

Exhibit C

EXECUTION COPY

DISTRIBUTION AGREEMENT (this "Agreement") dated as of December 30, 2004 is between Imagine International Reinsurance Limited, an Irish registered company ("Imagine"), and TWG Capital, Inc., a Delaware corporation ("TWG"), individually, in its capacity as Depositor under the Trust Agreement referred to herein and in its capacity as Monitor under the Monitoring Agreement referred to herein.

RECITALS

Capitalized terms used in these Recitals are used as defined in Section 1.

Concurrently with the execution and delivery of this Agreement, Long Term Preferred Care, Inc. ("LTPC") and the Trust are executing and delivering the Commission Purchase Agreement and the Assignment Contracts, pursuant to which LTPC is selling to the Trust the rights to receive the Commissions from the Insurance Companies. The parties hereto wish to provide for (i) the distribution of certain amounts from the cash flows associated with the Commissions as provided in this Agreement so that the Trustee shall receive appropriate directions with respect to the distribution of funds under the Trust Agreement pursuant to Section 5.02(b) thereof and (ii) certain related matters.

AGREEMENT

Accordingly, in consideration of the premises, the terms and conditions herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1 – DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

Section 1(a) – General Definitions

"Assignment Contracts"	The assignments from LTPC to the Trust relating to the Commissions, in each case consented to by the relevant Insurance Company and dated on or about the date hereof.
"Commission Purchase Agreement"	The Commission Purchase Agreement dated as of the date hereof by and between LTPC and the Trust.
"Commission Purchase Closing"	The closing of the purchase and sale of the rights to receive the Commissions pursuant to the Commission Purchase Agreement.
"Commissions"	The commissions payable by the Insurance Companies to LTPC in connection with the solicitation, sale, production, administration or servicing of long-term insurance products by LTPC relating to the insurance policies identified in the Assignment Contracts. LTPC is selling the rights to receive the Commissions from the Insurance Companies to the Trust pursuant to the Commission Purchase Agreement and the Assignment Contracts.
"Distribution Direction"	As defined in the Trust Agreement.
"Imagine"	Imagine International Reinsurance Limited, an Irish registered company.
"Insurance Companies"	Collectively: <ul style="list-style-type: none">• Allianz Life Insurance Company of North America;

- Continental Assurance Company, Valley Forge Life Insurance Company and Continental Casualty Company; and
 - General Electric Capital Assurance Company.
- “Losses” As defined in Section 4(c).
- “Material Adverse Effect” A material adverse effect on the interests of Imagine under any of the Transaction Agreements.
- “Other Amounts” With respect to any period, (i) the net amount of earnings from investments in the Collection Account during such period plus (ii) the amount received by the Trust pursuant to Article VI of the Commission Purchase Agreement during such period plus (iii) any other amount received by the Trust during such period.
- “LTPC” Long Term Preferred Care, Inc., a Delaware corporation.
- “Monitor” TWG and its successors as Monitor under the Monitoring Agreement.
- “Monitoring Agreement” The Monitoring Agreement dated as of the date hereof between TWG and Imagine.
- “Transaction Agreements” This Agreement, the Commission Purchase Agreement, the Monitoring Agreement, the Trust Agreement, and the letter agreement dated as of the date hereof from Imagine to the Trustee relating to certain indemnities.
- “Trust” Lion 2004 Receivables Trust, a Delaware statutory trust.
- “Trust Agreement” The Trust Agreement dated as of the date hereof relating to the Trust.
- “Trustee” The Bank of New York, a New York banking corporation, and its successors as trustee under the Trust Agreement.
- “TWG” TWG Capital, Inc. a Delaware corporation.

Section 1(b) – Definitions Relating to Dates and Terms

- “Business Day” Any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business in New York City and Dublin, Ireland.
- “Month of Agreement” Each period of one month following the Program Effective Date; provided, however, that, if this Agreement terminates in the middle of any such month, such Month of Agreement shall end on the date of such termination.
- “Program Effective Date” December 30, 2004.
- “Term of this Agreement” The period beginning on the date hereof and ending on the date of the termination of the Trust.
- “Year of Agreement” Initially, the period of twelve months following the Program Effective Date and ending on the day before the anniversary thereof (or, if earlier, the date on which this Agreement terminates); thereafter, the period of twelve

months beginning on any such anniversary and ending on the day before the next such anniversary (or, if earlier, the date on which this Agreement terminates).

