

1 **BOUTIN JONES INC.**  
Chris Gibson, SBN 073353  
2 Maralee Eriksen, SBN 208699  
3 555 Capitol Mall, Suite 1500  
Sacramento, California 95814-4603  
4 Tel. (916) 321-4444

5 **QUILLING, SELANDER, LOWNDS, WINSLETT & MOSER, P.C.**  
Michael J. Quilling (Tex. Bar No. 16432300) – Admitted Pro Hac Vice  
6 Brent J. Rodine (Tex. Bar No. 24048770) – Admitted Pro Hac Vice  
2001 Bryan Street, Suite 1800  
7 Dallas, Texas 75201  
Telephone: (214) 871-2100  
8 Facsimile: (214) 871-2111

9 Attorneys for Michael J. Quilling  
Receiver of Defendants Secure Investment Services, Inc.,  
American Financial Services, Inc., and Lyndon Group, Inc.

10 UNITED STATES DISTRICT COURT

11 EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

12 SECURITIES AND EXCHANGE  
13 COMMISSION,

14 Plaintiff,

15 v.

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

19 Defendants.

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

RECEIVER'S EIGHTH MOTION FOR  
ORDER TO ALLOW "A" CLAIMS

Date: November 3, 2011  
Time: 9:00 a.m.  
Department: 10

20 TO: THE PARTIES AND ALL COUNSEL OF RECORD:

21 COMES NOW, Michael J. Quilling, in his capacity as Receiver ("Receiver"), and files  
22 his Eighth Motion for Order to Allow "A" Claims. In support, the Receiver would respectfully  
23 show unto the Court as follows:

24 1. On October 29, 2007, the Court entered an Order [Doc. No. 73] establishing the  
25 claim procedures for this case. Among other things, the Court directed the Receiver to send  
26 claim forms to all persons or entities believed to be an investor with a potential claim against any  
27 of the corporate defendants.  
28

1           2.       On February 5, 2008, the Court entered an Order allowing 41 investor "A" claims  
2 totaling \$1,441,155.00 [Doc. No. 107].

3           3.       On September 2, 2009, the Court entered an Order allowing 123 investor "A"  
4 claims totaling \$4,893,405.76 [Doc. No. 674].

5           4.       On November 5, 2009, the Court entered an Order allowing 159 investor "A"  
6 claims totaling \$5,980,206.69 [Doc. No. 691].

7           5.       On February 3, 2010, the Court entered an Order allowing 81 investor "A" claims  
8 totaling \$2,855,931.15 [Doc. No. 723].

9           6.       On May 12, 2010, the Court entered an Order allowing 79 investor "A" claims  
10 totaling \$3,485,577.72 [Doc. No. 734].

11           7.       On June 18, 2010, the Court entered an Order adjusting the net claim amount and  
12 allowing 91 investor "A" claims totaling \$2,829,634.94 [Doc. No. 752].

13           8.       On August 13, 2010, the Court entered an Order adjusting the net claim amount  
14 and allowing 10 investor "A" claims totaling \$391,990.00 and amending 3 previously allowed  
15 claims totaling \$45,000.00. [Doc. No. 776].

16           9.       On August 13, 2010, the Court entered an Order allowing 65 investor "A" claims  
17 totaling \$2,018,613.14. [Doc. No. 778].

18           10.      On December 16, 2010, the Court entered an Order allowing 20 investor "A"  
19 claims relating to the RIC-J(1) and RIC-J(2) policies totaling \$502,171.00, which claims have  
20 been subrogated until all other investors have received an amount equal to 45% of their claim.  
21 [Doc. No. 808].

22           11.      On January 21, 2011, the court entered an Order allowing 22 investor "A" claims  
23 totaling \$794,757.41. [Doc. No. 815].

24           12.      Since the last Order allowing claims, the Receiver has verified an additional 32  
25 investor "A" claims totaling \$1,534,205.92 as set out in Exhibit 1 attached hereto, and the  
26 Receiver now asks the Court to allow those claims against the receivership estate. Consistent  
27 with the Order of October 29, 2007 [Doc. No. 73], this Court should allow the claims listed on  
28 Exhibit 1 if no objection is lodged within thirty (30) days after the filing of this motion.

1           13. The Receiver believes that after these claims, which are the subject of this motion,  
2 have been addressed that there are no additional claims outstanding.

3           WHEREFORE, PREMISES CONSIDERED, the Receiver prays that, upon final  
4 consideration of this motion, the Court enter an order allowing the 32 investor "A" claims set out  
5 in Exhibit 1 and for such other and further relief, general or special, at law or in equity, to which  
6 the Receiver may show himself justly entitled.

