



QUARTERLY STATEMENT

AS OF JUNE 30, 2016
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 ofss

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

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 JUNE 30, 2016 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	142,491,486		142,491,486	153,495,838
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	9,075,968		9,075,968	8,985,897
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 (\$5,195,678), cash equivalents (\$) and short-term investments (\$5,906,088)	11,101,765		11,101,765	13,602,885
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	272		272	210
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	162,669,491		162,669,491	176,084,831
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	1,081,080		1,081,080	1,154,606
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,302,450		2,302,450	2,799,755
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	14,338,602		14,338,602	16,465,783
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	305,496		305,496	304,217
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	5,630		5,630	12,392
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	11,069		11,069	
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)	180,713,818		180,713,818	196,821,584
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	180,713,818		180,713,818	196,821,584
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$24,379,086)	246,261,715	288,500,782
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,098,171	1,265,107
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	8,553,613	8,554,710
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	6,000	
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	1,105,439	
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$29,492 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)	1,629,807	1,652,068
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,158,651	1,860,381
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	413,919	444,894
15. Remittances and items not allocated	154,262	555,318
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	31,235	
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	708,115,753	691,411,227
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	969,528,565	994,244,487
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	969,528,565	994,244,487
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	25,000,000	25,000,000
34. Gross paid in and contributed surplus	105,215,928	105,215,928
35. Unassigned funds (surplus)	(922,530,675)	(931,138,831)
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)	(788,814,747)	(797,422,903)
38. Totals (Page 2, Line 28, Col. 3)	180,713,818	196,821,584
DETAILS OF WRITE-INS		
2501. Deferred Premium Refund	1,144,217	767,339
2502. Deferred Payment Obligation, including carry charges	705,698,193	689,179,127
2503. Rescinded Premium Payable	1,273,343	1,464,761
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	708,115,753	691,411,227
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 31,880,622)	31,904,468	53,757,216	82,842,616
1.2 Assumed (written \$)			
1.3 Ceded (written \$ 1,167,597)	1,169,181	1,494,331	2,853,287
1.4 Net (written \$ 30,713,025)	30,735,287	52,262,885	79,989,329
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 25,775,707):			
2.1 Direct	22,023,705	24,588,410	49,921,459
2.2 Assumed			
2.3 Ceded	496,740	427,437	500,090
2.4 Net	21,526,965	24,160,973	49,421,368
3. Loss adjustment expenses incurred	445,571	425,516	944,384
4. Other underwriting expenses incurred	2,719,869	3,564,154	6,670,290
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	24,692,405	28,150,643	57,036,043
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	6,042,882	24,112,242	22,953,287
INVESTMENT INCOME			
9. Net investment income earned	2,185,209	2,726,762	4,836,961
10. Net realized capital gains (losses) less capital gains tax of \$	1,395,378	211,695	832,283
11. Net investment gain (loss) (Lines 9 + 10)	3,580,587	2,938,457	5,669,244
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income		41,820	41,820
15. Total other income (Lines 12 through 14)		41,820	41,820
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	9,623,469	27,092,519	28,664,352
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)	9,623,469	27,092,519	28,664,352
19. Federal and foreign income taxes incurred	1,105,439		
20. Net income (Line 18 minus Line 19)(to Line 22)	8,518,030	27,092,519	28,664,352
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	(797,422,903)	(826,506,195)	(826,506,195)
22. Net income (from Line 20)	8,518,030	27,092,519	28,664,352
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	90,070	144,878	606,028
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	56	421	503
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			(187,591)
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)	8,608,156	27,237,818	29,083,292
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(788,814,747)	(799,268,377)	(797,422,903)
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. Other Income - Service Fees on information technology			
1402. Income received under Asset Purchase Agreement		41,820	41,820
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		41,820	41,820
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)			

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.....	33,504,085	42,947,349	80,514,797
2. Net investment income	2,716,310	3,377,268	6,102,411
3. Miscellaneous income		41,820	41,820
4. Total (Lines 1 to 3)	36,220,395	46,366,437	86,659,029
5. Benefit and loss related payments	47,860,241	61,206,302	109,832,059
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions	2,792,049	3,642,376	6,872,969
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)	50,652,290	64,848,678	116,705,027
11. Net cash from operations (Line 4 minus Line 10)	(14,431,895)	(18,482,241)	(30,045,999)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	60,308,013	54,913,803	82,457,033
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds	31,173		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	60,339,186	54,913,803	82,457,033
13. Cost of investments acquired (long-term only):			
13.1 Bonds	48,366,368	28,404,152	57,042,069
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications		7,084,459	7,013,253
13.7 Total investments acquired (Lines 13.1 to 13.6)	48,366,368	35,488,611	64,055,322
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)	11,972,818	19,425,192	18,401,711
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied).....	(42,043)	109,265	(43,739)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(42,043)	109,265	(43,739)
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)	(2,501,120)	1,052,216	(11,688,028)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	13,602,885	25,290,913	25,290,913
19.2 End of period (Line 18 plus Line 19.1)	11,101,765	26,343,129	13,602,885

