

John F. Kurtz, Jr., ISB No. 2396
Hawley Troxell Ennis & Hawley LLP
877 Main Street, Suite 1000
P.O. Box 1617
Boise, ID 83701-1617
Telephone: 208.344.6000
Facsimile: 208.954.5232
Email: jkurtz@hawleytroxell.com

Attorneys for Receiver, R. Wayne Klein

UNITED STATES DISTRICT COURT

DISTRICT OF IDAHO

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

and

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

vs.

DAREN L. PALMER and TRIGON GROUP,
INC., a Nevada Corporation,

Defendants.

) Case No.: CV 09-075-E-EJL
)
)
)
)

) Case No.: CV 09-076-E-EJL
)
)
)
)

) The Honorable Edward J. Lodge
)
)
)
)

) NOTICE OF SETTLEMENT
)
)
)
)

R. Wayne Klein, the duly appointed Receiver (“Receiver”) for Trigon Group, Inc.

(“Trigon”) and the assets of Daren L. Palmer (“Palmer”), hereby provides notice of his intent to finalize a settlement agreement with American Express, pursuant to the terms described below.

SETTLEMENT

American Express Company Daren Palmer used \$1.2 million of Trigon money to pay expenses on a personal American Express credit card. Virtually all of the payments were for personal expenses. On December 14, 2010, the Receiver filed a lawsuit against American Express, seeking the return of these payments. After the lawsuit was filed, the Court issued a ruling in another case involving a credit card issuer that the Receiver could only recover payments made within the four year period before the lawsuit was filed. This reduced the potential recovery from American Express to approximately \$645,000.00. American Express provided information showing that approximately \$55,000.00 of the charges to the card after December 14, 2006 could be fairly characterized as business expenses.

On May 25, 2012, the Receiver and American Express signed an agreement to settle the lawsuit. Pursuant to the settlement, American Express will pay \$590,000.00 to the Receiver in full settlement of the Receiver's claims. In return, the Receiver and American Express will submit a proposed order to the Court approving the settlement and dismissing the Receiver's lawsuit.

REVIEW BY SEC AND CFTC

The Receiver has given notice to the Securities and Exchange Commission and the Commodity Futures Trading Commission of this planned settlement. The SEC and CFTC have both informed the Receiver that they have no objections to the settlement.

PROCEDURE FOR ADDRESSING ANY OBJECTIONS TO THE SETTLEMENT

Objections, if any, to the settlement 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 move the Court for an

Order approving the settlement. 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 settlement agreement will be deemed to be terminated.

CONCLUSION

The Receiver believes the this settlement will provide benefits to the Receivership by bringing significant amounts of cash into the Receivership Estate and avoiding any further costs of litigation against American Express.

DATED this 8th day of June, 2012.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By



John F. Kurtz, Jr., Attorneys for the
Receiver, R. Wayne Klein

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 8th day of June, 2012, I electronically filed the foregoing NOTICE OF SETTLEMENT 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
Salt Lake City, UT 84101
martinezk@sec.gov
himesm@sec.gov

Alison B. Wilson
John W. Dunfee
Division of Enforcement
Commodity Futures Trading Commission
1155 21st Street, N.W.
Washington, D.C. 20581
jdunfee@cftc.gov
awilson@cftc.gov

*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
Inmate #13952-023
Federal Prison Camp
PO Box 1000
Duluth, MN 55814
Defendant

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- E-mail
- Telecopy

Alan Conilogue
Deputy Attorney General
State of Idaho
PO Box 83720
Boise, ID 83720-0031

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- E-mail
- Telecopy

Local Counsel for Plaintiffs



John F. Kurtz, Jr.