7           Submitted this 25<sup>th</sup> day of September, 2014.

8  
9   Respectfully submitted,

10  
11   /s/ Michael J. Quilling  
12   MICHAEL J. QUILLING (Tex. Bar No. 16432300)  
13   BRENT J. RODINE (Tex. Bar No. 24048770)  
14   QUILLING, SELANDER, CUMMISKEY  
15   & LOWNDS, P.C.

16   Chris Gibson, SBN 073353  
17   Maralee Eriksen, SBN 208699  
18   BOUTIN JONES INC.  
19   Attorneys for Receiver

20   **CERTIFICATE OF SERVICE**

21           I hereby certify that on the 25<sup>th</sup> day of September, 2014, a copy of this Motion was served  
22 on all interested parties through the Court's electronic filing system. In addition, a copy of this  
23 motion was served on the following other persons by First Class U.S. Mail:

24           Ernest Jeremias  
25           5022 17th Avenue, Apt. 1  
26           Brooklyn, NY 11204

            Bazzle John Wilson  
            1291 Nunneley Road  
            Paradise, CA 95969

            Richard H. Gray  
            301 Main Plaza, #349  
            New Braunfels, TX 78130

            David Green & Monica Zukrow  
            1995 Wild Oak Lane  
            Chico, CA 95928

27   /s/ Maralee Eriksen  
28   Maralee Eriksen

**CERTIFICATE OF SERVICE**

I hereby certify that on the 25<sup>th</sup> day of September, 2014, a copy of this motion was served on all interested parties through the Court's electronic filing system. In addition, a copy of this motion was served on the following investors whose Claim is the subject of the foregoing Receiver's Motion by U.S. Certified Mail, Return Receipt Requested:

Bruce A. Barnard 8626 Marathon Universal City, TX 78148	Richard H. Gray 301 Main Plaza #349 New Braunfels, TX 78130	Barbara H. Thorburn 1448 Long Creek Road New Braunfels, TX 78130
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National Summit Group Inv. Trust John L. Hradesky, Trustee 5710 Crescent Park East #215 Playa Vista, CA 90094	Craig A. Wright 5915 N. Campbell Road Las Vegas, NV 89149	Christine Balascoe 3594 Skyline View Drive Reno, NV 89509
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Douglas E. Charmley 1388 Huggins Avenue Chico, CA 95926	Harvey Living Trust Gordon & Peggy Harvey 736 Gould Ave, Unit 7 Hermosa Beach, CA 90254	Audrey Dugan 206 E. Evans Reimer Road Gridley, CA 95948
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Karl D. May 1595 Manzanita Ave #67 Chico, CA 95926	Michael T. Lange Tamara F. Lange 796 Brandon Bury Chico, CA 95926	Lary & Nancy Banks 1431 Wheelwright Court Mesquite, NV 89034
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Heritage Enterprises Jo Anne Barbier PO Box 991071 Redding, CA 96099	Debbie R. Johnson 916 S. Lily Court Nampa, ID 83686	Adrienne Parker 1500 Normal Ave. Chico, CA 95928
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Finberg Living Trust c/o Georgina Finberg Trustee 5244 Breese Circle El Dorado Hills, CA 95762	Nadine L. Duran 1244 18 <sup>th</sup> Street Oroville, CA 95965	Roy R. Runnings 14700 Brian Road Red Bluff, CA 96080
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David Kirksey 3515 Jasmine Crest Encinitas, CA 92024	Estate of Betty Lou Fitzgerald c/o Michael Riggs 5081 Wilderness Way, #2K Paradise, CA 95969	Richard & Joyce Perdue 4245 NE 34 <sup>th</sup> Court Ocala, FL 34479
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Sandra L. Thornton  
PO Box 7714  
Chico, CA 95927

