

**QUARTERLY STATEMENT**  
OF THE  
**TRIAD GUARANTY INSURANCE  
CORPORATION, IN REHABILITATION**

**2015**

OF  
Chicago  
IN THE STATE OF  
Illinois  
TO THE  
INSURANCE DEPARTMENT  
OF THE  
STATE OF Illinois  
AS OF  
JUNE 30, 2015

PROPERTY AND CASUALTY

**2015**



# QUARTERLY STATEMENT

AS OF JUNE 30, 2015  
OF THE CONDITION AND AFFAIRS OF THE

## TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

NAIC Group Code 0421 , 0421 NAIC Company Code 24350 Employer's ID Number 56-1570971  
(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 07/30/1987 Commenced Business 08/07/1987

Statutory Home Office 222 Merchandise Mart Plaza, Suite 960 , 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 27102-2300  
(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 336-761-5174-1155  
(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 [X] 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 JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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 .....	152,238,868		152,238,868	179,059,725
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	8,524,746		8,524,746	8,380,906
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 (\$ .....8,868,368 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....17,474,761 ) .....	26,343,129		26,343,129	25,290,914
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....	71,416		71,416	7,360
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	187,178,159		187,178,159	212,738,906
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	1,311,903		1,311,903	1,439,274
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,750,234		3,750,234	4,384,572
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	24,644,140		24,644,140	14,496,558
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	439,892		439,892	263,781
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 .....	19,155		19,155	25,914
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	135	135		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	7,233		7,233	787
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) .....	217,350,851	135	217,350,716	233,349,792
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27) .....	217,350,851	135	217,350,716	233,349,792
<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) .....				

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....29,236,705 ) .....	328,166,267	385,175,359
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	1,311,194	694,625
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	8,571,840	9,513,379
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	18,000	
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....33,004 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) .....	2,102,191	2,277,181
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	1,498,804	1,198,349
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....	415,762	300,051
15. Remittances and items not allocated .....	610,579	86,588
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 .....		7,498,591
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 .....	673,924,456	653,111,865
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	1,016,619,093	1,059,855,990
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	1,016,619,093	1,059,855,990
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	3,500,000	3,500,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....	25,000,000	25,000,000
34. Gross paid in and contributed surplus .....	105,215,928	105,215,926
35. Unassigned funds (surplus) .....	(932,984,305)	(960,222,123)
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) .....	(799,268,377)	(826,506,197)
38. Totals (Page 2, Line 28, Col. 3)	217,350,716	233,349,792
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Premium Refund .....	528,232	407,359
2502. Deferred Payment Obligation, including carry charges .....	672,458,512	651,109,952
2503. Rescinded Premium Payable .....	937,712	1,594,554
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	673,924,456	653,111,865
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 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 \$ 53,580,647 )	53,757,216	50,202,711	99,614,097
1.2 Assumed (written \$ )		(181)	(181)
1.3 Ceded (written \$ 1,492,753 )	1,494,331	2,280,985	3,897,190
1.4 Net (written \$ 52,087,894 )	52,262,885	47,921,545	95,716,726
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 29,404,127 ):			
2.1 Direct	24,588,410	26,761,768	83,086,228
2.2 Assumed		(10,000)	(10,000)
2.3 Ceded	427,437	(236,654)	1,089,069
2.4 Net	24,160,973	26,988,422	81,987,159
3. Loss adjustment expenses incurred	425,516	(898,524)	(718,288)
4. Other underwriting expenses incurred	3,564,154	4,927,098	8,387,714
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	28,150,643	31,016,996	89,656,585
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	24,112,242	16,904,549	6,060,141
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	2,726,762	2,478,903	5,441,682
10. Net realized capital gains (losses) less capital gains tax of \$	211,695	1,349,251	1,658,722
11. Net investment gain (loss) (Lines 9 + 10)	2,938,457	3,828,154	7,100,404
<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	41,820	2,395,833	4,791,666
15. Total other income (Lines 12 through 14)	41,820	2,395,833	4,791,666
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	27,092,519	23,128,536	17,952,211
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)	27,092,519	23,128,536	17,952,211
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19)(to Line 22)	27,092,519	23,128,536	17,952,211
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	(826,506,195)	(845,715,766)	(845,715,768)
22. Net income (from Line 20)	27,092,519	23,128,536	17,952,211
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	144,878	56,348	176,097
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	421	363,704	884,398
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		(196,867)	196,867
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		(14,643,416)	
38. Change in surplus as regards policyholders (Lines 22 through 37)	27,237,818	8,708,305	19,209,573
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(799,268,377)	(837,007,461)	(826,506,195)
<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. Income received under Asset Purchase Agreement		2,395,833	4,791,666
1402. Other Income	41,820		
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	41,820	2,395,833	4,791,666
3701. Increase in Contingency Reserve		9,306,878	
3702. Decrease in Contingency Reserve		(23,950,294)	
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)		(14,643,416)	

