

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 PROPERTY SALE AND
SETTLEMENT

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 sell property and to finalize a settlement agreement and release of claims with H.K. Holdings, LLC, pursuant to the terms described below.

PROPERTY SALE

Daren and Michelle Palmer, along with two relatives of Mr. Palmer, owned two four-plex apartment buildings in Rigby, Idaho. Ownership of these apartment buildings was deeded over to the Receiver in 2009. These apartment buildings had been purchased in January 2008 for \$230,000 each. Both apartment buildings have been listed for sale by the Receiver.

The Receiver has accepted an offer of \$235,000 for one of the apartment buildings. The closing is set for April 30, 2010. Brokerage commissions and other closing costs will be deducted from the sales proceeds. The second apartment building is still listed for sale.

SETTLEMENT

H.K. Holdings, LLC. Trigon paid fees to several entities as compensation for assistance in securing loans to Trigon. One of these entities paid \$32,362 to H.K. Holdings, LLC as compensation for its role in finding a lender who loaned \$500,000 to Trigon. The Receiver has entered into a settlement agreement with H.K. Holdings, pursuant to which H.K. Holdings will pay \$22,500 to the Receiver by July 31, 2010; \$5,000 of this amount has already been received. In turn, the Receiver will release claims against H.K. Holdings. The Receiver agreed to settle for less than the full amount owed based on the financial condition of H.K. Holdings.

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 property sale and settlement and requested their comments. The SEC and CFTC have both informed the Receiver that they have no objections to the property sale or the settlement.

PROCEDURE FOR ADDRESSING ANY OBJECTIONS
TO THE PROPERTY SALE OR THE SETTLEMENT


Objections, if any, to the property sale or 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 deem the property sale and settlement 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 property sale and settlement will provide substantial benefits to the Receivership by bringing additional funds into the Receivership Estate and avoiding the costs of litigation against H.K. Holdings.

DATED THIS 16th day of April, 2010.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By 

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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 16th day of April, 2010, I electronically filed the foregoing NOTICE OF PROPERTY SALE AND 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*

Mitchell Barker
Barker Law Offices, LLC
3501 West Elder Street, #110
Boise, ID 83705
mitchbarker1492@hotmail.com


Counsel to Defendant Daren L. Palmer

AND, I HEREBY CERTIFY that I have served the foregoing document to the following non-CM/ECF Registered Participants (list names and addresses):

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.