NOTES TO FINANCIAL STATEMENTS

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes No
- 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:
- 3.1 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 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
- 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
- 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).06/30/2009
- 6.4 By what department or departments?
Illinois Department of Insurance.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No NA
- 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 is in Rehabilitation and several states have suspended or revoked the Company's Certificate of Authority since 2012.....
- 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 Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

GENERAL INTERROGATORIES

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

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

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

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

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

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

FINANCIAL

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

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

INVESTMENT

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

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

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

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

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

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value		2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$	.....	\$	.....
14.22 Preferred Stock .....	\$	.....	\$	.....
14.23 Common Stock	\$	8,985,897	\$	9,073,680
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).....	\$	8,985,897	\$	9,073,680
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$	.....	\$	.....

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

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

If no, attach a description with this statement.

GENERAL INTERROGATORIES

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

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

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

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

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

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

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

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

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

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

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

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

18.2 If no, list exceptions:

.....

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

STATEMENT AS OF JUNE 30, 2016 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

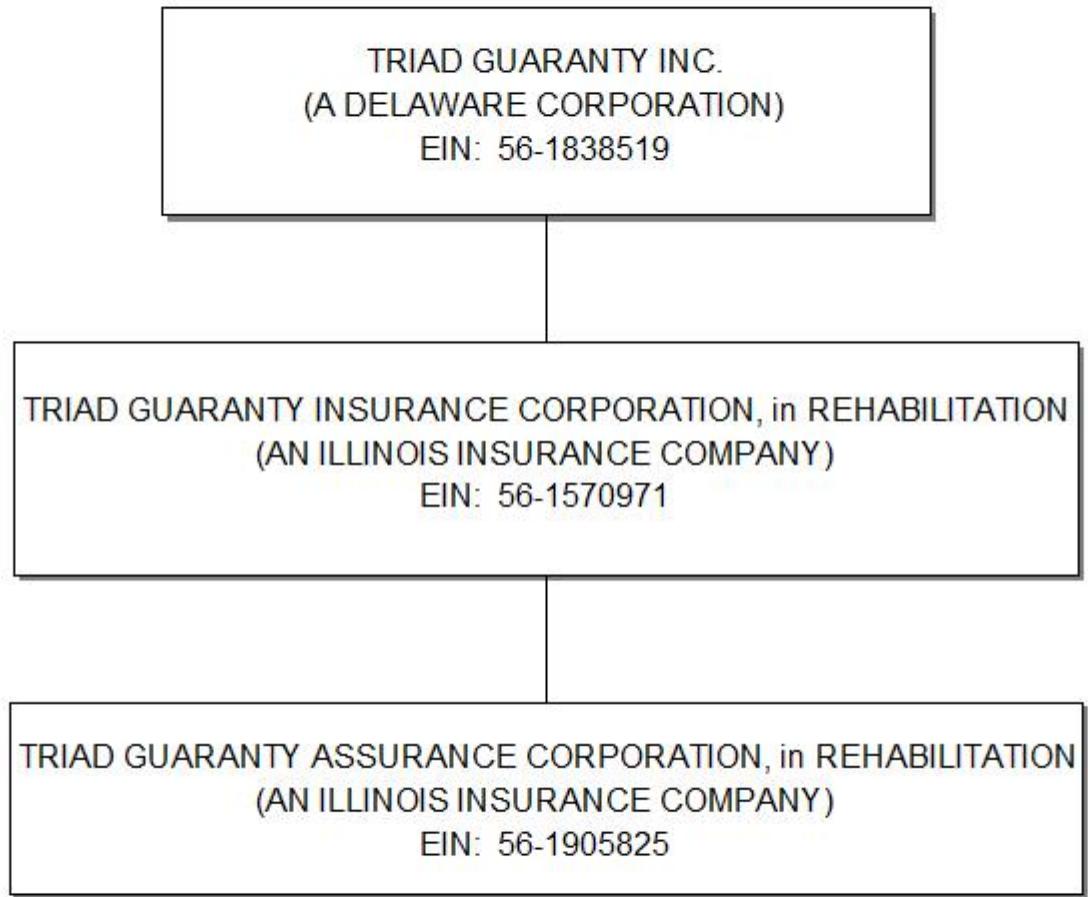
States, etc.	1		Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
	Active Status		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	L	78,664	109,528	148,629	225,042	351,942	826,413
2. Alaska	AK	N						
3. Arizona	AZ	L	531,922	629,165	411,873	1,141,743	1,605,240	1,897,223
4. Arkansas	AR	L	110,566	176,204	97,311	324,797	276,677	853,105
5. California	CA	L	7,485,044	9,141,881	15,579,226	24,972,005	64,805,971	90,969,442
6. Colorado	CO	L	1,592,155	1,816,560	3,092,518	3,521,125	11,465,048	12,156,396
7. Connecticut	CT	L	126,266	146,573	358,966	164,061	932,403	1,648,432