## 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.....	42,947,349	51,498,057	97,320,785
2. Net investment income .....	3,377,268	3,839,159	7,558,571
3. Miscellaneous income .....	41,820	2,395,833	4,791,666
4. Total (Lines 1 to 3) .....	46,366,437	57,733,049	109,671,022
5. Benefit and loss related payments .....	61,206,302	77,527,407	146,730,695
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	3,642,376	4,964,124	8,287,421
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....			
10. Total (Lines 5 through 9) .....	64,848,678	82,491,531	155,018,116
11. Net cash from operations (Line 4 minus Line 10) .....	(18,482,241)	(24,758,482)	(45,347,094)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	54,913,803	54,680,602	90,226,323
12.2 Stocks .....		331	332
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 .....			455
12.7 Miscellaneous proceeds .....		634	7,498,260
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	54,913,803	54,681,567	97,725,370
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	28,404,152	51,253,585	67,224,756
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....	7,084,459		
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	35,488,611	51,253,585	67,224,756
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) .....	19,425,192	3,427,982	30,500,614
<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.....			(2)
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).....	109,265	(34,964)	118,269
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	109,265	(34,964)	118,267
<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) .....	1,052,216	(21,365,464)	(14,728,213)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	25,290,913	40,019,126	40,019,126
19.2 End of period (Line 18 plus Line 19.1) .....	26,343,129	18,653,662	25,290,913

## 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.

# 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 [X] NA [ ]  
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 [X] No [ ]
- 7.2 If yes, give full information:  
A number of states are suspended or requested the return of the Company's Certificate of Authority as the Company is in Rehabilitation.....
- 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

## 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 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ 8,380,906	\$ 8,524,746
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).....	\$ 8,380,906	\$ 8,524,746
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.

## 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  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 Company.....	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

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 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
111135.....	Mesirow Financial Investment Management, Inc.....	353 N. Clark Street, Chicago, Illinois 60654.....

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes  No

18.2 If no, list exceptions:

.....



