



# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2017  
OF THE CONDITION AND AFFAIRS OF THE

## TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

NAIC Group Code 00421 , 00421 NAIC Company Code 10217 Employer's ID Number 56-1905825  
(Current Period) (Prior Period)

Organized under the Laws of Illinois , State of Domicile or Port of Entry Illinois  
Country of Domicile United States

Incorporated/Organized 12/23/1994 Commenced Business 02/15/1995

Statutory Home Office 222 Merchandise Mart Plaza , Chicago, IL, US 60654  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 101 South Stratford Road Winston-Salem, NC, US 27104 336-723-1282  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address Post Office Box 2300 , Winston-Salem, NC, US 27102  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 101 South Stratford Road Winston-Salem, NC, US 27104 336-723-1282-1155  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.triadguaranty.com

Statutory Statement Contact Randall Keith Shields 336-723-1282-1155  
(Name) (Area Code) (Telephone Number) (Extension)  
rshields@tgic.com 336-761-5174  
(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title	Name	Title
_____	_____	_____	_____
_____	_____	_____	_____

### OTHER OFFICERS

\_\_\_\_\_

### DIRECTORS OR TRUSTEES

\_\_\_\_\_

State of .....

County of .....ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

a. Is this an original filing? Yes [ ] No [ ]

- b. If no:
1. State the amendment number \_\_\_\_\_
  2. Date filed \_\_\_\_\_
  3. Number of pages attached \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	11,230,691		11,230,691	11,651,060
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ .....197,796 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....619,690 ) .....	817,486		817,486	509,653
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	12,048,177		12,048,177	12,160,713
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	97,013		97,013	98,674
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	28,464		28,464	47,747
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other-than-invested assets .....				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	12,173,654		12,173,654	12,307,134
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27) .....	12,173,654		12,173,654	12,307,134
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....				

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....274,593 ) .....	1,725,954	2,677,215
2. Reinsurance payable on paid losses and loss adjustment expenses .....	4,007	85,567
3. Loss adjustment expenses .....		
4. Commissions payable, contingent commissions and other similar charges .....	8,539	14,324
5. Other expenses (excluding taxes, licenses and fees) .....		
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....		
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	35,989	27,909
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	3,555	4,780
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$ ..... certified) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....		
20. Derivatives .....		
21. Payable for securities .....		
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	1,778,044	2,809,795
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	1,778,044	2,809,795
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	2,535,982	2,535,982
35. Unassigned funds (surplus) .....	5,359,627	4,461,357
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	10,395,609	9,497,339
38. Totals (Page 2, Line 28, Col. 3)	12,173,653	12,307,134
<b>DETAILS OF WRITE-INS</b>		
2501. ....		
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ ..... )			
1.2 Assumed (written \$ .....332,643 )	333,867	785,975	957,584
1.3 Ceded (written \$ ..... )			
1.4 Net (written \$ .....332,643 )	333,867	785,975	957,584
DEDUCTIONS:			
2. Losses incurred (current accident year \$ .....309,660 ):			
2.1 Direct .....			
2.2 Assumed .....	(482,185)	513,650	468,070
2.3 Ceded .....			
2.4 Net .....	(482,185)	513,650	468,070
3. Loss adjustment expenses incurred .....			
4. Other underwriting expenses incurred .....	116,661	261,945	319,171
5. Aggregate write-ins for underwriting deductions .....			
6. Total underwriting deductions (Lines 2 through 5) .....	(365,524)	775,595	787,241
7. Net income of protected cells .....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) .....	699,391	10,380	170,343
<b>INVESTMENT INCOME</b>			
9. Net investment income earned .....	203,752	247,517	320,251
10. Net realized capital gains (losses) less capital gains tax of \$ .....	16,655	49,125	48,770
11. Net investment gain (loss) (Lines 9 + 10) .....	220,407	296,641	369,021
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... ) .....			
13. Finance and service charges not included in premiums .....			
14. Aggregate write-ins for miscellaneous income .....			
15. Total other income (Lines 12 through 14) .....			
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	919,798	307,021	539,364
17. Dividends to policyholders .....			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	919,798	307,021	539,364
19. Federal and foreign income taxes incurred .....	21,527	20,446	27,909
20. Net income (Line 18 minus Line 19)(to Line 22) .....	898,271	286,576	511,455
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year .....	9,497,339	8,985,884	8,985,884
22. Net income (from Line 20) .....	898,271	286,576	511,455
23. Net transfers (to) from Protected Cell accounts .....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....			
25. Change in net unrealized foreign exchange capital gain (loss) .....			
26. Change in net deferred income tax .....			
27. Change in nonadmitted assets .....			
28. Change in provision for reinsurance .....			
29. Change in surplus notes .....			
30. Surplus (contributed to) withdrawn from protected cells .....			
31. Cumulative effect of changes in accounting principles .....			
32. Capital changes:			
32.1 Paid in .....			
32.2 Transferred from surplus (Stock Dividend) .....			
32.3 Transferred to surplus .....			
33. Surplus adjustments:			
33.1 Paid in .....			
33.2 Transferred to capital (Stock Dividend) .....			
33.3 Transferred from capital .....			
34. Net remittances from or (to) Home Office .....			
35. Dividends to stockholders .....			
36. Change in treasury stock .....			
37. Aggregate write-ins for gains and losses in surplus .....			
38. Change in surplus as regards policyholders (Lines 22 through 37) .....	898,271	286,576	511,455
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) .....	10,395,610	9,272,459	9,497,339
<b>DETAILS OF WRITE-INS</b>			
0501. ....			
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page .....			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....			
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
3701. Increase in contingency reserve .....			
3702. Decrease in contingency reserve .....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page .....			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) .....			

