



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2019
OF THE CONDITION AND AFFAIRS OF THE

TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

NAIC Group Code 00421 , 00421 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 ofss

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.

Subscribed and sworn to before me this _____ day of _____,

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 _____

**STATEMENT AS OF SEPTEMBER 30, 2019 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	81,340,960		81,340,960	91,480,466
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	10,899,466		10,899,466	10,577,564
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 (\$1,322,703), cash equivalents (\$3,632,237) and short-term investments (\$)	4,954,940		4,954,940	3,627,167
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	129,879		129,879	208
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	97,325,245		97,325,245	105,685,405
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	601,113		601,113	868,184
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	889,738		889,738	1,116,445
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	5,473,713		5,473,713	7,535,244
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	81,276		81,276	72,544
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 (\$)	27,153		27,153	
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	(18)		(18)	(3,090)
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)	104,398,220		104,398,220	115,274,732
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	104,398,220		104,398,220	115,274,732
DETAILS OF WRITE-INS				
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, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN
REHABILITATION**

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$12,822,714)	70,990,734	96,722,755
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,039,499	1,066,632
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	8,057,001	8,066,480
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	11,572	
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	358,282	358,282
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$1,703 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)	653,722	761,961
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	84,874	97,112
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	429,921	429,971
15. Remittances and items not allocated	218,979	77,055
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	767,487,518	759,247,053
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	849,332,102	866,827,301
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	849,332,102	866,827,301
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	105,215,928
35. Unassigned funds (surplus)	(878,649,810)	(885,268,499)
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)	(744,933,882)	(751,552,571)
38. Totals (Page 2, Line 28, Col. 3)	104,398,220	115,274,730
DETAILS OF WRITE-INS		
2501. Deferred Premium Refund	3,983,201	3,311,642
2502. Deferred Payment Obligation, including carry charges	763,150,935	755,308,285
2503. Rescinded Premium Payable	353,382	627,126
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	767,487,518	759,247,053
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, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN
REHABILITATION**

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 13,093,612)	13,202,554	18,562,560	23,474,251
1.2 Assumed (written \$)			
1.3 Ceded (written \$ (64,649))	(63,944)	(2,735,717)	(2,705,698)
1.4 Net (written \$ 13,158,261)	13,266,498	21,298,277	26,179,949
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 13,070,039):			
2.1 Direct	3,608,663	6,612,428	5,870,720
2.2 Assumed			
2.3 Ceded	(72,331)	2,189	(59,800)
2.4 Net	3,680,994	6,610,239	5,930,520
3. Loss adjustment expenses incurred	1,148,598	1,240,619	1,592,712
4. Other underwriting expenses incurred	4,185,206	4,057,781	5,149,025
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	9,014,798	11,908,639	12,672,257
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	4,251,700	9,389,638	13,507,691
INVESTMENT INCOME			
9. Net investment income earned	2,139,651	2,105,871	2,798,975
10. Net realized capital gains (losses) less capital gains tax of \$ (95,612)	(95,612)	(292,683)	(289,294)
11. Net investment gain (loss) (Lines 9 + 10)	2,044,039	1,813,188	2,509,681
OTHER INCOME			
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	1,048		
15. Total other income (Lines 12 through 14)	1,048		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,296,787	11,202,826	16,017,372
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)	6,296,787	11,202,826	16,017,372
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19)(to Line 22)	6,296,787	11,202,826	16,017,372
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	(751,552,572)	(767,929,441)	(767,929,441)
22. Net income (from Line 20)	6,296,787	11,202,826	16,017,372
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	321,903	285,889	359,496
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)	6,618,690	11,488,715	16,376,868
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(744,933,882)	(756,440,726)	(751,552,572)
DETAILS OF WRITE-INS			
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. Misc. Income	1,048		
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)	1,048		
3701.			
3702.			
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, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN
REHABILITATION**