Section 1(c) – Definitions Relating to Profit Sharing

“Administration Fees” (Payable to the Trustee or Otherwise Pursuant to the Trust Agreement)	For any Month of Agreement, the fees and expenses of the Trustee payable on or before the end of such Month of Agreement pursuant to Section 8.01 of the Trust Agreement and the fee proposal of the Trustee relating to the Trust and the Trust Agreement.
“Collection Account”	The “Collection Account” established pursuant to the Trust Agreement.
“Imagine Profit Sharing Payment” (Payable to Imagine)	As defined in Section 2.
“Monitor Fees” (Payable to the Monitor)	For any Month of Agreement, an amount equal to: <ul style="list-style-type: none">• 5.00% multiplied by• (i) the Commissions received by the Trust during such Month of Agreement minus (ii) the Senior Payment for such Month of Agreement.
“Net Commissions”	For any Month of Agreement, an amount equal to: <ul style="list-style-type: none">• (i) the Commissions received by the Trust during such Month of Agreement plus (ii) the Other Amounts received by the Trust during such Month of Agreement, minus• the amounts distributed by the Trustee pursuant to clauses (i) through (iv) of Section 5.02(b) of the Trust Agreement on the Distribution Date (as defined in the Trust Agreement) immediately following such Month of Agreement.
“Producers”	As defined in the Commission Purchase Agreement.
“Profit Sharing Rate”	The Profit Sharing Rate shall equal: <ul style="list-style-type: none">• for the first 60 Months of Agreement, 100%; and• for each Month of Agreement thereafter, 90% or such other percentage as shall be specified in the relevant provision of Section 3.
“Profit Sharing Rate Adjustment Trigger”	Any event or circumstance referred to in Section 3 that would change the Profit Sharing Rate as set forth in Section 3.

- “Senior Payment” (Payable to Monitor) For any Month of Agreement, an amount equal to:
- the product of (i) 26.25% and (ii) the Commissions received by the Trust during such Month of Agreement, minus
 - the aggregate, for all the Insurance Companies and Producers in such Month of Agreement, of Commissions paid by an Insurance Company directly to a Producer.
- “TWG Profit Sharing Payment” (Payable to TWG) As defined in Section 2.
- “Variable Origination Fee” (Payable to TWG) The Variable Origination Fee shall equal the following amount with respect to each of the first twelve Months of Agreement:
- 7.50% multiplied by:
 - (i) the Commissions received by the Trust during such Month of Agreement minus (ii) the Senior Payment for such Month of Agreement.
- The Variable Origination Fee for each Month of Agreement after the twelfth Month of Agreement shall equal \$0.

SECTION 2 – DISTRIBUTIONS

Section 2(a) – Monthly Report from the Monitor As promptly as practicable, but in any event before the fifth Business Day after the end of each Month of Agreement, the Monitor shall deliver a report (the “Monthly Report”) to Imagine substantially in the form of Appendix 3 relating to such Month of Agreement. Attached as Appendix 4 is a form of Monthly Report for the Month of Agreement of January 2005 prepared on a hypothetical basis for illustration only and based on various assumptions (whether or not stated therein).

Section 2(b) – Distribution Direction to the Trustee from Imagine As promptly as practicable following receipt of each Monthly Report (or, if the Monitor does not deliver a Monthly Report on a timely basis, following the date on which the Monthly Report should have been delivered), Imagine shall deliver to the Trustee (with a concurrent copy to TWG) a Distribution Direction to make the distributions from the Collection Account (including the Administration Fee, the Senior Payment, the Variable Origination Fee, the Monitor Fee, the Imagine Profit Sharing Payment and the TWG Profit Sharing Payment, in each case for the immediately preceding Month of Agreement), as specified in such Distribution Direction. Such Distribution direction shall be based on (i) the information contained in the Monthly Report (as corrected by Imagine, by written notice to the Monitor (the “Correction Notice”), if Imagine determines the Monthly Report is in error), if delivered, (ii) the definitions set forth in Section 1 and (iii) the payment provisions specified below in this Section 2. Such Distribution Direction shall also be consistent with the requirements of Section 2(c). Imagine shall use its best efforts to issue such Distribution Direction on or before the third Business Day after receipt of the Monthly Report (or, if the Monitor does not deliver a

Monthly Report on a timely basis, following the date on which the Monthly Report should have been delivered). If the Monitor does not object to a correction contained in a Correction Notice on or before the fifth Business Day after the date on which the Correction Notice is received by the Monitor, which objection shall contain a reasonably detailed statement of its reasons for such objection, each of the Monitor and Imagine shall be deemed to have agreed with such correction.

Imagine acknowledges the importance to TWG of Imagine's compliance with this Section 2(b) and with Section 2(c) and the accuracy of any Correction Notice, which may be the basis of indemnification pursuant to Section 4(a).

