



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2010
OF THE CONDITION AND AFFAIRS OF THE
TRIAD GUARANTY INSURANCE CORPORATION

NAIC Group Code 0421, 0421 NAIC Company Code 24350 Employer's ID Number 56-1570971
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 111 South Wacker Street, Chicago, IL 60606
Main Administrative Office 101 South Stratford Road, Winston-Salem, NC 27104 336-723-1282
Mail Address Post Office Box 2300, Winston-Salem, NC 27102-2300
Primary Location of Books and Records 101 South Stratford Road, Winston-Salem, NC 27104 336-723-1282-1155
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OFFICERS

Name Title Name Title
Kenneth Wayne Jones, CEO and Chief Financial Officer Earl Franklin Wall, Secretary
Kenneth Stephen Dwyer, Chief Accounting Officer

OTHER OFFICERS

Shirley Aldridge Gaddy, SVP

DIRECTORS OR TRUSTEES

Howard Anthony Davis, Kenneth Stephen Dwyer, Mark Raphael Goodman, Kenneth Wayne Jones
William Thomas Ratliff III, Jerome Francis Schutzbach, Earl Franklin Wall

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.

Kenneth Wayne Jones, Earl Franklin Wall, Kenneth Stephen Dwyer
CEO and Chief Financial Officer, Secretary, Chief Accounting Officer

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
1st day of November, 2010

Joyce B Sills, Notary Public
July 22, 2014

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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	816,504,377		816,504,377	724,532,377
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	7,241,667		7,241,667	6,793,210
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$35,822,406), cash equivalents (\$0) and short-term investments (\$25,171,542)	60,993,948		60,993,948	43,273,075
6. Contract loans (including \$premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities	24,139		24,139	0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	884,764,131	0	884,764,131	774,598,662
12. Title plants less \$charged off (for Title insurers only)			0	0
13. Investment income due and accrued	8,904,916		8,904,916	8,670,662
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	14,198,547		14,198,547	16,816,752
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)	14,527,931		14,527,931	0
14.3 Accrued retrospective premiums			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	9,579,116		9,579,116	9,719,321
15.2 Funds held by or deposited with reinsured companies			0	0
15.3 Other amounts receivable under reinsurance contracts			0	0
16. Amounts receivable relating to uninsured plans			0	0
17.1 Current federal and foreign income tax recoverable and interest thereon	11,706,978		11,706,978	12,886,830
17.2 Net deferred tax asset			0	0
18. Guaranty funds receivable or on deposit			0	0
19. Electronic data processing equipment and software	84,542		84,542	66,008
20. Furniture and equipment, including health care delivery assets (\$)			0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
22. Receivables from parent, subsidiaries and affiliates	48,728		48,728	38,751
23. Health care (\$) and other amounts receivable			0	0
24. Aggregate write-ins for other than invested assets	6,431,865	6,428,526	3,339	4,185,381
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	950,246,754	6,428,526	943,818,227	826,982,369
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
27. Total (Lines 25 and 26)	950,246,754	6,428,526	943,818,227	826,982,369
DETAILS OF WRITE-INS				
1001.			0	0
1002.			0	0
1003.			0	0
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)	0	0	0	0
2401. Prepaid expenses	1,923,567	1,923,567	0	0
2402. Accounts receivable	4,508,298	4,504,959	3,339	4,185,381
2403. Prepaid fraud insurance			0	0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	6,431,865	6,428,526	3,339	4,185,381

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 198,798,506)	630,082,909	587,917,301
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	17,560,422	21,816,808
4. Commissions payable, contingent commissions and other similar charges	4,805	5,849
5. Other expenses (excluding taxes, licenses and fees)	11,090,191	9,327,303
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,143,787	1,205,877
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 86,792 and including warranty reserves of \$)	10,110,637	11,795,644
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,172,025	4,886,119
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others	44,049,351	18,506,064
15. Remittances and items not allocated	136,513	32,909
16. Provision for reinsurance		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities		0
22. Liability for amounts held under uninsured plans		0
23. Capital notes \$ and interest thereon \$		0
24. Aggregate write-ins for liabilities	31,643,029	48,674,370
25. Total liabilities excluding protected cell liabilities (Lines 1 through 24)	748,993,669	704,168,243
26. Protected cell liabilities		0
27. Total liabilities (Lines 25 and 26)	748,993,669	704,168,243
28. Aggregate write-ins for special surplus funds	351,719,850	168,385,980
29. Common capital stock	3,500,000	3,500,000
30. Preferred capital stock		0
31. Aggregate write-ins for other than special surplus funds	6,675,000	4,450,000
32. Surplus notes	25,000,000	25,000,000
33. Gross paid in and contributed surplus	105,215,928	105,215,928
34. Unassigned funds (surplus)	(297,286,219)	(183,737,782)
35. Less treasury stock, at cost:		
35.1 shares common (value included in Line 29 \$)		0
35.2 shares preferred (value included in Line 30 \$)		0
36. Surplus as regards policyholders (Lines 28 to 34, less 35)	194,824,560	122,814,126
37. Totals	943,818,229	826,982,369
DETAILS OF WRITE-INS		
2401. Rescinded premium payable	31,643,029	47,473,282
2402. Interest Due IRS	0	1,201,088
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	31,643,029	48,674,370
2801. Deferred Payment Obligation including carrying charges	351,719,850	168,385,980
2802.		
2803.		
2898. Summary of remaining write-ins for Line 28 from overflow page	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	351,719,850	168,385,980
3101. Unapproved interest due on Surplus Note	6,675,000	4,450,000
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above)	6,675,000	4,450,000

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 \$ 174,065,990)	176,022,006	176,252,945	220,721,205
1.2 Assumed (written \$ 304)	332	432	512
1.3 Ceded (written \$ 15,688,203)	15,959,240	21,037,191	31,515,929
1.4 Net (written \$ 158,378,091)	160,063,099	155,216,186	189,205,787
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 221,377,795):			
2.1 Direct	294,540,661	688,679,512	844,030,602
2.2 Assumed		(6,940)	(6,940)
2.3 Ceded	22,699,884	80,966,734	91,063,738
2.4 Net	271,840,777	607,705,838	752,959,924
3. Loss adjustment expenses incurred	10,036,288	19,031,227	24,400,261
4. Other underwriting expenses incurred	21,652,839	24,233,305	31,798,914
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	303,529,904	650,970,370	809,159,099
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(143,466,805)	(495,754,184)	(619,953,312)
INVESTMENT INCOME			
9. Net investment income earned	22,044,310	29,413,019	36,845,588
10. Net realized capital gains (losses) less capital gains tax of \$	12,779,722	(10,363,864)	(9,756,936)
11. Net investment gain (loss) (Lines 9 + 10)	34,824,032	19,049,155	27,088,652
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	(37,209)	0	12,955,515
15. Total other income (Lines 12 through 14)	(37,209)	0	12,955,515
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(108,679,982)	(476,705,029)	(579,909,145)
17. Dividends to policyholders		0	0
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)	(108,679,982)	(476,705,029)	(579,909,145)
19. Federal and foreign income taxes incurred		1,080,899	(2,793,643)
20. Net income (Line 18 minus Line 19)(to Line 22)	(108,679,982)	(477,785,928)	(577,115,502)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	122,814,126	88,027,429	88,027,429
22. Net income (from Line 20)	(108,679,982)	(477,785,928)	(577,115,502)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	448,458	(2,379,922)	(3,492,658)
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(267,067,664)	142,519,407	207,652,911
27. Change in nonadmitted assets	263,975,750	(139,908,030)	(203,716,426)
28. Change in provision for reinsurance		24,575,926	24,575,926
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	183,333,870	515,544,451	586,882,446
38. Change in surplus as regards policyholders (Lines 22 through 37)	72,010,433	62,565,904	34,786,697
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	194,824,559	150,593,333	122,814,126
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other Income - Disposal of Fixed Assets		0	12,347,813
1402. Other Income - Service Fees on Information Technology	(37,209)	0	607,702
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(37,209)	0	12,955,515
3701. Deferred Payment Obligation	183,333,870	97,047,985	168,385,980
3702. Decrease in Contingency Reserve	(80,031,550)	(68,607,265)	(87,317,201)
3703. Increase in Contingency Reserve	80,031,550	68,607,265	87,317,201
3798. Summary of remaining write-ins for Line 37 from overflow page	0	418,496,466	418,496,466
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	183,333,870	515,544,451	586,882,446

