

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

**2015**

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

PROPERTY AND CASUALTY

**2015**



# QUARTERLY STATEMENT

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

## TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

NAIC Group Code 0421 , 0421 NAIC Company Code 24350 Employer's ID Number 56-1570971  
(Current Period) (Prior Period)

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

Incorporated/Organized 07/30/1987 Commenced Business 08/07/1987

Statutory Home Office 222 Merchandise Mart Plaza, Suite 960 , Chicago, IL, US 60654  
(Street and Number) (City or Town, State, Country and Zip Code)

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

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

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

Internet Web Site Address www.triadguaranty.com

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

### OFFICERS

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

### OTHER OFFICERS

\_\_\_\_\_

### DIRECTORS OR TRUSTEES

\_\_\_\_\_

\_\_\_\_\_

State of .....

County of .....ss

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

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

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

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

**STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN  
REHABILITATION**

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	160,645,502		160,645,502	179,059,725
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	8,924,047		8,924,047	8,380,906
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ .....8,824,384 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....2,631,530 ) .....	11,455,915		11,455,915	25,290,914
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....	72,801		72,801	7,360
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	181,098,265		181,098,265	212,738,906
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	1,358,877		1,358,877	1,439,274
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,052,869	28	3,052,841	4,384,572
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	23,248,164		23,248,164	14,496,558
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	130,724		130,724	263,781
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	15,774		15,774	25,914
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	94	94		
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				787
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other-than-invested assets .....				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	208,904,767	122	208,904,645	233,349,792
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27) .....	208,904,767	122	208,904,645	233,349,792
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid expenses .....				
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, 2015 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 \$ .....45,733,439 ) .....	304,783,091	385,175,359
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	1,271,173	694,625
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	8,562,681	9,513,379
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	14,754	
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....31,539 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) .....	1,783,545	2,277,181
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	1,692,444	1,198,349
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....	417,383	300,051
15. Remittances and items not allocated .....	551,369	86,588
16. Provision for reinsurance (including \$ ..... certified) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....		
20. Derivatives .....		
21. Payable for securities .....		7,498,591
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	682,941,677	653,111,865
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	1,002,018,117	1,059,855,990
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	1,002,018,117	1,059,855,990
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	3,500,000	3,500,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....	25,000,000	25,000,000
34. Gross paid in and contributed surplus .....	105,215,926	105,215,926
35. Unassigned funds (surplus) .....	(926,829,398)	(960,222,123)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	(793,113,472)	(826,506,197)
38. Totals (Page 2, Line 28, Col. 3)	208,904,645	233,349,792
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Premium Refund .....	686,129	407,359
2502. Deferred Payment Obligation, including carry charges .....	681,376,154	651,109,952
2503. Rescinded Premium Payable .....	879,394	1,594,554
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	682,941,677	653,111,865
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

