

ANNUAL STATEMENT
OF THE
**TRIAD GUARANTY INSURANCE
CORPORATION**

2006

OF
Lombard
IN THE STATE OF
Illinois
TO THE
INSURANCE DEPARTMENT
OF THE
STATE OF
FOR THE YEAR ENDED
DECEMBER 31, 2006

PROPERTY AND CASUALTY

2006



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006
OF THE CONDITION AND AFFAIRS OF THE
TRIAD GUARANTY INSURANCE CORPORATION

NAIC Group Code 0421 (Current Period) 0421 (Prior Period) NAIC Company Code 24350 Employer's ID Number 56-1570971
Organized under the Laws of Illinois, State of Domicile or Port of Entry Illinois
Country of Domicile United States
Incorporated/Organized 07/30/1987 Commenced Business 08/07/1987
Statutory Home Office 377 E. Butterfield Road, Suite 460 Lombard, IL 60148
Main Administrative Office 101 South Stratford Road Winston-Salem, NC 27104 336-723-1282
Mail Address Post Office Box 2300 Winston-Salem, NC 27102-2300
Primary Location of Books and Records 101 South Stratford Road Winston-Salem, NC 27104 336-723-1282-1155
Internet Website Address www.triadguaranty.com
Statutory Statement Contact Randall Keith Shields 336-723-1282-1155
Policyowner Relations Contact 101 South Stratford Rd. Winston-Salem, NC 27104 336-723-1282-1180

OFFICERS

Name Title Name Title
Mark Kristian Tonnesen Chief Executive Officer Earl Franklin Wall Secretary
Mark Edwin Couch Treasurer

OTHER OFFICERS

Name Title Name Title
Kenneth Carl Foster SVP Shirley Aldridge Gaddy SVP
Stephen James Haferman # SVP Kenneth Wayne Jones # SVP and Chief Financial Officer
Ronnie Dean Kessinger SEVP

DIRECTORS OR TRUSTEES

Name Title Name Title
Howard Anthony Davis Mark Raphael Goodman # Stephen James Haferman # Kenneth Wayne Jones #
Jerome Francis Schutzbach Mark Kristian Tonnesen Earl Franklin Wall

State of North Carolina

County of Forsyth 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.