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	128,019,865	160,515,218	202,776,296
2. Net investment income	26,934,947	32,284,907	42,250,783
3. Miscellaneous income	9,248	28,837	12,904,974
4. Total (Lines 1 to 3)	154,964,060	192,828,962	257,932,053
5. Benefit and loss related payments	66,978,582	282,017,445	366,662,929
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	17,564,235	20,713,472	28,107,598
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(1,179,853)	7,736,009	7,736,009
10. Total (Lines 5 through 9)	83,362,964	310,466,926	402,506,536
11. Net cash from operations (Line 4 minus Line 10)	71,601,096	(117,637,964)	(144,574,483)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	373,684,936	238,338,883	275,755,113
12.2 Stocks	20,444	439,519	1,746,731
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	1,155,525	1,155,525
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(36,338)	43,819	43,819
12.7 Miscellaneous proceeds	0	2,995,110	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	373,669,042	242,972,856	278,701,188
13. Cost of investments acquired (long-term only):			
13.1 Bonds	452,667,724	165,495,723	176,704,486
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	599,503	599,503
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	24,139	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	452,691,863	166,095,226	177,303,989
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(79,022,821)	76,877,630	101,397,199
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	25,142,598	3,215,023	15,049,751
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	25,142,598	3,215,023	15,049,751
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)	17,720,873	(37,545,311)	(28,127,533)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	43,273,075	71,400,608	71,400,608
19.2 End of period (Line 18 plus Line 19.1)	60,993,948	33,855,297	43,273,075

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Accounting Practices

The accompanying financial statements of Triad Guaranty Insurance Corporation (“the Company”) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Illinois.

The Illinois Director of Insurance (the “Illinois Director”) issued a Corrective Order (“Order”) to the Company on April 1, 2009. Under this Order, effective June 1 2009, all valid claims under Triad’s mortgage guaranty insurance policies were paid 60% in cash and 40% by the creation of a deferred payment obligation (“DPO”). The DPO is represented by a separate entry in the Company’s financial statement and accrues a carrying charge based on the investment yield earned by the Company. Payments of the carrying charge and the DPO will be subject to the Company’s future financial performance and will require approval of the Illinois Director. The Company’s loss reserves were also adjusted to reflect only the estimated cash payment for claims under this Order. This practice is prescribed by the Illinois Director and is not addressed in the NAIC’s *Accounting Practices and Procedures Manual* (“SAP”).

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and this prescribed practice by the Illinois Director is shown below.

	2010
Net income, Illinois basis	\$(108,679,982)
State prescribed practice (incurred losses)	
Change in direct loss reserves	98,156,493
State prescribed practice (investment income)	
Interest on deferred payment obligation	6,484,815
Net income, NAIC SAP	\$(4,038,674)
Statutory surplus, Illinois basis	\$194,824,558
State prescribed practices (surplus)	
Investment income	8,542,114
Loss reserves	(454,098,576)
Deferred payment obligation	(351,719,850)
Statutory surplus, NAIC SAP	\$(602,451,754)

b. No change from year-end 2009.

c. No change from year-end 2009.

2. Accounting Changes and Corrections of Errors

No change from year-end 2009.

3. Business Combinations and Goodwill

No change from year-end 2009.

4. Discontinued Operations

No change from year-end 2009.

5. Investments

a. No change from year-end 2009.

b. No change from year-end 2009.

c. No change from year-end 2009.

d. Loan-Backed Securities:

(1) Carrying value for structured securities have been determined in accordance with the guidelines of the NAIC. Fair value is determined using a pricing hierarchy starting with a widely accepted pricing vendor, followed by external broker/dealers, Bloomberg analytic modeling and a benchmark to index model.

(2) The Company uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-back and asset-backed securities with inputs from major third party data providers. It combines the effects of interest rates, volatility, and pre-payment speeds based on various scenario (Monte Carlo) simulations with credit loss analysis and resulting effective analytics (spreads, duration, convexity) and cash-flows on a monthly basis. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.

(3) Credit risk concentrations are evaluated in our base security analysis through exposure stratification of the collateral attributes. The Company will then apply an appropriate credit default curve reflecting our forecasted expectations of future defaults and losses.

(4) An OTTI is recognized on any security whose market value is less than its amortized cost because the Company may not have the ability to hold the security for a period of time sufficient to recover the amortized cost basis.

(5) The Company does not have investments held showing Unrealized Losses - Greater and Less than 1 year.

(6) There are a number of factors that are considered in determining if there is not an other-than-temporary-impairment on an investment, including but not limited to, debt burden, credit ratings, sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

e. No change from year-end 2009.

f. The Company recognized no additional real estate impairment losses since year-end 2009.

g. No change from year-end 2009.

6. Joint Ventures, Partnerships and Limited Liability Companies

No change from year-end 2009.

7. Investment Income

No change from year-end 2009.

8. Derivative Instruments

No change from year-end 2009.

9. Income Taxes

No changes have occurred from year-end 2009 that would have a material impact on the Company.

NOTES TO FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries Affiliates and Other Related Parties

- a. No change from year-end 2009.
- b. No change from year-end 2009.
- c. No change from year-end 2009.
- d. No change from year-end 2009.
- e. No change from year-end 2009.
- f. No change in arrangements from year-end 2009.
- g. No change from year-end 2009.
- h. No change from year-end 2009.
- i. No change from year-end 2009.
- j. No change from year-end 2009.
- k. No change from year-end 2009.
- l. No change from year-end 2009.

11. Debt

No change from year-end 2009.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The total amount employees are allowed to defer in 2010 in the Company's defined contribution 401(k) plan is \$16,500, except for employees 50 or older who may defer an additional \$5,500.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- (1) No change from year-end 2009.
- (2) No change from year-end 2009.
- (3) No change from year-end 2009.
- (4) No change from year-end 2009.
- (5) No change from year-end 2009.
- (6) No change from year-end 2009.
- (7) No change from year-end 2009.
- (8) No change from year-end 2009.
- (9) No change from year-end 2009.
- (10) The portion of unassigned funds (surplus) represented by cumulative unrealized gains and losses was \$2,205,686.
- (11) There was no interest paid in the current year on the Company's surplus note. At September 30, 2010, interest past due of \$6,675,000 remained unapproved by the Illinois Department of Insurance. No other change from year-end 2009.
- (12) No change from year-end 2009.
- (13) No change from year-end 2009.

14. Contingencies

- a. No change from year-end 2009.
- b. No change from year-end 2009.
- c. No change from year-end 2009.
- d. No change from year-end 2009.
- e. No change from year-end 2009.

15. Leases

- a. Lessee Operating Lease
 - (1) No change from year-end 2009.
 - (2) Account changes from year-end 2009 are not significant in either amount or composition.
- b. Lessor Lease
 - (1) No change from year-end 2009.
 - (2) Account changes from year-end 2009 are not significant in either amount or composition.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No change from year-end 2009.

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

No change from year-end 2009. The Company did not have any transfers of receivables reported as sales, transfer and servicing of financial assets, or wash sales.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No change from year-end 2009.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No change from year-end 2009.

20. Other Items

The Company's subprime mortgage related risk exposure has not changed substantially from year-end 2009 except as noted in the tables below.

The total reserves as of September 30, 2010 based upon credit ratings was as follows:

	2010	
	(in Millions)	As % of total
Prime	\$691	52.0%
Alt -A	585	44.0%
A-Minus	45	3.4%
Subprime (A)	8	0.6%
Total	\$1,329	100%

Losses and reserves related as of September 30, 2010 were as follows:

(in Millions)	Total	Subprime	Subprime as % of Total
Losses Paid	\$454	\$3	0.63%
Case Reserves	\$1,329	\$8	0.61%

(A) For purposes of this disclosure, a "subprime mortgage" is defined as a mortgage loan with a FICO credit score below 575. IBNR reserves include unallocated LAE based on direct case reserves.

21. Events Subsequent

The Company is unaware of any subsequent events that would have a material effect on its financial condition.