**STATEMENT AS OF SEPTEMBER 30, 2015 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
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 71,090,338 )	71,587,019	76,830,295	99,614,097
1.2 Assumed (written \$ )		(181)	(181)
1.3 Ceded (written \$ 2,192,015 )	2,195,058	3,018,617	3,897,190
1.4 Net (written \$ 68,898,323 )	69,391,961	73,811,497	95,716,726
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 46,796,724 ):			
2.1 Direct	35,484,246	61,347,379	83,086,228
2.2 Assumed		(10,000)	(10,000)
2.3 Ceded	227,985	798,941	1,089,069
2.4 Net	35,256,261	60,538,438	81,987,159
3. Loss adjustment expenses incurred	674,626	(835,150)	(718,288)
4. Other underwriting expenses incurred	5,290,274	6,667,769	8,387,714
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	41,221,161	66,371,057	89,656,585
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	28,170,800	7,440,440	6,060,141
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	3,860,849	3,880,860	5,441,682
10. Net realized capital gains (losses) less capital gains tax of \$	774,644	1,478,971	1,658,722
11. Net investment gain (loss) (Lines 9 + 10)	4,635,493	5,359,831	7,100,404
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	41,820	2,395,833	4,791,666
15. Total other income (Lines 12 through 14)	41,820	2,395,833	4,791,666
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	32,848,113	15,196,104	17,952,211
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	32,848,113	15,196,104	17,952,211
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19)(to Line 22)	32,848,113	15,196,104	17,952,211
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	(826,506,195)	(845,715,766)	(845,715,768)
22. Net income (from Line 20)	32,848,113	15,196,104	17,952,211
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	544,178	(2,720)	176,097
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	432	857,479	884,398
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles		196,867	196,867
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	33,392,723	16,247,730	19,209,573
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(793,113,472)	(829,468,036)	(826,506,195)
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. Other Income - Service Fees on information technology	41,820	2,395,833	
1402. Income received under Asset Purchase Agreement			4,791,666
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	41,820	2,395,833	4,791,666
3701. Increase in Contingency Reserve		1,216,684,903	
3702. Decrease in Contingency Reserve		(1,216,684,903)	
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, 2015 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
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	62,130,345	74,327,535	97,320,785
2. Net investment income .....	4,718,820	5,505,662	7,558,571
3. Miscellaneous income .....	41,820	2,395,833	4,791,666
4. Total (Lines 1 to 3) .....	66,890,985	82,229,030	109,671,022
5. Benefit and loss related payments .....	86,740,734	113,913,097	146,730,695
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	5,429,050	6,501,377	8,287,421
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....			
10. Total (Lines 5 through 9) .....	92,169,784	120,414,474	155,018,116
11. Net cash from operations (Line 4 minus Line 10) .....	(25,278,799)	(38,185,444)	(45,347,094)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	67,710,064	68,191,748	90,226,323
12.2 Stocks .....		331	332
12.3 Mortgage loans .....			
12.4 Real estate .....			
12.5 Other invested assets .....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....			455
12.7 Miscellaneous proceeds .....		455	7,498,260
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	67,710,064	68,192,534	97,725,370
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	49,298,538	54,319,287	67,224,756
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....	7,085,844	4,634	
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	56,384,382	54,323,921	67,224,756
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	11,325,682	13,868,613	30,500,614
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock.....			(2)
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied).....	118,119	(32,027)	118,269
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	118,119	(32,027)	118,267
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(13,834,998)	(24,348,858)	(14,728,213)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	25,290,913	40,019,126	40,019,126
19.2 End of period (Line 18 plus Line 19.1) .....	11,455,915	15,670,268	25,290,913

## NOTES TO FINANCIAL STATEMENTS

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

**STATEMENT AS OF SEPTEMBER 30, 2015 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.  
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ ] NA [X]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2007
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2007
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....06/03/2009
- 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 [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [X] No [ ]
- 7.2 If yes, give full information:  
The Company's insurance licenses in several states have been suspended or revoked as the Company is currently in Rehabilitation.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [ ] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

**STATEMENT AS OF SEPTEMBER 30, 2015 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 .....	\$ 8,380,906		\$ 8,924,047
14.24 Short-Term Investments .....	\$ .....		\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....		\$ .....
14.26 All Other .....	\$ .....		\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ 8,380,906		\$ 8,924,047
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....		\$ .....

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

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

If no, attach a description with this statement.

**STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION**

**GENERAL INTERROGATORIES**

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

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

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

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

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [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 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

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

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

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



**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

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

**STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN  
REHABILITATION**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

