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UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

SECURITIES AND EXCHANGE)	Case No.: CV 09-075-E-EJL
COMMISSION,)	
Plaintiff,)	
)	
and)	
)	
COMMODITY FUTURES TRADING)	Case No.: CV 09-076-E-EJL
COMMISSION,)	
Plaintiff,)	The Honorable Edward J. Lodge
)	
vs.)	EIGHTEENTH REPORT OF R.
)	WAYNE KLEIN, RECEIVER (FOR
DAREN L. PALMER and TRIGON GROUP,)	PERIOD ENDING JUNE 30, 2013)
INC., a Nevada Corporation,)	
Defendants.)	
)	

R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of Trigon Group, Inc. ("Trigon") and the assets of Daren L. Palmer (the "Receivership Entities" and/or "Palmer"),

hereby submits this Eighteenth Report for the period of April 1, 2013 through June 30, 2013 (the "Reporting Period").

During the quarter, substantial progress was made on three of the pending lawsuits. There were inquiries on some of the real estate properties, but none were sold during the quarter.

I. PROCEDURAL HISTORY

The regulatory enforcement actions by the Securities and Exchange Commission (SEC) and Commodity Futures Trading Commission (CFTC) were commenced on February 26, 2009. That same day, the Court entered orders imposing an asset freeze and appointing Wayne Klein as Receiver. On October 23, 2009 the Court entered an order finding Mr. Palmer in contempt of previous orders of the Court. On July 19, 2010, the Court entered final judgment against Mr. Palmer and Trigon in the SEC matter, based on the consent of the defendants. On October 4, 2010, the Court granted final summary judgment against Palmer in the CFTC action. On May 18, 2011, Palmer was charged with two criminal counts: wire fraud and money laundering. Palmer pleaded guilty to the two criminal counts on May 24, 2011 and was sentenced on September 20, 2011. Copies of these orders and judgments are posted on the Receiver's website.

II. LITIGATION STATUS

The Receiver filed 24 lawsuits as part of his efforts to recover funds for investors. All but four of those lawsuits have been resolved with settlements or at trial. One of these four is stayed; in the other three cases, judgments were entered in the Receiver's favor during the quarter. The status of these four cases is described below:

1. Stan Mills: Mills is the only defendant remaining in a lawsuit filed against ten

defendants. Mills filed for bankruptcy in November 2012 and the lawsuit against him is stayed under the bankruptcy laws.

2. Doyle Beck: In August 2012 the Receiver won a \$55,000.00 judgment against Beck at trial. On April 8, 2013, the Court issued an amended judgment for \$55,000.00 plus \$32,524.56 in prejudgment interest. On April 19, 2013, Beck filed an appeal. The Receiver will respond to the appeal, defending the decision of the District Court. Beck has not paid any amounts required by the judgment.

3. Stephan Lawson: The Court granted summary judgment in favor of the Receiver on May 28, 2013. The Court found that payments from Trigon to Lawson were fraudulent transfers and granted judgment to the Receiver for the \$20,000.00 sent to Lawson as well as prejudgment interest. A judgment was entered by the Court on June 10, 2013 for \$31,388.49, including prejudgment interest. The Receiver has filed a motion asking the Court to award attorneys' fees and costs.

4. Capital One: On June 28, 2013, the Court entered summary judgment for the Receiver against Capital One Bank. The Court found that payments to Capital One by Trigon were fraudulent transfers. The ruling rejected Capital One's argument that the Receivership was responsible for paying Palmer's personal debts and denied the bank's counterclaims. On July 12, 2013 (after the end of the Reporting Period), the court entered a judgment for \$42,263.75.

III. STATUS OF PROPERTY OWNED BY THE RECEIVERSHIP

The Receivership Estate still owns four properties it is seeking to sell. There has been some interest expressed in these properties, but no offers have been received. In light of the improving economy, the low carrying costs of these properties, and the appeal of the Beck

judgment (which will delay closing the Receivership), the Receiver has decided it is premature to reduce prices further at this time. The Receiver may decide to lower prices in the coming months.

5. Sheffield Circle (Mansion): The home is listed for sale at \$1,990,000.00. There have been no offers on this home during the quarter. The annual insurance premium of \$38,787.10 was paid on April 1, at the beginning of the reporting period. There have been several prospective buyers look at the home, but no offers had been received as of June 30.

6. Ammon Road: No offers have been received for this vacant commercial lot.

7. Timberline Lot: This is a single lot in a partially-completed subdivision. The lot is not zoned for a home, but is zoned to have a well that will serve the subdivision. There have been no offers for this lot.

8. Southstone Lot: This is a commercial building lot in Eagle, Idaho. No offers have been received. However, there is increasing development in the nearby area. It is hoped this will lead to increased interest without having to lower the price further.

IV. COMMUNICATIONS WITH INVESTORS

9. The Receiver posts information on the Receivership website as part of his effort to keep the investors informed of Receivership developments. The website also contains copies of the associated documents. The quarterly status reports are another means of updating investors. The Receiver continues to respond to phone calls and e-mails from investors.

**V.
TAX FILINGS**

10. The Receiver is preparing information to file the 2012 tax returns. The tax preparation cost is expected to be substantially less than the costs of prior years' returns.

**VI.
FINANCIAL ACTIVITIES**

11. Consolidation of Bank Accounts. On April 1, 2013, the Receiver closed two Receivership bank accounts at Zions Bank, a checking account with a balance of \$1,410.13 and a savings account with a balance of \$100,520.14. These balances were transferred to the main operating account the Receiver maintains at Wells Fargo Bank.

12. Funds Recovered and Paid Out. During this Reporting Period, the Receiver received \$5,300.00 which was deposited into bank accounts controlled by the Receiver:

FUNDS PAID TO THE RECEIVER			
Date	Amount	Source	Purpose
4/5/13	\$1,100.00	Lender	Payment on loans owed to Duane Yost
5/1/13	\$1,100.00	Lender	Payment on loans owed to Duane Yost
6/4/13	\$1,100.00	Lender	Payment on loans owed to Duane Yost
6/7/13	\$2,000.00	Dean Palmer	Settlement payment
Total	\$5,300.00		

13. The Receiver paid out \$39,729.57 for operating expenses of the Receivership. These were for the following categories of expenses:

EXPENDITURES OF RECEIVERSHIP FUNDS	
Category	Amount
Utilities	\$538.84
Tax payment	\$403.63
Property insurance (mansion)	\$38,787.10
Total	\$39,729.57

14. Bank Account Balance. The Receivership bank account balance as of June 30, 2013 was \$70,680.99.

**VII.
CONCLUSION**

The Receiver respectfully submits this Eighteenth Report for the period from April 1, 2013 through June 30, 2013.

The Receiver verifies under penalty of perjury that the foregoing is true and correct.

DATED THIS 18th day of July, 2013.



R. WAYNE KLEIN, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 19th day of July, 2013, I electronically filed the foregoing EIGHTEENTH REPORT OF R. WAYNE KLEIN, RECEIVER (FOR PERIOD ENDING JUNE 30, 2013) 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
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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
Inmate #13952-023
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 Hand Delivered
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Defendant

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 Hand Delivered
 Overnight Mail
 E-mail
 Telecopy

Local Counsel for Plaintiffs



John F. Kurtz, Jr.

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(FOR PERIOD ENDING JUNE 30, 2013) - 7