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	15,968,756	20,894,762	26,623,025
2. Net investment income	2,543,017	2,574,672	3,341,950
3. Miscellaneous income	1,048		
4. Total (Lines 1 to 3)	18,512,821	23,469,434	29,964,975
5. Benefit and loss related payments	22,754,829	34,641,694	44,005,949
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions	4,176,270	3,840,141	4,951,245
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....		310,000	310,000
10. Total (Lines 5 through 9)	26,931,099	38,791,835	49,267,194
11. Net cash from operations (Line 4 minus Line 10)	(8,418,278)	(15,322,401)	(19,302,219)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	35,600,980	30,386,437	38,847,611
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		173	
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	35,600,980	30,386,610	38,847,611
13. Cost of investments acquired (long-term only):			
13.1 Bonds	25,693,388	16,985,420	23,709,420
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	129,671		35
13.7 Total investments acquired (Lines 13.1 to 13.6)	25,823,059	16,985,420	23,709,455
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)	9,777,921	13,401,190	15,138,156
Cash from Financing and Miscellaneous Sources			
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).....	(31,870)	6,317	7,521
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(31,870)	6,317	7,521
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,327,773	(1,914,894)	(4,156,542)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	3,627,167	7,783,709	7,783,709
19.2 End of period (Line 18 plus Line 19.1)	4,954,940	5,868,815	3,627,167

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, 2019 OF THE TRIAD GUARANTY INSURANCE 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.
.....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....0000911631
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.
- 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, 2019 OF THE TRIAD GUARANTY INSURANCE 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	\$ 10,577,564		\$ 10,899,466
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).....	\$ 10,577,564		\$ 10,899,466
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.

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 \$

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

GENERAL INTERROGATORIES

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 Company.....	50 South LaSalle Street, Chicago, IL 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 Mangement, 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
1111135.....	Mesirow Financial Investment Mangement, Inc.....	IWFK35GSRKL20LE5C129.....	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:

.....

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?.....

Yes [] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- c. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?.....

Yes [] No [X]