8. Delaware	DE	L	47,071	52,005	334		155,006	253,802
9. Dist. Columbia	DC	L	1,268,975	1,574,677	7,363,665	8,000,521	29,815,111	36,569,469
10. Florida	FL	L	1,079,108	1,437,884	3,985,478	6,005,739	12,429,887	17,404,561
11. Georgia	GA	L	483,751	655,795	385,484	767,351	2,047,653	2,265,864
12. Hawaii	HI	L	2,665	3,073				515
13. Idaho	ID	L	693	2,071				347
14. Illinois	IL	L	850,009	1,072,096	1,730,923	2,832,293	5,193,329	8,509,285
15. Indiana	IN	L	55,398	73,680	75,642	111,582	163,178	381,393
16. Iowa	IA	L	10,722	3,726	28,331	(300)	22,123	37,981
17. Kansas	KS	L	37,492	60,075	29,003	80,472	231,748	279,401
18. Kentucky	KY	L	126,274	205,368	144,322	320,418	886,131	1,048,342
19. Louisiana	LA	L	51,224	62,707	34,162	14,790	160,574	170,182
20. Maine	ME	L						
21. Maryland	MD	L	283,594	498,447	895,311	1,653,270	3,681,971	4,830,760
22. Massachusetts	MA	L	223,755	274,444	409,522	462,513	1,508,149	1,939,868
23. Michigan	MI	L	474,927	619,851	923,085	926,676	3,088,140	4,183,767
24. Minnesota	MN	L	5,989,913	7,606,344	11,302,054	11,249,937	40,173,057	50,589,083
25. Mississippi	MS	L	27,903	37,720	47,987	44,855	155,064	256,099
26. Missouri	MO	L	82,656	112,660	35,934	151,952	296,760	222,434
27. Montana	MT	L	3,486	5,091				853
28. Nebraska	NE	L						
29. Nevada	NV	L	110,314	144,183	41,241	382,112	1,296,912	1,372,656
30. New Hampshire	NH	L	5,443	13,475			40,448	2,258
31. New Jersey	NJ	L	646,813	809,387	1,826,654	2,567,045	12,286,372	13,692,830
32. New Mexico	NM	L	86,585	96,241	82,249	(600)	771,283	799,951
33. New York	NY	L	304,969	359,176	384,506	807,304	4,694,681	5,404,262
34. No. Carolina	NC	L	946,424	1,260,626	1,431,995	1,333,748	3,463,325	5,504,741
35. No. Dakota	ND	N						
36. Ohio	OH	L	305,927	451,201	786,656	998,309	1,860,723	2,991,457
37. Oklahoma	OK	L	223,161	321,491	160,212	117,141	1,039,785	998,160
38. Oregon	OR	N	38,486	68,165	96,166	39,349	236,469	482,229
39. Pennsylvania	PA	L	315,300	474,137	464,553	853,141	3,180,080	3,835,549
40. Rhode Island	RI	L	25,167	27,989	46,854	278,697	214,489	337,654
41. So. Carolina	SC	L	527,781	720,365	563,641	1,633,505	2,691,405	3,580,721
42. So. Dakota	SD	L	237	2,656				445
43. Tennessee	TN	L	203,880	281,461	276,721	712,897	874,128	1,289,184
44. Texas	TX	L	6,467,647	21,163,177	10,737,347	8,369,256	32,791,532	48,868,125
45. Utah	UT	L	65,174	83,737	113,504	32,768	145,671	300,843
46. Vermont	VT	L						
47. Virginia	VA	N	365,631	644,917	799,302	1,207,823	4,891,165	6,546,876
48. Washington	WA	L	78,759	104,182	181,735	150,383	334,589	780,244
49. West Virginia	WV	L	34,968	48,965		23,776	44,659	69,024
50. Wisconsin	WI	L	80,997	98,702		291,645	489,703	436,902
51. Wyoming	WY	L	22,727	28,791				4,824
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate Other Alien	OT	XXX						
59. Totals	(a)	47	31,880,622	53,580,648	65,073,098	82,769,142	250,792,582	334,593,952
DETAILS OF WRITE-INS								
58001.		XXX						
58002.		XXX						
58003.		XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.		XXX						
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)		XXX						

(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

TRIAD GUARANTY INC. and SUBSIDIARIES



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	31,904,468	22,023,705	69.0	45.7
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	31,904,468	22,023,705	69.0	45.7
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty		15,213,691	31,880,622
8. Ocean marine			53,580,647
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	15,213,691	31,880,622	53,580,647
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