Section 2(c) – Persons Entitled to Distributions – Distributees, Amounts and Priorities

Subject to the preceding provisions of this Section 2, each Distribution Direction shall provide for the distribution to the persons in the amounts and in the priority specified in Section 5.02(b) of the Trust Agreement and in this Agreement. Notwithstanding the foregoing, it is understood that the amount actually distributed pursuant to Section 5.02(b) of the Trust Agreement relating to any Distribution Direction may differ from that specified because of differences between the Total Distribution Amount (as defined in Section 5.02(b) of the Trust Agreement) or the Administration Expenses assumed for purposes of such Distribution Direction) and the actual Total Distribution Amount or Administration Expenses, but any such difference shall not affect the identities of the distributees or the priorities relating to such distributions.

Section 2(d) – [Reserved]

[Reserved].

Section 2(e) – “Imagine Profit Sharing Payment” (Payable to Imagine)

With respect to each specified Month of Agreement, the “Imagine Profit Sharing Payment” shall mean an amount determined as follows:

- the Profit Sharing Rate for such Month Agreement, multiplied by
- the Net Commissions for such Month of Agreement.

Section 2(f) – “TWG Profit Sharing Payment” (Payable to TWG)

With respect to each Month of Agreement, the “TWG Profit Sharing Payment” shall mean an amount equal to:

- the Net Commissions for such Month of Agreement, minus
- the Imagine Profit Sharing Payment for such Month of Agreement

Section 2(g) – “Distribution of Additional Purchase Price Reserve Amount”

In accordance with Section 5.02(e) of the Trust Agreement, Imagine shall deliver to the Trustee a Special Distribution Instruction (as defined in the Trust Agreement) with respect to the distribution of the Additional Purchase Price Reserve Amount (as defined in the Trust Agreement) by the Trustee on the Business Day immediately following the date of such delivery. In such Special Distribution Instruction, Imagine shall direct the Trustee to distribute such Additional Purchase Price Reserve Amount in the following order of priority:

- first, to LTPC for payment of the Additional Purchase Price Amount, in accordance with Section 2.03 of the Commission Purchase Agreement; and
- second, any excess to Imagine.

SECTION 3 – ADJUSTMENTS TO PROFIT SHARING RATE AND CERTAIN RELATED REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 3(a) – Minimum Cash Flow If the Commissions received by the Trust in a Year of Agreement are lower than 90% of the Commissions of such Year of Agreement set forth in Appendix 1, whatever the reason, the Profit Sharing Rate shall become 100%.

Section 3(b) – Cessation of Commission Payments If any Insurance Company ceases to pay Commissions to the Trust in any amount as a result of an Insurance Company's termination for cause (as a result of any act of, or omission to act by, TWG) of an Insurance Contract that has been assigned by LTPC to TWG, other than such a cessation that is excluded pursuant to the next sentence, the Profit Sharing Rate shall become 100%. The following such cessations shall each be excluded:

- Such a cessation that shall have resulted from a termination for cause arising from a breach of the applicable Insurance Contract, which breach shall have been cured and which termination shall have been rescinded within 30 days after the occurrence thereof (it being understood that TWG shall give Imagine prompt and reasonably detailed notice of any cessation described in the first sentence of this Section 3(b) and shall use commercially reasonable efforts to cure any breach of an Insurance Contract from which any such cessation arises).
- Such a cessation that, together with all other cessations described in this Section 3(b) that occur during a Year of Agreement, does not result in the reduction of the Commissions received by the Trust from all Insurance Companies by more than 5% of the amount of Commissions set forth in Appendix 1 with respect to such Year of Agreement.

Section 3(c) – Liability Offset If any one of the Insurance Companies reduces the Commissions paid to the Trust as an offset for liabilities due to it by TWG, other than an offset excluded pursuant to the next sentence, the Profit Sharing Rate shall become 100%. The following offsets shall be excluded:

- An offset that occurs as the result of return commissions owed by TWG or an Insurance Company's overpayment of Commissions to TWG. TWG shall give Imagine prompt and reasonably detailed notice of such offset.
- An offset that occurs in the ordinary course of business between TWG and an Insurance Company, other than any such offset that would not have arisen if TWG had complied with its covenants in Section 3(d). TWG shall give Imagine prompt and reasonably detailed notice of such offset.