22. Reinsurance

- a. Account changes since year-end 2009 are not significant in either amount or composition.
- b. No change from year-end 2009.
- c. Account changes since year-end 2009 are not significant in either amount or composition.
- d. The Company deemed a reinsurance balance due of \$4.04 million to be uncollectible in the first nine months of 2010. The amount reflected ceded reserves in excess of trust balances from, Bank of America, Cross Country Insurance Co., DRH FS Mortgage Re. LTD, Union Hamilton Assurance LTD, and UGMP Reinsurance LTD.
- e. The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as

(1) Losses incurred	\$ -
(2) Loss adjustment expenses incurred	\$ -
(3) Premiums earned	\$ -
(4) Other	\$ -
(5) Company	Amount
Balboa Reinsurance Co.	\$142,407,618
North Star Mortgage Reinsurance Co.	\$ 46,249,257
WTC Reinsurance LTD	\$ 757,768
SBMC Reinsurance Limited	\$ 187,285
- f. No change from year-end 2009.
- g. No change from year-end 2009.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change from year-end 2009.

24. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2009 were \$609.7 million. As of September 30, 2010, \$219.6 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$431.3 million as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$41.2 million unfavorable prior year development since December 31, 2009.

25. Intercompany Pooling Arrangements

No change from year-end 2009.

NOTES TO FINANCIAL STATEMENTS

26. Structured Settlements

No change from year-end 2009.

27. Health Care Receivables

No change from year-end 2009.

28. Participating Policies

No change from year-end 2009.

29. Premium Deficiency Reserves

No change from year-end 2009.

30. High Deductibles

No change from year-end 2009.

31. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No change from year-end 2009.

32. Asbestos/Environmental Reserves

No change from year-end 2009.

33. Subscriber Savings Accounts

No change from year-end 2009.

34. Multiple Peril Crop Insurance

No change from year-end 2009.

35. Financial Guaranty Insurance

The Company has no financial guaranty insurance exposure.

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
- 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
- 2.2 If yes, date of change:
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 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
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). 06/03/2009
- 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
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes 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
- 7.2 If yes, give full information:
The Company's insurance license has been suspended by Alaska, Arkansas, Florida, Oklahoma, Tennessee, and West Virginia while the Company is in runoff.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes No
- 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
- 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 Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 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		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	\$ 6,793,210		\$ 7,241,669	
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).....	\$ 6,793,210		\$ 7,241,669	
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. 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

16.1 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
Bank of America.....	504 W. Madison St., Chicago, IL 60661.....

16.2 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)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes No

16.4 If yes, give full and complete information relating thereto:

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

16.5 Identify all investment advisors, brokers/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
DTC ABA: 107423.....	Conning Asset Management.....	One Financial Plaza, Hartford, CT 06103.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes No

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto.

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

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....										
.....										
.....										
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent _____

5.2 A&H cost containment percent _____

5.3 A&H expense percent excluding cost containment expenses _____

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

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

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

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

SCHEDULE F—CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (Yes or No)
NONE				

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	
1. Alabama	AL	L	493,672	561,337	559,810	391,724	1,146,539	754,319
2. Alaska	AK	L		0		0		0
3. Arizona	AZ	L	3,274,322	3,522,361	22,751,943	12,558,325	17,106,259	19,260,432
4. Arkansas	AR	L	1,022,366	1,230,200	1,623,482	1,093,252	1,597,769	1,209,306
5. California	CA	L	35,913,560	35,904,850	72,505,864	54,101,599	164,516,678	159,712,820
6. Colorado	CO	L	9,369,969	3,442,358	15,192,962	18,345,148	16,773,791	41,666,613
7. Connecticut	CT	L	356,558	366,723	278,515	295,364	983,367	917,220
8. Delaware	DE	L	110,010	118,003		0	146,584	55,300
9. District of Columbia	DC	L	22,130,806	15,491,940	106,243,631	70,849,624	133,016,308	204,154,989
10. Florida	FL	L	5,966,989	5,566,914	17,269,519	10,597,099	37,507,037	38,516,864
11. Georgia	GA	L	3,073,020	3,420,845	4,947,124	2,846,185	6,522,962	5,563,114
12. Hawaii	HI	L	11,743	9,480		0	7,551	153
13. Idaho	ID	L	38,100	43,206		0	42,703	13,884
14. Illinois	IL	L	3,958,086	4,017,202	7,307,079	4,399,790	16,333,425	12,565,205
15. Indiana	IN	L	617,201	713,771	870,438	1,085,275	1,007,599	1,103,908
16. Iowa	IA	L	77,136	74,944	92,590	0	61,663	73,106
17. Kansas	KS	L	319,218	353,345	474,043	326,507	599,309	489,509
18. Kentucky	KY	L	1,450,262	1,733,621	1,331,676	755,965	2,555,329	2,207,293
19. Louisiana	LA	L	211,363	248,761	101,668	0	296,313	281,509
20. Maine	ME	L		0		0		0
21. Maryland	MD	L	1,469,979	1,248,534	2,904,474	2,008,130	5,152,866	5,688,607
22. Massachusetts	MA	L	841,492	794,015	2,245,244	1,123,124	2,867,827	2,701,483
23. Michigan	MI	L	2,891,899	3,259,909	6,058,342	3,592,081	8,051,330	7,346,144
24. Minnesota	MN	L	27,614,450	30,774,788	75,163,372	42,765,453	101,792,340	496,666
25. Mississippi	MS	L	235,949	258,031	305,601	114,320	389,132	389,910
26. Missouri	MO	L	478,721	558,876	457,644	238,154	489,227	456,320
27. Montana	MT	L	13,658	14,082		0	1,034	97,643,841
28. Nebraska	NE	L	2,367	3,121		0	179	50
29. Nevada	NV	L	753,679	608,983	3,014,907	4,500,262	4,243,957	4,120,961
30. New Hampshire	NH	L	38,554	29,030		0	37,817	48,868
31. New Jersey	NJ	L	2,296,114	2,436,238	1,863,087	1,219,229	9,173,534	8,283,232
32. New Mexico	NM	L	271,630	290,000	404,972	104,052	766,034	392,036
33. New York	NY	L	943,066	921,025	1,075,830	471,196	5,669,634	4,445,367
34. North Carolina	NC	L	5,593,222	6,318,270	6,003,805	3,114,710	11,096,459	8,184,568
35. North Dakota	ND	L		0		0		0
36. Ohio	OH	L	2,196,027	2,413,463	4,105,746	2,183,862	6,121,650	5,357,850
37. Oklahoma	OK	L	1,958,642	2,435,404	1,433,773	904,469	1,480,689	1,240,601
38. Oregon	OR	L	383,243	400,224	628,928	271,362	696,562	682,799
39. Pennsylvania	PA	L	1,890,616	2,117,796	1,815,924	1,414,294	3,720,469	3,509,896
40. Rhode Island	RI	L	113,160	119,219	78,863	78,466	497,098	356,184
41. South Carolina	SC	L	3,051,089	3,518,416	3,840,601	2,349,641	6,755,561	5,366,019
42. South Dakota	SD	L	11,918	6,049		0	903	98
43. Tennessee	TN	L	1,541,576	1,823,130	1,849,490	625,796	2,180,448	2,356,188
44. Texas	TX	L	24,516,148	22,477,744	46,078,049	96,374,413	81,817,116	141,162,040
45. Utah	UT	L	348,342	355,132	1,040,399	505,444	917,644	1,004,507
46. Vermont	VT	L		0		0	0	0
47. Virginia	VA	L	5,128,065	12,471,673	28,136,899	59,042,191	24,537,032	54,821,607
48. Washington	WA	L	472,175	561,639	655,385	431,419	1,175,960	1,260,392
49. West Virginia	WV	L	210,686	232,854	16,973	38,364	211,600	105,881
50. Wisconsin	WI	L	305,192	380,659	879,747	239,112	973,429	1,072,868
51. Wyoming	WY	L	99,947	126,484	167,003	0	109,145	85,742
52. American Samoa	AS	N		0		0		0
53. Guam	GU	N		0		0		0
54. Puerto Rico	PR	N		0		0		0
55. U.S. Virgin Islands	VI	N		0		0		0
56. Northern Mariana Islands	MP	N		0		0		0
57. Canada	CN	N		0		0		0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a)	51	174,065,991	173,774,649	441,775,400	401,355,401	681,147,864	847,126,269
DETAILS OF WRITE-INS								
5801.		XXX						
5802.		XXX						
5803.		XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0	0