STATEMENT AS OF JUNE 30, 2016 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)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 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. 2013 + Prior	176,264		176,264	43,435		43,435	137,175			137,175	4,345		4,345
2. 2014	51,284	996	52,279	12,299		12,299	35,671			35,671	(3,314)	(996)	(4,309)
3. Subtotals 2014 + prior	227,548	996	228,544	55,733		55,733	172,846			172,846	1,032	(996)	36
4. 2015	52,261	8,962	61,222	7,235		7,235	49,385		720	50,106	4,360	(8,241)	(3,882)
5. Subtotals 2015 + prior	279,809	9,957	289,766	62,969		62,969	222,231		720	222,952	5,391	(9,237)	(3,846)
6. 2016	XXX	XXX	XXX	XXX	1,410	1,410	XXX	17,925	6,483	24,408	XXX	XXX	XXX
7. Totals	279,809	9,957	289,766	62,969	1,410	64,379	222,231	17,925	7,204	247,360	5,391	(9,237)	(3,846)
8. Prior Year-End Surplus As Regards Policy-holders	(797,423)												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 1.9	2. (92.8)	3. (1.3)
													Col. 13, Line 7 Line 8
													4. 0.5

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

OVERFLOW PAGE FOR WRITE-INS

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	162,481,736	187,440,632
2. Cost of bonds and stocks acquired	48,366,368	57,042,343
3. Accrual of discount	70,096	250,976
4. Unrealized valuation increase (decrease)	90,071	606,029
5. Total gain (loss) on disposals	1,395,345	833,725
6. Deduct consideration for bonds and stocks disposed of	60,307,979	82,456,963
7. Deduct amortization of premium	528,182	1,235,006
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)	151,567,455	162,481,736
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	151,567,455	162,481,736

STATEMENT AS OF JUNE 30, 2016 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	114,429,283	36,622,250	40,153,726	(233,509)	114,429,283	110,664,298		120,917,970
2. NAIC 2 (a).....	37,034,164	6,902,918	8,184,850	(406,336)	37,034,164	35,345,896		37,110,436
3. NAIC 3 (a).....		2,364,760	427,075	404,900		2,342,585		
4. NAIC 4 (a).....	55,732		12,798	663	55,732	43,597		61,547
5. NAIC 5 (a).....								
6. NAIC 6 (a).....	1,339		170	29	1,339	1,198		1,278
7. Total Bonds	151,520,518	45,889,928	48,778,619	(234,253)	151,520,518	148,397,574		158,091,231
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock.....								
15. Total Bonds & Preferred Stock	151,520,518	45,889,928	48,778,619	(234,253)	151,520,518	148,397,574		158,091,231

(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

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	5,906,087	XXX	5,906,087	4,824	397

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.....	4,596,178	15,035,909
2. Cost of short-term investments acquired	3,821,904	31,272,667
3. Accrual of discount		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	2,511,994	41,712,136
7. Deduct amortization of premium.....		262
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).....	5,906,088	4,596,178
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11)	5,906,088	4,596,178

