

B 25C (Official Form 25C) (12-08)

UNITED STATES BANKRUPTCY COURT

Southern District of Indiana

In re

TWG Capital, Inc
Debtor

Case No.

12-11019-BHL-11

Small Business Case under Chapter 11

SMALL BUSINESS MONTHLY OPERATING REPORT

Month:

October 2012

Date filed:

November 15, 2012

Line of Business:

Specialty Finance Company
Serving the Insurance Industry

NAISC Code:

524298

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:



Original Signature of Responsible Party

Mark P Wondorf

Printed Name of Responsible Party

Questionnaire: (All questions to be answered on behalf of the debtor.)

Yes

No

- | | | |
|---|-------------------------------------|-------------------------------------|
| 1. IS THE BUSINESS STILL OPERATING? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. DID YOU PAY YOUR EMPLOYEES ON TIME? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH? (1) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE U.S. TRUSTEE? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10. HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT? (1) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(1) Separate DIP accounts were not required by court.
Company continues to use Court approved accounts only.

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14. HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? ☐ ☒
15. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? ☐ ☒
16. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? (2) ☒ ☐
17. HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? ☐ ☒
18. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? ☐ ☒

TAXES

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? ☒ ☐

IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

SEE SCHEDULE F

(Exhibit A)

INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL INCOME \$ _____

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month \$ _____

Cash on Hand at End of Month \$ _____

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU TOTAL \$ _____

(Exhibit B)

EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL EXPENSES \$ _____

(Exhibit C)

CASH PROFIT

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B) \$ _____

EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C) \$ _____

(Subtract Line C from Line B)

CASH PROFIT FOR THE MONTH \$ _____

See Exhibit A

B 25C (Official Form 25C) (12-08)

UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL PAYABLES \$

(Exhibit D)

See Exhibit
B

MONEY OWED TO YOU

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL RECEIVABLES \$

(Exhibit E)

SEE
EXHIBIT
C

BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

(Exhibit F)

SEE
EXHIBIT
D

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED?

NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT?

6 (6 Full Time Open Time)
8 (5 Full Time 3 part-time)

PROFESSIONAL FEES

BANKRUPTCY RELATED:

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD?

FREDERICK BAKER DANIELS

\$ 32,734.46

TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE?

\$ 32,734.46

NON-BANKRUPTCY RELATED:

PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD?

\$ 0

TOTAL PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE?

\$ 0

B 25C (Official Form 25C) (12-08)

PROJECTIONS

COMPARE YOUR ACTUAL INCOME AND EXPENSES TO THE PROJECTIONS FOR THE FIRST 180 DAYS OF YOUR CASE PROVIDED AT THE INITIAL DEBTOR INTERVIEW.

	Projected	Actual	Difference
INCOME	\$ _____	\$ _____	\$ _____
EXPENSES	\$ _____	\$ _____	\$ _____
CASH PROFIT	\$ _____	\$ _____	\$ _____

} SEE EXHIBIT (A)

TOTAL PROJECTED INCOME FOR THE NEXT MONTH:

TOTAL PROJECTED EXPENSES FOR THE NEXT MONTH:

TOTAL PROJECTED CASH PROFIT FOR THE NEXT MONTH:

} SEE EXHIBIT (A)

\$ _____

\$ _____

\$ _____

ADDITIONAL INFORMATION

PLEASE ATTACH ALL FINANCIAL REPORTS INCLUDING AN INCOME STATEMENT AND BALANCE SHEET WHICH YOU PREPARE INTERNALLY.