Section 3(d) – Liabilities of TWG to Insurance Companies TWG hereby represents and warrants to Imagine that there are no material liabilities between TWG and any of the Insurance Companies at the date of signing of the Agreement, other than liabilities under the relevant contracts with the Insurance Companies giving rise to the Commissions. TWG hereby covenants to Imagine that TWG will not incur any new obligations to, or liabilities in favor of, any of the Insurance Companies after the Program Effective Date, other than any obligation or liability that occurs in the ordinary course of business between TWG and an Insurance Company.

If the representation or warranty of TWG set forth in the preceding paragraph

was untrue when made or if TWG shall breach its covenant set forth in the preceding paragraph, the Profit Sharing Rate shall become 100%.

Section 3(e) – [Reserved] [Reserved].

Section 3(f) – Change of Control TWG hereby covenants to Imagine that, during the Term of this Agreement, (i) TWG shall not permit a Change of Control (as defined below) to occur.

If a Change of Control shall occur, other than any Change of Control to which Imagine may have consented in its sole and absolute discretion, the Profit Sharing Rate shall become 100%.

As used herein, a “Change of Control” shall be deemed to have occurred if:

- more than 50% of either the voting interest or the equity interest in TWG shall for any reason be beneficially owned, directly or indirectly, by any one or more persons other than the Person who is the holder of the majority of the voting interest and the equity interest in TWG as of the Program Effective Date; or
- either Melanie Otto or James Wallace shall cease for any reason (including death) to be a principal of TWG with active executive responsibility.

Section 3(g) – Monitor’s Cooperation Following Termination If the Monitoring Agreement is terminated on the basis of an Early Termination Event (as defined in the Monitoring Agreement), the Monitor shall cooperate with Imagine in connection with the appointment of a successor Monitor pursuant to Section 2(c) of the Monitoring Agreement.

If the Monitor shall breach its covenant set forth in the preceding paragraph, the Profit Sharing Rate shall become 100%.

Section 3(h) – [Reserved] [Reserved].

Section 3(i) – TWG If TWG shall be or become Insolvent (as defined below):

Insolvency and Solvency

- the Profit Sharing Rate shall become 100%; and
- Imagine shall have the right to terminate the Monitoring Agreement.

For purposes of the foregoing, TWG shall be deemed to be “Insolvent” if either of the following occurs:

- an involuntary proceeding in a court of competent jurisdiction shall be commenced (i) seeking to adjudge TWG as bankrupt or insolvent, (ii) seeking reorganization, arrangement, adjustment or composition of or in respect of TWG under Title 11 of the United States Code (11 U.S.C. §§ 101 et seq.) (the “Bankruptcy Code”) or any other applicable law, (iii) seeking to appoint a receiver, liquidator, assignee or sequestrator (or other similar official) of TWG or of any substantial part of its property or (iv) seeking to wind up or liquidate the affairs of TWG, and the continuance of any such proceeding referred to in any of the preceding clauses (i) through (iv) unstayed and in effect for a period of 45 consecutive days; or
- the institution by TWG of proceedings to be adjudicated bankrupt or insolvent, or the consent by it to the institution of bankruptcy or

insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Code or any other similar applicable law, or the consent by it to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of TWG or of any substantial part of its property, or to the ordering of the winding up or liquidation of its affairs, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of any action by TWG in furtherance of any such action.

TWG shall deliver to Imagine a copy of its audited financial statements within 120 days of the end of each fiscal year of TWG. TWG shall deliver to Imagine a copy of its unaudited financial statements for the first six months of each fiscal year of TWG within 120 days of the end of each such six-month period. TWG shall deliver to Imagine with each financial statement a certificate by TWG's president or chief financial officer, certifying that such financial statements are complete and correct in all material respects.

Section 3(j) – Other Profit Sharing Rate Adjustment Triggers; Compliance Certificate

In addition to the Profit Sharing Rate Adjustment Triggers set forth above in this Section 3, the following shall each be a Profit Sharing Rate Adjustment Trigger:

1. Subject to the remaining provisions of this paragraph 1, TWG shall breach or otherwise fail to comply with any of its obligations under any Transaction Agreement to which it is a party if such failure could be reasonably expected to have a Material Adverse Effect. In that connection, TWG shall give prompt notice to Imagine of any such breach or failure of which any of its principals (including, without limitation, Melanie Otto and James Wallace) shall be aware. In the case of this paragraph 1, the Profit Sharing Rate Adjustment Trigger shall not be deemed to have occurred until Imagine shall give notice to TWG that such breach or failure shall be a Profit Sharing Rate Adjustment, except that no such notice from Imagine shall be required if the notice from TWG shall not have been given as required by this paragraph 1. In addition, if such breach or failure is not a breach or failure of a payment obligation and is susceptible of cure, and if TWG shall have given the notice from TWG as required by this paragraph 1, such breach or failure shall not be a Profit Sharing Rate Adjustment Trigger if it is cured on or before the 10th Business Day following the giving of such notice by Imagine.
2. Any representation or warranty of TWG set forth in any Transaction Agreement was untrue when made and such untruth could be reasonably expected to have a Material Adverse Effect.
3. Any tax shall be imposed on the Trust or any withholding tax shall be imposed on the payment of the Commissions to the Trust or any distribution from the Trust to Imagine pursuant to the Trust Agreement, other than a tax that could not have a Material Adverse Effect or a tax imposed on Imagine and measured by Imagine's net income.