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF JUNE 30, 2016 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)
Bonds - U.S. Governments									
912828-05-2	US TREASURY N/B 0.875 15/04/19		05/06/2016	CHASE SECURITIES INC (CSI)		5,003,728	5,000,000	2,869	1
912828-07-8	US TREASURY N/B 1.375 30/04/21		05/10/2016	MLPFS INC/FIXED INCOME		944,543	937,000	455	1
912828-09-4	US TREASURY N/B 0.75 30/04/18		05/06/2016	CHASE SECURITIES INC (CSI)		5,004,118	5,000,000	917	1
912828-SX-9	US TREASURY N/B 1.125 31/05/19		06/06/2016	MLPFS INC/FIXED INCOME		145,844	145,000	31	1
0599999 - Bonds - U.S. Governments						11,098,233	11,082,000	4,272	XXX
Bonds - All Other Governments									
Bonds - U.S. States, Territories and Possessions									
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
Bonds - U.S. Special Revenue									
3138WF-2Y-1	FANNIE MAE 3.5		05/19/2016	ROBERT W. BAIRD & COMPANY INC MILWAUKEE		1,051,711	1,000,588	1,167	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						1,051,711	1,000,588	1,167	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00206R-AR-3	AT&T INC 5.8 15/02/19		05/06/2016	BARCLAYS CAPITAL INC -CCC		2,227,620	2,000,000	27,711	2FE
02005A-ER-5	ALLY MASTER OWNER TRUST 1.6		05/05/2016	PERSHING LLC		50,164	50,000	56	1FE
02582J-GS-3	AMERICAN EXPRESS CREDIT ACCOUN 1.26		05/05/2016	PERSHING LLC FORMERLY DLJ		3,010,898	3,000,000	2,625	1FE
12593N-AE-7	CNH EQUIPMENT TRUST 2.05		04/07/2016	STEPHENS INC		2,539,844	2,500,000	3,844	1FE
161571-FU-3	CHASE ISSUANCE TRUST 1.3		05/11/2016	PERSHING LLC FORMERLY DLJ		1,507,500	1,500,000	54	1FE
36253G-AB-8	GS MORTGAGE SECURITIES TRUST 3.104		05/05/2016	STEPHENS INC		2,090,000	2,000,000	1,552	1FE
38141E-C4-9	GOLDMAN SACHS GROUP INC 1.4525 15/12/17		05/05/2016	MORGAN STANLEY & CO INC. NEW YORK		3,001,587	3,000,000	6,691	1FE
38378K-2L-2	GOVERNMENT NATIONAL MORTGAGE A 2.25		04/07/2016	Default Broker		2,544,371	2,523,473	1,735	1
38378K-PH-6	GOVERNMENT NATIONAL MORTGAGE A 1.9981		04/07/2016	Default Broker		2,402,833	2,402,833	1,467	1
46640J-AP-2	JP MORGAN CHASE COMMERCIAL MOR 2.665		06/14/2016	STEPHENS INC		2,053,594	2,000,000	2,369	1FE
58933Y-AS-4	MERCK & CO INC 1.85 10/02/20		05/06/2016	MERRILL LYNCH PIERCE FENNER & SMITH		2,052,000	2,000,000	9,353	1FE
61763U-AV-4	MORGAN STANLEY BAML TRUST 3.119		05/05/2016	STEPHENS INC		41,855	40,107	31	1FE
65475W-AE-8	NISSAN AUTO RECEIVABLES OWNER 1.79		04/07/2016	STEPHENS INC		1,521,680	1,500,000	2,014	1FE
65477W-AD-8	NISSAN AUTO RECEIVABLES OWNER 1.66		04/07/2016	STEPHENS INC		1,515,820	1,500,000	1,868	1FE
88732J-AP-3	TIME WARNER CABLE INC 8.75 14/02/19		05/06/2016	PERSHING LLC FORMERLY DLJ		2,364,760	2,000,000	42,292	3FE
92343V-BP-8	VERIZON COMMUNICATIONS 3.65 14/09/18		05/06/2016	MLPFS INC/FIXED INCOME		2,110,220	2,000,000	11,558	2FE
92343V-CK-8	VERIZON COMMUNICATIONS 4.862 21/08/16		04/06/2016	PERSHING LLC FORMERLY DLJ		1,020,460	934,000	6,307	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						32,055,206	30,950,413	121,527	XXX
Bonds - Hybrid Securities									
Bonds - Parent, Subsidiaries and Affiliates									
8399997 - Subtotals - Bonds - Part 3						44,205,150	43,033,001	126,966	XXX
8399999 - Subtotals - Bonds						44,205,150	43,033,001	126,966	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
Preferred Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Industrial and Miscellaneous									
Common Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Mutual Funds									
Common Stocks - Money Market Mutual Funds									
9999999 Totals						44,205,150	XXX	126,966	XXX

