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Court-Appointed Receiver of Trigon Group, Inc.  
and for the assets of Daren L. Palmer

UNITED STATES DISTRICT COURT  
DISTRICT OF IDAHO

R. WAYNE KLEIN, the Court-Appointed )  
Receiver of Trigon Group, Inc. and for the assets )  
of Daren L. Palmer, )  
Plaintiff, )  
vs. )  
GEORGE HEFFERNAN, )  
Defendant. )  
\_\_\_\_\_ )

Case No. \_\_\_\_\_

COMPLAINT TO AVOID  
FRAUDULENT TRANSFERS; FOR  
CONSTRUCTIVE TRUST AND  
OTHER PROVISIONAL REMEDIES;  
FOR DAMAGES; FOR VIOLATION  
OF THE INVESTMENT ADVISORS  
ACT; FOR VIOLATION OF THE  
COMMODITIES EXCHANGE ACT;  
AND FOR VIOLATION OF THE  
IDAHO SECURITIES ACT

Plaintiff R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of Trigon Group, Inc. ("Trigon") and all of the assets of Daren L. Palmer (the "Receivership Entities" and/or "Palmer"), by and through his undersigned counsel, for his Complaint states and alleges as follows:

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DAMAGES; FOR VIOLATION OF THE INVESTMENT ADVISORS ACT;  
FOR VIOLATION OF THE COMMODITIES EXCHANGE ACT; AND FOR  
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### **NATURE OF THE PROCEEDING**

1. On February 26, 2009, the Securities and Exchange Commission (the "SEC") filed a Complaint against Trigon and Palmer in United States District Court for the District of Idaho ("District Court"), Case No. Civ. No. 09-075-S-EJL ("SEC Action") and the Commodity Futures Trading Commission (the "CFTC") filed a Complaint against Trigon and Palmer in the District Court, Case No. Civ. No. 09-075-S-EJL ("CFTC Action"). These suits allege, among other things, that Trigon and Palmer operated an investment program in violation of the registration, licensing and anti-fraud requirements of federal securities and commodities laws. In essence, the SEC and the CFTC allege that Trigon and Palmer engaged in a Ponzi scheme whereby millions of dollars were fraudulently taken from investors.

2. On February 26, 2009, the Receiver was appointed by the District Court to act as receiver in connection with the SEC Action and the CFTC Action.

3. Since at least 1997, Palmer and Trigon operated a classic Ponzi scheme by using funds obtained from investors through violations of the securities laws and/or commodity laws and using the funds from new investors to pay bogus returns to earlier investors. Palmer and Trigon recruited investors through material misrepresentations and omissions. By engaging in this conduct, Palmer and Trigon violated the securities registration, antifraud, and broker-dealer registration provisions of the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act") and violated the anti-fraud provisions of the Commodity Exchange Act ("CEA") and the requirement under the CEA to register as a commodity pool operator.

4. This action is brought by the Receiver as part of his continuing duty to recapture and return funds invested in Trigon that were diverted by Trigon and Palmer in the course of

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their massive Ponzi scheme and to set aside fraudulent transfers and fraudulent conveyances, for a constructive trust, for an accounting and to recover the money and property received by the Defendants.

### **THE PARTIES**

5. At all relevant times, Defendant George Heffernan ("Heffernan") has been a resident of the State of South Carolina, but has actively engaged in business activity in the state of Idaho.

### **JURISDICTION AND VENUE**

6. This Court has jurisdiction over the subject matter of this lawsuit because this lawsuit is ancillary to the SEC Action and the CFTC Action and the appointment of the Receiver by this Court.

7. Venue is proper in this Court under 28 U.S.C. § 1391.

### **THE RECEIVER AND STANDING**

8. On February 26, 2009, the District Court entered an Order Appointing a Receiver and Staying Litigation pursuant to which the Receiver was appointed as receiver of Trigon, together with any and all subsidiaries and affiliated entities, including but not limited to Palmer Trading & Investments LLC; Blackrock Limited, LLC; Pinnacle Company LLC; and Canterbury Court Properties, LLC (collectively, the "Companies"). Pursuant to that Order, the Receiver was to take control of the Companies' funds, assets and property wherever situated, and is fully authorized to pursue this action against the Defendants.

