

**Exhibit A**

## BINDING TERM SHEET

### Lion 2004 Receivables Trust and TWG Capital, Inc.

November 2, 2012

This term sheet was negotiated by and between the Lion 2004 Receivables Trust ("Lion") and TWG Capital, Inc. ("TWG"), concerning, among other things, the "Prioritized List of Data Items Requested from TWG by Lion Trust" ("Data Request"), a copy of which is attached hereto for ease of reference. This term sheet shall serve as roadmap to and be incorporated in a settlement agreement for approval by the bankruptcy court upon appropriate motion by TWG.

Subject to the terms and conditions below, Lion will enter into a purchase and compromise for the all-inclusive payment of \$60,000 (the "Purchase Price"):

1. TWG shall convey and deliver to Lion all items in the Data Request in their forms currently maintained by TWG to the extent that such materials actually exist and are in the possession of TWG, excluding only item 6 (the PTS database). For the avoidance of doubt, this includes the Paradox database, Policytracker database, and LTTPC Recoveries which shall have the same meaning and consist of and conform to the item descriptions and specifications that are contained in Lion's Data Request. Further with respect to the Paradox database, TWG shall provide the final version at the end of December 2009, including all the Lion data contained therein or processed thereby.
2. TWG shall provide all requested information, spreadsheets and transaction histories that are detailed in paragraphs 2, 4 and 5 of the Data Request, in their forms currently maintained by TWG to the extent that such materials actually exist and are in the possession of TWG. Subject to satisfactory accessibility from Paradox, item 5 is modified to eliminate 5.b and 5.c (as that information is already a part of Paradox) and that the formatting shall be SQL back up file, not TSV. Hereafter the Paradox database, Policytracker database, the LTTPC Recoveries and the additionally requested items in this paragraph 2 of this counterproposal shall be referred to as the "Materials." LION shall reimburse TWG for the actual costs of IT consultants engaged to extract and deliver the Materials to Lion, subject to an estimate of \$10,000 and adequate documentation and provided that TWG or Lion shall retain Keri Gulbrandsen as the primary IT consultant. In the event that it appears the IT consultant costs will exceed the \$10,000 estimate, then the Lion Trust shall receive immediate notice and opportunity to approve the additional costs. Lion acknowledges and agrees that upon extraction and delivery of the Materials to Lion, TWG will not be responsible for any costs incurred by Lion thereafter in using the Materials or learning how to operate the Paradox database and Policytracker databases.
3. On or after November 2, 2012, TWG shall give Lion reasonable access, including remote access via "joinme," to permit Lion to become familiar with the Materials and information and reasonably cooperate and answer questions relating to the Materials until the Closing Date as defined herein.
4. TWG shall irrevocably assign and transfer to Lion all right, title and interest in the Materials which shall be the exclusive property of Lion. TWG shall terminate all rights and claims of TWG arising in or related to the Monitoring Agreement, Distribution Agreement and any other related agreements between the parties (the "Lion Agreements"). TWG and Carmel Funding (and any successful overbidder) and their

respective officers, directors, shareholders, partners, agents and representatives shall agree to a general release of any and all rights, claims or interests by TWG, Carmel Funding (and any successful overbidder), and their respective officers, directors, shareholders, partners, agents and representatives, relating to the Materials, provided, however, that TWG shall retain its accounts receivable, demands, and right to claim indemnification or reimbursement from LTPC/Progeny up to and including the date the bankruptcy court enters its order approving the rejection of the Lion Agreements.

5. TWG and Carmel Funding (and/or any successful overbidder) shall either (i) hold and maintain all data in the PTS database that is used by TWG to perform its obligations under the Lion Trust Agreements as defined in TWG's Rejection Motion, including the data relating to (a) the commissions purchased by Lion, (b) the policies related to the commissions purchased by Lion, or (c) the Downline commissions paid or payable in connection with such policies (the "Confidential Lion Data") in strictest confidence, carefully restrict access to and utilization of the Confidential Lion Data to employees, contractors and third parties as is reasonably required for the servicing of the Lion Agreements, and not publish, copy, or otherwise disclose to others, or permit the use by others, of Confidential Lion Data or (ii) destroy, delete or otherwise purge the Confidential Lion Data from the PTS database upon completion of the Transitional Services described in paragraph 7 herein. This confidentiality and non-disclosure obligation shall be binding upon the successors, assigns, heirs and representatives of TWG and Carmel Funding (and/or any successful overbidder), including but not limited to, any third party that acquires ownership, title and/or access rights to the PTS database.

6. Lion shall have no obligation to pay any additional fees or costs to TWG, to any third party IT consultants, or to any other party other than as provided herein.