Upon the occurrence of any such Profit Sharing Rate Adjustment Trigger, the Profit Sharing Rate shall become 100%.

TWG hereby covenants to Imagine that TWG shall deliver an officer's certificate to Imagine not later than five Business Days after the end of each Month of Agreement, stating whether or not TWG has complied in all material respects with its obligations under each Transaction Agreement during such Month of Agreement and, in the case of any non-compliance, an explanation in reasonable detail and reasonably satisfactory to Imagine, of the steps that TWG has taken or proposes to take to remedy such non-compliance as promptly as practicable.

Section 3(k) – Notice to Imagine of Profit Sharing Rate Adjustment Trigger TWG hereby covenants that, if any Profit Sharing Rate Adjustment Trigger shall occur, TWG shall promptly give notice to that effect to Imagine.

SECTION 4 – INDEMNIFICATION

Section 4(a) – Indemnification by Imagine Imagine shall indemnify TWG from and against all Losses resulting from or relating to or arising out of:

1. Imagine's breach or other failure to comply with any of its obligations under any Transaction Agreement to which it is a party if such breach or failure had or could have a material adverse effect on the interests of TWG under any of the Transaction Agreements; and
2. the failure of any representation or warranty of Imagine set forth in any Transaction Agreement to have been untrue when made if such failure had or could have a material adverse effect on the interests of TWG under any of the Transaction Agreements.

For purposes of the foregoing, any breach by Imagine of its obligation to deliver a Distribution Direction pursuant to Sections 2(b) and 2(c) shall be deemed to be a breach within the meaning of the preceding clause 1.

Section 4(b) – Indemnification by TWG TWG shall indemnify Imagine from and against all Losses resulting from or relating to or arising out of:

1. TWG's breach or other failure to comply with any of its obligations under any Transaction Agreement to which it is a party if such breach or failure had or could have a Material Adverse Effect; and
2. the failure of any representation or warranty of TWG set forth in any Transaction Agreement to have been untrue when made if such failure had or could have a Material Adverse Effect.

For purposes of the foregoing, any breach by the Monitor of its obligation to deliver a Monthly Report pursuant to Section 2(a), which breach is not cured within one Business Day after the occurrence thereof, shall be deemed to be a breach within the meaning of the preceding clause 1.

Section 4(c) – "Losses" As used herein, "Losses" means:

1. any and all losses, costs, obligations, liabilities, settlement payments, awards, judgments, fines, damages, expenses, or other charges (together with interest and penalties thereon, if any); and
2. any and all reasonable costs, fees and expenses incurred in connection with investigating, defending or asserting any claim, action, suit or

proceeding incident to any matter indemnified against hereunder (including court filing fees, court costs, arbitration fees or costs, witness fees, and fees and disbursements of legal counsel, paralegals, investigators, expert witnesses, accountants and other professionals) and including those incurred in connection with the enforcement of this Agreement, including this Section 4.

For the avoidance of doubt, if, in determining whether a Monthly Report is in error, correcting such Monthly Report or delivering a Distribution Direction, Imagine shall wrongfully reduce or delay the amount of any Senior Payment or Variable Origination Fee payable to TWG, the amount of such reduction and the consequence of such delay shall be a Loss for purposes of Section 4(a).

“Losses” shall not include punitive damages; provided that the foregoing shall not preclude recovery of any losses, costs, obligations, liabilities, settlement payments, awards, judgments, fines, damages, expenses, or other charges incurred in connection with any third party claim.

For purposes of Sections 4(a) and 4(b), the amount of a Loss shall bear interest from the date incurred at the rate of 1% per month (computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be), and the amount of such interest shall be added to such Loss.

Section 4(d) – Survival

The rights and obligations of the parties under this Section 4 shall survive any termination of this Agreement.