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	351,927	847,687	998,458
2. Net investment income .....	258,270	331,009	404,090
3. Miscellaneous income .....			
4. Total (Lines 1 to 3) .....	610,197	1,178,696	1,402,548
5. Benefit and loss related payments .....	550,636	1,340,769	1,540,964
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	122,446	280,992	332,146
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	13,447		
10. Total (Lines 5 through 9) .....	686,529	1,621,760	1,873,110
11. Net cash from operations (Line 4 minus Line 10) .....	(76,332)	(443,064)	(470,562)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	3,213,565	3,828,521	4,659,727
12.2 Stocks .....			
12.3 Mortgage loans .....			
12.4 Real estate .....			
12.5 Other invested assets .....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7 Miscellaneous proceeds .....			
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	3,213,565	3,828,521	4,659,727
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	2,829,399	2,455,679	3,966,541
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....			2
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,829,399	2,455,679	3,966,543
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	384,166	1,372,842	693,184
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied).....			
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....			
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	307,834	929,778	222,622
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	509,653	287,031	287,031
19.2 End of period (Line 18 plus Line 19.1) .....	817,487	1,216,809	509,653

## NOTES TO FINANCIAL STATEMENTS

As instructed by the Office of Special Deputy Receiver representing the Illinois Director of Insurance, Notes to the Financial Statements are no longer required by the Company. Specific questions regarding any information usually presented in the Notes to the Financial Statements should be directed to the Annual Statement contact.

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ ] NA [X]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2007
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2007
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....06/30/2009
- 6.4 By what department or departments?  
Illinois Department of Insurance.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [X]
- 7.2 If yes, give full information:  
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [ ] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**GENERAL INTERROGATORIES**

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes  No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

- 9.2 Has the code of ethics for senior managers been amended? ..... Yes  No

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes  No

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes  No

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....

13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes  No

14.2 If yes, please complete the following:

	1		2
	Prior Year-End Book/Adjusted Carrying Value		Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....		\$ .....
14.22 Preferred Stock .....	\$ .....		\$ .....
14.23 Common Stock .....	\$ .....		\$ .....
14.24 Short-Term Investments .....	\$ .....		\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....		\$ .....
14.26 All Other .....	\$ .....		\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....		\$ .....
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....		\$ .....

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes  No

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No

If no, attach a description with this statement.



**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**GENERAL INTERROGATORIES**

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....
- 16.3 Total payable for securities lending reported on the liability page \$ .....