(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

NONE

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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			0.0	0.0
2. Allied lines			0.0	0.0
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril			0.0	0.0
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty	176,022,006	294,540,661	167.3	390.7
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence			0.0	0.0
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
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	0	0	0.0	0.0
35. TOTALS	176,022,006	294,540,661	167.3	390.7
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	0		0
2. Allied lines	0		0
3. Farmowners multiple peril	0		0
4. Homeowners multiple peril	0		0
5. Commercial multiple peril	0		0
6. Mortgage guaranty	45,476,690	174,065,990	173,774,649
8. Ocean marine	0		0
9. Inland marine	0		0
10. Financial guaranty	0		0
11.1 Medical professional liability-occurrence	0		0
11.2 Medical professional liability-claims made	0		0
12. Earthquake	0		0
13. Group accident and health	0		0
14. Credit accident and health	0		0
15. Other accident and health	0		0
16. Workers' compensation	0		0
17.1 Other liability occurrence	0		0
17.2 Other liability-claims made	0		0
17.3 Excess Workers' Compensation	0		0
18.1 Products liability-occurrence	0		0
18.2 Products liability-claims made	0		0
19.1,19.2 Private passenger auto liability	0		0
19.3,19.4 Commercial auto liability	0		0
21. Auto physical damage	0		0
22. Aircraft (all perils)	0		0
23. Fidelity	0		0
24. Surety	0		0
26. Burglary and theft	0		0
27. Boiler and machinery	0		0
28. Credit	0		0
29. International	0		0
30. Warranty	0		0
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	0	0	0
35. TOTALS	45,476,690	174,065,990	173,774,649
DETAILS OF WRITE-INS			
3401.	0		
3402.	0		
3403.	0		
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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)	2010 Loss and LAE Payments on Claims Reported as of Prior Year-End	2010 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2010 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. 2007 + Prior	1,454	.0	1,454	17,857		17,857	(1,974)			(1,974)	14,429	.0	14,429
2. 2008	185,677	.212	185,890	185,416		185,416	112,258			112,258	111,997	(.212)	111,785
3. Subtotals 2008 + prior	187,131	.212	187,343	203,273	.0	203,273	110,284	.0	.0	110,284	126,426	(.212)	126,214
4. 2009	420,481	1,910	422,391	16,330		16,330	319,700		1,300	321,000	(84,451)	(.610)	(85,060)
5. Subtotals 2009 + prior	607,612	2,122	609,734	219,603	.0	219,603	429,985	.0	1,300	431,284	41,975	(.822)	41,153
6. 2010	XXX	XXX	XXX	XXX	24,365	24,365	XXX	204,660	11,699	216,359	XXX	XXX	XXX
7. Totals	607,612	2,122	609,734	219,603	24,365	243,968	429,985	204,660	12,999	647,643	41,975	(.822)	41,153
8. Prior Year-End Surplus As Regards Policyholders	122,814										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. 6.9	2. (38.7)	3. 6.7
													Col. 13, Line 7 Line 8
													4. 33.5

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 on "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.

RESPONSE

- | | |
|---|--------------|
| 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..... |

Explanation:

- 1.
- 2.
- 3.

Bar Code:

1.	 <p>2 4 3 5 0 2 0 1 0 4 9 0 0 0 0 0 3</p>
2.	 <p>2 4 3 5 0 2 0 1 0 4 5 5 0 0 0 0 3</p>
3.	 <p>2 4 3 5 0 2 0 1 0 3 6 5 0 0 0 0 3</p>

OVERFLOW PAGE FOR WRITE-INS

PQ004 Additional Aggregate Lines for Page 04 Line 37.

*STMTINCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
Impact of Prescribed Accounting Practice outlined in the Corrective Order issued by			
3704. Illinois Director of Insurance on March 31, 2009.....		418,496,466	418,496,466
3797. Summary of remaining write-ins for Line 37 from Page 04	0	418,496,466	418,496,466

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	0	712,945
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		597,959
2.2 Additional investment made after acquisition		1,544
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		(9,120)
5. Deduct amounts received on disposals		1,155,525
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		147,803
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4+5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

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	0	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

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	0	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

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	731,325,589	845,775,498
2. Cost of bonds and stocks acquired	452,667,724	176,819,486
3. Accrual of discount	1,888,805	1,618,044
4. Unrealized valuation increase (decrease)	448,458	(3,290,177)
5. Total gain (loss) on disposals	15,208,680	6,865,064
6. Deduct consideration for bonds and stocks disposed of	373,705,381	277,501,844
7. Deduct amortization of premium	1,707,848	2,383,548
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized	2,379,981	16,576,935
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	823,746,046	731,325,589
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	823,746,046	731,325,589

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1B

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

	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. Class 1 (a).....	827,994,968	292,610,537	311,041,946	(631,092)	859,011,810	827,994,968	808,932,467	718,945,454
2. Class 2 (a).....	33,746,526		5,324,485	972,414	27,457,106	33,746,526	29,394,456	26,946,573
3. Class 3 (a).....	1,810,749			(548,353)	1,857,342	1,810,749	1,262,396	1,257,933
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	1,146,668		7,524	3,802	1,150,359	1,146,668	1,142,947	1,421,512
6. Class 6 (a).....	1,009,068	56,875	57,689	(64,601)	1,066,926	1,009,068	943,653	238,291
7. Total Bonds	865,707,979	292,667,412	316,431,643	(267,829)	890,543,542	865,707,979	841,675,919	748,809,763
PREFERRED STOCK								
8. Class 1.....	0				0	0	0	0
9. Class 2.....	0				0	0	0	0
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	865,707,979	292,667,412	316,431,643	(267,829)	890,543,542	865,707,979	841,675,919	748,809,763

(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 \$ 25,171,542 ; 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	25,171,542	XXX	25,172,379	25,961	6,515

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.....	24,277,386	36,803,794
2. Cost of short-term investments acquired.....	273,733,371	132,853,044
3. Accrual of discount.....		77,345
4. Unrealized valuation increase (decrease).....		.0
5. Total gain (loss) on disposals.....	(3,105)	43,819
6. Deduct consideration received on disposals.....	272,803,713	145,429,758
7. Deduct amortization of premium.....	5,578	70,858
8. Total foreign exchange change in book/adjusted carrying value.....		.0
9. Deduct current year's other than temporary impairment recognized.....	26,819	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	25,171,542	24,277,386
11. Deduct total nonadmitted amounts.....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	25,171,542	24,277,386

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

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	.0
2. Cost of cash equivalents acquired	90,985,225	.0
3. Accrual of discount	19,592	.0
4. Unrealized valuation increase (decrease)0
5. Total gain (loss) on disposals.....	(6,241)	.0
6. Deduct consideration received on disposals	90,998,403	.0
7. Deduct amortization of premium0
8. Total foreign exchange change in book/adjusted carrying value0
9. Deduct current year's other than temporary impairment recognized	173	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)0	.0
11. Deduct total nonadmitted amounts0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