**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
<b>NONE</b>						

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

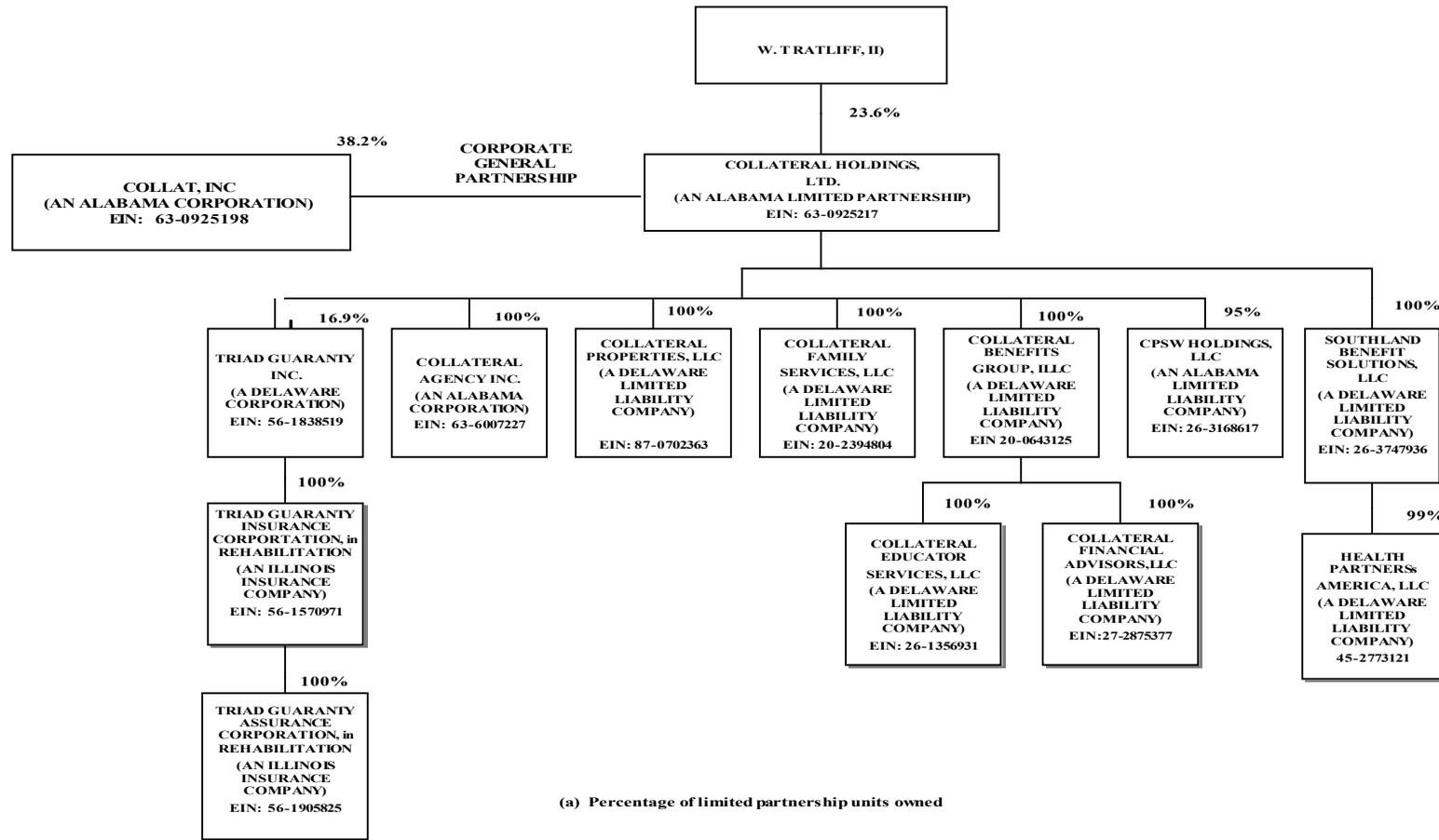
Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	L	109,528	153,926	225,042	197,328	826,413	1,121,173
2. Alaska	AK	L						
3. Arizona	AZ	L	629,165	791,601	1,141,743	1,535,347	1,897,223	2,789,486
4. Arkansas	AR	L	176,204	248,289	324,797	327,194	853,105	869,936
5. California	CA	L	9,141,881	11,000,675	24,972,005	28,800,200	90,969,442	123,529,011
6. Colorado	CO	L	1,816,560	2,120,586	3,521,125	5,451,862	12,156,396	11,297,613
7. Connecticut	CT	L	146,573	167,536	164,061	193,849	1,648,432	1,705,212
8. Delaware	DE	L	52,005	54,690		45,257	253,802	129,429
9. Dist. Columbia	DC	L	1,574,677	1,377,169	8,000,521	9,117,990	36,569,469	46,827,259
10. Florida	FL	L	1,437,884	1,930,456	6,005,739	7,677,695	17,404,561	27,084,953
11. Georgia	GA	L	655,795	831,511	767,351	1,292,004	2,265,864	3,365,461
12. Hawaii	HI	L	3,073	3,097			515	
13. Idaho	ID	L	2,071	6,582			347	33,734
14. Illinois	IL	L	1,072,096	1,376,500	2,832,293	3,881,171	8,509,285	11,931,116
15. Indiana	IN	L	73,680	97,274	111,582	109,144	381,393	648,894
16. Iowa	IA	L	3,726	9,004	(300)	(300)	37,981	46,600
17. Kansas	KS	L	60,075	81,938	80,472	154,396	279,401	307,052
18. Kentucky	KY	L	205,368	313,253	320,418	730,940	1,048,342	1,450,123
19. Louisiana	LA	L	62,707	79,838	14,790	99,851	170,182	150,918
20. Maine	ME	L						
21. Maryland	MD	L	498,447	538,886	1,653,270	1,432,648	4,830,760	5,967,997
22. Massachusetts	MA	L	274,444	324,127	462,513	586,035	1,939,868	2,507,161
23. Michigan	MI	L	619,851	769,526	926,676	2,211,683	4,183,767	5,202,832
24. Minnesota	MN	L	7,606,344	9,243,649	11,249,937	18,593,267	50,589,083	58,670,100
25. Mississippi	MS	L	37,720	57,189	44,855	(846)	256,099	225,368