SECTION 5 – OTHER PROVISIONS

Section 5(a) –
Representations and
Warranties

Each party hereto represents and warrants to each other party hereto as follows:

1. Such representing and warranting party is duly formed, validly existing and in good standing under the laws of its jurisdiction of formation and has all requisite power and authority to conduct its business and is in good standing in each jurisdiction in which its business is conducted.
2. Such party has the power and authority and legal right to execute and deliver this Agreement and each other document contemplated hereby to which it is a party, perform its obligations hereunder and thereunder and consummate the transactions herein and therein contemplated. The execution and delivery by such party of this Agreement and each such other document, the performance of its obligations and consummation of the transactions contemplated hereunder and thereunder have been duly authorized by proper proceedings, and this Agreement and each such other document constitutes the legal, valid and binding obligation of such party enforceable against such party in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally.
3. Neither the execution and delivery by such party of this Agreement or any such other documents nor the consummation of the transactions herein or therein contemplated nor compliance with the

provisions hereof or thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on such party, other than as disclosed in Appendix 5, (ii) its constituent documents or (iii) the provisions of any indenture, instrument or agreement to which such party is a party or is subject, or by which it or its property is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any lien in, of or on the property of such party pursuant to the terms of any such indenture, instrument or agreement.

In addition, TWG hereby represents and warrants to Imagine as set forth in Appendix 2.

- Section 5(b) – Payments All amounts due and payable under this Agreement shall be remitted by wire transfer of immediately available funds between the payor and the payee.
- Section 5(c) – No Third Party Rights This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and any successor Monitor and their respective successors and permitted assigns, and in no instance shall any other party have any rights under this Agreement.
- Section 5(d) – No Implied Waiver The failure of any party to enforce any of the provisions of this Agreement shall not be construed to be a waiver of the right of such party to enforce any such provision.
- Section 5(e) – Assignment Except as expressly provided otherwise herein, no party may assign or transfer any rights, interests or obligations under this Agreement to any person or entity, and any such assignment or transfer without the consent of the other party shall be null and void, except that:
1. Imagine shall have the right to effect any such transfer (i) to any affiliate of Imagine without the consent of any party hereto and (ii) to any other person with the consent of each of the other parties hereto, such consent not to be unreasonably withheld; provided, in each case, that (a) such assignee is also assigned Imagine's rights, interests and obligations under the Monitoring Agreement, and (b) such assignee assumes all of Imagine's rights, interests and obligations hereunder and under the Monitoring Agreement in a written assignment and assumption agreement that is reasonably acceptable to TWG; and
 2. TWG shall have the right to effect any such transfer to any affiliate of TWG with the consent of Imagine, such consent not to be unreasonably withheld.
- Section 5(f) – Governing Law This Agreement shall be interpreted and governed by the laws of the State of Delaware without regard to principles of choice of law (the "Governing Law").
- Section 5(g) – Arbitration
1. Any dispute arising out of the interpretation, performance or breach of this Agreement, including the formation of validity thereof, shall be submitted for decision to a panel of three arbitrators. Notice requesting arbitration will be in writing and sent certified or registered mail, return receipt requested.
 2. One arbitrator shall be chosen by Imagine, and the other arbitrator shall be chosen by TWG, and the two arbitrators shall, before

instituting the hearing choose an impartial third arbitrator who shall preside at the hearing. If either party fails to appoint its arbitrator within 30 days after being requested to do so by the other party, the latter, after 10 days' notice by certified or registered mail of its intention to do so, may appoint the second arbitrator.

3. If the two arbitrators are unable to agree upon the third arbitrator within 30 days of their appointment, each of them shall name two, of whom the other shall decline one and the decision shall be made by drawing lots.
4. All arbitrators shall be disinterested active or former executive officers of insurance-related institutions.
5. Within 30 days after notice of appointment of all arbitrators, the panel shall meet and determine timely periods for briefs, discovery procedures and schedules for hearings.
6. The panel shall be relieved of all judicial formality and shall not be bound by the strict rules of procedure and evidence. Unless the panel agrees otherwise, arbitration shall take place in New York City, but the venue may be changed when deemed by the panel to be in the best interest of the arbitration proceeding. Insofar as the arbitration panel looks to substantive law, it shall consider the Governing Law. The decision of any two arbitrators when rendered in writing shall be final and binding. The panel is empowered to grant interim relief and equitable relief, as it may deem appropriate.
7. The panel shall make its decision considering the custom and practice of the applicable business within 45 days following the termination of hearings. Judgment upon the award may be entered in any court having jurisdiction thereof, including the United States District Court for the Southern District of New York or, if that court lacks jurisdiction, in the Supreme Court State of New York New York County.
8. Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the cost of the third arbitrator. The remaining costs of the arbitration shall be allocated by the panel. The panel may, at its sole and absolute discretion, award such further costs and expenses as it considers appropriate, including attorneys' fees, to the extent permitted by law.

