

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

In re: ) Chapter 11  
 )  
TWG CAPITAL, INC., ) Case No. 12-111019-BHL-11  
 )  
Debtor. )

**AFFIDAVIT OF JAY JAFFE IN SUPPORT OF DEBTOR'S APPLICATION FOR ORDER APPROVING THE RETENTION OF FAEGRE BAKER DANIELS LLP AS COUNSEL TO THE DEBTOR PURSUANT TO 11 U.S.C. § 327(a) NUNC PRO TUNC TO THE PETITION DATE IN ACCORDANCE WITH FED. R. BANKR. P. 6003**

Jay Jaffe, under penalty of perjury, says:

1. I am an attorney admitted to practice before the United States District Court for the Southern District of Indiana, and a partner in the firm of Faegre Baker Daniels LLP. Faegre Baker Daniels LLP maintains offices in Colorado (Boulder and Denver), Indiana (Indianapolis, Fort Wayne, and South Bend), Illinois (Chicago), Iowa (Des Moines), Minnesota (Minneapolis), Washington, D.C., England (London), and China (Beijing and Shanghai). The undersigned practices out of Faegre Baker Daniels LLP's office located at 600 E. 96th Street, Suite 600, Indianapolis, Indiana 46240.

2. In preparing this affidavit, I submitted, or caused to be submitted, for review, pursuant to Faegre Baker Daniels LLP's conflicts check system, the names of the parties identified to us by the above-captioned debtor as its secured creditors, largest unsecured creditors, contract parties and other parties in interest. Except as disclosed herein, while Faegre Baker Daniels LLP may have represented or may represent some of the parties on the list provided, to the best of my knowledge such representations are not connected with the debtor or its interests.

3. To the best of my knowledge neither Faegre Baker Daniels LLP nor I, nor any other member, associate or professional employee of Faegre Baker Daniels LLP (collectively, the "Firm") own or represent any interest materially adverse to the estate of the above-captioned debtor and debtor in possession (the "Debtor"). Moreover, to the best of my knowledge, other than as disclosed below, the Firm has no present connection with the Debtor's estate, its creditors or any other party in interest or its attorneys or accountants other than as disclosed herein.

4. Notwithstanding the disclosures herein, the Firm may have, from time to time, represented and may currently represent one or more creditors of the Debtor in matters unrelated to the Debtor. If a controversy arises in this Chapter 11 case creating a contested matter under Rule 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") or the need to assert or defend an adversary proceeding under Bankruptcy Rule 7001 et seq. involving a creditor that is a client of the Firm, the Firm will not represent either the Debtor or the creditor in such contested matter or adversary proceeding absent consent that resolves any prohibition for such representation under the Rules of Professional Conduct and any applicable statute or rules. If necessary, I will assist the Debtor in retaining other special counsel whom the Debtor may need for any such representation.

5. Faegre Baker Daniels LLP has, with the consent of the Debtor, sought and obtained from Wells Fargo Bank (with respect to its subsidiary, f/k/a Wachovia Insurance Agency), for whom Faegre Baker Daniels LLP has performed services unrelated to Faegre Baker Daniels LLP's representation of the Debtor, consent to represent the Debtor for all purposes in this bankruptcy case. A copy of this consent will be made available to the United States Trustee or any other party upon request.

6. Faegre Baker Daniels LLP represents Fifth Third Bank ("Fifth Third") and PNC Bank, National Association ("PNC") in matters unrelated to the Debtor. Fifth Third and PNC are lenders to Insurance Receivables 7, LLC ("IR7"), a special purpose entity wholly owned by the Debtor. The Debtor, Fifth Third, PNC, IR7 and others are parties to an Insurance Commission Receivables Facility Agreement dated as of July 12, 2007 (the "ICRF Agreement"). The Debtor has certain duties and obligations under the ICRF Agreement, but the Debtor is not a borrower from Fifth Third or PNC. At the time Debtor entered into its relationship with Fifth Third, Baker & Daniels LLP (the predecessor of Faegre Baker Daniels LLP) had a forward consent with Fifth Third that permitted Baker & Daniels LLP to be directly adverse to Fifth Third, including in connection with the filing of a bankruptcy case for the Debtor. Baker & Daniels LLP, and now Faegre Baker Daniels LLP, has similar conflict waivers from PNC. Fifth Third revoked its forward consent in 2010. Faegre Baker Daniels LLP has determined that, because the relationship with the Debtor was created while the forward consent was in effect, Faegre Baker Daniels LLP does not need consent from Fifth Third to represent the Debtor in this bankruptcy case. Faegre Baker Daniels LLP does not need to seek consent from PNC because of its existing conflict waivers. A copy of the Fifth Third forward consent and the PNC conflict waivers will be made available to the United States Trustee or any other party upon request.

7. In addition to the above, Faegre Baker Daniels LLP has represented affiliates of its current or former clients, Commonwealth Insurance Service, American Legion-Texas, and Anheuser Busch Employees Credit Union in matters unrelated to the Debtor. Faegre Baker Daniels LLP has determined that under its engagement letters or by virtue of status as former client, it is not necessary for Faegre Baker Daniels LLP to obtain consent from these entities.

8. In the event a conflict develops that cannot be waived by consent of the Debtor and any of the parties identified in the paragraphs above, the Debtor will seek permission to hire conflicts counsel and the Firm will notify the Court and the U.S. Trustee.

9. To the best of my knowledge, no member or associate of the Firm is a relative of any judge of this Court.

10. To the best of my knowledge, the Firm is not and has not been so connected with any judge of this Court to render employment or appointment of Faegre Baker Daniels LLP as requested in the application improper.

11. I have advised the Debtor of the willingness of the Firm to serve as its counsel in connection with this case based upon the Firm's standard hourly billing rates for similar services. I have also shared with the Debtor all of the matters set forth above.

12. In view of the foregoing, I believe that Faegre Baker Daniels LLP (i) does not hold or represent an interest adverse to the estate, and (ii) is a "disinterested person" as that term is defined in Section 101(14) of the Bankruptcy Code. Faegre Baker Daniels LLP understands its continuing responsibility to be aware of, and to further disclose, any relationship or connection between it and other parties in interest to the Debtor's bankruptcy estate and case as they appear or become recognized during the case. Accordingly, we reserve the right to, and shall, supplement this disclosure if necessary as more information becomes available to us.

I affirm under penalty of perjury that the foregoing statements are true.

By:     /s/ Jay Jaffe    

Jay Jaffe (#5037-98)  
Wendy W. Ponader (#14633-49)  
FAEGRE BAKER DANIELS LLP  
600 E. 96th Street, Suite 600  
Indianapolis, IN 46240  
Telephone: (317) 569-9600  
Facsimile: (317) 569-4800  
jay.jaffe@FaegreBD.com  
wendy.ponader@ FaegreBD.com

Kayla D. Britton (#29177-06)  
FAEGRE BAKER DANIELS LLP  
300 N. Meridian Street, Suite 2700  
Indianapolis, IN 46204  
Telephone: (317) 237-0300  
Facsimile: (317) 237-1000  
kayla.britton@FaegreBD.com