9. On February 26, 2009, the District Court entered an Order in the CFTC Action appointing the Receiver as temporary receiver for all of the assets of Palmer and Trigon and the assets of their affiliates and subsidiaries with the full power of an equity receiver. Pursuant to

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that Order, the Receiver was to assume full custody, control, and possession of all the funds, property, mail and other assets of, in the possession of, or under the control of the Defendants and the Companies and is fully authorized to pursue this action against the Defendants.

### **THE FRAUDULENT PONZI SCHEME**

10. Trigon was a Nevada corporation headquartered in Idaho Falls, Idaho. Trigon claimed to be an investment business that specialized in helping clients generate high annual returns of approximately 20% to 25% per year.

11. Daren L. Palmer ("Palmer") is an Idaho resident, who at all relevant times, was living in Idaho Falls, Idaho.

12. Trigon never registered any offering of its securities under the Securities Act or the Exchange Act.

13. Neither Trigon nor Palmer has ever been registered with the Securities and Exchange Commission ("SEC") in any capacity and neither of them has ever been licensed to sell securities.

14. Beginning in 1997 and continuing through at least October 2008, Trigon and Palmer sold securities in the form of promissory notes and investment contracts to over 55 investors in unregistered, non-exempt transactions amounting to over \$60 million. More particularly, Trigon and Palmer violated: (i) Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1) by employment of a device, scheme or artifice to defraud; (ii) Section 17(a)(2) and (c) of the Securities Act, 15 U.S.C. § 77q(a)(2) by committing fraud in the offer and sale of securities; (iii) Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5 by committing fraud in connection with the purchase and sale of securities; (iv) Section 5(a) and (c) of the Securities Act, 15 U.S.C. § 77(a) and (c) by offering

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the sale of unregistered securities; and (v) Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a) by offering and selling securities by an unregistered broker or dealer.

15. Beginning in 1997 and continuing through at least October 2008, Palmer engaged in acts and practices in violation of the Commodity Exchange Act. In particular, Palmer violated the anti-fraud provisions of Sections 4b(a)(2) and 4o(1) of the Commodity Exchange Act, 7 U.S.C. §§ 6(b)(a)(2) and 6o(1) (2006), and Section 4b(a)(1) of the CEA as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act, § 13102, 122 Stat. 1651 (effective June 18, 2008) to be codified at 7 U.S.C. § 6(b)(a)(1). Palmer also acted as a commodity pool operator of a commodity pool without being registered as such in violation of Section 4m(l) of the CEA, 7 U.S.C. § 6m(l) (2006).

16. At all relevant times, Palmer was an agent of Trigon and acted within the scope of his employment. As a result, Trigon is liable for Palmer's conduct pursuant to Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B).

17. Palmer marketed himself and Trigon by representing that he used a complex trading strategy through which he invested in indexes, S&P 500 options or futures, currency futures, and stocks in a way that generated consistent annual returns of 20% or better.

18. Palmer touted his reputation in the Idaho Falls community as an honest family man with a long record of producing high returns for investors. Palmer told some investors that he had been generating annual returns of 20% or greater for more than 12 years.

19. Palmer described his trading program as difficult to understand but one that operated like a hedge fund. Palmer explained that the investor's principal would be combined with those of other investors and traded as a single fund.

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20. Palmer told some investors that he was licensed to sell securities when in fact he was never registered or licensed to do so.

21. Palmer guaranteed high returns using his strategy, regardless of market conditions, with no risk to investors' principal investments.

22. Palmer evidenced most of the investment monies he received with promissory notes that he signed as either an individual or as President of Trigon.

23. Palmer also entered into verbal investment contracts, which promised payments of 20% returns or greater.

24. Palmer told investors that he would retain a portion of the generated profits but actually paid himself a set amount of \$25,000 to \$35,000 per month.