26. Missouri	MO	L	112,660	145,387	151,952	85,599	222,434	272,961
27. Montana	MT	L	5,091	5,520			853	
28. Nebraska	NE	L		132				
29. Nevada	NV	L	144,183	165,635	382,112	421,984	1,372,656	2,095,017
30. New Hampshire	NH	L	13,475	15,483			2,258	
31. New Jersey	NJ	L	809,387	1,001,790	2,567,045	1,752,909	13,692,830	15,608,399
32. New Mexico	NM	L	96,241	104,404	(600)	28,446	799,951	605,028
33. New York	NY	L	359,176	421,930	807,304	417,591	5,404,262	6,587,187
34. No. Carolina	NC	L	1,260,626	1,627,490	1,333,748	2,441,583	5,504,741	7,521,144
35. No. Dakota	ND	N						
36. Ohio	OH	L	451,201	601,131	998,309	1,632,781	2,991,457	3,396,342
37. Oklahoma	OK	L	321,491	446,851	117,141	677,141	998,160	1,144,265
38. Oregon	OR	L	68,165	98,075	39,349	132,914	482,229	524,572
39. Pennsylvania	PA	L	474,137	588,663	853,141	811,589	3,835,549	4,495,464
40. Rhode Island	RI	L	27,989	38,681	278,697	53,411	337,654	689,718
41. So. Carolina	SC	L	720,365	925,158	1,633,505	1,332,805	3,580,721	5,551,926
42. So. Dakota	SD	L	2,656	2,676			445	
43. Tennessee	TN	L	281,461	394,035	712,897	635,975	1,289,184	1,863,346
44. Texas	TX	L	21,163,177	10,481,751	8,369,256	11,822,571	48,868,125	49,762,421
45. Utah	UT	L	83,737	104,783	32,768	179,466	300,843	519,970
46. Vermont	VT	L						
47. Virginia	VA	N	644,917	956,769	1,207,823	1,970,378	6,546,876	8,644,307
48. Washington	WA	L	104,182	128,137	150,383	433,061	780,244	812,493
49. West Virginia	WV	L	48,965	62,623	23,776	63,579	69,024	150,322
50. Wisconsin	WI	L	98,702	117,771	291,645	210,872	436,902	886,752
51. Wyoming	WY	L	28,791	33,504			4,824	
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)	49	53,580,648	50,045,678	82,769,142	107,541,370	334,593,952	416,993,063
<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; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of 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**



