

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

SECURITIES AND EXCHANGE COMMISSION,

Civil No. 09-75-S-EJL

PLAINTIFF,

v.

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

DEFENDANTS.

**ORDER REGARDING
ELAINE TALBOT'S
OBJECTION TO
PLAINTIFF'S PLAN OF
PARTIAL DISTRIBUTION**

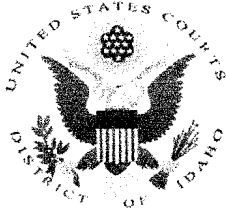
The Court held a hearing regarding the Motion for Approval of Plan of Partial Distribution (the "Plan") (Docket No. 72) filed by Plaintiff, United States Securities and Exchange Commission (the "Commission"), in Pocatello, Idaho on November 3, 2010. Elaine Talbot ("Talbot"), an objector to the Commission's Plan, was represented by Lee Radford ("Radford") at the hearing. In her Objection (Docket No. 91), Talbot argued that (1) the Commission unfairly categorized her as an insider; (2) her Proof of Claim of a \$1.3 million investment in Trigon Group, Inc. is legitimate; and, (3) the Plan is neither fair nor equitable, because she will not be afforded sufficient procedural protections or due process.

Consequent to the Court's hearing, counsel for the Commission and Radford stipulated that (1) Talbot would not be classified as an insider under the terms of its Plan; (2) Talbot will be re-classified as a non-participant under the terms of the Plan; and, (3) Talbot's status as a non-participant would not limit her claims and/or defenses in the related action filed by the court-appointed Receiver.

Based on the foregoing , IT IS HEREBY ORDERED as follows:

- (1) Talbot shall not be considered an insider as set forth in the Commission's Plan of Partial Distribution (Docket No. 73 at Exhibit "B");
- (2) The Commission shall re-classify Talbot as a Class 5 non-participant as defined in its Plan of Partial Distribution (Docket No. 73 at Exhibit "B"); and,
- (3) Talbot's classification as a non-participant as defined in the Commission's Plan of Partial Distribution shall in no way limit or affect the claims and/or assertions Talbot may assert in the related action brought by the court-appointed Receiver, R. Wayne Klein, styled as *Klein v. Talbot*, Civil Action No. 4:10-cv-00086-EJL-REB (D. Idaho Feb. 18, 2010).

DATED: **November 23, 2010**



A handwritten signature in black ink, appearing to read "Edward J. Lodge". The signature is written in a cursive style and is positioned above a horizontal line.

Honorable Edward J. Lodge
U. S. District Judge