25. Approximately \$6.8 million was deposited into trading accounts, representing only 10.07% of the total amount Palmer and Trigon received from investors. However, Palmer often withdrew portions of the amounts deposited with no trading ever taking place and the amounts withdrawn by Trigon from such trading activity exceeded the amounts obtained from trading activity.

26. Of the investor money deposited in Trigon accounts, Palmer spent more than \$6 million on his personal home expenses and construction costs.

27. Palmer also spent over \$6 million paying himself a salary and paying for personal expenses including credit cards, art, jewelry, vehicles, trailers, snowmobiles and for community donations. Palmer also used investor monies to charter private airplanes and for business expenses.

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28. Despite attempts to maintain an image of success to attract additional investors, on December 15, 2008, Palmer told a group of concerned Idaho Falls investors that, through his trading program, he had lost virtually all of the invested funds.

29. In or around January of 2009, Palmer admitted to investors that he had extinguished all funds and had been running a Ponzi scheme for many years.

30. Although Palmer provided investors with statements showing trading profits, the payments made to investors actually came from the principal investments of later investors.

31. Later investors were not informed that Palmer would use their principal investment to pay returns to earlier investors and no investors were told Palmer would use their principal investments to make payments to himself or for real estate purchases and construction.

32. Palmer has admitted to using investor funds to pay his salary, personal credit cards and for the payment of his personal residence construction costs and to purchase snowmobiles.

33. Although Palmer collected at least \$68 million in investor funds, he used only a fraction of those amounts for trading purposes and used the vast majority to pay personal expenses and to pay phony returns to earlier investors.

34. Participants in the investment program invested over \$68 million with Palmer, more than \$46 million of which was used to pay phony returns.

35. The Ponzi scheme operated by Trigon and Palmer was conducted by Trigon and Palmer with the actual intent to defraud numerous investors.

**AMOUNTS RECEIVED BY DEFENDANTS**

36. During the period from October 2003 through August 2008, Heffernan received payments from Trigon in the sum of, at least, \$632,650. In particular, Heffernan received payments from Trigon as follows:

- a. On October 17, 2003, check number 1506 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- b. On January 16, 2004, check number 1564 in the amount of \$531.25 drawn on the account of Trigon at Bank of America.
- c. On February 18, 2004, check number 1575 in the amount of \$937.50 drawn on the account of Trigon at Bank of America.
- d. On March 26, 2004, check number 1593 in the amount of \$2,025 drawn on the account of Trigon at Bank of America.
- e. On April 30, 2004, check number 1628 in the amount of \$2,687.50 drawn on the account of Trigon at Bank of America.
- f. On May 26, 2004, check number 1647 in the amount of \$4,218.75 drawn on the account of Trigon at Bank of America.
- g. On August 5, 2004, check number 1693 in the amount of \$1,412.50 drawn on the account of Trigon at Bank of America.
- h. On August 31, 2004, check number 1707 in the amount of \$1,562.50 drawn on the account of Trigon at Bank of America.
- i. On September 29, 2004, check number 1724 in the amount of \$1,437.50 drawn on the account of Trigon at Bank of America.



- j. On October 14, 2004, a payment of \$25,000 was made to Index Analysis, an entity controlled by Defendant Heffernan by means of a counter debit form the account of Trigon at Bank of America.
- k. On November 15, 2004, check number 1754 in the amount of \$3,575 drawn on the account of Trigon at Bank of America.
- l. On April 12, 2005, check number 1834 in the amount of \$1,812.50 drawn on the account of Trigon at Bank of America.
- m. On May 27, 2005, check number 1859 in the amount of \$2,450.00 drawn on the account of Trigon at Bank of America.
- n. On August 18, 2005, check number 1912 in the amount of \$20,000 drawn on the account of Trigon at Bank of America.
- o. On October 4, 2005, check number 1926 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- p. On November 4, 2005, check number 1947 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- q. On December 2, 2005, check number 1959 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- r. On January 3, 2006, check number 1973 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- s. On February 3, 2006, check number 1997 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- t. On March 2, 2006, check number 2006 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.