SEE EXHIBIT E

TWG Capital, Inc.
Current Business Income And Expenses (Cash Basis)

	Actual October	Projected October	Positive (Negative) Variance	October Variance Explanation	Projected November	Projected December
Cash at Beginning of Period per Bank	165,850					
Management fees	44,691	44,575	116		102,500	48,797
Progeny servicing fee/LTPC	20,808	3,400	17,408	TWG continues to provide servicing for the LION Trust, not budgeted.	3,400	3,400
Other (downline, expense reserve, LTPC)	13,033	5,000	8,033	Includes \$12k IR1 quarterly distribution, only \$5k budgeted.	-	-
Total cash in	78,532	52,975	25,557		105,900	52,197
Payroll, benefits, and payroll taxes	55,715	64,787	(9,072)	Lower use of part-time and departure of one FT staff.	55,032	55,017
Insurance (Health, Disability, Etc.)	6,928	9,207	(2,279)	Departure of one FT staff.	9,207	9,207
Rent	3,149	3,149	-		3,149	3,149
Bank service fee	10	10	-		10	10
Phone	1,196	1,342	(146)		1,342	1,327
Licenses	-	1,170	(1,170)	Timing, will be paid in Nov	960	-
Office supplies	138	870	(732)	Timing, will be paid in Nov	50	110
Paychex	308	268	40		268	268
IR1 Downlines	-	-	-		-	-
Legal and Professional	33,384	60,000	(26,616)	No tax services used in Oct, timing in nature.	90,000	90,000
Acctg and tax fees	12	5,652	(5,640)		-	-
Postage	625	550	75		550	678
Travel & ent	145	400	(255)		500	400
Trustee Fees	-	-	-		5,000	-
Capital expenditures/ IT Outsourcing	5,918	8,811	(2,893)	Holding tight on a new IT expenditures.	8,142	8,142
Other Servicing	487	3,675	(3,188)		44,475	49,350
Downlines	0	-	0		-	-
LTPC transfers	-	-	-		-	-
Shipping/Postage	-	-	-		-	-
DIP Financing (interest and payments)	6,800	1,165	5,635	DIP origination fee, previously anticipated to be paid in Sept.	2,704	11,668
Total cash out	114,816	161,056			221,389	229,327
Net cash	(36,284)	(108,081)			(115,489)	(177,130)
Cash at End of Period per Bank	129,566					

Exhibit (A)

TWG Capital, Inc.

Listing of Debts Incurred Since Bankruptcy That Have Not Been Paid

Date Debt Was Incurred	Payee	Purpose of Debt	Date Due	Amount
10/31/2012	Allegient	IT Support	11/10/2012	62.50
10/21/2012	LEAF	Copier lease	11/20/2012	668.75
10/1/2012	Consolidated Brokers Insurance	Downline for Nord, MGA	11/12/2012	3,849.90
10/1/2012	Barbara Bucholz	Downline for Nord, MGA	11/12/2012	365.21
10/1/2012	Clayton Perry	Downline for Nord, MGA	11/12/2012	238.67
10/1/2012	Dean Paulsen	Downline for Nord, MGA	11/12/2012	131.31
10/1/2012	Mark LaJoie	Downline for Nord, MGA	11/12/2012	99.73
10/1/2012	Phillip DeSoto	Downline for Nord, MGA	11/12/2012	119.65
10/1/2012	Terri Morast	Downline for Nord, MGA	11/12/2012	12.36
10/1/2012	Donald Johnson	Downline for Nord, MGA	11/12/2012	87.11
10/1/2012	Ron Pfiefler	Downline for Nord, MGA	11/12/2012	381.02
10/1/2012	Jeffrey Wilson	Downline for Nord, MGA	11/12/2012	211.67
10/1/2012	AAA OREGON	Downline for Nord, MGA	11/12/2012	1,060.67
10/1/2012	AAA IDAHO ASSOCIATION	Downline for Nord, MGA	11/12/2012	119.25
10/1/2012	Jeff Hovey	Downline for Nord, MGA	11/12/2012	1,031.64
10/1/2012	Jim Conner	Downline for Nord, MGA	11/12/2012	154.61
10/1/2012	Susan Throssel	Downline for Nord, MGA	11/12/2012	104.65
10/1/2012	Alan Feist	Downline for Nord, MGA	11/12/2012	365.06
10/1/2012	Lawrence Lee	Downline for Nord, MGA	11/12/2012	754.63
10/1/2012	Rick Baumgartner	Downline for Nord, MGA	11/12/2012	82.82
10/1/2012	Rosemary Johnson	Downline for Nord, MGA	11/12/2012	176.97
10/1/2012	Barbara Quaife-Hopkins	Downline for Nord, MGA	11/12/2012	802.29
10/1/2012	John Westman - MGA Downlines	Downline for Nord, MGA	11/12/2012	980.47
10/1/2012	Automobile Club Insurance Agency	Downline for Nord, MGA	11/12/2012	597.63
10/1/2012	WASHINGTON STATE GRANGE CO-OP	Downline for Nord, MGA	11/12/2012	429.19
10/1/2012	Linda Volosin	Downline for Nord, MGA	11/12/2012	1,033.41
10/1/2012	DAVID FRANCO	Downline for Nord, MGA	11/12/2012	2,862.97
10/1/2012	Indianapolis Power & Light Company	Utility	11/25/2012	92.79
10/17/2012	Faegre Baker Daniels LLP	Attorney Fees	10/27/2012	7,663.60 (1)
				24,540.53