7. TWG and Carmel Funding (and any successful overbidder) shall continue to provide timely Transitional Services to Lion for the previously agreed fee, as defined in and in accordance with the letter agreement between TWG, Imagine International Reinsurance Limited ("Imagine") and Lion dated July 19, 2012 (copy attached for ease of reference and hereafter referred to as the "Letter Agreement"), for the October, November, and December 2012 months of account. For avoidance of doubt, the Transitional Services performed with respect to the October, November, and December 2012 months of account shall be performed in November and December 2012, and January 2013, respectively, consistent with the timeframes applicable in past practice by TWG.

8. The Purchase Price shall be payable as follows: (A) 50% of the purchase price shall be paid upon execution of a settlement agreement and entry by the bankruptcy court of a final order approving the settlement agreement that is consistent with this counterproposal, and (B) the remaining 50% shall be paid after Lion has received delivery of all the Materials in a form satisfactory to Lion with reasonable opportunity for Lion to confirm that the Materials are complete and in satisfactory form (the "Closing Date").

9. Mutual general release of all claims, rights or interests, between and among TWG, Carmel Funding (and any successful overbidder) Lion, Imagine, Bank of New York Mellon and their respective officers, directors, employees, agents and attorneys, arising under or related to the Lion Agreements or the Materials, including, but not limited to, any and all rights of indemnity and any avoidance claims under the bankruptcy code against Lion, Imagine or downline agents (including IR6 and/or IR7) that were paid pursuant to the Lion Agreements. Notwithstanding the foregoing, this release shall not impair or release the claims by TWG against LTPC/Progeny for accounts receivable, demands, and right to claim indemnification or reimbursement from up to and including the date the bankruptcy court enters its order approving the rejection of the Lion Agreements. For further avoidance of doubt, nothing in this release or the settlement

agreement shall impair or release any claims, rights or defenses that Lion or Imagine may have against any third parties, including LTPC and downline agents (including IR6 and/or IR7).

10. As of the Closing Date, Lion shall warrant that Lion shall have paid in full the commissions to downline agents (including IR6 and/or IR7) as previously specified by TWG to Lion during the course of TWG's performance of the Assignment and Assumption Agreement and the Transitional Services pursuant to the Letter Agreement. For the avoidance of doubt, the specified payments consist of shortfalls for the months of agreement from October 2011 through May 2012 and monthly payments for the months of agreement from June 2012 through September 2012. In addition, the settlement agreement with TWG will contain a recital that Lion has paid downline commissions as specified by TWG and that Lion is entering into the settlement agreement with the intention and for the purpose of determining and causing to be paid downline commissions incurred on or after the Closing Date, as and when due, subject to all rights, defenses and claims of Lion or Imagine.

11. TWG and Carmel Funding (and/or any successful overbidder) shall continue to employ (as an employee or otherwise) Jennifer Harden through the closing of its sale of assets to Carmel Funding or to any overbidder. Lion shall reimburse TWG for any licensing or CPE fees paid by TWG or incurred by Jennifer Harden that are incurred in the performance of the Transitional Service after November 1, 2012 until her employment is terminated by TWG, subject to a cap of \$5,000 and adequate documentation. After approval of the settlement agreement, closing of the sale of assets to Carmel Funding or an overbidder and the rejection of the Lion Agreements, Lion shall be free to retain Ms. Harden in any capacity and on any terms that Lion negotiates with Ms. Harden.

12. TWG shall file and diligently prosecute a motion for approval of the settlement embodied in this counterproposal, and subject to paragraph 14, TWG shall diligently prosecute the motion to reject the Lion Agreements.

13. Subject to the availability of IT consultants, TWG shall deliver as promptly as possible the Materials to Lion on a rolling delivery basis after entry by the bankruptcy court of a final order approving the settlement agreement.

14. TWG shall amend the asset purchase agreement with Carmel Funding, the Bidding Procedures, and the Bidding Procedures Order (a) to carve out the Materials from the sale of assets to Carmel Funding or to any overbidder, and (b) expressly condition the sale of assets to Carmel Funding or to any overbidder upon the terms and conditions of this counterproposal, prior to the November 7, 2012 auction and the November 8, 2012 hearing. TWG also shall agree to defer the hearing on TWG's motion to reject the Lion Agreements or any related agreements, pending the bankruptcy court's review and consideration of the settlement motion; it being understood that the rights of TWG, Lion, Imagine and Carmel Funding (or any overbidder) with regard to the Materials and the motion to reject are expressly reserved until such time.

15. Notwithstanding anything else contained herein, this counterproposal shall be incorporated into a settlement agreement which shall be approved by the Bankruptcy Court.