- u. On April 4, 2006, check number 1027 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- v. On May 4, 2006, check number 2036 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- w. On June 1, 2006, check number 2047 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- x. On August 2, 2006, check number 2070 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- y. On September 1, 2006, check number 2083 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- z. On October 5, 2006, check number 2095 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- aa. On November 3, 2006, check number 2115 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- bb. On December 1, 2006, check number 2126 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- cc. On February 1, 2007, check number 2175 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- dd. On March 2, 2007, check number 2194 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- ee. On April 5, 2007, check number 2205 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.

- ff. On May 5, 2007, check number 2235 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- gg. On June 8, 2007, check number 2250 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- hh. On July 6, 2007, check number 2267 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- ii. On August 1, 2007, check number 2292 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- jj. On September 6, 2007, check number 2313 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- kk. On October 4, 2007, check number 2326 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- ll. On November 7, 2007, check number 2354 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- mm. On December 3, 2007, check number 2372 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- nn. On January 2, 2008, check number 2399 in the amount of \$15,000 drawn on the account of Trigon at Bank of America.
- oo. On February 1, 2008, check number 2431 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- pp. On March 3, 2008, check number 2447 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.

- qq. On April 3, 2008, check number 2456 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- rr. On May 1, 2008, check number 2481 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- ss. On June 6, 2008, check number 2502 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- tt. On July 11, 2008, check number 2515 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- uu. On August 7, 2008, check number 2531 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.
- vv. On September 9, 2008, check number 1319 in the amount of \$25,000 drawn on the account of Trigon at Bank of America.

37. In addition to the payments described above, the Receiver alleges, based on knowledge and belief, that Heffernan received other amounts in excess of those amounts described above.

**FIRST CLAIM FOR RELIEF**  
**(For Avoidance and Recovery of Fraudulent Transfers  
Against Defendant George Heffernan)**

38. The Receiver restates and incorporates by this reference paragraphs 1 through 37 above, as though set forth herein in full.

39. The payments made by Trigon to Heffernan during the time period specified above, were made by Trigon with actual intent to hinder, delay or defraud its creditors. These creditors, which mostly consist of innocent investors who gave money to Trigon and Palmer, believed the money was being invested profitably on their behalf. Those transfers were made

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without receiving reasonably equivalent value in exchange, when Trigon was either insolvent or had become insolvent as a result of such transfers.

40. The payments made by Trigon to Defendant Heffernan are avoidable by the Receiver under applicable law, including Idaho Code §§ 55-913, 55-914 and 55-916.

41. The Receiver is entitled to damages from Heffernan in the amount of not less than \$632,650, with interest as provided by Idaho law from the date of each payment, in the amount of, at least, \$205,261 526, plus any additional amounts proven at the trial of this case.

**SECOND CLAIM FOR RELIEF**  
**(For Constructive Trust and Other Provisional Remedies**  
**Against Defendant George Heffernan)**

42. The Receiver restates and incorporates by this reference paragraphs 1 through 41 above, as though set forth herein in full.

43. By reason of the facts set forth above, Defendant Heffernan was the recipient of monies wrongfully and fraudulently obtained by Trigon and Palmer thereby diminishing the amounts available to pay the creditors of Trigon and Palmer.

44. Defendant Heffernan has been unjustly enriched as a result of the wrongful and fraudulent acts to the detriment of the creditors of Trigon and Palmer.

45. Accordingly, in equity, a constructive trust should be impressed upon the assets acquired by Defendant Heffernan with the monies transferred to him by Trigon and Palmer.

46. The Receiver is also entitled to one or more of the additional remedies provided for pursuant to Idaho Code § 55-916 (b) and (c).

**THIRD CLAIM FOR RELIEF**  
**(For Violation of Investment Advisors Act – 15 U.S.C. § 80b-15)**

47. The Receiver restates and incorporates by this reference paragraphs 1 through 46 above, as though set forth herein in full.