(a) Percentage of limited partnership units owned

STATEMENT AS OF JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name 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)	*
0421	Collateral Holding, Ltd.						William T. Ratliff, and family	USA	UDP	Collat general partnership, William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		63-0925217				Collateral Holdings, Ltd.	USA	UDP	William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	.5
0421	Collateral Holding, Ltd.		63-0925198				Collat, Inc.	USA	NIA	William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	.4
0421	Collateral Holding, Ltd.		56-1838519		0000911631	OTCBB	Triad Guaranty, Inc.	USA	NIA	Collateral Holdings, Ltd.	Ownership	16.9	William T. Ratliff, and family	.1
0421	Collateral Holding, Ltd.	24350	56-1570971				Triad Guaranty Insurance Corporation (In Rehabilitation)	USA	IA	Triad Guaranty, Inc.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.	10217	56-1905825				Triad Guaranty Assurance Corporation (In Rehabilitation)	USA	IA	Triad Guaranty Insurance Corporation	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-3747936				Southland Benefits Solutions, LLC	USA	DS	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		45-2773121				Health Partner America, LLC	USA	DS	Southland Benefit Solutions, LLC	Ownership	90.0	William T. Ratliff, and family	.2
0421	Collateral Holding, Ltd.		63-6007227				Collateral Agency, Inc.	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		20-2394804				Collateral Family Services, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-3168617				CPSW Holdings, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	95.0	William T. Ratliff, and family	.3
0421	Collateral Holding, Ltd.		87-0702363				Collateral Properties, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		20-0643125				Collateral Benefits Group, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-1356931				Collateral Educator Services, LLC	USA	NIA	Collateral Benefits Group, LLC	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		27-2875377				Collateral Financial Advisors, LLC	USA	NIA	Collateral Benefits Group, LLC	Ownership	100.0	William T. Ratliff, and family	

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

Asterisk	Explanation
1	Triad Guaranty Insurance Corporation, 16.9% investment, remaining shares are public.....
2	Health Partners America, LLC, 10% remaining is privately held by multiple persons.....
3	CPSW Holdings, LLC, 5% remaining is owned by Bryan Ratliff.....