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, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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									
313461-LJ-1	FREDDIE MAC		07/08/2010	CREDIT SUISSE		3,000,000	3,000,000		1
0399999 - Total - Bonds - U.S. Government						3,000,000	3,000,000	0	XXX
Bonds - All Other Government									
669827-FX-0	NOVA SCOTIA PROVINCE	A	07/13/2010	BANK AMERICA		3,583,008	3,600,000		1FE
465410-BW-7	REPUBLIC OF ITALY	F	09/08/2010	DEUTSCHE BANK		997,400	1,000,000		1FE
1099999 - Total - Bonds - All Other Government						4,580,408	4,600,000	0	XXX
Bonds - U.S. Special Revenue									
383766-RQ-5	GNR 2010-74 B		08/12/2010	ROYAL BANK OF SCOTLAND US		11,541,406	11,000,000	18,627	1
383766-ST-8	GNR 2010-97 B		08/12/2010	BANK AMERICA		10,256,250	10,000,000	14,707	1
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						21,797,656	21,000,000	33,333	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
002824-AT-7	ABBOTT LABORATORIES		08/24/2010	BNP PARIBUS SECURITIES		1,801,335	1,500,000	24,969	1FE
071813-AW-9	BAXTER INTERNATIONAL INC		07/21/2010	BNP PARIBUS SECURITIES		8,258,670	7,000,000	166,347	1FE
10138M-AG-0	BOTTLING GROUP LLC		07/09/2010	BANK AMERICA		8,028,550	7,000,000	110,153	1FE
134429-AV-1	CAMPBELL SOUP CO		07/27/2010	VARIOUS		10,593,399	10,475,000	18,249	1FE
14912L-4M-0	CATERPILLAR FIN SERV CRP		07/12/2010	CANTOR FITZGERALD		5,061,900	5,000,000	8,021	1FE
15200D-AC-1	CNP 2005-A A3		08/18/2010	WELLS FARGO SECURITIES LLC		2,773,828	2,500,000	7,776	1FE
17275R-AC-6	CISCO SYSTEMS INC		07/20/2010	WELLS FARGO SECURITIES LLC		8,109,850	7,000,000	161,486	1FE
191219-BV-5	COCA-COLA REFRESH USA		07/22/2010	FIRST TENNESSEE		4,386,120	4,000,000	68,944	1FE
20825T-AA-5	CONOCOPHILLIPS CANADA		07/20/2010	BANK AMERICA		2,912,425	2,500,000	38,281	1FE
24422E-QF-9	JOHN DEERE CAPITAL CORP		07/28/2010	SUSQUEHANNA FINANCIAL		2,830,025	2,500,000	41,632	1FE
24422E-QY-8	JOHN DEERE CAPITAL CORP		09/20/2010	STIFEL NICOLAUS & CO		2,099,820	2,000,000	2,294	1FE
25468P-CG-9	WALT DISNEY COMPANY/THE		08/05/2010	STIFEL NICOLAUS & CO		2,393,360	2,000,000	7,667	1FE
263534-BQ-1	E. I. DU PONT DE NEMOURS		07/20/2010	SUSQUEHANNA FINANCIAL		2,883,125	2,500,000	13,854	1FE
263534-BY-4	E. I. DU PONT DE NEMOURS		07/20/2010	VARIOUS		4,727,520	4,500,000	3,250	1FE
428236-AM-5	HEWLETT-PACKARD CO		08/13/2010	VARIOUS		8,043,460	7,000,000	149,850	1FE
459200-GJ-4	IBM CORP		07/23/2010	VARIOUS		8,120,561	6,969,000	145,444	1FE
64952W-AW-3	NEW YORK LIFE GLOBAL FDG		07/09/2010	VARIOUS		4,074,640	4,000,000	23,333	1FE
717081-DA-8	PFIZER INC		07/28/2010	CREDIT SUISSE		3,888,499	3,413,000	69,488	1FE
78387G-AL-7	AT&T INC		07/16/2010	WELLS FARGO SECURITIES LLC		3,317,572	2,898,000	16,301	1FE
792860-AH-1	TRAVELERS COS INC		07/06/2010	MORGAN STANLEY		4,451,720	4,000,000	23,222	1FE
87612E-AN-6	TARGET CORP		08/24/2010	WELLS FARGO SECURITIES LLC		3,011,400	2,500,000	17,135	1FE
87612E-AP-1	TARGET CORP		08/20/2010	DEUTSCHE BANK		5,236,785	4,500,000	76,594	1FE
89235Y-AC-9	TAOT 2010-B A3		07/14/2010	DEUTSCHE BANK		1,099,905	1,100,000		1FE
90261X-GF-3	UBS AG STAMFORD CT		08/05/2010	UBS SECURITIES		4,901,477	4,900,000		1FE
931142-CT-8	WAL-MART STORES INC		07/16/2010	MORGAN STANLEY		1,619,792	1,600,000	1,300	1FE
983024-AM-2	WYETH		07/28/2010	VARIOUS		3,658,405	3,210,000	58,801	1FE
98385X-AH-9	XTO ENERGY INC		08/24/2010	VARIOUS		4,741,550	4,000,000	87,418	1FE
78008K-BS-1	ROYAL BANK OF CANADA	A	07/07/2010	RBC CAPITAL MARKETS SECURITIES - US		4,838,360	4,850,000		1FE
046353-AB-4	ASTRAZENECA PLC	F	07/27/2010	VARIOUS		7,003,380	6,000,000	132,750	1FE
05252A-AM-3	AUST & NZ BANKING GROUP	F	07/20/2010	UBS SECURITIES		5,190,050	5,000,000	5,139	1FE
2027A0-EM-7	COMMONWEALTH BANK AUST	F	07/20/2010	UBS SECURITIES		5,158,300	5,000,000	58,819	1FE
25244S-AF-8	DIAGEO FINANCE BV	F	07/16/2010	CITIGROUP GLOBAL MARKETS		5,203,200	5,000,000	2,708	1FE
298785-EG-7	EUROPEAN INVESTMENT BANK	F	08/03/2010	HSBC SECURITIES LIMITED		5,801,450	5,000,000	46,979	1FE
55608J-AD-0	MACQUARIE GROUP LTD	F	08/03/2010	CITIGROUP GLOBAL MARKETS		3,497,725	3,500,000		1FE
6325C0-BE-0	NATIONAL AUSTRALIA BANK	F	08/02/2010	CREDIT SUISSE		5,233,650	5,000,000	79,688	1FE
74040K-AC-6	PREFERRED TERM SECS II	F	09/01/2010	CAPITALIZED INTEREST		56,875	56,875		6FE
928670-AC-2	VOLKSWAGEN INTL FIN NV	F	08/05/2010	CITIGROUP GLOBAL MARKETS		3,065,775	3,075,000		1FE
961214-BN-2	WESTPAC BANKING CORP	F	07/26/2010	HSBC SECURITIES LIMITED		4,977,000	5,000,000		1FE
3899999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)						173,051,459	158,046,875	1,667,895	XXX
8399997 - Subtotals- Bonds - Part 3						202,429,523	186,646,875	1,701,228	XXX
8399999 - Subtotals - Bonds						202,429,523	186,646,875	1,701,228	XXX
Common Stocks - Industrial and Miscellaneous									
421924-30-9	HEALTHSOUTH CORP		08/11/2010	ADJUSTMENT	4,000				
98157D-30-4	WORLDCOM INC-MCI GROUP		07/30/2010	ADJUSTMENT	2,000				U
9999999 Totals									
						202,429,523	XXX	1,701,228	XXX