(1) represents the amount of unpaid progress billings (required by court).

Exh. b, 1 B

TWG Capital
A/R Aging Detail
 As of October 31, 2012

4:36 PM
 11/14/12

Type	Date	Num	P. O. #	Name	Terms	Due Date	Class	Aging	Open Balance
Current									
Invoice	10/31/12	205		Insurance Receivables 7		10/31/12			114,425.06
Invoice	10/31/12	51		IR Finance 1, LLC		10/31/12			4,567.46
General Journal	10/31/12	2574		Insurance Receivables 7					22,623.58
Invoice	10/31/12	10587		Progeny Marketing	Net 30	11/30/12			3,400.00
Invoice	10/31/12	10590		Progeny Marketing	Net 30	11/30/12			16,500.00
Total Current									161,516.10
1 - 30									
Invoice	9/30/12	10589		Progeny Marketing	Net 30	10/30/12		1	3,521.62
Total 1 - 30									3,521.62
31 - 60									
Invoice	9/14/12	10583		Progeny Marketing	Due on r...	9/14/12		47	15,540.86
Invoice	9/30/12	50		IR Finance 1, LLC		9/30/12		31	4,805.52
Invoice	9/30/12	555		Insurance Receivables 1		9/30/12		31	916.54
Invoice	9/30/12	10585		LION 2004 Receivables Trust		9/30/12		31	2,418.53
Total 31 - 60									23,681.45
61 - 90									
Invoice	8/31/12	49		IR Finance 1, LLC		8/31/12		61	5,075.10
Invoice	8/31/12	10582		Progeny Marketing	Due on r...	8/31/12		61	30,049.98
Total 61 - 90									35,125.08
> 90									
Invoice	4/30/12	10560		Progeny Marketing	Due on r...	4/30/12		184	19,523.93
Invoice	6/30/12	10579		Progeny Marketing	Due on r...	6/30/12		123	6,039.52
Invoice	6/30/12	10580		Progeny Marketing	Due on r...	6/30/12		123	19,869.35
General Journal	7/18/12	2545		IR Finance 1, LLC					22.44
Invoice	7/31/12	10581		Progeny Marketing	Due on r...	7/31/12		92	20,890.28
Total > 90									66,345.52
TOTAL									290,189.77

Exhibit C



KeyBank

P.O. Box 22114
Albany, NY 12201-2114

Business Banking Statement

Case 12-11019-BHL-11 Doc 148 Filed 11/15/12 EOD 11/15/12 Pg 8 of 16
October 31, 2012
page 1 of 4

141601002951



56 31 T 0160 00000 R EM AO

TWG CAPITAL, INC.
OPERATING ACCOUNT
7434 SHADELAND STATION WAY
INDIANAPOLIS IN 46256-3925

Questions or comments?

