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*Attorneys for Court-Appointed Receiver R. Wayne Klein*

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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

NATIONAL NOTE OF UTAH, LC, a Utah  
Limited Liability Company and WAYNE  
LaMAR PALMER, an individual,

Defendants.

**RECEIVER'S STATUS REPORT ON  
MOTION REQUESTING  
DISALLOWANCE OF PROOFS OF  
CLAIM AND REQUEST FOR ENTRY  
OF ORDER ON NON-OBJECTING  
CLAIMANTS**

Civil No. 2:12-00591

The Honorable Bruce S. Jenkins

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R. Wayne Klein, as receiver (the "Receiver") for Defendant National Note of Utah, LC, and the assets of Defendant Wayne LaMar Palmer, by and through his counsel of record, hereby files this *Status Report on Motion Requesting Disallowance of Proofs of Claim and Request for Entry of Order on Non-Objecting Claimants*.<sup>1</sup> In support hereof, the Receiver represents as follows.

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<sup>1</sup> For privacy reasons, all Non-Objecting Claimants are identified herein by the number assigned to their Proof of Claim rather than by name. The Receiver has provided the Court with information about the identity of the claimants in camera.

**I.**

**PROCEDURAL BACKGROUND**

1. On March 4, 2016, the Receiver filed *Receiver's Initial Claims Report* (the "Initial Claims Report") [Docket No. 1088].
2. On March 14, 2016, the Receiver filed *Receiver's Motion Requesting Disallowance of Proofs of Claim and Memorandum of Law in Support* (the "Disallowed Claims Motion") [Docket No. 1092], seeking an Order disallowing 46 Proofs of Claim listed in Exhibit A to that Motion in their entirety.
3. On March 21, 2016, the Receiver filed *Receiver's Certificate of Service Regarding (1) Receiver's Initial Claims Report, and (2) Motion Requesting Disallowance of Proofs of Claim* [Docket No. 1102], certifying that the Initial Claims Report and Disallowed Claims Motion had been served on all 46 claimants listed on Exhibit A to the Disallowed Claims Motion (the "Relevant Claimants") as of March 21, 2016.
4. The Disallowed Claims Motion clearly states on its face that Relevant Claimants were required to file an objection to the Disallowed Claims Motion by no later than April 8, 2016 (the "Objection Deadline").
5. The Objection Deadline has passed, and out of the 46 total Relevant Claimants, no objection has been filed by 36 (the "Non-Objecting Claimants"). A list of the 36 Non-Objecting Claimants is set forth on Exhibit 1 to the proposed *Order Granting Receiver's Motion Requesting Disallowance of Proofs of Claim* (the "Proposed Order") attached hereto as **Exhibit A**. The Receiver's request for relief with regard to the Non-Objecting Claimants' Proofs of Claim is discussed in Part II below.

6. Claim objections related to a total of 10 Proofs of Claim have been filed with the Court as follows: Claim No. 1223 (the “Harvest Time Ministries Objection”) [Docket No. 1115]; Claim No. 1288 (the “Hoggan Objection”) [Docket No. 1107]; Claim No. 1300 (the “Proffitt Objection”) [Docket No. 1112]; Claim Nos. 1320, 1321, 1401 and 1402 (the “Shah and Olson Objections”) [Docket No. 1113]; Claim No. 1386 (the “Petty Objection”) [Docket No. 1120]; Claim No. 1394 (the “Brasher Objection”) [Docket No. 1109]; and Claim No. 1463 (the “FT Holding Trust-Katana Objection”) [Docket No. 1114]. The Receiver will file responses to these objections separately. No relief is requested herein related to these Proofs of Claim.

7. Finally, after the Motion was filed, Proof of Claim No. 1464 was submitted to the Receiver. The Receiver informed this claimant of his intent to recommend disallowance of this Proof of Claim because it was not timely submitted, and in response the claimant sent a letter to the Court objecting to any disallowance which was filed in this case (the “McCullough Objection”) [Docket No. 1110]. The Receiver maintains that this Proof of Claim should be disallowed because it was not timely filed, but there is no pending motion related to this Proof of Claim. Accordingly, the Receiver will file a separate motion seeking disallowance of this Proof of Claim and in conjunction therewith respond to the letter that has been filed by the claimant.

## **II.**

### **REQUEST FOR ENTRY OF ORDER DISALLOWING PROOFS OF CLAIM OF NON-OBJECTING CLAIMANTS**

8. The Initial Claims Report and the Disallowed Claims Motion have been served on all of the Relevant Claimants.

9. The Disallowed Claims Motion made clear on its face that any Claimant objecting to the proposed disallowance of their Proof of Claim was required to file an objection to the Disallowed Claims Motion prior to the expiration of the Objection Deadline.

10. None of the Non-Objecting Claimants has filed an objection to the Disallowed Claims Motion prior to the expiration of the Objection Deadline.

11. Accordingly, the Receiver requests that the Court enter the Proposed Order attached hereto as **Exhibit A**, disallowing the Proofs of Claim of the Non-Objecting Claimants in their entirety.

DATED this 11th day of April, 2016.

**DORSEY & WHITNEY LLP**

*/s/ Peggy Hunt*

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Peggy Hunt

John J. Wiest

*Attorneys for Receiver*

**CERTIFICATE OF SERVICE**

I hereby certify that on the 11th day of April, 2016, the foregoing **RECEIVER'S STATUS REPORT ON MOTION REQUESTING DISALLOWANCE OF PROOFS OF CLAIM AND REQUEST FOR ENTRY OF ORDER ON NON-OBJECTING CLAIMANTS** was filed with the Court and served via ECF on all parties who have requested notice in this case.

/s/ John J. Wiest

I hereby certify that on the 11th day of April, 2016, a true and correct copy of the foregoing **RECEIVER'S STATUS REPORT ON MOTION REQUESTING DISALLOWANCE OF PROOFS OF CLAIM AND REQUEST FOR ENTRY OF ORDER ON NON-OBJECTING CLAIMANTS** was served upon the persons named below, at the addresses set out below by U.S. mail:

Wayne L. Palmer  
8816 South 2240 West  
West Jordan, UT 84088

Harvest Time Ministries  
c/o Barry C. Toone  
Miller Toone, PC  
165 Regent Street  
Salt Lake City, UT 84111

R'Lene Hoggan  
86 N. 400 E.  
Orem, UT 84003-9440

Leslie P. Proffitt  
4230 Truckee River Trail  
Reno, NV 89523

Gerrie Petty  
c/o Carvel R. Shaffer  
Law Office  
P.O. Box 740  
Bountiful, UT 84011

Kimberly J. Brasher  
4425 Roundup Rd.  
Edmond, OK 73034

Lisa Sanders Shah  
c/o Paul B. Barton  
Zupancic Rathbone Law Group  
4949 Meadows Rd., Suite 600  
Lake Oswego, OR 97035

Kristine S. Olson  
c/o Paul B. Barton  
Zupancic Rathbone Law Group  
4949 Meadows Rd., Suite 600  
Lake Oswego, OR 97035

The Kristine S. Olson Profit Sharing Plan  
c/o Paul B. Barton  
Zupancic Rathbone Law Group  
4949 Meadows Rd., Suite 600  
Lake Oswego, OR 97035

FT Holding Trust – Katana  
c/o Darwin H. Bingham  
Scalley Reading Bates Hansen & Rasmussen, P.C.  
15 W. South Temple, Suite 600  
Salt Lake City, UT 84101

/s/ Suanna Armitage