E04

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues1

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
31398A-ZJ-4	FANNIE MAE		09/29/2010	CALLED BY ISSUER at 100.000		900,000	900,000	901,406			(1,406)		(1,406)		900,000			0	14,063	09/29/2014	1
0399999 - Totals - Bonds - U.S. Governments						900,000	900,000	901,406	0	0	(1,406)	0	(1,406)	0	900,000	0	0	0	14,063	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
341150-KP-4	FLORIDA ST		07/16/2010	PRIOR YEAR INCOME									0					0		07/01/2024	1FE
709141-F8-3	PENNSYLVANIA ST		07/15/2010	VARIOUS		1,669,275	1,500,000	1,679,385			14,025		(14,025)		1,665,360		3,915	3,915	36,969	02/01/2013	1FE
882720-VL-6	TEXAS ST		08/24/2010	D.A. DAVIDSON & CO		266,000	250,000	244,658	246,166		159		159		246,325		19,675	19,675	14,207	08/01/2021	1FE
1799999 - Totals - Bonds - U.S. States, Territories and Possessions						1,935,275	1,750,000	1,924,043	246,166	0	159	14,025	(13,866)	0	1,911,685	0	23,590	23,590	51,176	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
010662-FL-3	ALABASTER ALA		09/01/2010	CALLED BY ISSUER at 102.000		56,100	55,000	54,927	54,927				0		54,927		1,173	1,173	2,750	09/01/2010	1FE
763682-TP-6	RICHLAND CNTY S C SCH DIST NO		07/15/2010	VARIOUS		2,238,120	2,000,000	2,247,920			18,520		(18,520)		2,229,400		8,720	8,720	84,292	04/01/2013	1FE
2499999 - Totals - Bonds - Political Subdivisions of States, Territories and Possessions						2,294,220	2,055,000	2,302,847	54,927	0	0	18,520	(18,520)	0	2,284,327	0	9,893	9,893	87,042	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions																					
047060-AS-7	ATHENS-CLARKE CNTY GA UNI GOVT		09/22/2010	VARIOUS		487,435	500,000	470,466	470,083		383	8,096	(7,713)		462,370		25,065	25,065	18,115	12/15/2022	2Z
04785T-CY-3	ATLANTA GA URBAN RESIDENTIAL F		09/22/2010	KEYBANC CAPITAL MARKETS		180,675	180,000	178,679	178,679				0		178,679		1,996	1,996	9,210	05/20/2017	1Z
106219-GC-6	BRAZOS RIVER AUTH TEX WTR REV		08/24/2010	MERRILL LYNCH		407,388	400,000	377,652	378,182		734		734		378,916		28,472	28,472	20,667	08/15/2023	1FE
140439-CZ-1	CAPITAL REGION ARPT AUTH MICH		08/24/2010	JEFFERIES & CO		476,532	465,000	446,484	447,031		705		705		447,736		28,796	28,796	28,210	07/01/2021	1FE
196454-EZ-1	COLORADO DEPT TRANS REV		08/24/2010	VARIOUS		1,155,590	1,000,000	1,125,790			13,930		(13,930)		1,111,860		43,730	43,730	35,000	12/15/2016	1FE
3128MB-VP-9	FG 613122		09/01/2010	VARIOUS		1,167,603	1,130,532	1,104,035	1,115,320		2,220		2,220		1,117,540		50,063	50,063	15,507	11/01/2022	1
3128PK-7A-6	FG J08089		09/01/2010	MBS PAYMENT		694,239	694,239	692,720	694,101		138		138		694,239		0	0	9,962	01/01/2023	1
3128PK-V2-7	FG J07833		08/12/2010	VARIOUS		8,279,093	7,752,975	7,607,607	7,615,900		5,335		5,335		7,621,235		657,858	657,858	112,473	11/01/2022	1
3128PK-XM-1	FG J07884		09/01/2010	MBS PAYMENT		1,323,485	1,323,485	1,323,485	1,323,485		0		0		1,323,485		0	0	47,239	12/01/2022	1
3133XB-67-4	FHLB 6A-2012 1		09/25/2010	MBS PAYMENT		3,235	3,235	3,436					0		3,355		(120)	(120)	69	04/25/2012	1
31349U-B3-1	FH 782758		09/15/2010	VARIOUS		78,059	78,059	82,261			(773)		(773)		78,059		0	0	1,975	11/01/2013	1
31393U-UC-5	FNR 2003-134 ME		09/01/2010	MBS PAYMENT		1,970	1,970	2,031			(7)		(7)		1,970		0	0	37	04/01/2018	1
31395R-AR-9	FHRR R001 AE		09/01/2010	MBS PAYMENT		8,903	8,903	9,111					0		9,111		(208)	(208)	167	10/01/2011	1
31396E-2U-9	FHR 3053 OD		09/01/2010	MBS PAYMENT		860,379	860,379	874,898	863,258		(2,879)		(2,879)		860,379		0	0	31,534	05/01/2012	1
31396G-67-0	FHRR R004 AL		09/01/2010	MBS PAYMENT		15,755	15,755	16,384					0		16,384		(629)	(629)	54	10/01/2011	1
31396U-3A-6	FHRR R008 FK		09/15/2010	MBS PAYMENT		13,289	13,289	13,250			10		10		13,289		0	0	39	02/15/2014	1
31396V-CV-4	FNR 2007-79 MA		09/01/2010	MBS PAYMENT		653,015	653,015	666,636	656,883		(3,868)		(3,868)		653,015		0	0	23,94	08/01/2011	1
31397B-MQ-1	FHRR R009 AJ		09/01/2010	MBS PAYMENT		14,263	14,263	14,777					0		14,777		(515)	(515)	348	10/01/2012	1
31397E-MK-8	FHR 3262 PA		09/01/2010	MBS PAYMENT		806,521	806,521	822,903	812,088		(5,568)		(5,568)		806,521		0	0	30,288	06/01/2011	1
31397N-FZ-3	FNR 2009-17 DA		09/01/2010	MBS PAYMENT		14,367	14,367	14,528					0		14,528		(161)	(161)	333	08/01/2014	1
314020-ZE-4	FN 735241		09/01/2010	MBS PAYMENT		4,326	4,326	4,469					0		4,469		(144)	(144)	45	11/01/2034	1
31403B-PC-1	FN 743919		09/01/2010	MBS PAYMENT		8,169	8,169	8,600					0		8,600		(432)	(432)	166	06/01/2018	1
31403D-RH-4	FN 745788		09/01/2010	MBS PAYMENT		3,014	3,014	3,150					0		3,150		(135)	(135)	72	01/01/2013	1
31403D-VZ-9	FN 745932		09/01/2010	MBS PAYMENT		9,567	9,567	10,397					0		10,397		(830)	(830)	269	01/01/2036	1
31404V-Y6-9	FN 780233		09/01/2010	MBS PAYMENT		40,040	40,040	42,093					0		42,093		(2,052)	(2,052)	791	09/01/2018	1
31405H-6L-7	FN 790275		09/01/2010	MBS PAYMENT		4,438	4,438	4,604					0		4,604		(166)	(166)	48	08/01/2034	1
31405R-CR-5	FN 796680		09/01/2010	MBS PAYMENT		22,286	22,286	23,428					0		23,428		(1,142)	(1,142)	414	06/01/2019	1
31410K-JY-1	FN 889579		09/01/2010	MBS PAYMENT		58,240	58,240	61,963					0		61,963		(3,723)	(3,723)	1,457	04/01/2037	1
31410R-GJ-3	FN 895573		09/01/2010	MBS PAYMENT		78,774	78,774	82,468			(1,287)		(1,287)		78,774		0	0	1,914	06/01/2036	1
31411V-DP-5	FN 918210		09/01/2010	MBS PAYMENT		52	52	54					0		54		(3)	(3)	1	05/01/2017	1
31412W-SD-1	FN 929416		09/01/2010	MBS PAYMENT		19,070	19,070	20,280					0		20,280		(1,210)	(1,210)	490	12/01/2037	1
31414D-JF-1	FN 963282		09/01/2010	MBS PAYMENT		470,246	470,246	462,678	468,893		1,353		1,353		470,246		0	0	15,524	01/01/2023	1
31416J-PH-8	FN A41323		09/01/2010	MBS PAYMENT		56,414	56,414	61,395					0		61,395		(4,981)	(4,981)	1,419	06/01/2031	1
38375P-MQ-1	GNR 2008-9 PD		09/01/2010	MBS PAYMENT		280,973	280,973	276,056	280,320		653		653		280,973		0	0	7,958	12/01/2023	1
38375Q-N9-6	GNR 2008-55 PG		08/12/2010	VARIOUS		11,777,614	11,361,781	11,391,960	11,374,460		(4,202)		(4,202)		11,370,258		407,356	407,356	399,270	03/01/2016	1
38375X-GH-1	GNR 2008-49 PB		09/01/2010	MBS PAYMENT		883,039	883,039	886,213	883,438		(399)		(399)		883,039		0	0	27,948	01/01/2038	1
413893-AS-7	HARRIS CNTY-HOUSTON TEX SPORTS		09/07/2010	VINING SPARKS		630,000	1,000,000	630,320	630,320				0		630,320		(320)	(320)		11/15/2016	2FE
432308-UA-0	HILLSBOROUGH CNTY FLA AVIATION		08/24/2010	SIEBERT BRANFORD		1,816,456	1,630,000	1,691,288	1,684,653		(8,878)		(8,878)		1,675,775		140,681	140,681	81,183	10/01/2013	1FE
45129T-HQ-3	IDAHO HSG & FIN ASSN		07/01/2010	CALLED BY ISSUER at 100.000		5,000	5,000	4,965	4,965				0		4,965		35	35	293	07/01/2016	1FE
592646-FK-4	METROPOLITAN WASHINGTON DC AR		08/24/2010	MESROW FINANCIAL INC		542,285	500,000	505,090	504,353		(978)		(978)		503,376		38,909	38,909	24,337	10/01/2013	1FE
605275-MQ-6	MISSISSIPPI BUSINESS FIN CORP		07/01/2010	SINK		18,593	18,593	17,777	17,777				0		17,777		816	816	2,231	01/01/2022	2