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>NONE</p>						

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE 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 (a)	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	N	23,796	34,111	45,995	49,394	215,979	203,211
2. Alaska	AK	N						
3. Arizona	AZ	L	122,796	152,433	98,973	698,735	534,689	723,559
4. Arkansas	AR	L	25,160	31,894	14,976	33,650	130,994	165,787
5. California	CA	L	4,913,227	6,248,090	8,874,107	12,619,242	21,316,545	30,755,329
6. Colorado	CO	L	1,106,229	1,440,880	2,061,782	2,032,456	3,157,446	5,219,089
7. Connecticut	CT	L	29,973	38,088	208,415	207,204	323,774	549,820
8. Delaware	DE	L	915,959	17,517	3,467,381		7,430,344	44,812
9. Dist. Columbia	DC	L	14,320	1,110,248		4,289,892	83,444	14,459,140
10. Florida	FL	L	280,356	417,853	999,270	2,077,312	3,950,889	5,416,506
11. Georgia	GA	N	122,674	189,619	201,355	203,013	751,089	1,437,485
12. Hawaii	HI	L	1,360	2,056				
13. Idaho	ID	N	141	142	(325)			
14. Illinois	IL	L	371,600	482,904	1,060,621	1,753,949	1,848,078	2,973,009
15. Indiana	IN	L	5,877	19,799	28,419	49,880	78,322	42,888
16. Iowa	IA	N	1,185	7,813		25,481		
17. Kansas	KS	N	5,244	10,267		22,238	95,882	125,296
18. Kentucky	KY	N	26,296	42,269	68,132	132,655	355,718	402,593
19. Louisiana	LA	N	10,289	13,367	194,678	20,807	78,617	214,799
20. Maine	ME	N	54,125					
21. Maryland	MD	L	115,158	158,680	49,597	677,694	1,541,959	1,712,539
22. Massachusetts	MA	L	10,676	60,846	35,901	99,929	704,759	812,566
23. Michigan	MI	N	119,077	156,273	457,092	386,338	1,062,457	1,485,850
24. Minnesota	MN	L	2,967,686	3,855,204	3,838,263	8,779,868	10,673,123	16,318,478
25. Mississippi	MS	L	9,200	11,383	46,259	(1,155)	4,236	55,017
26. Missouri	MO	N	20,167	29,405	56,844	29,350	184,786	178,147
27. Montana	MT	N	633	1,067		(150)	6,250	
28. Nebraska	NE	N			(229)			
29. Nevada	NV	N	57,022	31,318	171,655	204,151	306,160	483,758
30. New Hampshire	NH	L	4,031	5,397	(250)	58,774		
31. New Jersey	NJ	L	152,651	200,781	2,062,401	3,224,221	3,013,490	5,031,468
32. New Mexico	NM	L	16,618	19,752	292	220,445	227,608	389,125
33. New York	NY	L	103,987	130,503	802,879	503,011	1,749,164	2,504,119
34. No. Carolina	NC	L	187,546	289,673	198,889	959,445	1,231,559	1,604,369
35. No. Dakota	ND	N						
36. Ohio	OH	N	39,126	126,072	332,481	470,884	459,513	794,491
37. Oklahoma	OK	L	41,397	57,291	127,857	98,004	338,223	453,388
38. Oregon	OR	N	5,760	7,739	(250)		16,787	59,383
39. Pennsylvania	PA	L	7,020	128,095	270,941	402,178	723,965	1,024,261
40. Rhode Island	RI	L	7,470	8,551	82,040	37,093	145,068	231,012
41. So. Carolina	SC	L	135,925	218,266	334,732	634,180	723,991	1,022,698
42. So. Dakota	SD	N						
43. Tennessee	TN	L	64,174	95,844	125,487	90,757	309,242	490,076
44. Texas	TX	L	856,285	2,339,668	3,114,143	3,027,340	6,433,676	10,765,777
45. Utah	UT	N	9,177	14,483	(3,120)	(4,320)	24,400	176,557
46. Vermont	VT	N						
47. Virginia	VA	N	80,947	94,045	385,526	1,302,024	1,299,831	2,303,361
48. Washington	WA	N	27,536	35,105	(1,950)	62,829	82,351	54,100
49. West Virginia	WV	N	5,229	11,203	49,155	67,539	1,410	75,559
50. Wisconsin	WI	L	15,902	19,094	40,939	74,015	160,322	268,510
51. Wyoming	WY	N	2,609	4,219		(250)		
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N						
58. Aggregate Other Alien	OT	XXX						
59. Totals	XXX		13,093,612	18,369,307	29,901,353	45,620,103	71,776,137	111,027,936
DETAILS OF WRITE-INS								
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						

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG27 R – Registered – Non-domiciled RRGs
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) Q – Qualified – Qualified or accredited reinsurer
D – Domestic Surplus Lines Insurer (DSL) – Reporting entities authorized to write surplus lines in the state of domicile N – None of the above – Not allowed to write business in the state30

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, 2019 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	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	1
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 INSUURANCE CORPORATION, IN REHABILITATION	OWNERSHIP	100.0	WILLIAM T. RATLIFF AND FAMILY	N	

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Asterisk	Explanation
1	TRIAD GUARANTY INC - 16.9 % INVESTMENT, REMAINING SHARES ARE PUBLIC