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

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STATEMENT AS OF JUNE 30, 2016 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
912828-B4-1	US TREASURY N/B 0.375		31/01/16	Post Sale Income							(37)		(37)						454	01/31/2016	1
912828-J2-7	US TREASURY N/B 2		15/02/25	MORGAN STANLEY & CO INC. NEW YORK	2,050,070	2,000,000	1,989,617	1,990,441			363		363		1,990,805		59,266	59,266	29,231	02/15/2025	1
912828-VG-2	US TREASURY N/B 0.5		15/06/16	MATURITY	171,000	171,000	171,101	171,022			(22)		(22)		171,000				353	06/15/2016	1
912828-WE-6	US TREASURY N/B 2.75		15/11/23	MORGAN STANLEY & CO INC. NEW YORK	7,248,473	6,678,000	6,666,225	6,668,442			420		420		6,668,863		579,610	579,610	88,795	11/15/2023	1
912828-WJ-5	US TREASURY N/B 2.5		15/05/24	GOLDMAN SACHS & COMPANY	7,733,965	7,250,000	7,205,800	7,212,329			1,558		1,558		7,213,888		520,078	520,078	87,637	05/15/2024	1
0599999 - Bonds - U.S. Governments						17,203,508	16,099,000	16,032,743	16,042,234		2,282		2,282		16,044,556		1,158,954	1,158,954	206,470	XXX	XXX
Bonds - All Other Governments																					
Bonds - U.S. States, Territories and Possessions																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
31289B-3H-3	FREDDIE MAC 6		05/18/2016	VARIOUS	1,071,043	946,668	1,055,682	1,051,297			(13,230)		(13,230)		1,045,946		25,097	25,097	26,935	07/01/2040	1
31289B-VP-9	FREDDIE MAC 5		06/01/2016	MBS PAYDOWN	15,404	15,404	15,404	14,744			169		169		15,404				312	04/01/2023	1
31289M-JF-5	FREDDIE MAC 3.5		06/01/2016	MBS PAYDOWN	111,454	111,454	112,760	112,728			(109)		(109)		111,454				1,610	04/01/2044	1
3128PK-7A-6	FREDDIE MAC 5.5		06/01/2016	MBS PAYDOWN	36,402	36,402	36,402	36,330			15		15		36,402				936	06/01/2023	1
3128PK-XM-1	FREDDIE MAC 5.5		06/01/2016	MBS PAYDOWN	11,073	11,073	11,073	11,073							11,073				253	05/01/2023	1
31349U-B3-1	FREDDIE MAC 2.589		06/02/2016	MBS PAYDOWN	1,030	1,030	1,030	1,030							1,030				12	11/01/2036	1
3138EK-T7-0	FANNIE MAE 5.5		06/01/2016	MBS PAYDOWN	108,903	108,903	122,107	121,672			(1,440)		(1,440)		108,903				2,462	09/01/2041	1
3138L7-CZ-7	FANNIE MAE 3		06/01/2016	MBS PAYDOWN	3,453	3,453	3,612	3,587			(24)		(24)		3,453				44	09/01/2020	1
3138Y9-M4-7	FANNIE MAE 3		06/01/2016	MBS PAYDOWN	122,869	122,869	123,843	123,819			(34)		(34)		122,869				1,418	01/01/2045	1
31402Q-ZE-4	FANNIE MAE 2.758		06/01/2016	MBS PAYDOWN	95	95	95	97							95				2	02/01/2035	1
31403B-PC-1	FANNIE MAE 4.5		06/01/2016	MBS PAYDOWN	1,466	1,466	1,466	1,518			(28)		(28)		1,466				27	11/01/2018	1
31403D-RH-4	FANNIE MAE 2.519		06/01/2016	MBS PAYDOWN	955	955	955	874			9		9		955				10	08/01/2036	1
31403D-VZ-9	FANNIE MAE 6.5		06/01/2016	MBS PAYDOWN	1,127	1,127	1,127	2,848			(218)		(218)		1,127				30	11/01/2036	1
31404V-Y6-9	FANNIE MAE 4.5		06/01/2016	MBS PAYDOWN	6,214	6,214	6,214	6,486			(79)		(79)		6,214				116	05/01/2019	1