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? ..... Yes [X] No [ ]

- 17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
The Northern Trust.....	50 South LaSalle Street, Chicago, Illinois 60603.....

- 17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [X]

- 17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Mesirow Financial Investment Management, Inc.....	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? ..... Yes [ X ] No [ ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? ..... Yes [ X ] No [ ]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
111135.....	Mesirow Financial Investment Management, Inc.....		SEC.....	DS.....

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? ..... Yes [X] No [ ]

- 18.2 If no, list exceptions:  
.....

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [ ] NA [X]  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes [ ] No [X]  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]

3.2 If yes, give full and complete information thereto.  
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? ..... Yes [ ] No [X]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
TOTAL										

5. Operating Percentages:

5.1 A&H loss percent ..... %  
5.2 A&H cost containment percent ..... %  
5.3 A&H expense percent excluding cost containment expenses ..... %

6.1 Do you act as a custodian for health savings accounts?..... Yes [ ] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$ \_\_\_\_\_

6.3 Do you act as an administrator for health savings accounts?..... Yes [ ] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ \_\_\_\_\_

**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
<p><b>NONE</b></p>						

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

**Current Year to Date – Allocated by States and Territories**

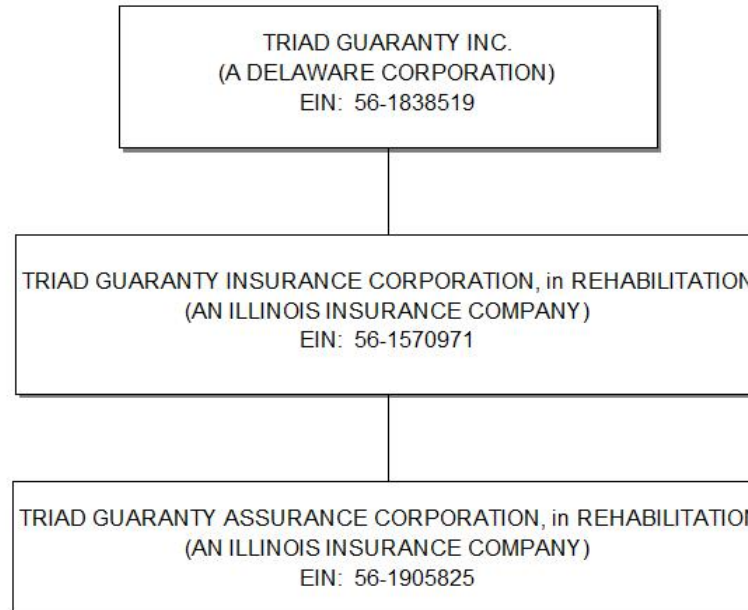
	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL						
2. Alaska	AK						
3. Arizona	AZ						
4. Arkansas	AR						
5. California	CA						
6. Colorado	CO						
7. Connecticut	CT						
8. Delaware	DE						
9. Dist. Columbia	DC						
10. Florida	FL						
11. Georgia	GA						
12. Hawaii	HI						
13. Idaho	ID						
14. Illinois	IL	L					
15. Indiana	IN						
16. Iowa	IA						
17. Kansas	KS						
18. Kentucky	KY						
19. Louisiana	LA						
20. Maine	ME						
21. Maryland	MD						
22. Massachusetts	MA						
23. Michigan	MI						
24. Minnesota	MN						
25. Mississippi	MS						
26. Missouri	MO						
27. Montana	MT						
28. Nebraska	NE						
29. Nevada	NV						
30. New Hampshire	NH						
31. New Jersey	NJ						
32. New Mexico	NM						
33. New York	NY						
34. No. Carolina	NC						
35. No. Dakota	ND						
36. Ohio	OH						
37. Oklahoma	OK						
38. Oregon	OR						
39. Pennsylvania	PA						
40. Rhode Island	RI						
41. So. Carolina	SC						
42. So. Dakota	SD						
43. Tennessee	TN						
44. Texas	TX						
45. Utah	UT						
46. Vermont	VT						
47. Virginia	VA						
48. Washington	WA						
49. West Virginia	WV						
50. Wisconsin	WI						
51. Wyoming	WY						
52. American Samoa	AS						
53. Guam	GU						
54. Puerto Rico	PR						
55. U.S. Virgin Islands	VI						
56. Northern Mariana Islands	MP						
57. Canada	CAN						
58. Aggregate Other Alien	OT	XXX					
59. Totals	(a) 1						
<b>DETAILS OF WRITE-INS</b>							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX						
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile – see DSLI); (D) DSLI – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write Surplus Lines in the state of domicile; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of D and L responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