Call our Key Business Resource Center
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KeyNotes

Important Information about Check Image Statements

If you are receiving statements displaying digital images of the front and back of each check, please note the following important information.

Statements will be limited to ten thousand digital check images. Accounts with more than ten thousand checks per statement period will not receive check images with the account statement.

If you should require a copy of a specific check image, all the digital check images or to discuss other delivery channels for check images please feel free to contact us at the phone number provided on this statement. Check images are retained on our secure system for the period specified by law.

Please read and retain this information with all of your KeyBank Account Opening Agreements and Disclosures.

Key Business Reward Checking 141601002951

TWG CAPITAL, INC.
OPERATING ACCOUNT

Beginning balance 9-30-12	(A) \$98,880.80
9 Additions	+92,848.18
81 Subtractions	-129,121.82
Net fees and charges	-10.00
Ending balance 10-31-12	(B) \$62,597.16

Total Cash for Bank

opening A/R
 DBA LTPE A/R
 9/30/12
 (A) 98,880.80
 (C) 66,969.22
 1,65,850.02
 10/31/12
 62,597.16 (D)
 66,969.22 (E)
 129,566.38

EXHIBIT D 1/4

141601002951

Additions

Deposits	Date	Serial #	Source	
	10-5		Easy Savings Office365 Easysavings NY	\$3.60
	10-9		Uta/Galic Ltc Ddp Credit	57.36
	10-10		Deposit Branch 0160 Indiana	3,681.39
	10-10		Deposit Branch 0160 Indiana	998.33
	10-11	5564	Wire Deposit Insurance Receiv Na	43,750.64
	10-11	5563	Wire Deposit Insurance Receiv Na	12,520.53
	10-22	5659	Wire Deposit lirl Reinsurance 0000	14,007.92
	10-22		Deposit Branch 0160 Indiana	11,028.41
	10-26		Affinion Group lap Payment	6,800.00
Total additions				\$92,848.18

Subtractions

Paper Checks

* check missing from sequence

Check	Date	Amount	Check	Date	Amount	Check	Date	Amount
885	10-12	\$655.09	1773	10-3	281.67	1810	10-24	761.11
*887	10-9	1,954.04	*1776	10-9	536.60	1811	10-24	65.36
888	10-15	2,517.70	1777	10-9	58.21	*1816	10-22	33.71
889	10-10	5,297.16	1778	10-4	347.34	1817	10-23	67.92
890	10-9	5,927.97	*1782	10-31	153.60	1818	10-25	188.09
891	10-9	220.38	*1792	10-5	262.50	1819	10-30	331.83
892	10-10	1,634.46	1793	10-4	362.23	1820	10-23	547.59
893	10-10	1,435.11	*1795	10-10	7,563.83	1821	10-29	348.06
894	10-25	541.66	1796	10-9	453.75	*1823	10-25	335.81
895	10-24	1,954.03	1797	10-3	4,665.00	*1825	10-22	224.60
896	10-29	2,517.70	1798	10-5	3,009.27	1826	10-23	668.75
897	10-24	5,297.15	1799	10-5	406.40	1827	10-23	12.09
898	10-25	5,927.96	1800	10-10	3,681.39	*1829	10-24	602.26
*900	10-24	220.57	1801	10-18	250.00	1830	10-29	226.07
901	10-29	1,435.10	1802	10-23	3,859.95	1831	10-31	6,800.00
902	10-25	104.00	1803	10-23	508.95	1832	10-26	32,734.46
*1764	10-4	443.80	1804	10-24	64.95	1833	10-26	650.00
*1769	10-9	208.73	*1808	10-26	207.56	1834	10-24	348.40
*1772	10-12	17.72	1809	10-25	17.72			