Section 5(h) –
Amendments

This Agreement may be changed, altered or amended as the parties may agree, provided such change, alteration or amendment is evidenced in writing or by endorsement executed by the parties hereto.

Section 5(i) – Notices

Except as otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing and shall be (a) hand-delivered by messenger, (b) sent by reputable overnight or second business day courier, or (c) sent by facsimile or similar electronic transmission directed to the applicable address or fax number, as the case may be, set forth below or at such other address or fax number as any party may hereafter specify in writing to the other parties for purposes of receiving notices and other communications. Each such notice or other communication shall be effective only upon receipt thereof.

- If to Imagine, to it at 43 St. Stephen's Green, Dublin 2, Attention: Chief Underwriter, Fax: 353 1 669 1848.
- If to TWG, to it at 6666 East 75th Street, Suite 500, Indianapolis, Indiana 46250, Attention: President, Fax: (317) 813-1701.

Section 5(j) – Currency

Whenever the word "Dollar" or the "\$" sign appear in this Agreement, they shall be construed to mean the currency of the United States of America and all transactions under this Agreement shall be in Dollars.

Section 5(k) –
Interpretation

Except as otherwise specified in this Agreement or as the context may otherwise require, as used herein: (i) the definitions of terms are equally applicable both to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms; (ii) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; (iii) the word "including" and correlative phrases shall be deemed to be followed by the phrase "without limitation" unless actually followed by such phrase or a phrase of like import; (iv) a reference to an agreement or other document is to such agreement or other document as amended or otherwise modified from time to time; (v) a reference to a statute, regulation or other governmental rule is a reference to it as amended or replaced from time to time (and references to provisions thereof are references to corresponding provisions of any such replacement); (vi) a reference to a "Section" or an "Appendix" is to a Section hereof or an Appendix hereto, as applicable; and (vii) the headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

Section 5(m) –
[Reserved]

[Reserved].

Section 5(n) –
Restructuring in Certain
Circumstances

If the Trust shall become ineligible under applicable law to receive the Commissions or any part thereof (the "Ineligible Commissions"), the parties hereto shall restructure the transactions contemplated hereby on a mutually reasonably acceptable basis so that (i) such Ineligible Commissions shall be received by a person eligible to do so under applicable law (which person may be TWG or an affiliate thereof) and (ii) the economics of such transactions shall be preserved to the maximum extent possible.

Section 5(o) –
Modifications of the
Trustee's Fee Proposal

TWG shall not consent to any amendment or other modification of the proposal of the Trustee relating to the Trust and the Trust Agreement (to the extent that TWG's consent is required) without Imagine's consent.

Section 5(p) – Agreement
to Cause Trust to Assign
Commissions to Licensed
Entity

In the event that any applicable insurance law or regulation of any jurisdiction shall prohibit the receipt by the Trust of any payments in respect of Commissions arising in or related to such jurisdiction, TWG shall, if so directed by Imagine, cause the Trust to assign such Commission to an entity with all licenses and approvals in such jurisdiction necessary to the receipt of such Commissions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the date first above written.

IMAGINE INTERNATIONAL
REINSURANCE LIMITED

By: _____
Name:
Title:

TWG CAPITAL, INC.
By: Melanie Otto
Name: Melanie Otto
Title: President

APPENDIX 1

Commissions per Year of Agreement

Year of Agreement	Commissions (\$)
1	13,605,399
2	12,804,336
3	12,074,085
4	11,359,167
5	10,657,466
6	9,934,925
7	9,172,745
8	8,500,390
9	8,070,657
10	7,639,858
11	7,206,408
12	6,772,744
13	6,342,799
14	5,916,949
15	5,497,396
16	5,082,989
17	4,679,033
18	4,288,265
19	3,910,808
20	3,548,346
21	3,198,566
22	2,868,275
23	2,558,605
24	2,268,023
25	1,996,907
26	1,740,595
27	1,505,236
28	1,289,749
29	1,081,384
30	887,075
31	721,708
32	589,673
33	471,488
34	355,572
35	267,915

APPENDIX 2

Certain Representations and Warranties of TWG to Imagine

Terms used in this Appendix 2 that are not defined in this Agreement are used as defined in the Commission Purchase Agreement.