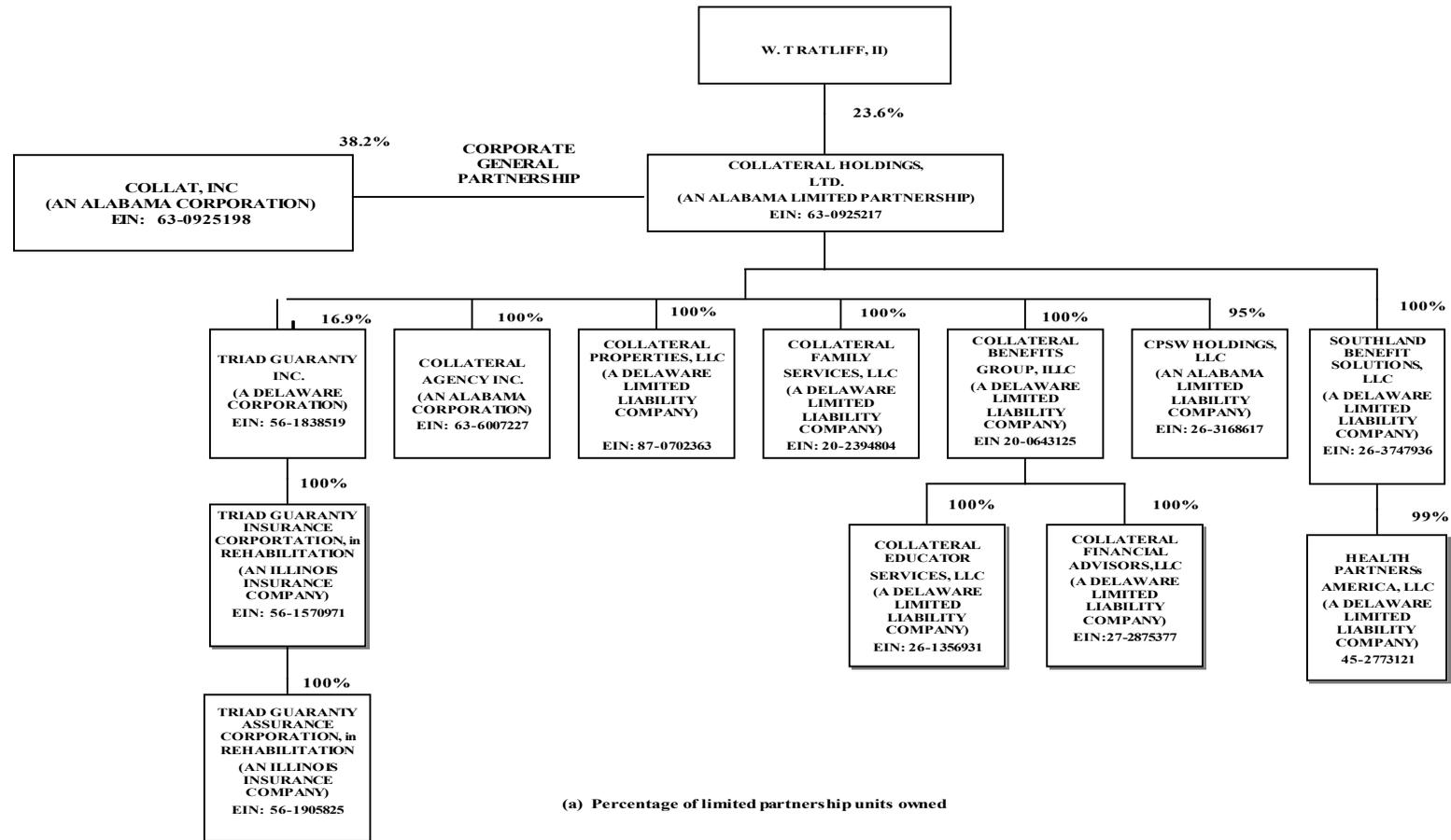
**Current Year to Date - Allocated by States and Territories**

