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UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

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

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 enter into a settlement agreement and release of claims (“Settlement Agreement”) with Mauri Ventures, LLC, TJ 2 Holdings, LLC, RS&I, Inc., Leisure Time, Inc., Gary V. Olsen,

individually, and K. Jayce Howell, individually (“Settling Parties”) pursuant to the following basic terms:

1. Cash Payment by the Settling Parties: The Settling Parties will pay to the Receiver \$470,831. This amount will be paid within ten days after the Implementation Date of the Settlement Agreement.

2. Offsetting Cash Claims: The Settling Parties hereby release all claims that they may have for repayment of expenses incurred in protecting the value of real estate owned by Palmer. In addition, the Settling Parties have provided and will continue to provide assistance to the Receiver in resolving a cloud on the title of certain rental property owned by Palmer in Rigby, Idaho, provided that Receiver agrees the Settling Parties do not bear responsibility for resolving the cloud of title on said property.

3. Assignment of Claims by Settling Parties: The Settling Parties will assign to the Receiver all of their claims and liens against properties owned by Trigon and/or Palmer, except Lots 3 and 4, Block 1 Section 22 Twp, in Harrison, Idaho (“Coeur d’Alene Properties”), near Lake Coeur d’Alene, and any property situated thereon.

4. Coeur d’Alene Properties: The Receiver will transfer to Mauri Ventures, LLC (“Mauri”) ownership of the Coeur d’Alene Properties. The Receiver will use reasonable efforts to assist Mauri in obtaining clear title to these properties. However, the transfer to Mauri is without warranty and Mauri is responsible for obtaining clear title to the Coeur d’Alene Properties.

5. Release and Assignment of Claims by the Settling Parties: The Settling Parties agree to release and/or assign to the Receiver all other claims they have or could have against Trigon, the Receivership Estate, and the assets of Palmer. The Assignment of Claims shall consist of:

a. Funds Held in Escrow: The Settling Parties shall assign to the Receiver any and all claims they may have to the funds currently held by the Receiver in an escrow account, which funds represent proceeds from the sale of the Palmer home at 3995 Canterbury Way in Idaho Falls and an earnest money deposit relating to the warehouse at 5190 South Heyrend Way, Idaho Falls. The Settling Parties will execute all documents reasonably requested by the Receiver to facilitate the release of those funds to the Receiver.

b. Heyrend Shop Warehouse: The Settling Parties shall assign to the Receiver any and all claims they may have to the warehouse property owned by Palmer at 5190 South Heyrend Way, Idaho Falls, including all proceeds generated from the sale of that property. The Settling Parties will assign all liens they may have against this property in a form of assignment acceptable to the Receiver. The Settling Parties will execute all documents reasonably requested by the Receiver to facilitate the release of the proceeds from that property to the Receiver.

c. Sheffield Mansion: The Settling Parties shall assign to the Receiver any and all claims they may have relating to the residential property currently under construction at 330 Sheffield Circle, Idaho Falls. The Settling Parties will assign all liens they have to this property in a form of assignment acceptable to the Receiver. The Settling Parties will execute all documents reasonably requested by the Receiver to facilitate the assignment of the Settling Parties' interest in this property to the Receiver.

d. Stockham Apartments: The Settling Parties shall assign to the Receiver any and all claims they may have relating to the four-apartment buildings located at 196 and 198 Stockham Way in Rigby, Idaho. Settling Parties will assign all liens it has to this property in a form of assignment acceptable to the Receiver. The Settling Parties will

execute all documents reasonably requested by the Receiver to facilitate the assignment of the Settling Parties' interest in this property to the Receiver.

e. Loan Repayments: The Settling Parties shall release Trigon from any and all claims that they may have for repayment of any loans or interest on loans made by the Settling Parties to Trigon secured by real estate or other assets of Palmer or Trigon.

6. Scope of Release: The provisions of the Settlement Agreement constitute a complete settlement, release, and waiver of all claims, causes of action, and counterclaims the Parties have against each other, or that they might have against one another, whether alleged or not and whether discovered or not, as of the date of the Settlement Agreement. The Settlement Agreement, however, shall not in any way release any claims that the Settling Parties have or might have against Palmer or other persons or assets not included in the Receivership action. In addition, the Settling Parties shall not make any claim against any Palmer assets in which the Receiver has any interest.

7. Fees and Costs: Except as provided in the Settlement Agreement, the Parties shall bear their own fees and costs (including, but not limited to, attorneys' fees) incurred in connection with the Settlement Agreement and the claims of these Parties.

8. Implementation Date: The "Implementation Date" is the date that the Settlement Agreement becomes binding between the Parties. The Implementation Date shall be the earliest of: (a) ten (10) days from the date this Notice of Settlement is filed with the Court, if no objection is filed within ten (10) days of that filing; (b) ten (10) days from the date of filing of the Notice of Settlement and the Receiver notifies the Settling Parties that the Settlement Agreement is binding between the Parties, notwithstanding the filing of an objection; or (c) the Receiver obtains approval of the Settlement Agreement from the Court. The terms of the Settlement Agreement as between the Parties are binding upon notice that the Court has


approved the Settlement Agreement or that the time for court objection has expired. Receiver will inform counsel for Settling Parties when the Implementation Date has been reached.

9. Objection to Settlement Procedure: The Receiver will consider any objection to the proposed Settlement Agreement described above that is filed with this Court within ten (10) days of the date of the filing of this Notice of Settlement. After completing an evaluation of the objection, the Receiver will: (1) notify the objecting person and the Court that the Receiver finds that the objection is not warranted and the Settlement Agreement is final, (2) seek an order from this Court approving the Settlement Agreement, or (3) notify the Court and the Settling Parties that the objection is valid and the Settlement Agreement shall be considered terminated.

The settlement described above will become final, if no objection is filed, unless the Court determines otherwise.

DATED THIS 9th day of November, 2009.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By 

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