/s/ Michael J. Quilling  
Michael J. Quilling

## Exhibit 1 - Verified Investor "A" Claims

Claim#	Name	NetClaim
1 SIA-00049	Bruce A. Barnard	\$ 25,000.00
2 SIA-00067	Richard H Gray	\$ 25,000.00
3 SIA-00098	Barbara H. Thorburn	\$ 106,842.00
4 SIA-00099	John L Hradesky, TTEE	\$ 50,000.00
5 SIA-00100	John L Hradesky, TTEE	\$ 25,000.00
6 SIA-00101	John L Hradesky, TTEE	\$ 25,000.00
7 SIA-00117	Craig A Wright	\$ 80,000.00
8 SIA-00118	Craig A Wright	\$ 27,000.00
9 SIA-00141	Christine Balascoe	\$ 30,000.00
10 SIA-00247	Douglas E Charmley	\$ 6,300.00
11 SIA-00286	Harvey Living Trust	\$ 200,000.00
12 SIA-00287	Gordon Harvey	\$ 10,000.00
13 SIA-00288	Gordon & Peggy Harvey	\$ 300,000.00
14 SIA-00392	Audrey Dugan	\$ 90,000.00
15 SIA-00393	Audrey Dugan	\$ 20,000.00
16 SIA-00394	Audrey Dugan	\$ 48,784.34
17 SIA-00517	Karl D May	\$ 26,250.00
18 SIA-00521	Tamara F Lange	\$ 126,164.41
19 SIA-00522	Tamara F Lange	\$ 15,258.73
20 SIA-00523	Michael T & Tamara F Lange	\$ 10,000.00
21 SIA-00568	Lary & Nancy Banks	\$ 35,000.00
22 SIA-00569	Lary & Nancy Banks	\$ 10,000.00
23 SIA-00639	Jo Anne Barbier (Heritage)	\$ 40,000.00
24 SIA-00805	Debbie R Johnson	\$ 2,300.00
25 SIA-00809	Adrienne Parker	\$ 5,400.00
26 SIA-00810	Georgina Finberg, TTEE	\$ 10,000.00
27 SIA-00811	Nadine L. Duran	\$ 11,668.91
28 SIA-00821	Roy R. Runnings	\$ 31,500.00
29 SIA-00822	David Kirksey	\$ 8,833.53
30 SIA-00824	Estate of Betty Lois Fitzgerald	\$ 39,985.00
31 SIA-00825	Richard & Joyce Perdue	\$ 75,900.00
32 SIA-00826	Sandra L. Thornton	\$ 17,019.00
32 claims for		<u>\$ 1,534,205.92</u>

**BOUTIN JONES INC.**  
Chris Gibson, SBN 073353  
Maralee Eriksen, SBN 208699  
555 Capitol Mall, Suite 1500  
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Attorneys for Michael J. Quilling  
Receiver of Defendants Secure Investment Services, Inc.,  
American Financial Services, Inc., and Lyndon Group, Inc.

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

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 GEB CMK

NOTICE OF RECEIVER'S EIGHTH  
MOTION FOR ORDER TO ALLOW  
"A" CLAIMS

Date: November 3, 2014  
Time: 9:00 a.m.  
Department: 10

TO: THE PARTIES AND ALL COUNSEL OF RECORD:

On November 3, 2014, at 9:00 a.m., or as soon thereafter as the matter may be heard before the Honorable Garland E. Burrell, Jr., at the U.S. District Court for the Eastern District of California, 501 I Street, Sacramento, California, Michael J. Quilling, the Receiver appointed in these proceedings ("Receiver"), will move this the Court to issue an order allowing 32 investor "A" Claims totaling \$1,534,205.92, pursuant to this Court's October 29, 2007 Order Granting Stipulated Motion to Establish Claim Procedure and to Approve Claim Form [Doc. No. 73].

The motion will be based upon Receiver's Motion and points and authorities submitted contemporaneously, the papers on file in this matter, and any testimony or argument received by

1 the Court during the hearing on the motion. A proposed order is also submitted  
2 contemporaneously with this motion.

3 Respectfully submitted,

4 BOUTIN JONES INC.

5  
6 Dated: September 25, 2014.

7 By           /s/ Maralee Eriksen          

8 Maralee Eriksen  
9 Attorneys for Receiver of Defendants  
10 Secure Investment Services, Inc.,  
11 American Financial Services, Inc., and  
12 Lyndon Group, Inc.

13 **CERTIFICATE OF SERVICE**

14 I hereby certify that on the 25<sup>th</sup> day of September, 2014, a copy of this Notice was served  
15 on all interested parties through the Court's electronic filing system. In addition, a copy of this  
16 motion was served on the following other persons by First Class U.S. Mail:

17 Bazzle John Wilson  
18 1291 Nunneley Road  
19 Paradise, CA 95969

Ernest Jeremias  
5022 17th Avenue, Apt. 1  
Brooklyn, NY 11204

Richard H. Gray  
301 Main Plaza, #349  
New Braunfels, TX 78130

David Green & Monica Zukrow  
1995 Wild Oak Lane  
Chico, CA 95928

20           /s/ Maralee Eriksen            
21 Maralee Eriksen

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- |   |   |   |
|---|---|---|
| Bruce A. Barnard<br>8626 Marathon<br>Universal City, TX 78148   | Richard H. Gray<br>301 Main Plaza #349<br>New Braunfels, TX 78130                                     | Barbara H. Thorburn<br>1448 Long Creek Road<br>New Braunfels, TX 78130      |
| National Summit Group<br>Inv. Trust<br>John L. Hradesky, Trustee<br>5710 Crescent Park East #215<br>Playa Vista, CA 90094 | Craig A. Wright<br>5915 N. Campbell Road<br>Las Vegas, NV 89149                                       | Christine Balascoe<br>3594 Skyline View Drive<br>Reno, NV 89509             |
| Douglas E. Charmley<br>1388 Huggins Avenue<br>Chico, CA 95926   | Harvey Living Trust<br>Gordon & Peggy Harvey<br>736 Gould Ave, Unit 7<br>Hermosa Beach, CA 90254      | Audrey Dugan<br>206 E. Evans Reimer Road<br>Gridley, CA 95948               |
| Karl D. May<br>1595 Manzanita Ave #67<br>Chico, CA 95926  | Michael T. Lange<br>Tamara F. Lange<br>796 Brandon Bury<br>Chico, CA 95926                            | Lary & Nancy Banks<br>1431 Wheelwright Court<br>Mesquite, NV 89034          |
| Heritage Enterprises<br>Jo Anne Barbier<br>PO Box 991071<br>Redding, CA 96099   | Debbie R. Johnson<br>916 S. Lily Court<br>Nampa, ID 83686   | Adrienne Parker<br>1500 Normal Ave.<br>Chico, CA 95928                      |
| Finberg Living Trust<br>c/o Georgina Finberg Trustee<br>5244 Breese Circle<br>El Dorado-Hills, CA 95762                   | Nadine L. Duran<br>1244 18 <sup>th</sup> Street<br>Oroville, CA 95965                                 | Roy R. Runnings<br>14700 Brian Road<br>Red Bluff, CA 96080                  |
| David Kirksey<br>3515 Jasmine Crest<br>Encinitas, CA 92024  | Estate of Betty Lou Fitzgerald<br>c/o Michael Riggs<br>5081 Wilderness Way, #2K<br>Paradise, CA 95969 | Richard & Joyce Perdue<br>4245 NE 34 <sup>th</sup> Court<br>Ocala, FL 34479 |
| Sandra L. Thornton<br>PO Box 7714<br>Chico, CA 95927  |   |   |

/s/ Michael J. Quilling  
Michael J. Quilling



UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA  
SACRAMENTO DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

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 GEB CMK

PROPOSED ORDER GRANTING  
RECEIVER'S EIGHTH MOTION FOR  
ORDER TO ALLOW "A" CLAIMS

Date: November 3, 2014  
Time: 9:00 a.m.  
Department: 10

On this day the Court considered the Receiver's Eighth Motion for Order to Allow "A" Claims. Having carefully considered the Motion and the pleadings and papers on file in this case, the Court is of the opinion, and so finds, that the Motion should be granted. Accordingly,

It is ORDERED that the Receiver's Eighth Motion for Order to Allow "A" Claims is hereby GRANTED, and the thirty-two (32) investor claims totaling \$1,234,205.92 as reflected on Exhibit "1" to the Receiver's Eighth Motion for Order to Allow "A" Claims are allowed against the Receivership estate.

SIGNED this \_\_\_\_ day of \_\_\_\_\_, 2014.

UNITED STATES DISTRICT JUDGE  
HONORABLE GARLAND E. BURRELL, JR.

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/s/ Maralee Eriksen  
Maralee Eriksen

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796 Brandon Bury  
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Lary & Nancy Banks  
1431 Wheelwright Court  
Mesquite, NV 89034

3  
4 Heritage Enterprises  
Jo Anne Barbier  
PO Box 991071  
5 Redding, CA 96099

Debbie R. Johnson  
916 S. Lily Court  
Nampa, ID 83686

Adrienne Parker  
1500 Normal Ave.  
Chico, CA 95928

6  
7 Finberg Living Trust  
c/o Georgina Finberg Trustee  
5244 Breese Circle  
8 El Dorado Hills, CA 95762

Nadine L. Duran  
1244 18<sup>th</sup> Street  
Oroville, CA 95965

Roy R. Runnings  
14700 Brian Road  
Red Bluff, CA 96080

9  
10 David Kirksey  
3515 Jasmine Crest  
Encinitas, CA 92024

Estate of Betty Lou Fitzgerald  
c/o Michael Riggs  
5081 Wilderness Way, #2K  
Paradise, CA 95969

Richard & Joyce Perdue  
4245 NE 34<sup>th</sup> Court  
Ocala, FL 34479

12  
13 Sandra L. Thornton  
PO Box 7714  
14 Chico, CA 95927

17 /s/ Michael J. Quilling

Michael J. Quilling

19 4831-7126-1726, v. 1