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2	3	4	5	6	7	
States, etc.	Active Status	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	157,624	220,717	297,967	320,529	815,600	969,154
2. Alaska	AK	L						
3. Arizona	AZ	L	914,814	1,142,911	1,526,104	2,107,345	1,720,828	2,701,125
4. Arkansas	AR	L	249,484	357,765	451,560	395,020	710,839	924,833
5. California	CA	L	13,268,505	16,171,854	36,182,825	41,811,919	83,715,378	118,983,185
6. Colorado	CO	L	2,679,802	3,392,719	4,448,061	7,443,099	12,477,710	13,368,367
7. Connecticut	CT	L	214,705	248,400	671,277	336,630	1,309,758	1,732,864
8. Delaware	DE	L	77,161	81,608		45,257	222,193	104,521
9. Dist. Columbia	DC	L	2,174,216	1,879,726	11,363,815	13,929,966	34,058,763	41,423,812
10. Florida	FL	L	2,052,061	2,854,671	7,638,289	11,876,286	16,429,115	25,031,310
11. Georgia	GA	L	941,265	1,209,915	950,405	1,827,955	2,312,341	3,176,958
12. Hawaii	HI	L	4,469	4,638			646	816
13. Idaho	ID	L	2,763	8,324		23,363	399	15,474
14. Illinois	IL	L	1,564,609	2,041,722	3,929,025	6,154,945	7,367,624	10,989,256
15. Indiana	IN	L	107,179	152,488	171,058	156,525	272,740	668,679
16. Iowa	IA	L	6,351	27,821	(400)	18,578	50,348	81,063
17. Kansas	KS	L	81,864	122,196	129,740	218,334	256,211	331,026
18. Kentucky	KY	L	288,432	447,987	477,354	958,624	948,415	1,430,647
19. Louisiana	LA	L	92,302	115,986	14,790	99,851	164,163	134,666
20. Maine	ME	L						
21. Maryland	MD	L	703,015	871,299	2,250,428	1,972,815	4,613,781	6,193,984
22. Massachusetts	MA	L	405,208	476,178	559,678	926,341	1,809,023	2,671,343
23. Michigan	MI	L	894,446	1,112,638	1,487,624	3,027,309	3,844,433	4,780,471
24. Minnesota	MN	L	10,802,513	13,282,763	16,422,763	25,664,428	49,142,230	59,129,441
25. Mississippi	MS	L	54,509	82,162	44,555	(1,196)	293,473	306,118
26. Missouri	MO	L	161,968	210,220	151,952	183,946	222,826	335,351
27. Montana	MT	L	7,567	8,211			1,093	1,444
28. Nebraska	NE	L		132				23
29. Nevada	NV	L	207,016	263,457	549,502	599,022	1,335,964	1,919,210
30. New Hampshire	NH	L	19,746	23,173			2,854	4,075
31. New Jersey	NJ	L	1,176,176	1,499,409	3,587,871	2,555,595	13,103,452	15,475,550
32. New Mexico	NM	L	142,239	154,953	(900)	111,050	829,546	724,224
33. New York	NY	L	528,742	625,491	1,414,398	887,989	5,031,175	6,727,698
34. No. Carolina	NC	L	1,816,577	2,349,910	2,025,957	3,770,837	4,543,450	6,874,187
35. No. Dakota	ND	N						
36. Ohio	OH	L	647,582	879,162	1,551,918	2,087,426	2,576,799	3,553,454
37. Oklahoma	OK	L	466,141	645,453	216,452	875,864	988,395	1,138,408
38. Oregon	OR	L	94,757	154,358	68,329	132,914	427,710	696,452
39. Pennsylvania	PA	L	664,570	879,842	1,250,497	1,268,583	3,580,081	4,561,671
40. Rhode Island	RI	L	39,419	56,918	280,767	128,489	229,464	603,253
41. So. Carolina	SC	L	1,039,741	1,347,143	1,860,832	1,983,257	3,158,846	5,293,907
42. So. Dakota	SD	L	3,993	4,009			577	705
43. Tennessee	TN	L	407,983	569,554	846,106	894,291	1,222,135	1,718,777
44. Texas	TX	L	24,465,316	17,968,530	12,431,515	18,466,058	43,520,867	59,992,148
45. Utah	UT	L	120,761	152,036	204,074	248,405	157,721	551,963
46. Vermont	VT	L						
47. Virginia	VA	N	934,022	1,357,220	1,757,760	2,866,420	5,953,907	8,901,456
48. Washington	WA	L	152,063	187,908	243,820	646,140	610,491	830,159
49. West Virginia	WV	L	71,027	90,861	23,776	63,579	44,629	191,049
50. Wisconsin	WI	L	144,459	172,425	371,148	448,498	322,293	696,188
51. Wyoming	WY	L	41,172	49,556			5,950	8,715
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate Other Alien	OT	XXX						
59. Totals	(a)	49	71,090,338	75,956,419	117,852,693	157,532,286	310,406,236	415,949,180
<b>DETAILS OF WRITE-INS</b>								
58001.		XXX						
58002.		XXX						
58003.		XXX						
58998.		Summary of remaining write-ins for Line 58 from overflow page.						
58999.		TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)						

(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**



STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
0421	Collateral Holding, Ltd.						William T. Ratliff, and family	USA	UDP	Collat general partnership, William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		63-0925217				Collateral Holdings, Ltd.	USA	UDP	William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	.5
0421	Collateral Holding, Ltd.		63-0925198				Collat, Inc.	USA	NIA	William T. Ratliff, and family	Ownership	100.0	William T. Ratliff, and family	.4
0421	Collateral Holding, Ltd.		56-1838519		0000911631	OTCBB	Triad Guaranty, Inc.	USA	NIA	Collateral Holdings, Ltd.	Ownership	16.9	William T. Ratliff, and family	.1
0421	Collateral Holding, Ltd.	24350	56-1570971				Triad Guaranty Insurance Corporation (In Rehabilitation)	USA	IA	Triad Guaranty, Inc.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.	10217	56-1905825				Triad Guaranty Assurance Corporation (In Rehabilitation)	USA	IA	Triad Guaranty Insurance Corporation	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-3747936				Southland Benefits Solutions, LLC	USA	DS	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		45-2773121				Health Partner America, LLC	USA	DS	Southland Benefit Solutions, LLC	Ownership	90.0	William T. Ratliff, and family	.2
0421	Collateral Holding, Ltd.		63-6007227				Collateral Agency, Inc.	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		20-2394804				Collateral Family Services, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-3168617				CPSW Holdings, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	95.0	William T. Ratliff, and family	.3
0421	Collateral Holding, Ltd.		87-0702363				Collateral Properties, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		20-0643125				Collateral Benefits Group, LLC	USA	NIA	Collateral Holdings, Ltd.	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		26-1356931				Collateral Educator Services, LLC	USA	NIA	Collateral Benefits Group, LLC	Ownership	100.0	William T. Ratliff, and family	
0421	Collateral Holding, Ltd.		27-2875377				Collateral Financial Advisors, LLC	USA	NIA	Collateral Benefits Group, LLC	Ownership	100.0	William T. Ratliff, and family	

