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Attorneys for Receiver, R. Wayne Klein

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF IDAHO

SECURITIES AND EXCHANGE  
COMMISSION,

and

COMMODITY FUTURES TRADING  
COMMISSION,

Plaintiffs,

v.

DAREN L. PALMER and TRIGON  
GROUP, INC.

Civ. No. 09-75-E-EJL (dks)

Civ. No. 09-76-E-EJL (dks)

The Honorable Edward J. Lodge

NOTICE OF SETTLEMENTS

R. Wayne Klein, on behalf of and as 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 settlement agreements pursuant to the terms described below.

SETTLEMENTS

Beacon Light Capital and David Eldredge The Receiver filed suit on May 12, 2010 against Beacon Light, Eldredge, and others regarding the Meridian, Idaho property that Palmer

obtained from Sight & Sound. The receiver's lawsuit alleged that Beacon Light loaned money to another company, Resource Solutions, LLC, based on the value of the property. Beacon then sold that loan to an investor. On March 4, 2011 Resource Solutions conveyed the property to the investor in lieu of foreclosure.

On November 15, 2011, the parties participated in a court-sponsored settlement conference in Boise to discuss settlement. The parties reached an agreement with Eldredge and Beacon on the following terms:

- Eldredge will provide the Receiver with sworn financial statements demonstrating that he has a negative net worth.
- Eldredge will pay \$3,500.00 to the Receiver, with \$2,000.00 paid up front and the remaining \$1,500.00 paid over 12 months.
- The Receiver will dismiss Eldredge and Beacon from the litigation and release all claims against them.

Sight & Sound Inc, Lewis Family Properties, Shari S. Lewis, and William J. Lewis II

At the same settlement conference, the Receiver and the Lewises (and their companies) agreed to a settlement:

- The Lewises, Sight & Sound, and Lewis Family Properties provided financial information to the Receiver demonstrating negative net worth and an inability to pay the full amount sought by the Receiver.
- The Lewises will pay \$40,000.00 to the Receiver within two years, secured by their interest in three real estate properties in which they have an interest.
- The Lewises and their companies (Sight & Sound and Lewis Family Properties) will be dismissed from the lawsuit and all claims against them will be released.

Dean Palmer The Receiver filed suit on September 9, 2009 against Dean Palmer, seeking to require Dean Palmer to repay funds he received from Trigon and to seek recovery for losses caused by Trigon while Dean Palmer was an officer of Trigon. On April 20, 2010, Palmer filed for bankruptcy. The receiver files a complaint against Palmer in August 2010 that sought a declaration that his debt to the Receivership was not dischargeable in bankruptcy.

The Receiver and Palmer reached a settlement agreement pursuant to which Palmer will stipulate to a \$200,000.00 judgment in favor of the Receiver, which judgment will be non-dischargeable. If Palmer makes payments to the Receiver of at least \$5,000.00 every six months, the Receiver will not seek to enforce the judgment. If Palmer has paid \$25,000.00 to the Receiver within two years, the balance of the judgment will be waived.

#### REVIEW BY SEC AND CFTC

The Receiver has given notice to the Securities and Exchange Commission and the Commodity Futures Trading Commission of these planned settlements and requested their comments. The SEC and CFTC have both informed the Receiver that they have no objections to these settlements.

#### PROCEDURE FOR ADDRESSING ANY OBJECTIONS TO THE SETTLEMENTS OR THE PROPERTY TRANACTIONS

Objections, if any, to the settlements 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 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) will be deemed to be terminated.

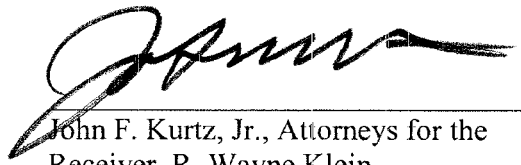
CONCLUSION

The Receiver believes the these settlements will provide benefits to the Receivership by bringing 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.

DATED this 23rd day of November, 2011.

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 23rd day of November, 2011, I electronically filed the foregoing 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  
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):

Palmer, Daren - Registration # 13952-023  
FTC Oklahoma City  
Federal Transfer Center  
P.O. Box 898801  
Oklahoma City, OK 73189  
*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

*Local Counsel for Plaintiffs*

  
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John F. Kurtz, Jr.