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE 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	13,202,554	3,608,663	27.3	35.6
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	13,202,554	3,608,663	27.3	35.6
DETAILS OF WRITE-INS				
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		3,716,370	13,093,612
8. Ocean marine			18,369,307
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	3,716,370	13,093,612	18,369,307
DETAILS OF WRITE-INS			
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 SEPTEMBER 30, 2019 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)	2019 Loss and LAE Payments on Claims Reported as of Prior Year-End	2019 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2019 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. 2016 + Prior	55,445		55,445	18,990		18,990	35,443			35,443	(1,012)		(1,012)
2. 2017	19,558	386	19,944	8,020		8,020	8,558			8,558	(2,980)	(386)	(3,366)
3. Subtotals 2017 + prior	75,003	386	75,389	27,010		27,010	44,001			44,001	(3,992)	(386)	(4,377)
4. 2018	18,927	3,473	22,401	3,293		3,293	14,875		272	15,147	(760)	(3,201)	(3,961)
5. Subtotals 2018 + prior	93,930	3,859	97,789	30,303		30,303	58,876		272	59,148	(4,751)	(3,587)	(8,338)
6. 2019	XXX	XXX	XXX	XXX	285	285	XXX	10,434	2,448	12,882	XXX	XXX	XXX
7. Totals	93,930	3,859	97,789	30,303	285	30,588	58,876	10,434	2,720	72,030	(4,751)	(3,587)	(8,338)
8. Prior Year-End Surplus As Regards Policy-holders	(751,553)												
											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. (5.1)	2. (93.0)	3. (8.5)
													Col. 13, Line 7 Line 8
													4. 1.1

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE 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:

Bar Code:

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

OVERFLOW PAGE FOR WRITE-INS

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE 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	102,058,030	117,648,005
2. Cost of bonds and stocks acquired	25,693,386	23,709,420
3. Accrual of discount	110,996	88,374
4. Unrealized valuation increase (decrease)	321,903	359,497
5. Total gain (loss) on disposals	(95,613)	(289,356)
6. Deduct consideration for bonds and stocks disposed of	35,790,402	38,882,751
7. Deduct amortization of premium	247,293	610,360
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	189,420	35,201
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	92,240,427	102,058,030
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	92,240,427	102,058,030

STATEMENT AS OF SEPTEMBER 30, 2019 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
BONDS								
1. NAIC 1 (a).....	62,255,219	7,948,936	11,640,184	(180,807)	62,031,517	62,255,219	58,383,164	62,437,127
2. NAIC 2 (a).....	18,327,697	6,499,749	2,001,247	(19,149)	21,405,571	18,327,697	22,807,050	29,005,624
3. NAIC 3 (a).....	10,861		878	333		10,861	10,316	250
4. NAIC 4 (a).....					332			1,740
5. NAIC 5 (a).....								
6. NAIC 6 (a).....	28,541	132	1,919	873	30,037	28,541	27,627	35,751
7. Total Bonds	80,622,318	14,448,817	13,644,228	(198,750)	83,467,457	80,622,318	81,228,157	91,480,492
PREFERRED STOCK								
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	80,622,318	14,448,817	13,644,228	(198,750)	83,467,457	80,622,318	81,228,157	91,480,492

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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 \$

Schedule DA - Part 1

NONE

Schedule DA - Verification

NONE

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

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN
REHABILITATION**

SCHEDULE E – PART 2 – VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	1,444,658	2,367,003
2. Cost of cash equivalents acquired	11,698,784	8,340,228
3. Accrual of discount	4,076	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals	9,515,281	9,262,573
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)	3,632,237	1,444,658
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	3,632,237	1,444,658