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

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

**STATEMENT AS OF SEPTEMBER 30, 2015 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	71,587,019	35,484,246	49.6	79.8
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	71,587,019	35,484,246	49.6	79.8
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty		17,509,691	75,956,419
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability occurrence			
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1,19.2 Private passenger auto liability			
19.3,19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS	17,509,691	71,090,338	75,956,419
<b>DETAILS OF WRITE-INS</b>			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2012 + Prior .....	236,102		236,102	76,141		76,141	160,965			160,965	1,004		1,004
2. 2013 .....	64,624	1,189	65,812	21,325		21,325	38,280			38,280	(5,020)	(1,189)	(6,208)
3. Subtotals 2013 + prior .....	300,726	1,189	301,914	97,465		97,465	199,244			199,244	(4,016)	(1,189)	(5,205)
4. 2014 .....	74,174	10,698	84,872	18,101		18,101	60,002		1,009	61,011	3,928	(9,688)	(5,760)
5. Subtotals 2014 + prior .....	374,900	11,886	386,786	115,567		115,567	259,246		1,009	260,255	(88)	(10,877)	(10,965)
6. 2015 .....	XXX	XXX	XXX	XXX	1,096	1,096	XXX	36,717	9,082	45,799	XXX	XXX	XXX
7. Totals .....	374,900	11,886	386,786	115,567	1,096	116,663	259,246	36,717	10,091	306,054	(88)	(10,877)	(10,965)
8. Prior Year-End Surplus As Regards Policy-holders	(826,506)												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 0.0	2. (91.5)	3. (2.8)
													Col. 13, Line 7 Line 8
													4. 1.3

**STATEMENT AS OF SEPTEMBER 30, 2015 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:**

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

**Bar Code:**

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

**OVERFLOW PAGE FOR WRITE-INS**

---

**STATEMENT AS OF SEPTEMBER 30, 2015 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 .....	187,440,632	210,036,971
2. Cost of bonds and stocks acquired .....	49,298,813	68,076,094
3. Accrual of discount .....	121,252	178,810
4. Unrealized valuation increase (decrease) .....	544,177	169,474
5. Total gain (loss) on disposals .....	774,302	1,651,913
6. Deduct consideration for bonds and stocks disposed of .....	67,709,995	91,070,301
7. Deduct amortization of premium .....	899,632	1,602,329
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	169,569,549	187,440,632
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	169,569,549	187,440,632

STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

**SCHEDULE D - PART 1B**

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	139,894,783	21,411,215	25,981,883	(228,058)	156,133,599	139,894,783	135,096,057	168,597,755
2. NAIC 2 (a).....	29,403,499		1,562,383	(38,381)	23,291,841	29,403,499	27,802,735	25,049,787
3. NAIC 3 (a).....	137,837		16,602	2,692	144,823	137,837	123,927	157,815
4. NAIC 4 (a).....	173,044		11,371	3,220	179,119	173,044	164,893	185,868
5. NAIC 5 (a).....	103,065	1,454	16,500	1	111,865	103,065	88,020	121,793
6. NAIC 6 (a).....	1,358		6,086	6,086	1,452	1,358	1,358	(17,385)
7. Total Bonds	169,713,586	21,412,669	27,594,825	(254,440)	179,862,699	169,713,586	163,276,990	194,095,633
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock.....								
15. Total Bonds & Preferred Stock	169,713,586	21,412,669	27,594,825	(254,440)	179,862,699	169,713,586	163,276,990	194,095,633

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

S102

**STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN  
REHABILITATION**

**SCHEDULE DA - PART 1**

**Short-Term Investments**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	2,631,531	XXX	2,631,531	158	

**SCHEDULE DA - VERIFICATION**

**Short-Term Investments**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	15,035,907	24,477,944
2. Cost of short-term investments acquired .....	23,606,387	25,999,765
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	36,010,502	35,304,947
7. Deduct amortization of premium.....	262	136,855
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,631,530	15,035,907
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11)	2,631,530	15,035,907