TWG hereby represents and warrants to Imagine as follows:

1. Due Diligence Review. TWG has conducted an independent investigation, review and analysis of the Assigned Commission Rights and of the business and operations of Seller as relates to such Assigned Commission Rights and the transactions contemplated hereby and by the Commission Purchase Agreement. TWG and its representatives have been provided adequate access to the personnel, properties, premises and records of Seller for such purpose. TWG conducted its investigation, review and analysis of the Assigned Commission Rights and of the business and operations of Seller in a reasonably prudent manner and in the manner in which TWG would have conducted such investigation, review and analysis if it had purchased the Assigned Commission Rights and the other Conveyed Assets for its own account. In the course of its review, nothing came to TWG's attention that has caused it to believe that the representations, warranties, schedules or Exhibits contained in the Commission Purchase Agreement contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

APPENDIX 3

Form of Monthly Report

Reference is made to the Distribution Agreement (the "Distribution Agreement") dated as of December 30, 2004 among Imagine International Reinsurance Limited, an Irish registered company, and TWG Capital, Inc., a Delaware corporation. Capitalized terms are used herein as defined in the Distribution Agreement.

Pursuant to Section 2(a) of the Distribution Agreement, the Monitor hereby delivers this Monthly Report, with respect to the Month of Agreement referred to below, to each of the other parties to the Distribution Agreement.

Notes, if any, to the information presented herein are attached.

General

Date of this Monthly Report	[]
Month of Agreement	[]
Profit Sharing Rate	[]%

Commissions CNA	[\$]
Commissions GE	[\$]
Commissions Allianz	[\$]
Other Amounts	
- (i) the net amount of earnings from investments in the Collection Account	[\$]
- (ii) the amount received by the Trust pursuant to Article VI of the Commission Purchase Agreement	[\$]
- (iii) any other amount received by the Trust	[\$]
- Total Other Amounts	[\$]
Variable Origination Fee	(\$[])
Senior Payment	(\$[])
Monitor Fee	(\$[])
Administration Fees	(\$[])
Total	[\$]

Payments to Imagine

Imagine Profit Sharing Payment	[\$]
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Payments to Monitor

Monitor Fee	[\$]
Senior Payment	[\$]

Payments to TWG

Variable Origination Fee	[\$]
TWG Profit Sharing Payment	[\$]

Payments to Trustee

Administration Fees	[\$]
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Total Payments	[\$]
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IN WITNESS WHEREOF, the Monitor has caused this Monthly Report to be executed and delivered as of the date specified above.

TWG CAPITAL, INC.

By: _____
Name:
Title:

APPENDIX 4

Form of Hypothetical Monthly Report for January 2005

Reference is made to the Monitoring Agreement (the "Monitoring Agreement") dated as of December 30, 2004 among TWG Capital, Inc., a Delaware corporation ("TWG"), Lion 2004 Receivables Trust, a Delaware statutory trust, and Imagine International Reinsurance Limited, an Irish registered company. Capitalized terms are used herein as defined in the Monitoring Agreement.

Pursuant to Section 2(a) of the Distribution Agreement, the Monitor hereby delivers this Monthly Report, with respect to the Month of Agreement referred to below, to each of the other parties to the Distribution Agreement.

Notes, if any, to the information presented herein are attached.

General

Date of this Monthly Report	February 1, 2005
Month of Agreement	January 2005
Profit Sharing Rate	100%

Commissions CNA	\$1,000,000
Commissions GE	\$150,000
Commissions Allianz	\$50,000
Other Amounts	
- (i) the net amount of earnings from investments in the Collection Account	\$200
- (ii) the amount received by the Trust pursuant to Article VI of the Commission Purchase Agreement	\$0
- (iii) any other amount received by the Trust	\$0
- Total Other Amounts	\$200
Variable Origination Fee	\$67,500)
Senior Payment	(\$300,000)
Monitor Fee	(\$45,000)
Administration Fees	(\$2,500)
Total	\$785,200

Payments to Imagine

Imagine Profit Sharing Payment	\$785,200
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Payments to Monitor

Monitor Fee	\$45,000
Senior Payment	\$300,000

Payments to TWG

Variable Origination Fee	\$67,500
TWG Profit Sharing Payment	\$0

Payments to Trustee

Administration Fees	\$2,500
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Total Payments	\$1,200,200
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IN WITNESS WHEREOF, the Monitor has caused this Monthly Report to be executed and delivered as of the date specified above.

TWG CAPITAL, INC.

By: _____
Name:
Title:

APPENDIX 5

Disclosure Referred to in Section 5(a)

Regulatory authorities may apply laws, rules or regulations relating to the payment or receipt of insurance commissions to prohibit the payment of commissions to an unlicensed entity, such as the Trust.