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, 2019 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	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol/Market Indicator ^(a)
Bonds - U.S. Governments									
912828-7F-1	US TREASURY N/B 1.75 31/07/21		08/08/2019	CHASE SECURITIES INC (CSI) CHASECSI	XXX	2,572,925	2,567,000	1,099	1FE
0599999 - Bonds - U.S. Governments						2,572,925	2,567,000	1,099	XXX
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-CZ-3	AT&T INC 4.6 15/02/21		08/02/2019	SUMRIDGE PARTNERS LLC	XXX	772,755	750,000	16,388	2FE
00287Y-AU-3	ABBVIE INC 2.3 14/05/21		08/02/2019	MILLENNIUM ADVISORS LLC	XXX	751,290	750,000	3,929	2FE
023135-AJ-5	AMAZON.COM INC 2.5 29/11/22		07/11/2019	MORGAN STANLEY & CO INC. NEW YORK MORGST	XXX	1,315,561	1,300,000	4,153	1FE
046353-AK-4	ASTRAZENECA PLC 2.375 16/11/20	D	09/05/2019	RBC DAIN RAUSCHER DAINRAUS	XXX	802,296	800,000	5,964	2FE
06051G-EM-7	BANK OF AMERICA CORP 5.7 24/01/22		09/05/2019	SUMRIDGE PARTNERS LLC	XXX	1,085,060	1,000,000	7,125	1FE
06406R-AA-5	BANK OF NY MELLON CORP 2.6 07/02/22		07/11/2019	CITIGROUP GLOBAL MARKETS INC./SALOMON BR	XXX	806,560	800,000	9,129	1FE
097023-CL-7	BOEING CO 2.3 01/08/21		08/02/2019	MLPFS INC/FIXED INCOME	XXX	952,442	950,000	364	1FE
126650-CV-0	CVS HEALTH CORP 3.7 09/03/23		07/02/2019	ROBERT W. BAIRD & COMPANY INC MILWAUKEE	XXX	2,071,180	2,000,000	23,844	2FE
63946B-AE-0	NBCUNIVERSAL MEDIA LLC 4.375 01/04/21		09/05/2019	WELLS FARGO SECURITIES LLC -46171	XXX	1,037,440	1,000,000	19,201	1FE
86359L-TB-5	STRUCTURED ASSET MORTGAGE INVE 2.3184 PO		04/25/2014	VARIOUS	XXX	132	78		6FE
92343V-AX-2	VERIZON COMMUNICATIONS 4.6 01/04/21		07/11/2019	WELLS FARGO SECURITIES LLC -46171	XXX	1,299,900	1,250,000	16,611	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						10,894,616	10,600,078	106,708	XXX
Bonds - Hybrid Securities									
Bonds - Parent, Subsidiaries and Affiliates									
Bonds - SVO Identified Funds									
Bonds - Bank Loans									
8399997 - Subtotals - Bonds - Part 3						13,467,541	13,167,078	107,807	XXX
8399999 - Subtotals - Bonds						13,467,541	13,167,078	107,807	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									
9999999 Totals						13,467,541	XXX	107,807	XXX