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 3

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

1	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 or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
912828-XB-1	UNITED STATES TREAS NTS		07/01/2015	VARIOUS		437,838	450,000	1,247	1
912828-XH-8	UNITED STATES TREAS NTS		07/01/2015	DIRECT		199,165	200,000	18	1
<b>0599999 - Bonds - U.S. Governments</b>						637,002	650,000	1,265	XXX
<b>Bonds - All Other Governments</b>									
<b>Bonds - U.S. States, Territories and Possessions</b>									
882723-PL-7	TEXAS ST		07/09/2015	WILLIAM BLAIR		3,295,500	3,250,000	15,491	1FE
<b>1799999 - Bonds - U.S. States, Territories and Possessions</b>						3,295,500	3,250,000	15,491	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
<b>Bonds - U.S. Special Revenue</b>									
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
05377R-AZ-7	AVIS BUDGET RENT CAR FDG AESOP LLC		07/01/2015	VARIOUS		127,539	125,000	165	1FE
05565Q-BY-3	BP CAP MKTS P L C	F	08/05/2015	DAIN RAUSCHER		2,018,998	2,000,000	9,743	1FE
12593G-AA-0	COMM 2015-PC1 MTG TR		07/01/2015	DIRECT		124,998	125,000	75	1FE
12635F-AQ-7	CSAIL 2015-C3 COML MTG TR		08/06/2015	FIRST BOSTON		345,999	346,000	280	1FE
126650-CJ-7	CVS HEALTH CORP		07/16/2015	DAIN RAUSCHER		2,005,960	2,000,000	156	1FE
12668B-TJ-2	COUNTRYWIDE ALTERNATIVE LOAN TRUST		09/28/2015	DIRECT		672	672	3	5FE
12669Y-AC-6	CWMBS MTG PASS-THROUGH TR 2006-J4		09/28/2015	DIRECT		242	242	1	5FE
13056U-AD-1	CALIFORNIA REP AUTO RECEIVABLES TR 2015-		08/05/2015	STEPHENS		1,645,569	1,637,000	2,069	1FE
13057A-AD-4	CALIFORNIA REP AUTO RECEIVABLES TR 2014-		08/27/2015	DIRECT		126,445	125,000	102	1FE
13975J-AB-8	CAPITAL AUTO RECEIVABLES ASSET TR 2014-3		07/09/2015	FIRST BOSTON		3,256,348	3,250,000	2,557	1FE
14041N-ET-4	CAPITAL ONE MULTI-ASSET EXECUTION TR		08/28/2015	DIRECT		125,794	125,000	87	1FE
17321J-AA-2	CITIGROUP COML MTG TR 2013-GC15		07/09/2015	WACHOVIA		2,179,757	2,176,102	1,083	1FE
36252W-AT-5	GS MTG SEGS TR 2014-GC20		07/09/2015	WACHOVIA		2,600,603	2,603,858	1,263	1FE
36962G-7K-4	GENERAL ELEC CAP CORP		07/01/2015	DIRECT		126,394	125,000	623	1FE
46642C-BD-1	J P MORGAN CHASE COML MTG SEGS TR 2014-C		07/01/2015	DIRECT		120,218	120,822	26	1FE
68389X-AC-9	ORACLE CORP		07/01/2015	DIRECT		139,005	125,000	1,637	1FE
761118-TB-4	RESIDENTIAL ACCREDIT LNS INC MTG PASS TH		09/28/2015	DIRECT		540	540	2	5FE
90349G-BD-6	UBS BARCLAYS COML MTG TR 2013-C6		08/05/2015	PAINEWEB		2,017,813	2,000,000	1,033	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						16,962,156	16,885,236	20,905	XXX
<b>Bonds - Hybrid Securities</b>									
<b>Bonds - Parent, Subsidiaries and Affiliates</b>									
<b>8399997 - Subtotals - Bonds - Part 3</b>						20,894,659	20,785,236	37,661	XXX
<b>8399999 - Subtotals - Bonds</b>						20,894,659	20,785,236	37,661	XXX
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>									
<b>Preferred Stocks - Parent, Subsidiaries and Affiliates</b>									
<b>Common Stocks - Industrial and Miscellaneous</b>									
<b>Common Stocks - Parent, Subsidiaries and Affiliates</b>									
<b>Common Stocks - Mutual Funds</b>									
<b>Common Stocks - Money Market Mutual Funds</b>									
<b>9999999 Totals</b>						20,894,659	XXX	37,661	XXX

