 16 is a true and correct copy of deposition exhibit 8, which
28 was introduced during the Snowden deposition. Pages with the Bates prefix “SIS” were produced to

1 the Commission staff by SIS in May 2007 in response to an investigative subpoena. I am informed
2 and believe that pages with the Bates prefix IRS were obtained by the Internal Revenue Service in or
3 about April 2005 pursuant to a warrant for the search of AFS's office and the residence of deceased
4 Defendant Donald Neuhaus. These pages were provided to the Commission by the IRS. Pages with
5 the Bates prefix "REC" were provided to the Commission by the Receiver in this case, Michael J.
6 Quilling.

7 18. Attached Exhibit 17 is a true and correct copy of deposition exhibit 11, which
8 was introduced during the Snowden deposition. It was produced to the Commission staff by SIS in
9 May 2007 in response to an investigative subpoena.

10 19. Attached Exhibit 18 contains true and correct copies of deposition exhibits
11 14, 15, and 16, which were introduced during the Snowden deposition. These documents were
12 produced to the Commission staff by SIS in May 2007 in response to an investigative subpoena.

13 20. Attached Exhibit 19 is a true and correct copy of deposition exhibit 18, which
14 was introduced during the Snowden deposition. It contains documents that were produced to the
15 Commission staff by SIS in May 2007 in response to an investigative subpoena.

16 21. Attached Exhibit 20 is a true and correct copy of deposition exhibit 22, which
17 was introduced during the Snowden deposition. It contains a copy of an order issued by the
18 California Department of Corporations, which I printed from a publicly available Internet website
19 maintained by the Department. The contents of the order are publicly available at the website address
20 <http://www.corp.ca.gov/ENF/pdf/2003/neuhaus.pdf>

21 22. Attached Exhibit 21 contains true and correct copies of documents produced to
22 the Commission staff by SIS in May 2007 in response to an investigative subpoena.

23 23. Attached Exhibit 22 is a true and correct copy of the Declaration of Gerry H.
24 Goldsholle filed by the Commission when it commenced this action.

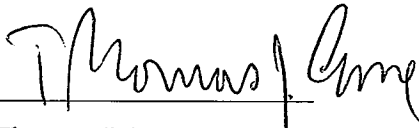
25 24. Attached Exhibit 23 is a true and correct copy of a declaration by Receiver
26 Michael J. Quilling.

27 25. Attached Exhibit 24 contains the Commission's calculation of prejudgment
28 interest on Snowden's disgorgement amount.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 2, 2009.


Thomas J. Eme