EOS

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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	Maturity Date	NAIC Designation or Market Indicator (a)
645780-EF-0	NEW JERSEY ECONOMIC DEV AUTH W		08/24/2010	CITIGROUP GLOBAL MARKETS		766,598	750,000	614,558	617,857		4,543		4,543		622,399		144,198	144,198	34,807	04/01/2022	1FE
65820E-MQ-0	NORTH CAROLINA HSG FIN AGY		09/01/2010	100.000		10,000	10,000	9,759	9,828		172		172		10,000		0	0	615	03/01/2011	1FE
717903-YN-2	PHILADELPHIA PA HOSPS & HIGHER		07/01/2010	100.000		25,000	25,000	25,000	25,000		0		0		25,000		0	0	1,325	01/01/2018	1Z
726401-AV-4	PLAINFIELD PKS IND FACS CORP		07/15/2010	101.000		505,000	500,000	486,250	486,643		18,357		18,357		505,000		0	0	25,000	07/15/2010	1FE
735000-NW-7	PORT OAKLAND CALIF		08/24/2010	D.A. DAVIDSON & CO		943,373	930,000	721,389			5,855		5,855		727,244		216,130	216,130	38,233	11/01/2022	1FE
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions						35,620,361	34,585,007	33,893,335	31,543,516	0	11,620	22,026	(10,406)	0	33,853,025	0	1,767,336	1,767,336	1,051,208	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
009163-AA-4	AIR PRODUCTS & CHEMICALS		07/27/2010	JEFFERIES & CO		3,683,260	3,500,000	3,442,295	3,460,916		6,944		6,944		3,467,860		215,400	215,400	144,847	02/01/2013	1FE
02660Y-AU-6	AHM 2006-2 3A2		09/01/2010	MBS PAYMENT				13,467			8,485		127		10,820		2,647	2,647	375	04/01/2023	12*
026660-F3-2	AMERICAN HONDA FINANCE		07/14/2010	CITIGROUP GLOBAL MARKETS		1,719,567	1,700,000	1,699,320			76		76		1,699,396		20,171	20,171	13,795	03/18/2013	1FE
05948X-6S-5	BOAMS 2004-5 2A1		09/01/2010	MBS PAYMENT				42,966			0		0		3,529		3,529	3,529	987	02/01/2014	12*
05950T-AC-9	BOAMS 2006-B 2A1		09/01/2010	MBS PAYMENT				40,281			0		0		31,283		8,998	8,998	1,028	10/01/2011	12*
071813-AZ-2	BAXTER INTERNATIONAL INC.		07/21/2010	SECURITIES - US		1,833,824	1,700,000	1,695,172	1,695,930		517		517		1,696,447		137,377	137,377	61,389	03/01/2014	1FE
10138M-AH-8	BOTTLING GROUP LLC		07/09/2010	FIRST TENNESSEE		2,349,900	2,000,000	1,995,860	1,996,485		394		394		1,996,878		353,022	353,022	115,447	03/15/2014	1FE
125430-AB-4	CWHL 2006-11 1A2		09/01/2010	MBS PAYMENT				12,482			5,468		0		7,524		4,958	4,958	310	05/01/2036	52*
126685-CZ-7	CWL 2006-S1 A2		09/01/2010	MBS PAYMENT				5,761			9,963		10		7,171		(1,410)	(1,410)	231	02/01/2016	12*
12668B-TJ-2	CWALT 2006-J2 A6		09/01/2010	MBS PAYMENT				11,762			9,783		218		11,762		0	0	293	03/01/2017	12*
126696-LP-4	CWHL 2005-HYB1 4A1		09/01/2010	MBS PAYMENT				2,137			1,549		172		1,800		338	338	31	02/01/2011	12*
12669Y-AC-6	CWHL 2006-J4 A3		09/01/2010	MBS PAYMENT				10,972			9,111		143		9,731		1,241	1,241	287	12/01/2016	12*
134429-AR-0	CAMPBELL SOUP CO		07/27/2010	DEUTSCHE BANK		3,217,442	2,945,000	3,180,571	3,180,571		0		0		3,180,571		36,871	36,871	23,315	12/03/2012	1FE
16162W-AL-3	CHASE 2003-S10 A1		09/01/2010	MBS PAYMENT				42,811			43,439		0		43,196		(386)	(386)	887	10/01/2018	22*
16162Z-BZ-1	CHASE 2003-S12 2A1		09/01/2010	MBS PAYMENT				24,931			25,297		0		25,236		(305)	(305)	491	11/01/2018	22*
17275R-AB-8	CISCO SYSTEMS INC.		07/20/2010	US BANCORP INVESTMENTS INC.		10,278,800	10,000,000	10,295,900	10,121,301		(51,502)		(51,502)		10,069,799		209,001	209,001	482,708	02/22/2011	1FE
172973-AB-6	CSI 2004-5 2A6		09/01/2010	MBS PAYMENT				72,075			67,255		13,924		69,020		3,055	3,055	1,533	01/01/2024	12*
17305E-CH-6	CCCIT 2004-AB A8		08/02/2010	J.P. MORGAN		3,376,406	3,000,000	2,855,403	2,866,841		13,924		13,924		2,880,765		495,642	495,642	95,958	12/10/2014	1FE
173105-AC-1	CSI 2007-1 1A3		09/01/2010	MBS PAYMENT				82,682			77,837		515		82,682		0	0	2,075	11/01/2022	12*
17314J-AT-0	CITIBANK NA		08/20/2010	BANK AMERICA				511,203			503,860		(412)		503,448		7,754	7,754	2,219	12/28/2012	1FE
20825U-AB-0	CONOCO FUNDING CO		08/03/2010	106.902		5,345,075	5,000,000	5,265,950	5,148,768		196,307		196,307		5,345,075		0	0	254,000	10/15/2011	1FE
22541S-GM-4	CSFB 2004-3 2A1		09/01/2010	MBS PAYMENT				67,492			67,809		0		67,629		(137)	(137)	1,466	03/01/2019	1FE
225458-XS-2	CSFB 2005-6 3A1		09/01/2010	MBS PAYMENT				10,308			10,210		18		10,308		0	0	220	07/01/2020	12*
244217-BG-9	JOHN DEERE CAPITAL CORP		08/13/2010	VARIOUS		7,674,050	7,000,000	7,453,670	7,328,385		(55,144)		(55,144)		7,273,241		400,809	400,809	200,472	03/15/2012	1FE
254687-CC-8	WALT DISNEY COMPANY/THE		08/05/2010	CITIGROUP GLOBAL MARKETS		2,096,720	2,000,000	2,094,520	2,043,916		(14,735)		(14,735)		2,029,181		67,539	67,539	64,917	07/15/2011	1FE
260543-BR-3	DOW CHEMICAL CO/THE		08/13/2010	WALL STREET ACCESS		4,882,860	4,500,000	3,864,528	3,982,303		78,013		78,013		4,060,316		822,544	822,544	237,750	10/01/2012	2FE
263534-BS-7	E.I. DU PONT DE NEMOURS		07/20/2010	JEFFERIES & CO		10,883,600	10,000,000	10,219,910	10,129,548		(5,610)		(5,610)		10,123,938		759,662	759,662	261,111	01/15/2013	1FE
278058-DF-6	EATON CORP		07/16/2010	FIRST TENNESSEE		5,447,500	5,000,000	4,867,230	4,882,763		17,704		17,704		4,900,467		547,033	547,033	167,417	05/15/2013	1FE
291011-AM-6	EMERSON ELECTRIC CO		08/15/2010	MATURITY		3,500,000	3,500,000	3,666,425	3,561,074		(61,074)		(61,074)		3,500,000		0	0	249,375	08/15/2010	1FE
302583-AA-7	FPL 2007-A A1		08/01/2010	MBS PAYMENT				217,923			219,397		219,397		219,397		(1,474)	(1,474)	11,012	02/01/2011	1FE
302583-AB-5	FPL 2007-A A2		08/02/2010	JEFFERIES & CO		4,288,125	4,000,000	4,029,492	4,021,099		(3,949)		(3,949)		4,017,150		270,975	270,975	204,002	08/01/2013	1FE
34528B-AD-9	FORDO 2008-A A3A		09/15/2010	MBS PAYMENT				429,443			414,800		8,801		429,443		0	0	11,287	06/15/2011	1FE
36158Y-FS-3	GECCO 2002-2A A2		09/01/2010	MBS PAYMENT				8,226			8,487		0		8,487		(261)	(261)	1,270	01/01/2012	1FE
3622M-AN-3	GSR 2007-3F 3A2		09/01/2010	MBS PAYMENT				74,915			66,851		0		70,077		4,838	4,838	1,960	05/01/2032	12*
36242D-OY-2	GSR 2004-15F 2A2		09/01/2010	MBS PAYMENT				4,723			3,678		52		4,723		0	0	102	03/01/2029	12*
369550-AN-8	GENERAL DYNAMICS CORP		07/12/2010	FIRST TENNESSEE		11,184,200	10,000,000	10,001,640	10,002,177		(276)		(276)		10,001,902		1,182,298	1,182,298	501,667	02/01/2014	1FE
41011W-AA-8	JOHN HANCOCK GLOB FDG II		07/02/2010	VARIOUS		2,500,000	2,500,000	2,500,060	2,510,922		(10,862)		(10,862)		2,500,000		0	0	197,500	07/02/2010	1FE
428236-AT-0	HEWLETT-PACKARD CO		07/09/2010	BANK AMERICA		11,463,000	10,000,000	10,168,086	10,147,975		(17,498)		(17,498)		10,130,477		1,332,523	1,332,523	532,535	03/01/2014	1FE
44924E-AB-6	IBM INTL GROUP CAPITAL		07/23/2010	RBC CAPITAL MARKETS		10,914,900	10,000,000	10,456,590	10,367,439		(69,807)		(69,807)		10,297,632		617,268	617,268	387,167	10/22/2012	1FE
46625M-AC-3	JPMCC 2001-C1BC A3		09/01/2010	MBS PAYMENT				158,823			160,981		0		160,981		(2,157)	(2,157)	4,384	01/01/2011	1FE
477874-AC-5	JDOT 2009-A A3		09/15/2010	MBS PAYMENT				476,500			482,340		(1,036)		(1,036)		(5,840)	(5,840)	4,096	03/15/2012	1FE
477876-AD-8	JDOT 2007-A A4		09/15/2010	MBS PAYMENT				377,133			380,131		(586)		380,131		(2,999)	(2,999)	4,780	02/15/2012	1FE
57643M-DE-1	MASTR 2004-6 4A1		09/01/2010	MBS PAYMENT				41,871			42,800		0		42,486		(615)	(615)	875	06/01/2019	22*
585055-AG-1	MEDTRONIC INC		09/15/2010	MATURITY		1,350,000	1,350,000	1,367,037	1,355,914		(5,914)		(5,914)		1,350,000		0	0	59,063	09/15/2010	1FE
59022H-JH-6	MLMT 2005-C1P1 A2		09/01/2010	MBS PAYMENT				9,058			9,197	</									