TRIAD GUARANTY INC. and SUBSIDIARIES



STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00421	COLLATERAL HOLDINGS, LTD	00000	56-1838519		0000911631	OTCBB	TRIAD GUARANTY INC	USA	UDP	COLLATERALHOLDINGS, LTD	OWNERSHIP	16.9	WILLIAM T. RATLIFF AND FAMILY	N	
00421	COLLATERAL HOLDINGS, LTD	24350	56-1570971				TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION	USA	RE	TRIAD GUARANTY INC	OWNERSHIP	100.0	WILLIAM T. RATLIFF AND FAMILY	N	
00421	COLLATERAL HOLDINGS, LTD	10217	56-1905825				TRIAD GUARANTY ASSUURANCE CORPORATION, IN REHABILITATION	USA	DS	TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION	OWNERSHIP	100.0	WILLIAM T. RATLIFF AND FAMILY	N	

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Asterisk	Explanation

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				67.0
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability -occurrence				
11.2 Medical professional liability -claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability occurrence				
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business				
35. TOTALS				67.0
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

**NONE**

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability occurrence			
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1,19.2 Private passenger auto liability			
19.3,19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS			
<b>DETAILS OF WRITE-INS</b>			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2017 Loss and LAE Payments on Claims Reported as of Prior Year-End	2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2017 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2014 + Prior .....	1,542		1,542	271		271	872			872	(398)		(398)
2. 2015 .....	472	9	481	53		53	259			259	(160)	(9)	(168)
3. Subtotals 2015 + prior .....	2,013	9	2,022	324		324	1,131			1,131	(558)	(9)	(567)
4. 2016 .....	575	80	655	130		130	295		5	300	(151)	(74)	(225)
5. Subtotals 2016 + prior .....	2,589	89	2,677	454		454	1,426		5	1,431	(709)	(83)	(792)
6. 2017 .....	XXX	XXX	XXX	XXX	15	15	XXX	245	49	295	XXX	XXX	XXX
7. Totals .....	2,589	89	2,677	454	15	469	1,426	245	55	1,726	(709)	(83)	(792)
8. Prior Year-End Surplus As Regards Policy-holders	9,497										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (27.4)	2. (93.8)	3. (29.6)
													Col. 13, Line 7 Line 8
													4. (8.3)



**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**





The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	<u>Response</u>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	.....NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....NO.....

**Explanation:**

- 1.
- 2.
- 3.
- 4.

**Bar Code:**

1.	 1 0 2 1 7 2 0 1 7 4 9 0 0 0 0 0 3
2.	 1 0 2 1 7 2 0 1 7 4 5 5 0 0 0 0 3
3.	 1 0 2 1 7 2 0 1 7 3 6 5 0 0 0 0 3
4.	 1 0 2 1 7 2 0 1 7 5 0 5 0 0 0 0 3

**OVERFLOW PAGE FOR WRITE-INS**

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**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**SCHEDULE A – VERIFICATION**

**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other-than-temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10)		

**NONE**

**SCHEDULE B – VERIFICATION**

**Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		
10. Deduct current year's other-than-temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14)		

**NONE**

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other-than-temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8+9-10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12)		

**NONE**

**SCHEDULE D – VERIFICATION**

**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	11,651,059	12,355,082
2. Cost of bonds and stocks acquired .....	2,829,399	3,966,541
3. Accrual of discount .....	5,872	10,909
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....	16,655	48,772
6. Deduct consideration for bonds and stocks disposed of .....	3,213,565	4,659,727
7. Deduct amortization of premium .....	58,729	70,518
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	11,230,691	11,651,059
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	11,230,691	11,651,059