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

E04

STATEMENT AS OF SEPTEMBER 30, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
383766-6E-5	GNMA		09/01/2015	PAYDOWN		72,201	72,201	72,032	72,158		43		43		72,201				781	07/16/2033	1
383766-R0-5	GNMA		09/01/2015	PAYDOWN		540,476	540,476	546,788	574,922		(34,446)		(34,446)		540,476				12,100	08/16/2039	1
38378B-AH-2	GNMA		09/01/2015	PAYDOWN		390,328	390,328	390,653	390,963		(636)		(636)		390,328				3,832	12/16/2037	1
912828-EE-6	UNITED STATES TREAS.		08/15/2015	MATURED		725,000	725,000	781,357	781,357		(6,919)		(6,919)		725,000				30,813	08/15/2015	1
<b>0599999 - Bonds - U.S. Governments</b>						1,728,005	1,728,005	1,790,830	1,769,962		(41,958)		(41,958)		1,728,005				47,526	XXX	XXX
<b>Bonds - All Other Governments</b>																					
<b>Bonds - U.S. States, Territories and Possessions</b>																					
041841-AR-8	ARLINGTON TEX SPL OBLIG.		08/15/2015	MATURED		1,000,000	1,000,000	1,080,902	1,015,780		(15,780)		(15,780)		1,000,000				50,000	08/15/2015	1FE
472628-PM-2	JEFFERSON CNTY ALA		07/16/2015	RAYJAMES		425,266	425,000	290,543	311,748		5,149		5,149		316,897		108,368	108,368	17,118	04/01/2023	2FE
472628-PZ-3	JEFFERSON CNTY ALA		07/16/2015	RAYJAMES		1,590,994	1,590,000	1,057,905	1,187,349		32,252		32,252		1,219,601		371,393	371,393	64,042	04/01/2020	2FE
605275-M0-6	MISSISSIPPI BUSINESS FIN CORP MISS INDL		07/01/2015	DIR		24,791	24,791	23,803	24,001		42		42		24,043		748	748	1,487	01/01/2022	2
68607F-CY-4	OREGON ST		08/03/2015	CALLED		45,000	45,000	44,289	41,494	54	152		206		44,981		19	19	2,498	08/01/2016	1FE
717903-YN-2	PHILADELPHIA PA HOSPS & HIGHER ED FACS A		07/01/2015	CALLED		30,000	30,000	30,000	30,000						30,000				1,590	01/01/2018	1FE
<b>1799999 - Bonds - U.S. States, Territories and Possessions</b>						3,116,051	3,114,791	2,527,442	2,610,372	54	21,815		21,869		2,635,522		480,528	480,528	136,735	XXX	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
3128MS-3H-3	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		81,515	81,515	90,902	83,565		(2,051)		(2,051)		81,515				3,254	05/01/2044	1
3128MB-V9-9	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		19,523	19,523	19,065	19,325		198		198		19,523				639	04/01/2023	1
3128MJ-UF-5	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		64,490	64,490	65,245	64,988	(349)	(150)		(499)		64,490				1,456	04/01/2044	1
3128PK-7A-6	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		15,065	15,065	15,032	15,065		7		7		15,065				552	06/01/2023	1
3128PK-XM-1	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		13,439	13,439	13,439	13,439						13,439				498	05/01/2023	1
31349U-B3-1	FEDERAL HOME LN MTG CORP		09/01/2015	PAYDOWN		831	831	897	892		(63)		(63)		831				18	11/01/2036	1
3138EK-T7-0	FEDERAL NATL MTG ASSN GTD MTG		09/01/2015	PAYDOWN		161,948	161,948	181,584	164,811		(2,863)		(2,863)		161,948				5,306	09/01/2041	1
3138L7-CZ-7	FNMA		09/01/2015	PAYDOWN		3,314	3,314	3,467	3,331		(17)		(17)		3,314				67	09/01/2020	1
3138Y9-M4-7	FNMA		09/01/2015	PAYDOWN		59,523	59,523	59,995	59,995	(472)	(472)		(472)		59,523				1,066	01/01/2045	1
31402Q-ZE-4	FNMA		09/01/2015	PAYDOWN		558	558	575	559	(2)	(2)		(2)		558				8	02/01/2035	1