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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	Maturity Date	NAIC Designation or Market Indicator (a)	
713448-BK-3	PEPSICO INC		07/09/2010	HSBC SECURITIES LIMITED		5,805,940	5,450,000	5,438,446	5,440,217		1,175		1,175		5,441,391		364,548	364,548	177,693	03/01/2014	1FE	
717081-CZ-4	PFIZER INC		07/28/2010	RBC CAPITAL MARKETS		9,257,763	8,750,000	8,777,865	8,092,594		(4,784)		(4,784)		8,776,062		481,701	481,701	146,016	03/15/2012	1FE	
7425A0-A5-9	PRINCIPAL LIFE GLOBAL		07/14/2010	MORGAN STANLEY		7,514,500	7,000,000	6,512,667	6,574,007		70,315		70,315		6,644,322		870,178	870,178	371,583	01/15/2013	1FE	
75953M-AD-2	CNP 2001-1 A4		09/15/2010	MBS PAYMENT		688,451	688,451	743,784		(585)		(585)		743,784		(55,333)	(55,333)	19,380	09/15/2013	1FE		
761118-TB-4	RALI 2006-QA1 A21		09/01/2010	MBS PAYMENT		2,325	3,724	2,092		491		491		1,748		577	577	87	01/01/2013	12*		
76111X-ZC-0	RFMSI 2005-SA5 3A		09/01/2010	MBS PAYMENT		72,255	72,255	53,920						57,689		14,566	14,566	1,646	10/01/2012	6FE		
86359L-TB-5	SAMI 2006-AR1 1A2		09/25/2010	MBS PAYMENT		663	663	150		81		81		663				0	08/26/2013	12*		
91159H-GJ-3	US BANCORP		07/29/2010	MATURITY		5,000,000	5,000,000	5,028,340	5,015,275		(15,275)		(15,275)		5,000,000				225,000	07/29/2010	1FE	
91159H-GW-4	US BANCORP		07/15/2010	BNP PARIBUS SECURITIES, CALLED BY ISSUER at		2,921,058	2,875,000	2,871,406		117		117		2,871,523		49,534	49,534	5,750	06/14/2013	1FE		
92344G-AL-0	VERIZON COMMUNICATIONS		07/07/2010	102.722		10,272,200	10,000,000	10,631,700	10,245,440		26,760		26,760		10,272,200				435,000	12/01/2010	1FE	
93364F-AC-5	WAMU 2007-HY7 2A1		09/01/2010	MBS PAYMENT		40,405	40,405	27,147		1,434		1,434		30,187		10,218	10,218	943	06/01/2012	12*		
949758-AD-8	WFMS 2004-0 A1		09/01/2010	MBS PAYMENT		47,754	47,754	47,839						47,803		(49)	(49)	1,010	07/01/2034	12*		
94979X-AA-5	WFMS 2003-H A1		09/01/2010	MBS PAYMENT		50,107	50,107	48,550		300		300		50,107				1,038	08/01/2033	12*		
78008H-X9-6	ROYAL BANK OF CANADA		07/07/2010	JEFFERIES & CO		5,070,200	5,000,000	4,998,950		12		12		4,998,962		71,238	71,238	21,292	07/29/2013	1FE		
046353-AC-2	ASTRAZENECA PLC		07/27/2010	SECURITIES - US		5,461,250	5,000,000	5,462,950		(26,632)		(26,632)		5,414,481		46,769	46,769	101,250	09/15/2012	1FE		
055451-AG-3	BHP BILLITON FIN USA LTD		07/13/2010	JEFFERIES & CO		5,596,650	5,000,000	4,983,300	4,985,624		1,652		1,652	4,987,275		609,375	609,375	217,708	04/01/2014	1FE		
055650-BH-0	BP CAPITAL MARKETS PLC		08/18/2010	BANK AMERICA		4,961,450	5,000,000	4,260,750	4,260,750					4,260,750		700,700	700,700	184,601	03/10/2015	1FE		
298785-EV-4	EUROPEAN INVESTMENT BANK		08/03/2010	HSBC SECURITIES LIMITED		5,166,350	5,000,000	5,045,700		(1,373)		(1,373)		5,044,327		122,023	122,023	46,840	03/14/2014	1FE		
632500-AR-2	NATIONAL AUSTRALIA BANK		08/02/2010	UBS SECURITIES		10,936,400	10,000,000	9,679,450	9,715,818		44,257		44,257	9,760,075		1,176,326	1,176,326	346,264	06/12/2013	1FE		
740408-AA-7	PREFERRED TERM SECS LTD		09/15/2010	MBS PAYMENT		108,746	108,746	32,591						32,591		76,155	76,155	9,559	09/15/2030	2FE		
3899999	Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)					196,628,248	184,131,797	185,237,694	160,235,464	0	20,631	60	20,670	0	184,322,243	0	12,306,005	12,306,005	6,942,625	XXX	XXX	
8399997	Total - Bonds - Part 4					237,378,104	223,421,805	224,259,325	192,080,073	0	31,003	54,631	(23,628)	0	223,271,281	0	14,106,823	14,106,823	8,146,113	XXX	XXX	
8399999	Total - Bonds					237,378,104	223,421,805	224,259,325	192,080,073	0	31,003	54,631	(23,628)	0	223,271,281	0	14,106,823	14,106,823	8,146,113	XXX	XXX	
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																						
421924-30-9	HEALTHSOUTH CORP		08/11/2010	ADJUSTMENT	4,000	6,183	XXX						0				6,183	6,183		XXX	U	
98157D-30-4	WORLDCOM INC-MCI GROUP		07/30/2010	ADJUSTMENT	2,000	2,066	XXX						0				2,066	2,066		XXX	U	
9099999	Totals - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					8,249	8,249	XXX	0	0	0	0	0	0	0	0	0	8,249	8,249	0	XXX	XXX
9799997	Total - Common Stocks - Part 4					8,249	8,249	XXX	0	0	0	0	0	0	0	0	0	8,249	8,249	0	XXX	XXX
9799999	Total - Common Stocks					8,249	8,249	XXX	0	0	0	0	0	0	0	0	0	8,249	8,249	0	XXX	XXX
9899999	Total - Preferred and Common Stocks					8,249	8,249	XXX	0	0	0	0	0	0	0	0	0	8,249	8,249	0	XXX	XXX
9999999	Totals					237,386,353	223,429,805	224,259,325	192,080,073	0	31,003	54,631	(23,628)	0	223,271,281	0	14,115,072	14,115,072	8,146,113	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues2

E05.2

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D

NONE

STATEMENT AS OF SEPTEMBER 30, 2010 OF THE TRIAD GUARANTY INSURANCE CORPORATION

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
NONE							
8699999 Total Cash Equivalents					0	0	0

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