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

STATEMENT AS OF SEPTEMBER 30, 2019 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 and Administrative Symbol/Market Indicator ^(a)
Bonds - U.S. Governments																					
912828-06-0	TSY INFL TX N/B 0.125 15/04/21		08/08/2019	MLPFS INC/FIXED INCOME	.XXX	2,745,560	2,773,823	2,656,862	2,758,184	(125,631)	(6,432)		(132,063)		2,631,022		114,538	114,538	2,806	04/15/2021	.1
912828-SX-9	US TREASURY N/B 1.125 31/05/19		05/30/2019	MATURITY	.XXX														482	05/31/2019	.1
0599999 - Bonds - U.S. Governments						2,745,560	2,773,823	2,656,862	2,758,184	(125,631)	(6,432)		(132,063)		2,631,022		114,538	114,538	3,288	XXX	XXX
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 and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
130911-X3-9	CALIFORNIA ST STWD CMNTYS DEV 5		08/01/2019	SECURITY CALLED BY ISSUER at 100.000	.XXX	215,000	215,000	211,593	211,593						211,593		3,407	3,407	10,750	08/01/2022	1FE
3128MB-VP-9	FREDDIE MAC 5 POOL ID G13122		09/01/2019	MBS PAYDOWN	.XXX	10,398	10,398	10,398	10,044		354		354		10,398				358	04/01/2023	.1
3128PK-7A-6	FREDDIE MAC 5.5 POOL ID J08089		09/01/2019	MBS PAYDOWN	.XXX	9,217	9,217	9,217	9,200		17		17		9,217				338	06/01/2023	.1
3128PK-XM-1	FREDDIE MAC 4.685 POOL ID J07884		09/01/2019	MBS PAYDOWN	.XXX	31,613	31,613	31,613	31,613						31,613				1,279	05/01/2023	.1
31349U-B3-1	FREDDIE MAC 5.5 POOL ID 782758		09/01/2019	MBS PAYDOWN	.XXX	449	449	449	449						449				15	11/01/2036	.1
31381S-PG-1	FANNIE MAE 3.5 POOL ID 469423		09/01/2019	MBS PAYDOWN	.XXX	9,941	9,941	10,093			(42)		(42)		9,941				147	10/01/2021	.1
3138EK-T7-0	FANNIE MAE 5.5 POOL ID AL3273		09/01/2019	MBS PAYDOWN	.XXX	40,942	40,942	45,907	45,279		(551)		(551)		40,942				1,487	09/01/2041	.1
3138Y9-M4-7	FANNIE MAE 3 POOL ID AX7578		09/01/2019	MBS PAYDOWN	.XXX	119,325	119,325	120,272	120,219		(69)		(69)		119,325				2,391	01/01/2045	.1
31402Q-ZE-4	FANNIE MAE 4.798 POOL ID 735241		09/01/2019	MBS PAYDOWN	.XXX	1,461	1,461	1,461	1,494		(32)		(32)		1,461				48	02/01/2035	.1
31403D-RH-4	FANNIE MAE 4.527 POOL ID 745788		09/01/2019	MBS PAYDOWN	.XXX	362	362	362	335		26		26		362				11	08/01/2036	.1
31403D-VZ-9	FANNIE MAE 6.5 POOL ID 745932		09/01/2019	MBS PAYDOWN	.XXX	346	346	346	845		(500)		(500)		346				15	11/01/2036	.1
31405H-6L-7	FANNIE MAE 3.833 POOL ID 790275		09/01/2019	MBS PAYDOWN	.XXX	37	37	37	37						37				1	08/01/2034	.1
31405R-CR-5	FANNIE MAE 4.5 POOL ID 796680		09/01/2019	MBS PAYDOWN	.XXX	2,156	2,156	2,156	2,218		(62)		(62)		2,156				65	10/01/2019	.1
31410K-JY-1	FANNIE MAE 6 POOL ID 889579		09/01/2019	MBS PAYDOWN	.XXX	1,060	1,060	1,060	1,116		(56)		(56)		1,060				42	05/01/2038	.1
31410R-6J-3	FANNIE MAE 4.654 POOL ID 895573		09/01/2019	MBS PAYDOWN	.XXX	4,919	4,919	4,919	4,968		(50)		(50)		4,919				134	06/01/2036	.1
31411Y-DP-5	FANNIE MAE 4.73 POOL ID 918210		09/01/2019	MBS PAYDOWN	.XXX	21	21	21	28		(7)		(7)		21				1	05/01/2037	.1
31412W-SD-1	FANNIE MAE 6 POOL ID 929416		09/01/2019	MBS PAYDOWN	.XXX	74	74	74	104		(30)		(30)		74				3	05/01/2038	.1
31414D-UF-1	FANNIE MAE 5 POOL ID 963282		09/01/2019	MBS PAYDOWN	.XXX	22,449	22,449	22,449	22,267		182		182		22,449				753	05/01/2023	.1
31416J-PH-8	FANNIE MAE 6 POOL ID AA1323		09/01/2019	MBS PAYDOWN	.XXX	249	249	249	355		(106)		(106)		249				10	11/01/2032	.1
31417Y-T7-2	FANNIE MAE 3.5 POOL ID MA0573		09/01/2019	MBS PAYDOWN	.XXX	9,532	9,532	9,532	9,637		(105)		(105)		9,532				217	11/01/2025	.1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						479,551	479,551	482,208	471,801		(1,031)		(1,031)		476,144		3,407	3,407	18,065	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
12593G-AA-0	COMM MORTGAGE TRUST 1.667 POOL ID PC1		07/01/2019	MBS PAYDOWN	.XXX	6,325	6,325	6,325	6,325						6,325				62	07/10/2050	1FE
12593G-AB-8	COMM MORTGAGE TRUST 3.148 POOL ID PC1		09/01/2019	MBS PAYDOWN	.XXX	469,211	469,211	484,314	473,786		(1,140)		(1,140)		469,211				9,341	07/10/2050	1FE
12593N-AE-7	CNH EQUIPMENT TRUST 2.05 POOL ID C		09/15/2019	MBS PAYDOWN	.XXX	841,725	841,725	855,140	843,245		(970)		(970)		841,725				11,010	08/15/2022	1FE
12635F-AQ-7	CSA I L COMMERCIAL MORTGAGE TRUS 1.7167 PO		09/01/2019	MBS PAYDOWN	.XXX	24,073	24,073	24,073	24,073						24,073				275	08/15/2048	1FE
126650-CJ-7	CYS HEALTH CORP 2.8 20/07/20		07/02/2019	ROBERT W. BAIRD & COMPANY INC W/LWAUKEE	.XXX	2,004,640	2,000,000	2,005,960	2,001,848		(601)		(601)		2,001,247		3,393	3,393	53,667	07/20/2020	2FE
12668B-TJ-2	COUNTRYWIDE ALTERNATIVE LOAN T 6 POOL ID		09/01/2019	MBS PAYDOWN	.XXX	470	1,216	1,216	703		512		512		1,216		(746)	(746)	40	04/25/2036	6FE