31405H-6L-7	FANNIE MAE 2.407		06/01/2016	MBS PAYDOWN	66	66	66	66							66				1	08/01/2034	1
31405R-CR-5	FANNIE MAE 4.5		06/01/2016	MBS PAYDOWN	5,842	5,842	5,842	6,119			(76)		(76)		5,842				113	10/01/2019	1
31410K-JY-1	FANNIE MAE 6		06/01/2016	MBS PAYDOWN	4,089	4,089	4,089	4,317			(33)		(33)		4,089				101	05/01/2038	1
31410R-GJ-3	FANNIE MAE 2.573		06/01/2016	MBS PAYDOWN	1,615	1,615	1,615	1,632			(1)		(1)		1,615				17	06/01/2036	1
31411Y-DP-5	FANNIE MAE 5.805		06/01/2016	MBS PAYDOWN	3,428	3,428	3,428	4,301			(31)		(31)		3,428				99	05/01/2037	1
31412W-SD-1	FANNIE MAE 6		06/01/2016	MBS PAYDOWN	125	125	125	179			(13)		(13)		125				3	05/01/2038	1
31414D-UF-1	FANNIE MAE 5		06/01/2016	MBS PAYDOWN	75,480	75,480	75,480	74,633			114		114		75,480				1,436	05/01/2023	1
31416J-PH-8	FANNIE MAE 6		06/01/2016	MBS PAYDOWN	1,017	1,017	1,017	1,462			(32)		(32)		1,017				26	11/01/2032	1
31417Y-T7-2	FANNIE MAE 3.5		06/01/2016	MBS PAYDOWN	13,038	13,038	13,038	13,206			(24)		(24)		13,038				190	11/01/2025	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					1,596,188	1,471,813	1,596,470	1,594,018		(15,061)		(15,061)		1,571,091		25,097	25,097	36,152	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00206R-C0-3	AT&T INC 4.75 15/05/46		05/06/2016	HILLTOP SECURITIES	668,287	677,000	641,782	642,453			388		388		642,841		25,446	25,446	15,721	05/15/2046	2FE
037833-AF-7	APPLE INC 0.6686 03/05/16		05/02/2016	MATURITY	4,000,000	4,000,000	4,000,000	4,000,000							4,000,000				10,612	05/03/2016	1FE
09658U-AC-3	BMW VEHICLE OWNER TRUST 0.97		06/25/2016	MBS PAYDOWN	151,973	151,973	151,973	151,973							151,973				626	11/26/2018	1FE
10138M-AG-0	BOTTLING GROUP LLC 5.5 01/04/16		04/01/2016	MATURITY	3,000,000	3,000,000	3,000,000	3,019,895			(19,895)		(19,895)		3,000,000				82,500	04/01/2016	1FE
1248MP-AB-0	CREDIT-BASED ASSET SERVICING A 5.763		06/01/2016	MBS PAYDOWN	12,876	12,876	12,876	10,578			1,313		1,313		12,876				317	12/25/2036	1AM
12593G-AA-0	COMM MORTGAGE TRUST 1.667 CSA II COMMERCIAL MORTGAGE		06/01/2016	MBS PAYDOWN	3,913	3,913	3,913	3,913							3,913				27	07/10/2050	1FE
12635F-AQ-7	TRUS 1.7167		06/01/2016	MBS PAYDOWN	11,206	11,206	11,206	11,206							11,206				80	08/15/2048	1FE
12668B-TJ-2	COUNTRYWIDE ALTERNATIVE LOAN T 6		06/01/2016	MBS PAYDOWN	5,987	3,130	3,130	1,825			89		89		3,130		2,858	2,858	79	04/25/2036	1AM
12668B-TJ-2	COUNTRYWIDE ALTERNATIVE LOAN T 6		06/01/2016	MBS PAYDOWN	8	4	4	4			1		1		4		4	4		04/25/2036	4AM
12669G-LP-4	2.747 COUNTRYWIDE HOME LOANS		06/01/2016	MBS PAYDOWN	3,549	3,549	3,549	1,917			121		121		3,549				44	03/25/2035	1AM
12669Y-AC-6	6.25 COUNTRYWIDE HOME LOANS		06/01/2016	MBS PAYDOWN	5,516	2,712	2,712	1,187			134		134		2,712		2,804	2,804	67	09/25/2036	1AM
12669Y-AC-6	6.25 COUNTRYWIDE HOME LOANS		06/01/2016	MBS PAYDOWN	2	1	1	1							1		1	1		09/25/2036	3AM