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48. The Receiver alleges, based on knowledge and belief, that during the period of time from October of 2003 through the end of 2008, Defendant Heffernan was engaged in the business of and acted as an investment advisor to Trigon and Palmer, for compensation, as defined under 15 U.S.C. § 80b-2 (11).

49. During the period from October of 2003 through the end of 2008, all or a portion of the payments made to Defendant Heffernan, which are more particularly described in Paragraph 36, were for investment advice.

50. During the period from October of 2003 through the end of 2008, Defendant Heffernan failed to comply with the registration requirements of 15 U.S.C. § 80b-3

51. Pursuant to 15 U.S.C. § 80b-15, the Receiver has the right to rescind the contract between Trigon and Defendant Heffernan, pursuant to which Defendant Heffernan was paid the amounts described in Paragraph 36, and is entitled to restitution of all of those amounts paid to Defendant Heffernan.

52. As a result of the above, the Receiver is entitled to restitution from Defendant Heffernan in the amount of not less than \$632,650, plus interest as allowed by law in the sum of at least \$205,261, plus any additional amounts proven at the trial of this case.

**FOURTH CLAIM FOR RELIEF**  
**(For Violations of Section 17(a)(2) and (3) of**  
**the Securities Act [15 U.S.C. § 77q(a)(2) and (3)]**

53. The Receiver restates and incorporates by this reference paragraphs 1 through 52 above, as though set forth herein in full.

54. During the period from October of 2003 through the end of 2008, Defendant Heffernan, directly or indirectly, in the offer and sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails,

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obtained money or property by means of untrue statements of material fact or by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and engaged in transactions, practices, or courses of business which operate or would operate as a fraud or deceit upon Trigon.

55. By reason of the foregoing, Defendant Heffernan, directly or indirectly, violated Section 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)].

56. As a result of the above, the Receiver is entitled to restitution from Defendant Heffernan in the amount of not less than \$632,650, plus interest as allowed by law in the sum of at least \$205,261, plus any additional amounts proven at the trial of this case.

**FIFTH CLAIM FOR RELIEF**

**(For Violation of Section 10(b) of the Exchange Act  
[15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5])**

57. The Receiver restates and incorporates by this reference paragraphs 1 through 56 above, as though set forth herein in full.

58. During the period from October of 2003 through the end of 2008, Defendant Heffernan, directly or indirectly, by the use of means or instrumentalities of interstate commerce or use of the mails, in connection with the purchase or sale of securities, with scienter, (1) employed devices, schemes, or artifices to defraud; (2) made untrue statements of material fact or omitted to state a material fact necessary in order to make statement made, in light of the circumstances under which they were made, not misleading; or (3) engaged in acts, practices, or courses of business that operated or would operate as a fraud and deceit upon Trigon.

59. By reason of the foregoing, Defendant Heffernan, violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

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60. As a result of the above, the Receiver is entitled to restitution from Defendant Heffernan in the amount of not less than \$632,650, plus interest as allowed by law in the sum of at least \$205,261, plus any additional amounts proven at the trial of this case.

**SIXTH CLAIM FOR RELIEF**  
**(For Violation of Commodities Exchange Act – 7 U.S.C. §§ 1-25)**

61. The Receiver restates and incorporates by this reference paragraphs 1 through 60 above, as though set forth herein in full.

62. On or about September 6, 2000, the Commodity Futures Trading Commission (“CFTC”), in CFTC Docket NO. 00-29, entered a consent order requiring Defendant Heffernan to “cease and desist from further violations of Sections 4b(a)(i) and (iii) and 4o(1)(A) and (B) of the Commodities Exchange Act, 7 U.S.C. §§ 4b(a)(i) and (iii), 6o(1)(A) and (B), and Section 4.41 (a) of the Commission’s Regulations.

63. On August 4, 2003, the United States District Court for the Southern District of Georgia, Case No. CV101-141, permanently enjoined Defendant Heffernan and required him to post a notice on all websites, mailings, or other readable materials related to commodities or securities, a notice of his violations of the Commodity Exchange Act, CFTC regulations, and a prior CFTC order, as were adjudicated in that case.

