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UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

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|-----------------------------------|---|-------------------------------|
| SECURITIES AND EXCHANGE |) | Case No.: CV 09-075-E-EJL |
| COMMISSION, |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| and |) | Case No.: CV 09-076-E-EJL |
| |) | |
| COMMODITY FUTURES TRADING |) | |
| COMMISSION, |) | |
| |) | |
| Plaintiff, |) | The Honorable Edward J. Lodge |
| |) | |
| vs. |) | NOTICE OF PROPERTY SALE |
| |) | |
| DAREN L. PALMER and TRIGON GROUP, |) | NOTICE OF SETTLEMENTS |
| INC., a Nevada Corporation, |) | |
| |) | |
| Defendants. |) | |
| |) | |

R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of Trigon Group, Inc.

(“Trigon”) and all the assets of Daren L. Palmer (the “Receivership Entities” and/or “Palmer”), hereby gives notice to the Court of a pending property sale and of two settlement agreements signed by the Receiver.

PROPERTY SALE

In connection with an earlier settlement with an overpaid investor, the Receiver was given title to a residential building lot near St. George, Utah. Property values in the St. George area are significantly depressed. This property currently has an assessed value of \$55,000.00, which represents a 42% reduction from the prior year’s assessment. The area in which this property is located has many building lots for sale, most at discounts to the assessed value.

The Receiver listed the property for sale at \$49,900.00 and has negotiated to sell the property for \$49,000.00. This represents 98% of the asking price and 89% of the 2011 assessed value – a value reflecting a declining market. The Receiver has reviewed real estate records of other similar property sales in the area and similar building lots listed for sale in this subdivision. Based on that review, the Receiver believes this is the best price that can be obtained in this market and recommends that the sale go forward. Further, the Receiver believes that obtaining appraisals of the property would only delay the sale and cause the expenditure of Receivership funds unnecessarily. Given the plethora of similar building lots for sale, the value of this property is readily ascertainable from the prices of other listings.

This sale will not only bring in additional cash to the Receivership Estate, but will also avoid the need for ongoing expenditures of monthly homeowner association fees and annual

property tax payments. As such, the Receiver believes it is beneficial to the Receivership Estate. The SEC and CFTC have both reviewed the transaction and express no objection to this sale.

SETTLEMENT AGREEMENTS

The Receiver has recently reach settlement of two lawsuits that have been pending for some time. In both cases, the defendants have demonstrated the inability to pay the amounts sought by the Receiver, so the Receiver believes it is best to quit incurring fees and expenses pursuing these lawsuits.

1. Michael Beauchamp: Beauchamp was the father-in-law of Daren Palmer. Beauchamp borrowed \$500,000.00 from a lender and sent it to Trigon for investment. Beauchamp received total payments from Trigon of \$555,526.50, for a net investment return of \$55,526.50. Beauchamp invested the distributions he received from Trigon in real estate, which has resulted in significant losses. Beauchamp provided financial information to the Receiver showing that he has lost real estate properties due to foreclosure, that he still owes the lender from whom he borrowed the investment funds, and that he lacks the ability to repay the amount he was overpaid.

On February 2, 2012, the Receiver reached a settlement with Beauchamp. Under the settlement, Beauchamp will pay \$5,000.00 to the Receiver by March 31, 2012. In addition, Beauchamp will sell the remaining two properties he owns. If those properties sell for more than specified amounts (representing the amounts owed to creditors on those properties), half the excess will be paid to the Receiver. After the \$5,000.00 is sent to the Receiver, the Receiver will dismiss the lawsuit against Beauchamp and his wife.

2. Lexie & Kyle Kunz: Lexie Kunz is the brother of Daren Palmer. The Kunzes were paid \$25,000.00 by Trigon in March 2006 as a gift. The Receiver filed suit in 2010 seeking a return of these funds. The Kunzes have submitted sworn financial statements to the Receiver showing that they own no property and lack the ability to repay the amount sought by the Receiver. Pursuant to a settlement agreement dated February 16, 2012, the Kunzes will pay to the Receiver \$1,000.00 and the lawsuit against them will be dismissed.

The Receiver believes these settlements are the best that can be achieved under the circumstances. Given the financial condition of these defendants, even if the Receiver went to trial and obtained judgments for the full amounts owed, it is unlikely any of it could be collected. This settlement avoids the need to spend further time of the Receiver or his counsel on these litigation matters.

PROCEDURE FOR ADDRESSING ANY OBJECTIONS TO THE SETTLEMENTS OR THE PROPERTY SALE

Objections, if any, to the settlements or property sale must be in writing and filed with this Court within ten (10) days of the date of the filing of this Notice of Settlement. If no objection has been filed within ten (10) days, unless the Court orders otherwise, the Receiver will deem the settlements and property sale approved and move forward to implement their terms. In the event that an objection is filed, the Receiver will have the right to: (1) notify in writing the objecting person, the settling party, and the Court that the Receiver believes that the objection lacks merit and seek the approval of the Court notwithstanding such objection, or (2)

notify in writing the objecting person, the settling parties, and the Court that the Receiver believes that the objection is valid, whereupon the affected settlement agreement(s) or property sale will be deemed to be terminated.

CONCLUSION

The Receiver believes the these settlements will provide benefits to the Receivership by bringing some cash into the Receivership Estate and avoiding any further costs of litigation against these parties. While the Receiver had hoped to recover larger amounts from these defendants, their precarious financial conditions made it appear wiser to settle for amounts that could be recovered and stop incurring additional litigation costs. The Receiver believes the property sale is the best that can be accomplished under current economic conditions.

DATED this 27th day of February, 2012.



WAYNE KLEIN, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 27th day of February, 2012, I electronically filed the foregoing NOTICE OF PROPERTY SALE and NOTICE OF SETTLEMENTS with the Clerk of the Court using the CM/ECF system which sent a Notice of Electronic Filing to the following persons:

Karen L. Martinez
Thomas M. Melton
Tanya Beard
Securities and Exchange Commission
15 West South Temple, Suite 1800
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*Counsel for Plaintiff Securities and Exchange
Commission*


*Counsel for Plaintiff Commodity Futures
Trading Commission*

AND, I HEREBY CERTIFY that I have served the foregoing document to the following non-CM/ECF Registered Participants (list names and addresses):

Daren L. Palmer #13952-023
FPC Duluth
PO Box 1000
Duluth, MN 55814
Defendant

U.S. Mail, Postage Prepaid
 Hand Delivered
 Overnight Mail
 E-mail
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Alan Conilogue
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Local Counsel for Plaintiffs



John F. Kurtz, Jr.