Paper Checks Paid **\$109,947.36**

Withdrawals	Date	Serial #	Location	
	10-1		LA Hacienda #5 Indianapolis In	\$35.10
	10-1		Marsh #079 Indianapolis In	7.48
	10-2		Uhaul 999999 Ws Purchase	139.95
	10-3		Nw Trust Contrib	1,205.28
	10-3		Nw Trust Contrib	1,205.28
	10-3		Msft *Online 099999999999 WA	36.00
	10-4		Parkindy Llc Indianapolis In	2.25
	10-4		Parkindy Llc Indianapolis In	1.75
	10-9		Rci*Ringcentral,Inc. 888-898-4591 CA	115.55
	10-9		Scotty'S Brewhouse Indianapolis In	82.94
	10-10		Paychex Tps Taxes	7,428.40
	10-10		Paychex Eib Invoice	112.33
	10-11		Conferencing 08882890593 CA	75.48

Exh. D 2/4



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Subtractions

(con't)

Withdrawals	Date	Serial #	Location	
	10-12		Paychex-Hrs Hrs Pmt	88.00
	10-15		Samsclub #8168 Fishers In	65.98
	10-15		Ups*1Z43Tw700195004812 800-811-1648 GA	22.93
	10-18		Nw Trust Contrib	1,205.28
	10-22		Comcast of Indianapoli 800-Comcast In	218.08
	10-22		Comcast of Nashville 800-Comcast TN	87.55
	10-22		J2 *Efax Plus Service 323-817-3205 CA	16.95
	10-25		Paychex Tps Taxes	6,687.07
	10-25		Paychex Eib Invoice	107.75
	10-25		Subway 03013455 Indianapolis In	15.04
	10-30		Office Depot #1214 800-463-3768 GA	72.09
	10-31		Uhaul 999999 Ws Purchase	139.95
Total subtractions				\$129,121.82

Fees and charges

Date		Quantity	Unit Charge	
10-9-12	Sep Kbo Manage Access (Monthly)	1	10.00	-\$10.00
Fees and charges assessed this period				-\$10.00

Exh. D

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KeyBank
P.O. Box 22114
Albany, NY 12201-2114

Business Banking Statement

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October 31, 2012
page 1 of 2

141601002969



31 T 0160 00000 R EM AO

TWG CAPITAL, INC.

DBA LTPC

7434 SHADELAND STATION WAY
INDIANAPOLIS IN 46256-3925

Questions or comments?

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KeyNotes

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If you should require a copy of a specific check image, all the digital check images or to discuss other delivery channels for check images please feel free to contact us at the phone number provided on this statement. Check images are retained on our secure system for the period specified by law.

Please read and retain this information with all of your KeyBank Account Opening Agreements and Disclosures.

Key Business Reward Checking 141601002969

TWG CAPITAL, INC.
DBA LTPC

Beginning balance 9-30-12	(C)	\$66,969.22
Ending balance 10-31-12	(D)	\$66,969.22

EXH D

4/4

11/14/12

Accrual Basis

TWG Capital
Balance Sheet
 As of October 31, 2012

Oct 31, 12

ASSETS**Current Assets****Checking/Savings**

1020 · LTFC Downline Acct	-78,580.48
1030 · Key Bank Operating	42,130.03
1040 · Key Bank LTFC	62,242.42

Total Checking/Savings	25,791.97
------------------------	-----------

Accounts Receivable

1200 · Accounts Receivable	
1201 · IR1-IC Receivable	916.54
1208 · IR7-IC Receivable	137,048.64
1209 · IR Finance 1-IC Receivable	14,470.52
1200 · Accounts Receivable - Other	137,754.07

Total 1200 · Accounts Receivable	290,189.77
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Total Accounts Receivable	290,189.77
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Other Current Assets

1250 · Other Current Assets	
1300 · Prepaid Expenses	12,197.49
1400 · Office Supply Inventory	350.00
1515 · Other Deposits & Advances	89,330.02

Total 1250 · Other Current Assets	101,877.51
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Total Other Current Assets	101,877.51
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Total Current Assets	417,859.25
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Fixed Assets