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STATEMENT AS OF JUNE 30, 2016 OF THE TRIAD GUARANTY INSURANCE CORPORATION, IN REHABILITATION

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
13975J-AB-8	CAPITAL AUTO RECEIVABLES ASSET 1.18		06/20/2016	MBS PAYDOWN		1,422,608	1,422,608	1,425,387	1,424,097		(1,081)		(1,081)		1,422,608				7,198	12/20/2017	1FE
173105-AC-1	CITICORP MORTGAGE SECURITIES 5.75		06/01/2016	MBS PAYDOWN		160	160										160	160	5	01/25/2037	6FE
17321J-AA-2	CITIGROUP COMMERCIAL MORTGAGE 1.378		06/01/2016	MBS PAYDOWN		169,884	169,884	170,169	170,116		(77)		(77)		169,884				976	09/10/2046	1FE
22541S-GM-4	CREDIT SUISSE FIRST BOSTON MOR 5		06/01/2016	MBS PAYDOWN		2,842	2,842	2,842	2,874		(11)		(11)		2,842				59	04/25/2019	1FE
225458-XS-2	CREDIT SUISSE FIRST BOSTON MOR 4.75		06/01/2016	MBS PAYDOWN		292	292	292	285		2		2		292				6	07/25/2020	4AM
345397-WH-2	FORD MOTOR CREDIT CO LLC 1.8697 09/05/16		05/06/2016	CHASE SECURITIES INC (CSI)		4,000,492	4,000,000	4,000,000	4,000,000						4,000,000		492	492	34,367	05/09/2016	2FE
36242D-OY-2	GSR MORTGAGE LOAN TRUST 5 GS MORTGAGE SECURITIES		06/01/2016	MBS PAYDOWN		1,886	1,886	1,886	841		49		49		1,886				35	12/25/2034	1AM
36252W-AT-5	TRUST 1.343		06/01/2016	MBS PAYDOWN		164,305	164,305	164,100	164,132		46		46		164,305				921	04/10/2047	1FE
383766-6E-5	GOVERNMENT NATIONAL MORTGAGE A 1.622		06/01/2016	MBS PAYDOWN		68,500	68,500	68,500	68,355		66		66		68,500				463	07/16/2033	1
38378B-AH-2	GOVERNMENT NATIONAL MORTGAGE A 1.5696		06/01/2016	MBS PAYDOWN		362,422	362,422	362,422	362,740		(243)		(243)		362,422				2,461	12/16/2037	1
38378K-2L-2	GOVERNMENT NATIONAL MORTGAGE A 2.25		06/01/2016	MBS PAYDOWN		8,864	8,864	8,938			(2)		(2)		8,864				25	12/16/2047	1
38378K-PH-6	GOVERNMENT NATIONAL MORTGAGE A 1.9981		06/01/2016	MBS PAYDOWN		83,737	83,737	83,737							83,737				271	02/16/2047	1
41283V-AC-1	HARLEY-DAVIDSON MOTORCYCLE TRU 0.65		06/15/2016	MBS PAYDOWN		244,580	244,580	244,685	244,619		(62)		(62)		244,580				657	07/16/2018	1FE
428236-BV-4	HP INC 4.65 09/12/21		05/10/2016	MLPFS INC/FIXED INCOME		919,263	860,000	943,437	931,561		(4,514)		(4,514)		927,047		(7,784)	(7,784)	17,107	12/09/2021	2FE
43814E-AC-9	HONDA AUTO RECEIVABLES OWNER T 0.53		05/16/2016	MBS PAYDOWN		2,967	2,967	2,970	2,967		(2)		(2)		2,967				6	02/16/2017	1FE
459200-HL-8	IBM CORP 0.45 06/05/16		05/06/2016	MATURITY		3,500,000	3,500,000	3,490,130	3,498,838		1,162		1,162		3,500,000				7,875	05/06/2016	1FE
46642C-BD-1	JP MORGAN CHASE COMMERCIAL MOR 1.2682		06/01/2016	MBS PAYDOWN		7,012	7,012	6,977	6,982		7		7		7,012				37	07/15/2047	1FE
57643W-DE-1	MASTR ASSET SECURITIZATION TRU 5		06/01/2016	MBS PAYDOWN		12,502	12,502	12,502	12,607	258	(70)		188		12,502				257	07/25/2019	4AM
58933Y-AT-2	MERCK & CO INC 3.7 10/02/45		05/06/2016	US BANCORP INVESTMENTS INC		228,319	225,000	223,706	223,745		15		15		223,760		4,559	4,559	6,267	02/10/2045	1FE
65477W-AC-2	NISSAN AUTO RECEIVABLES OWNER 0.67		06/15/2016	MBS PAYDOWN		13,679	13,679	13,676	13,678		1		1		13,679				38	08/15/2018	1FE
761118-TB-4	RESIDENTIAL ACCREDIT LOANS IN 3.9818		06/01/2016	MBS PAYDOWN		2,171	2,614	2,614	1,084		62		62		2,614		(443)	(443)	42	01/25/2036	1AM
86359L-TB-5	STRUCTURED ASSET MORTGAGE INVE 0.7533		06/27/2016	MBS PAYDOWN		44	170	170	46		12		12		170		(127)	(127)	1	02/25/2036	6FE
88732J-BB-3	TIME WARNER CABLE INC 5.5 01/09/41		05/06/2016	PERSHING LLC FORMERLY DLJ		424,478	416,000	427,860	427,229		(155)		(155)		427,074		(2,596)	(2,596)	15,889	09/01/2041	3FE
92343V-CK-8	VERIZON COMMUNICATIONS 4.862 21/08/46		05/06/2016	CHASE SECURITIES INC (CSI)		987,780	934,000	1,020,460			(248)		(248)		1,020,213		(32,433)	(32,433)	10,091	08/21/2046	2FE
92344G-AM-8	VERIZON COMMUNICATIONS 7.75 01/12/30		04/04/2016	CORPORATE ACTIONS		1,749,958	1,270,000	1,637,602	1,601,231		(6,482)		(6,482)		1,594,750		155,209	155,209	33,629	12/01/2030	2FE
92867P-AC-7	VOLKSWAGEN AUTO LOAN ENHANCED 0.7		06/20/2016	MBS PAYDOWN		131,742	131,742	131,500	131,643		89		89		131,742				382	04/20/2018	1FE
92867Q-AD-3	VOLKSWAGEN AUTO LEASE TRUST 0.8		06/20/2016	MBS PAYDOWN		197,629	197,629	197,451	197,582		76		76		197,629				661	04/20/2017	1FE
949758-AD-8	WELLS FARGO MORTGAGE BACKED SE 2.757		06/01/2016	MBS PAYDOWN		4,409	4,409	4,409	3,251		136		136		4,409				52	08/25/2034	1AM
94979X-AA-5	WELLS FARGO MORTGAGE BACKED SE 2.7436		06/01/2016	MBS PAYDOWN		3,982	3,982	3,982	2,987		84		84		3,982				48	09/25/2033	1AM
98385X-AH-9	XTO ENERGY INC 5.65 01/04/16		04/01/2016	MATURITY		4,000,000	4,000,000	4,000,000	4,030,371		(30,371)		(30,371)		4,000,000				113,000	04/01/2016	1FE
98389B-AP-5	XCEL ENERGY INC 0.75 09/05/16		05/06/2016	WELLS FARGO SECURITIES LLC		2,375,000	2,375,000	2,374,430	2,374,925		73		73		2,374,998		2	2	8,758	05/09/2016	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						28,954,824	28,353,150	28,857,980	27,743,738	259	(59,288)		(59,029)		28,806,673		148,152	148,152	371,657	XXX	XXX
Bonds - Hybrid Securities																					
Bonds - Parent, Subsidiaries, and Affiliates																					
8399997 - Subtotals - Bonds - Part 4						47,754,520	45,923,963	46,487,193	45,379,990	259	(72,067)		(71,808)		46,422,320		1,332,203	1,332,203	614,279	XXX	XXX
8399999 - Subtotals - Bonds						47,754,520	45,923,963	46,487,193	45,379,990	259	(72,067)		(71,808)		46,422,320		1,332,203	1,332,203	614,279	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
Preferred Stocks - Parent, Subsidiaries, and Affiliates																					

EO5.1

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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