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	9,301,393	2,063,592	2,121,617	(187,024)	9,205,971	9,301,393	9,056,344	9,406,483
2. NAIC 2 (a).....	2,476,860	249,470	103,185	171,196	2,480,537	2,476,860	2,794,341	2,484,250
3. NAIC 3 (a).....					26,667			26,674
4. NAIC 4 (a).....								
5. NAIC 5 (a).....								
6. NAIC 6 (a).....								
7. Total Bonds	11,778,253	2,313,062	2,224,802	(15,828)	11,713,175	11,778,253	11,850,685	11,917,407
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock.....								
15. Total Bonds & Preferred Stock	11,778,253	2,313,062	2,224,802	(15,828)	11,713,175	11,778,253	11,850,685	11,917,407

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ ..... ; NAIC 2 \$ ..... ;  
NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION**

**SCHEDULE DA - PART 1**

**Short-Term Investments**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	619,690	XXX	619,690	619	

**SCHEDULE DA - VERIFICATION**

**Short-Term Investments**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	266,348	60,125
2. Cost of short-term investments acquired .....	1,060,895	3,403,445
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	707,553	3,197,222
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	619,690	266,348
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11)	619,690	266,348

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

**STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION**

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
313560-S3-8	FANNIE MAE 2 05/01/22		07/28/2017	MORGAN STANLEY & CO INC. NEW YORK MORGST		704,886	700,000	1,011	1FE
<b>0599999 - Bonds - U.S. Governments</b>						704,886	700,000	1,011	XXX
<b>Bonds - All Other Governments</b>									
<b>Bonds - U.S. States, Territories and Possessions</b>									
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
<b>Bonds - U.S. Special Revenue</b>									
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
037833-CM-0	APPLE INC 2.5 09/02/22		07/28/2017	PERSHING LLC FORMERLY DLJ DONALUFK		101,521	100,000	1,201	1FE
25468P-CN-4	WALT DISNEY COMPANY/THE 2.75 16/08/21		07/28/2017	US BANCORP INVESTMENTS INC		205,674	200,000	2,536	1FE
30231G-AJ-1	EXXON MOBIL CORPORATION 2.397 06/03/22		07/28/2017	MLPFS INC/FIXED INCOME		202,246	200,000	1,944	1FE
316773-CU-2	FIFTH THIRD BANCORP 2.6 15/06/22		07/12/2017	MORGAN STANLEY & CO INC. NEW YORK MORGST		249,470	250,000	578	2FE
369626-5J-9	GENERAL ELECTRIC CO 4.65 17/10/21		07/28/2017	MORGAN STANLEY & CO INC. NEW YORK MORGST		110,323	100,000	1,356	1FE
38141G-VU-5	GOLDMAN SACHS GROUP INC 2.625 25/04/21		07/28/2017	PERSHING LLC FORMERLY DLJ DONALUFK		100,662	100,000	707	1FE
717081-DX-8	PFIZER INC 1.95 03/06/21		07/12/2017	CREDIT SUISSE FIRST BOSTON CORPORATION F		250,175	250,000	596	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						1,220,071	1,200,000	8,918	XXX
<b>Bonds - Hybrid Securities</b>									
<b>Bonds - Parent, Subsidiaries and Affiliates</b>									
<b>Bonds - SVO Identified Funds</b>									
<b>8399997 - Subtotals - Bonds - Part 3</b>						1,924,957	1,900,000	9,929	XXX
<b>8399999 - Subtotals - Bonds</b>						1,924,957	1,900,000	9,929	XXX
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>									
<b>Preferred Stocks - Parent, Subsidiaries and Affiliates</b>									
<b>Common Stocks - Industrial and Miscellaneous</b>									
<b>Common Stocks - Parent, Subsidiaries and Affiliates</b>									
<b>Common Stocks - Mutual Funds</b>									
<b>Common Stocks - Money Market Mutual Funds</b>									
<b>9999999 Totals</b>						1,924,957	XXX	9,929	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