31403B-PC-1	FNMA		09/01/2015	PAYDOWN		2,830	2,830	2,956	2,877	(47)	(47)		(47)		2,830				8	11/01/2018	1
31403D-RH-4	FNMA		09/01/2015	PAYDOWN		26,010	26,010	27,687	26,010						26,010				381	08/01/2036	1
31403D-VZ-9	FNMA		09/01/2015	PAYDOWN		1,176	1,176	1,287	1,546		(370)		(370)		1,176				51	11/01/2036	1
31404V-Y6-9	FNMA		09/01/2015	PAYDOWN		4,249	4,249	4,435	4,329		(80)		(80)		4,249				128	05/01/2019	1
31405H-6L-7	FNMA		09/01/2015	PAYDOWN		408	408	422	413		(5)		(5)		408				6	08/01/2034	1
31405R-CR-5	FNMA		09/01/2015	PAYDOWN		7,145	7,145	7,476	7,308		(163)		(163)		7,145				203	10/01/2019	1
31410K-JY-1	FNMA		09/01/2015	PAYDOWN		5,638	5,638	6,027	5,708		(70)		(70)		5,638				229	05/01/2038	1
31410R-6J-3	FNMA		09/01/2015	PAYDOWN		12,687	12,687	13,117	12,687		(11)		(11)		12,687				209	06/01/2036	1
31411Y-DP-5	FNMA		09/01/2015	PAYDOWN		16	16	16	16						16				1	05/01/2037	1
31412W-SD-1	FNMA		09/01/2015	PAYDOWN		3,587	3,587	3,827	3,887		(300)		(300)		3,587				145	05/01/2038	1
31414D-UF-1	FNMA		09/01/2015	PAYDOWN		66,994	66,994	65,916	66,849		145		145		66,994				2,166	05/01/2023	1
31416J-PH-8	FNMA		09/01/2015	PAYDOWN		855	855	930	892		(37)		(37)		855				34	11/01/2032	1
31417Y-T7-2	FNMA		09/01/2015	PAYDOWN		18,735	18,735	18,807	18,780		(44)		(44)		18,735				436	11/01/2025	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						570,536	570,536	603,104	517,280	(349)	(6,395)		(6,744)		570,536				16,929	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
03064T-AB-9	AMERTCREDIT AUTOMOBILE RECEIVABLES TR 20		08/08/2015	MATURED																08/08/2015	1FE
071813-AW-9	BAXTER INTL INC CREDIT-BASED ASSET		07/06/2015	CALLED		3,131,012	2,950,000	3,398,459	3,095,258		(44,103)		(44,103)		3,051,156		79,857	79,857	147,459	09/01/2016	1FE
1248MP-AB-0	SERVICING		09/01/2015	PAYDOWN		9,654	9,654	7,911	9,362		292		292		9,654				383	12/25/2036	4FE
12593G-AA-0	COMM 2015-PC1 MTG TR		09/01/2015	PAYDOWN		2,338	2,338	2,338	2,338						2,338				5	07/12/2050	1FE
12635F-AQ-7	CSA1L 2015-C3 COML MTG TR COUNTRYWIDE ALTERNATIVE		09/01/2015	PAYDOWN		3,487	3,487	3,487	3,487						3,487				5	08/15/2048	1FE
12668B-TJ-2	LOAN TRUST		09/28/2015	VARIOUS		3,843	4,515	3,498	3,842						4,515		(672)	(672)	158	04/25/2036	5FE
12669G-LP-4	CWBS INC		09/01/2015	PAYDOWN		1,386	1,386	915	1,386						1,386				21	03/25/2035	5FE
12669Y-AC-6	CWBS MTG PASS-THROUGH TR 2006-J4		09/28/2015	VARIOUS		6,477	6,719	4,419	6,477						6,719		(242)	(242)	276	09/25/2036	5FE
173105-AC-1	CITICORP MTG SECS TR SER 2007-1		09/01/2015	PAYDOWN		6,433	6,433	6,051	987		5,065		5,065		6,051		382	382	228	01/25/2037	6FE
17321J-AA-2	CITIGROUP COML MTG TR 2013-GC15		09/01/2015	PAYDOWN		102,670	102,670	102,843			(172)		(172)		102,670				178	09/10/2046	1FE
22541S-GM-4	CREDIT SUISSE FIRST BOSTON MTG SECS CORP		09/01/2015	PAYDOWN		8,943	8,943	8,977	8,984		(41)		(41)		8,943				312	04/25/2019	1FE

E05



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, 2015 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN  
REHABILITATION

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

Show Investments Owned End of Current Quarter

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