**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	53,757,216	24,588,410	45.7	53.3
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	53,757,216	24,588,410	45.7	53.3
<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)				

**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		19,890,314	50,045,678
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		19,890,314	50,045,678
<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)			

STATEMENT AS OF JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 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. 2012 + Prior	236,102		236,102	54,725		54,725	183,590			183,590	2,214		2,214
2. 2013	64,624	1,189	65,812	15,752		15,752	46,500			46,500	(2,371)	(1,189)	(3,560)
3. Subtotals 2013 + prior	300,726	1,189	301,914	70,477		70,477	230,091			230,091	(158)	(1,189)	(1,346)
4. 2014	74,174	10,698	84,872	11,239		11,239	69,244		882	70,125	6,308	(9,816)	(3,508)
5. Subtotals 2014 + prior	374,900	11,886	386,786	81,716		81,716	299,334		882	300,216	6,150	(11,004)	(4,854)
6. 2015	XXX	XXX	XXX	XXX	179	179	XXX	21,325	7,936	29,261	XXX	XXX	XXX
7. Totals	374,900	11,886	386,786	81,716	179	81,895	299,334	21,325	8,818	329,477	6,150	(11,004)	(4,854)
8. Prior Year-End Surplus As Regards Policyholders	(826,506)												
											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. 1.6	2. (92.6)	3. (1.3)
													Col. 13, Line 7 Line 8
													4. 0.6

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

**OVERFLOW PAGE FOR WRITE-INS**

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## 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 .....	187,440,632	210,036,971
2. Cost of bonds and stocks acquired .....	28,404,154	68,076,094
3. Accrual of discount .....	87,330	178,810
4. Unrealized valuation increase (decrease) .....	144,878	169,474
5. Total gain (loss) on disposals .....	211,626	1,651,913
6. Deduct consideration for bonds and stocks disposed of .....	54,913,736	91,070,301
7. Deduct amortization of premium .....	611,270	1,602,329
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) .....	160,763,614	187,440,632
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	160,763,614	187,440,632

STATEMENT AS OF JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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).....	156,133,599	16,711,403	32,673,391	(276,785)	156,133,599	139,894,037		168,597,755
2. NAIC 2 (a).....	23,291,841	6,835,882	700,204	(24,021)	23,291,841	29,403,499		25,049,787
3. NAIC 3 (a).....	144,823		8,923	1,937	144,823	137,837		157,815
4. NAIC 4 (a).....	179,119		9,008	2,932	179,119	173,044		185,868
5. NAIC 5 (a).....	111,865		8,800		111,865	103,065		121,793
6. NAIC 6 (a).....	1,452		7,305	7,211	1,452	1,358		(17,385)
7. Total Bonds	179,862,699	23,547,285	33,407,631	(288,726)	179,862,699	169,712,840		194,095,633
<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	179,862,699	23,547,285	33,407,631	(288,726)	179,862,699	169,712,840		194,095,633

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

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## 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	17,474,761	XXX	17,474,761	279	

## 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.....	15,035,907	24,477,944
2. Cost of short-term investments acquired .....	23,088,378	25,999,765
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	20,649,262	35,304,947
7. Deduct amortization of premium.....	262	136,855
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).....	17,474,761	15,035,907
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11)	17,474,761	15,035,907

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 JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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)
Bonds - U.S. Governments									
Bonds - All Other Governments									
Bonds - U.S. States, Territories and Possessions									
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
Bonds - U.S. Special Revenue									
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00206R-CQ-3	AT&T INC		05/22/2015	JPM CHASE		641,782	677,000	2,144	2FE
50076Q-AZ-9	KRAFT FOODS GROUP INC		04/02/2015	JPM CHASE		4,158,280	4,000,000	47,444	2FE
717081-DB-6	PFIZER INC		04/02/2015	BEAR STEARNS		2,344,820	2,000,000	7,922	1FE
91159J-AA-4	US BANCORP		04/02/2015	DONALDSON LIFKIN JENNERETTE		4,083,520	4,000,000	27,206	1FE
98956P-AK-8	ZIMMER HLDGS INC		04/02/2015	SUNTRUSTCA		2,035,820	2,000,000	2,850	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						13,264,222	12,677,000	87,566	XXX
Bonds - Hybrid Securities									
Bonds - Parent, Subsidiaries and Affiliates									
8399997 - Subtotals - Bonds - Part 3						13,264,222	12,677,000	87,566	XXX
8399999 - Subtotals - Bonds						13,264,222	12,677,000	87,566	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
Preferred Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Industrial and Miscellaneous									
Common Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Mutual Funds									
Common Stocks - Money Market Mutual Funds									
9999999 Totals						13,264,222	XXX	87,566	XXX