1500 · Property and equipment, net	
1551 · Property, Plant & Equipment	385,551.94
1552 · Accumulated Depreciation-PP&E	-378,054.19

Total 1500 · Property and equipment, net	7,497.75
--	----------

1554 · Leasehold improvements, net

1555 · Leasehold Improvements	6,183.59
1556 · Accum. Depr. - Leasehold Imp.	-6,183.59

Total 1554 · Leasehold improvements, net	0.00
--	------

Total Fixed Assets	7,497.75
--------------------	----------

Other Assets

1600 · Member Interests	
1601 · Marketing General Agents	38,541.05
1602 · AIMC	-24,219.50
1610 · Insurance Receivables 1	100.00
1620 · Insurance Receivables 2	150.00
1630 · Insurance Receivables 3	200.00
1660 · Insurance Receivables 6	-18,034.28
1670 · Insurance Receivables 7	-53,805,624.71
1691 · IR Finance 1, LLC	570,102.61

Total 1600 · Member Interests	-53,238,784.83
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1710 · Loan Origination Costs

1712 · Accumulated Amortization-Loan	-1,945,508.87
1710 · Loan Origination Costs - Other	1,950,643.20

Total 1710 · Loan Origination Costs	5,134.33
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1740 · Origination Costs

1741 · Accumulated Amortization - Orig	-649,953.60
1740 · Origination Costs - Other	1,237,953.26

Total 1740 · Origination Costs	587,999.66
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1800 · Deferred Tax Assets	12,805,574.00
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Exhibit E 1/4

	Oct 31, 12
Total Other Assets	-39,840,076.84
TOTAL ASSETS	-39,414,719.84
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	
2001 · IR1-IC Payable	1,574.44
2007 · IR7 - IC payable	327,627.37
2008 · MGA - IC Payable	27,411.30
2040 · Accounts Payable - LTPC	
2041 · A/P - LTPC SR Payment Contra	-553,054.53
2040 · Accounts Payable - LTPC - Other	1,426,886.09
Total 2040 · Accounts Payable - LTPC	873,831.56
2000 · Accounts Payable - Other	130,242.32
Total 2000 · Accounts Payable	1,360,686.99
Total Accounts Payable	1,360,686.99
Other Current Liabilities	
2055 · 401K Liability	1,205.28
2056 · Medical Insurance Liabilities	1,585.85
2059 · FSA - Medical	433.49
2100 · Accrued Expenses	
2101 · Accrued Accounting Expenses	31,474.50
2104 · Accrued Wage Expense	171,111.10
2106 · Accrued Dividend	1,561,024.50
2113 · Accrued Federal Income Tax	578.82
2114 · Accrued Indiana Income Tax	144.70
2115 · Accrued Downline/First Years	16,830.45
Total 2100 · Accrued Expenses	1,781,164.07
2500 · Deferred Income Tax Liabilities	4,188,282.00
2510 · Deferred Tax Valuation Allowanc	8,617,292.00
Total Other Current Liabilities	14,589,962.69
Total Current Liabilities	15,950,649.68
Long Term Liabilities	
2525 · Deferred Revenue - Orig Fee	216,289.48
2526 · Deferred Rev - Orig Fee Amort	-150,169.75
2600 · Notes Payable	
2610 · Notes Payable to Cardinal	74,000.00
2600 · Notes Payable - Other	27,771.19
Total 2600 · Notes Payable	101,771.19
Total Long Term Liabilities	167,890.92
Total Liabilities	16,118,540.60
Equity	
3000 · Opening Bal Equity	0.01
3110 · Retained Earnings	-59,916,831.31
3520 · Capital Stock	103.25
3521 · Additional Paid-in-Capital	12,698,948.49
3525 · Preferred Stock	2.46
3526 · Preferred Dividend	-2,321,005.45
Net Income	-5,994,477.89
Total Equity	-55,533,260.44
TOTAL LIABILITIES & EQUITY	-39,414,719.84

