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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

SECURITIES AND EXCHANGE COMMISSION,

Civil No.

PLAINTIFF,

Judge

v.

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

DEFENDANTS.

**MOTION FOR
PRELIMINARY
INJUNCTION**

Plaintiff, Securities and Exchange Commission (the "Commission"), by and through its counsel of record, respectfully submits this Motion for Preliminary Injunction. The Commission seeks injunctive relief to prevent Defendants Daren L. Palmer

(“Palmer”) and Trigon Group, Inc. (“Trigon”), and any of their agents from continuing to engage in the deceptive practices as alleged in the Complaint filed concurrently herewith.

As more fully set forth in the Commission’s accompanying Memorandum in Support of Motion for Preliminary Injunction and Ex Parte Motions for Appointment of Receiver, an Asset Freeze Order and Other Relief, Defendants are perpetrating a massive Ponzi scheme by fraudulently offering promissory notes and unregistered investment contracts to investors. Promising large annual returns of 20 percent or more and guaranteed safety, Defendants have raised more than \$40 million from approximately 55 investors in at least three states. Palmer and Trigon told investors that their money would be invested in S&P 500 options, futures, foreign currency futures and stocks. Records show, however, that Palmer placed only a fraction of investor funds in trading accounts. Instead, he used investor monies to make promised “interest” payments to investors and to pay for personal expenses.

Palmer and Trigon made a variety of misrepresentations to investors. For example, Palmer represented to investors that he had been generating annual returns of 20-25 percent for more than twelve years. Significantly, Palmer told investors that he was capable of generating profits despite the nature of the market through his risk free trading strategies. In fact, Palmer did not have a successful trading strategy which generated annual profits in excess of 20 percent. Palmer prepared and disseminated quarterly statements that represented falsely-earned profits from his purported trading activity. Rather, Palmer used newly-invested money to pay the quarterly returns to pre-existing investors; however, he did not disclose to investors that their returns were the

monies of new investors. Palmer also represented to investors that he was a licensed securities professional. Palmer has never held any securities licenses.

Based on the foregoing, the Commission requests that this Court grant the Commission's Motion for Preliminary Injunction, preventing Palmer and Trigon from continuing to violate the provisions of the federal securities laws identified in the Complaint. This Motion is based upon the accompanying Memorandum in Support of Motion for Preliminary Injunction and Ex Parte Motions for Appointment of Receiver, an Asset Freeze Order and Other Relief together with the declarations and documents filed concurrently herewith.

Respectfully submitted this 26th day February of 2009.

/s/ Karen L. Martinez

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