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, 2019 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN
REHABILITATION**

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
	Bonds - U.S. Governments - Issuer Obligations							
	Bonds - U.S. Governments - Residential Mortgage-Backed Securities							
	Bonds - U.S. Governments - Commercial Mortgage-Backed Securities							
	Bonds - U.S. Governments - Other Loan-Backed and Structured Securities							
	Bonds - All Other Governments - Issuer Obligations							
	Bonds - All Other Governments - Residential Mortgage-Backed Securities							
	Bonds - All Other Governments - Commercial Mortgage-Backed Securities							
	Bonds - All Other Governments - Other Loan-Backed and Structured Securities							
	Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations							
	Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities							
	Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities							
	Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities							
	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations							
	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities							
	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities							
	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities							
	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations							
	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities							
	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities							
	Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities							
	Bonds - Industrial and Miscellaneous - Issuer Obligations							
	Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities							
	Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities							
	Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities							
	Bonds - Hybrid Securities - Issuer Obligations							
	Bonds - Hybrid Securities - Residential Mortgage-Backed Securities							
	Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities							
	Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities							
	Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations							
	Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities							
	Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities							
	Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities							
	Bonds - SVO Identified Funds - Exchange Traded Funds - as Identified by the SVO							
	Bonds - SVO Identified Funds - Bond Mutual Funds - as Identified by the SVO							
	Bonds - Bank Loans - Bank Loans - Issued							
	Bonds - Bank Loans - Bank Loans - Acquired							
	Sweep Accounts							
	Exempt Money Market Mutual Funds - as Identified by SVO							
	665279-87-3.....NORTHERN INSTITUTIONAL TREASURY PORTFOL.....		.07/31/2019.....	.....XXX.....		3,396,372	6,198	52,078
	09248U-70-0.....BLACKROCK LIQUIDITY FEDFUND.....		.09/30/2019.....	.....XXX.....		189,552		3,110
	SA0000-56-0.....BB&T TRUST DEPOSIT RIS.....		.08/31/2019.....	.....XXX.....		46,313		1,474
	8599999 - Exempt Money Market Mutual Funds - as Identified by SVO					3,632,237	6,198	56,662
	All Other Money Market Mutual Funds							
	Other Cash Equivalents							
	8899999 Total Cash Equivalents					3,632,237	6,198	56,662

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