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

STATEMENT AS OF JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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>																					
383766-6E-5	GNMA		06/01/2015	PAYDOWN		856,648	856,648	854,640	856,437		211		211		856,648				5,789	07/16/2033	1
383766-R0-5	GNMA		06/01/2015	PAYDOWN		1,106,649	1,106,649	1,119,573	1,115,434	(8,785)		(8,785)			1,106,649				14,151	08/16/2039	1
38378B-AH-2	GNMA		06/01/2015	PAYDOWN		389,134	389,134	389,458	389,541	(407)		(407)			389,134				2,310	12/16/2037	1
912828-DV-9	UNITED STATES TREAS NTS		05/15/2015	MATURED		370,000	370,000	397,288	372,077	(2,077)		(2,077)			370,000				7,540	05/15/2015	1
<b>0599999 - Bonds - U.S. Governments</b>						2,722,431	2,722,431	2,760,959	2,733,489		(11,058)		(11,058)		2,722,431				29,790	XXX	XXX
<b>Bonds - All Other Governments</b>																					
<b>Bonds - U.S. States, Territories and Possessions</b>																					
54811G-YF-1	LOWER COLO RIV AUTH TEX REV		04/21/2015	CALLED		155,000	155,000	155,254		(131)		(131)		155,124		(124)	(124)	3,190	05/15/2022	1FE	
914692-A4-0	UNIV OF NEW MEXICO		06/19/2015	CALLED		1,305,000	1,305,000	1,159,691	1,230,615	8,887		8,887		1,239,502		65,498	65,498	63,075	63,075	07/01/2018	1FE
<b>1799999 - Bonds - U.S. States, Territories and Possessions</b>						1,460,000	1,460,000	1,314,945	1,230,615		8,756		8,756		1,394,626		65,374	65,374	66,265	XXX	XXX
<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>																					
3128M9-3H-3	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		140,164	140,164	156,305	141,966	(1,801)		(1,801)		140,164				3,557	05/01/2044	1	
3128MB-VP-9	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		28,358	28,358	27,694	28,193	165		165		28,358				570	04/01/2023	1	
3128MJ-UF-5	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		157,555	157,555	159,401	157,767	(213)		(213)		157,555				2,174	04/01/2044	1	
3128PK-7A-6	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		66,718	66,718	66,572	66,701	17		17		66,718				1,391	06/01/2023	1	
3128PK-XM-1	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		10,311	10,311	10,311	10,311					10,311				237	05/01/2023	1	
31349U-B3-1	FEDERAL HOME LN MTG CORP		06/01/2015	PAYDOWN		926	926	1,022	989	(63)		(63)		926				13	11/01/2036	1	
<b>3138EK-T7-0</b>						152,437	152,437	170,920	153,754		(1,317)		(1,317)		152,437				2,820	09/01/2041	1
3138L7-CZ-7	FNMA		06/01/2015	PAYDOWN		3,269	3,269	3,420	3,279	(10)		(10)		3,269				41	09/01/2020	1	
3138Y9-M4-7	FNMA		06/01/2015	PAYDOWN		83,980	83,980	84,647	83,980	(666)		(666)		83,980				860	01/01/2045	1	
314020-ZE-4	FNMA		06/01/2015	PAYDOWN		94	94	97	95					94				1	02/01/2035	1	
31403B-PC-1	FNMA		06/01/2015	PAYDOWN		2,526	2,526	2,638	2,548	(22)		(22)		2,526				47	11/01/2018	1	
31403D-RH-4	FNMA		06/01/2015	PAYDOWN		1,197	1,197	1,275	1,197					1,197				11	08/01/2036	1	
31403D-VZ-9	FNMA		06/01/2015	PAYDOWN		1,399	1,399	1,531	1,651	(253)		(253)		1,399				37	11/01/2036	1	
31404V-Y6-9	FNMA		06/01/2015	PAYDOWN		4,854	4,854	5,067	4,912	(59)		(59)		4,854				92	05/01/2019	1	
31405H-6L-7	FNMA		06/01/2015	PAYDOWN		80	80	82	80					80				1	08/01/2034	1	
31405R-CR-5	FNMA		06/01/2015	PAYDOWN		9,035	9,035	9,453	9,162	(128)		(128)		9,035				164	10/01/2019	1	
31410K-JY-1	FNMA		06/01/2015	PAYDOWN		6,395	6,395	6,835	6,438	(44)		(44)		6,395				158	05/01/2038	1	
31410R-6J-3	FNMA		06/01/2015	PAYDOWN		6,700	6,700	6,928	6,700	(2)		(2)		6,700				58	06/01/2036	1	
31411V-DP-5	FNMA		06/01/2015	PAYDOWN		6	6	7	6					6				6	05/01/2037	1	
31412M-SD-1	FNMA		06/01/2015	PAYDOWN		591	591	631	591	(29)		(29)		591				17	05/01/2038	1	
31414D-UF-1	FNMA		06/01/2015	PAYDOWN		31,197	31,197	30,695	31,149	47		47		31,197				648	05/01/2023	1	
31416J-PH-8	FNMA		06/01/2015	PAYDOWN		843	843	917	864	(20)		(20)		843				21	11/01/2032	1	
31417Y-T7-2	FNMA		06/01/2015	PAYDOWN		15,562	15,562	15,621	15,581	(20)		(20)		15,562				232	11/01/2025	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>						724,197	724,197	762,069	643,965		(4,418)		(4,418)		724,197				13,150	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
06406H-B0-1	BANK NEW YORK INC ME CREDIT-BASED ASSET		06/18/2015	MATURED		4,000,000	4,000,000	4,223,680	3,999,400	600		600		4,000,000				59,000	06/18/2015	1FE	
1248MP-AB-0	SERVICING		06/01/2015	PAYDOWN		8,671	8,671	7,105	8,523	148		148		8,671				206	12/25/2036	4FE	
12613S-AB-8	CNH EQUIP TR 2013-C		06/15/2015	PAYDOWN		364,694	364,694	364,693	364,693	1		1		364,694				967	01/17/2017	1FE	
12668B-TJ-2	COUNTRYWIDE ALTERNATIVE LOAN TRUST		06/01/2015	PAYDOWN		1,453	1,453	1,068	1,453					1,453				38	04/25/2036	5FE	
12669G-LP-4	CWBS INC		06/01/2015	PAYDOWN		1,432	1,432	945	1,432					1,432				16	03/25/2035	5FE	
12669Y-AC-6	CWBS MTG PASS-THROUGH TR 2006-J4		06/01/2015	PAYDOWN		4,390	4,390	2,831	4,390					4,390				118	09/25/2036	5FE	
14912L-4M-0	CATERPILLAR FINL SVCS		06/24/2015	MATURED		4,000,000	4,000,000	4,198,800	4,005,040	(5,040)		(5,040)		4,000,000				55,000	06/24/2015	1FE	
173105-AC-1	CITICORP MTG SECS TR SER 2007-1		06/01/2015	PAYDOWN		6,967	6,967	6,554	850	1,922	3,781	5,703		6,554		413	413	161	01/25/2037	6FE	
22541S-GM-4	CREDIT SUISSE FIRST BOSTON MTG SECS CORP		06/01/2015	PAYDOWN		4,699	4,699	4,717	4,710	(11)		(11)		4,699				94	04/25/2019	1FE	
225458-XS-2	CREDIT SUISSE FIRST BOSTON MTG SECS CORP		06/01/2015	PAYDOWN		336	336	331	334	2		2		336				7	07/25/2020	4FE	
34529Y-AB-2	FORD CR AUTO OWNER TR 2012-C		06/15/2015	PAYDOWN		209,782	209,782	209,767	209,776	6		6		209,782				50	12/15/2016	1FE	
36242D-OY-2	GS MTG SECS CORP		06/01/2015	PAYDOWN		2,064	2,064	1,607	1,929	134		134		2,064				500	12/25/2034	3FE	
41283T-AC-2	HARLEY DAVIDSON MOTORCYCLE TR 2012-1		06/15/2015	PAYDOWN		67,969	67,969	67,957	56,569	11,400		11,400		67,969				190	04/17/2017	1FE	
41283Y-AC-1	HARLEY-DAVIDSON MOTORCYCLE TR 2013-1		06/15/2015	PAYDOWN		331,516	331,516	331,658	331,572	(56)		(56)		331,516				889	07/16/2018	1FE	