Ex E 2/4

11/14/12

Accrual Basis

TWG Capital
Profit & Loss
 October 2012

	Oct 12
Ordinary Income/Expense	
Income	
4010 · Fees	
4012 · Management Fees	114,425.06
4016 · Loan Origination Fee	3,546.49
4017 · Loan Service Fee Income	4,567.46
Total 4010 · Fees	122,539.01
4040 · LTPC	
4041 · LTPC Downlines	-42,672.71
4042 · LTPC Servicing Fees	17,407.92
4040 · LTPC - Other	16,500.00
Total 4040 · LTPC	-8,764.79
Total Income	113,774.22
Gross Profit	113,774.22
Expense	
6000 · Corporate Expenses	
6040 · Amortization Expense	8,810.57
6120 · Bank Service Charges	10.00
6186 · Property Casualty Insurance	85.58
6187 · D & O Insurance	920.83
6202 · Interest Expense	
6210 · Finance Charge	6,800.00
Total 6202 · Interest Expense	6,800.00
6230 · Licenses and Permits	802.33
6245 · Online Expense	341.63
6247 · Technology	4,977.50
6550 · Office Supplies	79.57
Total 6000 · Corporate Expenses	22,828.01
6100 · Occupancy Expenses	
6150 · Depreciation Expense	2,149.29
6172 · Equipment - Non-Depreciable	1,782.67
6290 · Rent	3,149.22
6301 · Repairs	
6750 · Janitorial Exp	240.98
Total 6301 · Repairs	240.98
6390 · Utilities	
6400 · Gas and Electric	253.19
Total 6390 · Utilities	253.19
Total 6100 · Occupancy Expenses	7,575.35
6200 · Personnel Costs	
6180 · Insurance	
6182 · Health Insurance	5,192.78
6190 · Disability Insurance	362.23
6420 · Work Comp	246.92
Total 6180 · Insurance	5,801.93
6560 · Payroll Expense	
6166 · Temporary Employee	104.00
6562 · Gross Wages	59,591.10
6569 · PayChex Service Charges	308.08
6573 · 401K Expense	151.25
Total 6560 · Payroll Expense	60,154.43
Total 6200 · Personnel Costs	65,956.36
6270 · Professional Fees	
6280 · Legal Fees	41,048.06

Ext E 3/4

TWG Capital
Profit & Loss
October 2012

	Oct 12
6650 · Accounting	1,562.50
Total 6270 · Professional Fees	42,610.56
6300 · Marketing Expenses	
6225 · Marketing Expense	16.95
6250 · Postage and Delivery	94.07
6340 · Telephone	960.45
Total 6300 · Marketing Expenses	1,071.47
6350 · Travel & Ent	
6370 · Meals	175.43
6372 · Parking	13.25
Total 6350 · Travel & Ent	188.68
6820 · Taxes	
6830 · Federal	
6833 · Social Security-Employer	1,280.36
6834 · Medicare-Employer	782.74
6835 · FUTA	12.71
Total 6830 · Federal	2,075.81
6850 · Property	12.09
6860 · State	
6866 · SUTA	146.46
Total 6860 · State	146.46
Total 6820 · Taxes	2,234.36
Total Expense	142,464.79
Net Ordinary Income	-28,690.57
Other Income/Expense	
Other Income	
4020 · IR2 Member Income	0.00
4030 · IR3 Member Income	0.00
4035 · IR5 Member Income	0.00
4036 · IR6 Member Income	0.00
4038 · IR Finance Member Income	3,745.30
7030 · Other Income	60.96
Total Other Income	3,806.26
Net Other Income	3,806.26
Net Income	-24,884.31

Exh E 4/4

TWG Capital, Inc.
Tax Obligations

The following obligations are included in accounts payable as of the petition date and remain unpaid as of October 31, 2012.

Georgia Department of Revenue	State Tax Document Filing Fee for 2012	\$	10.00
Tennessee Department of Revenue	Personality Tax for 2012	\$	90.00

Exhibit F