E04



STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
3137EA-DJ-5	FREDDIE MAC 1 28/07/17		07/28/2017	MATURITY		1,400,000	1,400,000	1,400,000	1,401,090		(1,090)		(1,090)		1,400,000				14,000	07/28/2017	1
<b>0599999 - Bonds - U.S. Governments</b>																					
						1,400,000	1,400,000	1,400,000	1,401,090		(1,090)		(1,090)		1,400,000				14,000	XXX	XXX
<b>Bonds - All Other Governments</b>																					
<b>Bonds - U.S. States, Territories and Possessions</b>																					
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
3128MJ-JF-5	Freddie Mac 3.5		09/01/2017	MBS PAYDOWN		3,555	3,555	3,596	3,599		(8)		(8)		3,555				.83	04/01/2044	1
31306X-HL-0	Freddie Mac 2.5		09/01/2017	MBS PAYDOWN		10,263	10,263	10,529	10,492		(65)		(65)		10,263				.171	09/01/2022	1
3138WF-2Y-1	Fannie Mae 3.5		09/01/2017	MBS PAYDOWN		1,579	1,579	1,660	1,661		(7)		(7)		1,579				.36	11/01/2045	1
31412P-CF-6	Fannie Mae 4.5		09/01/2017	MBS PAYDOWN		1,740	1,740	1,871	1,852		(19)		(19)		1,740				.52	03/01/2029	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						17,137	17,137	17,656	17,604		(99)		(99)		17,137				342	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
12635F-AQ-7	CSA I L COMMERCIAL MORTGAGE TRUS 1.7167		09/01/2017	MBS PAYDOWN		1,612	1,612	1,612	1,612						1,612				.19	08/15/2048	1FE
13056U-AD-1	California Republic Auto Recei 1.82		09/15/2017	MBS PAYDOWN		13,047	13,047	13,115	13,068		(12)		(12)		13,047				.170	09/15/2020	1FE
14313X-AC-4	CarMax Auto Owner Trust 1.56		09/15/2017	MBS PAYDOWN		7,084	7,084	7,103	7,094		(15)		(15)		7,084				.83	11/16/2020	1FE
29273R-AY-5	ENERGY TRANSFER LP 4.9		01/02/24	ROBERT W. BAIRD & COMPANY INC MILWAUKEE		107,190	100,000	104,829	103,521		(336)		(336)		103,185		4,005	4,005	5,363	02/01/2024	2FE
85771P-AB-8	STATOIL ASA 3.125		17/08/17	MATURITY		240,000	240,000	253,913	242,382		(2,382)		(2,382)		240,000				7,500	08/17/2017	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						368,933	361,743	380,572	367,677		(2,735)		(2,735)		364,928		4,005	4,005	13,135	XXX	XXX
<b>Bonds - Hybrid Securities</b>																					
<b>Bonds - Parent, Subsidiaries, and Affiliates</b>																					
<b>Bonds - SVO Identified Funds</b>																					
<b>8399997 - Subtotals - Bonds - Part 4</b>						1,786,070	1,778,880	1,798,228	1,786,371		(3,924)		(3,924)		1,782,065		4,005	4,005	27,477	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						1,786,070	1,778,880	1,798,228	1,786,371		(3,924)		(3,924)		1,782,065		4,005	4,005	27,477	XXX	XXX
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																					
<b>Preferred Stocks - Parent, Subsidiaries, and Affiliates</b>																					
<b>Common Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																					
<b>Common Stocks - Parent, Subsidiaries, and Affiliates</b>																					
<b>Common Stock - Mutual Funds</b>																					
<b>Common Stocks - Money Market Mutual Funds</b>																					
<b>9999999 Totals</b>						1,786,070	XXX	1,798,228	1,786,371		(3,924)		(3,924)		1,782,065		4,005	4,005	27,477	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

EO5

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



STATEMENT AS OF SEPTEMBER 30, 2017 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN  
REHABILITATION

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>NONE</b>							
8699999 Total Cash Equivalents							