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STATEMENT AS OF JUNE 30, 2015 OF THE TRIAD GUARANTY INSURANCE 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)
43813X-AC-8...	HONDA AUTO RECEIVABLES 2012-3 OWNER TR		06/15/2015	PAYDOWN		340,450	340,450	340,448	340,451		(1)		(1)		340,450				756	05/15/2016	1FE
43814E-AC-9...	HONDA AUTO RECEIVABLES 2013-2 OWNER TR		06/16/2015	PAYDOWN		9,885	9,885	9,898	9,890		(5)		(5)		9,885				23	02/16/2017	1FE
44890H-AC-7...	HYUNDAI AUTO RECEIVABLES TR 2012-B		04/15/2015	PAYDOWN		45,788	45,788	45,780	20,609		25,178		25,178		45,788				95	09/15/2016	1FE
57643M-DE-1...	MASTR ASSET SECURITIZATION TR		06/01/2015	PAYDOWN		4,610	4,610	4,665	4,670	(36)	(23)		(59)		4,610				96	07/25/2019	3FE
58768D-AC-5...	MERCEDES-BENZ AUTO LEASE TR 2013-B		06/15/2015	PAYDOWN		53,900	53,900	53,982	53,930		(31)		(31)		53,900				138	07/15/2016	1
65477W-AC-2...	NISSAN AUTO RECEIVABLES 2013-C OWNER TR		06/15/2015	PAYDOWN		5,352	5,352	5,351	5,352						5,352				21	08/15/2018	1FE
69349L-AL-2...	PNC BK N A PITTSBURGH PA MEDIUM TERM SUB		04/29/2015	CALLED		4,000,000	4,000,000	4,000,000	4,000,000						4,000,000				11,375	04/29/2016	1FE
761118-TB-4...	RESIDENTIAL ACCREDIT LNS INC MTG PASS TH		06/01/2015	PAYDOWN		1,525	1,525	740	1,525						1,525				25	01/25/2036	5FE
86359L-TB-5...	STRUCTURED ASSET MTG INVTS II INC		06/25/2015	PAYDOWN		751	751	143	716		34		34		751				1	02/25/2036	6FE
88732J-BB-3...	TIME WARNER CABLE INC		05/22/2015	FIRSTBST		587,088	677,000	696,301	695,996		(147)		(147)		695,849		(108,761)	(108,761)	27,616	09/01/2041	2FE
893526-DH-3...	TRANSCANADA PIPELINE		06/01/2015	MATURED		3,000,000	3,000,000	3,073,050	3,007,500		(7,500)		(7,500)		3,000,000				51,000	06/01/2015	1FE
949758-AD-8...	WELLS FARGO MTG BACKED SECS 2004-O TR		06/01/2015	PAYDOWN		2,249	2,249	2,252	2,192		57		57		2,249				26	08/25/2034	3FE
94979X-AA-5...	WELLS FARGO MTG BACKED SECS 2003-H TR		06/01/2015	PAYDOWN		4,355	4,355	4,220	4,294		61		61		4,355				51	09/25/2033	2FE
98157H-AB-3...	WORLD OMNI AUTO RECEIVABLES TR 2012-A		06/15/2015	PAYDOWN		232,553	232,553	232,536	189,977		42,576		42,576		232,553				595	02/15/2017	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						17,292,479	17,382,391	17,891,079	17,327,773	1,886	71,164		73,050		17,400,827		(108,348)	(108,348)	209,054	XXX	XXX
<b>Bonds - Hybrid Securities</b>																					
<b>Bonds - Parent, Subsidiaries, and Affiliates</b>																					
<b>8399997 - Subtotals - Bonds - Part 4</b>						22,199,107	22,289,019	22,729,052	21,935,842	1,886	64,444		66,330		22,242,081		(42,974)	(42,974)	318,259	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						22,199,107	22,289,019	22,729,052	21,935,842	1,886	64,444		66,330		22,242,081		(42,974)	(42,974)	318,259	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>						22,199,107	XXX	22,729,052	21,935,842	1,886	64,444		66,330		22,242,081		(42,974)	(42,974)	318,259	XXX	XXX

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

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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**



**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							

E13