64. On August 30, 2007, the United States District Court for the District of South Carolina, in Civil Action No. 4:04-23302-TLW-TER, permanently enjoined Defendant Heffernan from acting as an unregistered commodity pool operator in violation of 7 U.S.C. § 6m and from violating Commission Regulation 4.21, 17 C.F.R. § 21. That same injunction was restated in an order entered on February 25, 2008.

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65. The activities engaged in by Defendant Heffernan with Trigon and Daren Palmer were in violation of the injunctions described above and in violation of the Commodity Exchange Act.

66. As a result of the above, the Receiver is entitled to damages from Defendant Heffernan for the sum of not less than \$632,650, with interest as provided by law from the date of each payment, in the sum of at least \$205,261, plus any additional amounts proven at the trial of this case.

**SEVENTH CLAIM FOR RELIEF**  
**(For Violation of Idaho Securities Act, Idaho Code § 30-14-404)**

67. The Receiver restates and incorporates by this reference paragraphs 1 through 66 above, as though set forth herein in full.

68. The Receiver alleges, based on knowledge and belief, that during the period of time from October of 2003 through the end of 2008, Defendant Heffernan was engaged in the business of and acted as an investment advisor to Trigon and Palmer for compensation, as defined under Idaho Code § 30-14-102.

69. During the period from October of 2003 through the end of 2008, all or a portion of the payments made to Defendant Heffernan, which are more particularly described in Paragraph 36, were for investment advice.

70. During the period from October of 2003 through the end of 2008, Defendant Heffernan failed to comply with the registration requirements of Idaho Code § 30-14-404.

71. Pursuant to Idaho Code § 30-14-509(e), Defendant Heffernan is liable to pay the Receiver all consideration paid to him for such advice, plus interest at the annual rate of interest set forth in Idaho Code § 28-22-104(2), from the date of each such payment, plus costs and reasonable attorneys fees as determined by the court.

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72. As a result of the above, the Receiver is entitled to damages from Defendant Heffernan for the sum of not less than \$632,650, with interest as provided by Idaho law from the date of each payment, in the sum of at least \$205,261, plus any additional amounts proven at the trial of this case.

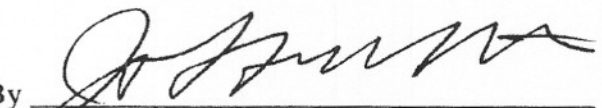
**PRAYER FOR RELIEF**

WHEREFORE, the Receiver prays for judgment against Defendant as follows:

1. For judgment against Defendant George Heffernan for an amount equal to all payments received by him, which total is in excess of \$632,650, plus interest on each payment at the rate of 12% per annum pursuant to Idaho Code §28-22-104(1) from the date of such payment until judgment is entered, which amount totals in excess of \$205,261, plus any additional amounts as may be just and reasonable.
2. A judgment imposing a constructive trust in favor of the Receiver over all monies and assets obtained with monies received from Trigon or Palmer by Defendant Heffernan
3. For post judgment interest as allowed by law.
4. For costs of suit, including reasonable attorney fees.
5. For such other and further relief as the Court may deem just and proper.

DATED THIS 14<sup>th</sup> day of October, 2009.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By 

John F. Kurtz, Jr.  
Attorneys for Plaintiff R. WAYNE KLEIN, the  
Court-Appointed Receiver of Trigon Group,  
Inc. and for the assets of Daren L. Palmer

COMPLAINT TO AVOID FRAUDULENT TRANSFERS; FOR  
CONSTRUCTIVE TRUST AND OTHER PROVISIONAL REMEDIES; FOR  
DAMAGES; FOR VIOLATION OF THE INVESTMENT ADVISORS ACT;  
FOR VIOLATION OF THE COMMODITIES EXCHANGE ACT; AND FOR  
VIOLATION OF THE IDAHO SECURITIES ACT - 18