PRIORITIZED LIST OF DATA ITEMS REQUESTED FROM TWG BY LION TRUST  
September 27, 2012

TOP PRIORITY

1. "Policy Tracker Database" as used by Jennifer Harden in her conservation role. (This is a new request arising out of discussions between Imagine CEO Jimmy Doyle and Ms. Harden.):

The original, or a complete electronic copy in original format, of the Policy Tracker Database, including all data contained therein relevant to the Lion Trust, the transactions related to the Lion Trust, together with complete programming code and scripts for all user-created algorithms, routines & functions, all calculation logic and all programming embedded within the database (hereinafter collectively "Code/Script"), all licenses, documentation, operating instructions, data and any other software, documentation, data files, serial keys required to be able to use, examine and modify the database with full Administrator permissions,

2. Item 5 from July 10 letter (for each Month of Agreement from April 2011 through September 2011):

Monthly Spreadsheets supporting the downline agent commission statements for each Month of Agreement from April 2011 through September 2011. These Spreadsheets should be similar to the Spreadsheet TWG provided to Imagine under the Transition Services Agreement for the months of Agreement June 2012 through August 2012.

3. \*Paradox Database: Item 1 from July 10 letter, consisting of:

The original, or a complete electronic copy in original format, of the Paradox database, including all data contained therein relevant to the Lion Trust, the transactions related to the Lion trust, and to any downline agents' commissions, together with complete programming code and scripts for all user-created algorithms, routines & functions, all calculation logic and all programming embedded within the database (hereinafter collectively "Code/Script"), all licenses, documentation, operating instructions, data and any other software, documentation, data files, serial keys required to be able to use, examine and modify the database with full Administrator permissions, received by TWG from Long Term Preferred Care ("LTPC") as part of the Assignment and Assumption Agreement or otherwise.

4. Items 1 and 2 from July 13 letter, consisting of:

- "Contact details (including name, address, email, phone) of persons at C.N.A., Allianz and GE ("the Underlying Insurers") providing information to TWG on regular basis in connection with the Lion Trust.
- Details (including address, login names and passwords) of all FTP websites used by the Underlying Insurers in providing information to TWG as Lion Trust Monitor."

\*If copying of the Databases would be burdensome for TWG, Lion Trust will arrange, at its own expense, for an IT consultant to do the downloading/copying. "Databases" as used herein means, collectively, the Policy Tracker Database, the Paradox Database and the PTS Database,

5. Item 9 from July 10 letter (transaction data since inception), consisting of:

Full transaction history from inception of Lion transaction: *(Previously requested in Imagine emails to Melanie Otto dated 14 June 2012 and 20 June 2012)* In order to quantify the Allianz and C.N.A. shortfalls accurately a full transaction history in TSV (Tab Separated Values) electronic format giving the fields set out in [paragraph d] below, and headers for each data column, and an explanatory header file, is required. From discussions with TWG during the Audit, Imagine understands that:

- a. all transactions from 01/01/2009 are in PTS and are readily available;
- b. all transactions from 2006 to 2008 are stored separately but are easily accessible;
- c. all 2005 transactions are available and TWG (Ellen Sia) has been requested to add these to the 2006 to 2008 database.

d. TSV fields:

stmt_dt
policy_num
last_nm_txt
first_nm_txt
issue_dt
paidto_dt
orig_rate
Split
Vesting
Rate
Prem
Comm.
mode_cd
block_id
wa_number
wa_fname
wa_lname
state_txt
plan_txt
type_txt
Product_txt

6. **\*PTS database:** The original, or a complete electronic copy in original format, of the SQL database (referred to by TWG as the "PTS database"), including all data contained therein relevant to the Lion Trust, the transactions related to the Lion Trust, and to any downline agents' commissions, together with Code/Script, all licenses, documentation, operating instructions, data and any other software, documentation, data files, serial keys required to be able to use, examine and modify the PTS database with full Administrator permissions. Imagine require all data, information and Code/Script needed to compute and make

payments of the downline agent commissions due to all downline agents on a monthly basis.

7. LTPC recoveries: Item 3 from July 10 letter, consisting of:

Complete information on downline agent commission shortfall amounts regularly demanded by TWG from LTPC or its successors, including:

- a. Original Spreadsheet or electronic copies thereof provided by LTPC to TWG which led to the identification of the inconsistent downline agent commission amounts compared to the Paradox database.

As used in this document, the term "Spreadsheet" means a spreadsheet in original electronic Excel format, with all formulas, user-created VBA code and macros intact (for the avoidance of doubt, this mean not with hard-coded values pasted in place of formulas when the original contained formulas). Singular includes the plural "Spreadsheets" and vice-versa.

- b. Copies of all demand letters issued by TWG to LTPC or its successors in connection with such shortfalls.
- c. Monthly Spreadsheets and all files and documentation in original electronic format (or scanned hard copies if electronic format does not exist) created in the course of the calculation of the monthly downline commission shortfall, produced by TWG supporting such shortfalls and attached to TWG's monthly demand letters.