Mark Kristian Tonnesen
Chief Executive Officer

Earl Franklin Wall
Secretary

Mark Edwin Couch
Treasurer

Subscribed and sworn to before me this
31st day of January, 2007

a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

Joyce B. Sills Notary Public
July 22, 2009

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	687,023,980		687,023,980	606,864,764
2. Stocks (Schedule D):				
2.1 Preferred stocks	4,398,273		4,398,273	4,413,298
2.2 Common stocks	18,831,180		18,831,180	15,581,872
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)	10,169,841		10,169,841	5,721,084
5. Cash (\$4,524,890 , Schedule E, Part 1), cash equivalents (\$35,265,056 , Schedule E, Part 2) and short-term investments (\$0 , Schedule DA).....	39,789,946		39,789,946	9,578,929
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivables for securities			0	81,462
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	760,213,220	0	760,213,220	642,241,408
11. Title plants less \$ charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	7,406,474		7,406,474	6,574,432
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	18,529,546	24,592	18,504,954	13,393,450
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	112,193		112,193	9,969
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset.....	8,058,921		8,058,921	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	6,134,444	6,134,444	0	0
19. Furniture and equipment, including health care delivery assets (\$)	881,131	881,131	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	63,583		63,583	51,951
22. Health care (\$) and other amounts receivable.....			0	0
23. Aggregate write-ins for other than invested assets	2,064,628	2,064,628	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	803,464,140	9,104,796	794,359,344	662,271,211
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	803,464,140	9,104,796	794,359,344	662,271,211
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Prepaid expenses.....	1,095,216	1,095,216	0	0
2302. Accounts receivable.....	905,292	905,292	0	0
2303. Deferred guaranty expense.....	64,120	64,120	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	2,064,628	2,064,628	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	82,468,827	50,298,743
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		0
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	1,009,400	101,369
4. Commissions payable, contingent commissions and other similar charges	221,943	209,465
5. Other expenses (excluding taxes, licenses and fees)	7,214,223	5,966,957
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,966,785	1,544,288
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)).....	0	95,409
7.2 Net deferred tax liability.....		14,045,116
8. Borrowed money \$ and interest thereon \$	1,050,694	1,050,694
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$290,299 and including warranty reserves of \$)	12,902,647	13,212,554
10. Advance premium.....		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	5,653,636	4,248,787
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		0
14. Amounts withheld or retained by company for account of others	120,609	112,653
15. Remittances and items not allocated.....	75,731	(153)
16. Provision for reinsurance (Schedule F, Part 7)	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		69,300
20. Payable for securities		0
21. Liability for amounts held under uninsured plans		0
22. Capital notes \$ and interest thereon \$		0
23. Aggregate write-ins for liabilities	513,235,961	439,734,024
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	625,920,456	530,689,206
25. Protected cell liabilities		0
26. Total liabilities (Lines 24 and 25)	625,920,456	530,689,206
27. Aggregate write-ins for special surplus funds	0	0
28. Common capital stock	3,500,000	3,500,000
29. Preferred capital stock		0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	25,000,000	25,000,000
32. Gross paid in and contributed surplus	55,215,928	55,215,928
33. Unassigned funds (surplus)	84,722,960	47,866,077
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		0
34.2 shares preferred (value included in Line 29 \$)		0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	168,438,888	131,582,005
36. Totals (Page 2, Line 26, Col. 3)	794,359,344	662,271,211
DETAILS OF WRITE-INS		
2301. Statutory Contingency Reserve.....	513,235,961	439,734,024
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	513,235,961	439,734,024
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4)	208,281,662	166,915,723
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 34, Column 7)	90,279,754	64,912,311
3. Loss expenses incurred (Part 3, Line 25, Column 1)	2,829,675	1,002,050
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	48,247,453	41,105,175
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	141,356,882	107,019,536
7. Net income of protected cells .....	.0	.0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	66,924,780	59,896,187
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	22,078,357	18,658,065
10. Net realized capital gains (losses) less capital gains tax of \$	1,753,079	153,274
11. Net investment gain (loss) (Lines 9 + 10)	23,831,435	18,811,338
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....		.0
13. Finance and service charges not included in premiums .....		.0
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	90,756,215	78,707,525
17. Dividends to policyholders		0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	90,756,215	78,707,525
19. Federal and foreign income taxes incurred	3,608,226	2,598,426
20. Net income (Line 18 minus Line 19) (to Line 22)	87,147,989	76,109,099
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	131,582,005	135,661,498
22. Net income (from Line 20)	87,147,989	76,109,099
23. Net transfers (to) from Protected Cell accounts .....		.0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	71,476	(821,172)
25. Change in net unrealized foreign exchange capital gain (loss) .....		.0
26. Change in net deferred income tax	22,032,561	(1,330,634)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	324,525	(630,347)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	.0	.0
29. Change in surplus notes .....		.0
30. Surplus (contributed to) withdrawn from protected cells .....		.0
31. Cumulative effect of changes in accounting principles .....		.0
32. Capital changes:		
32.1. Paid in .....		.0
32.2. Transferred from surplus (Stock Dividend) .....		.0
32.3. Transferred to surplus .....		.0
33. Surplus adjustments:		
33.1. Paid in .....		.0
33.2. Transferred to capital (Stock Dividend) .....		.0
33.3. Transferred from capital .....		.0
34. Net remittances from or (to) Home Office .....		.0
35. Dividends to stockholders .....		.0
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1) .....	.0	.0
37. Aggregate write-ins for gains and losses in surplus	(73,501,937)	(77,406,440)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	36,856,884	(4,079,493)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	168,438,888	131,582,005
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.0	.0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0
3701. Increase in Contingency Reserve.....	(105,190,487)	(85,040,060)
3702. Decrease in Contingency Reserve.....	31,688,550	7,633,620
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page .....	.0	.0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(73,501,937)	(77,406,440)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	204,437,330	163,962,924
2. Net investment income	21,256,825	17,593,309
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	225,694,155	181,556,233
5. Benefit and loss related payments	57,770,711	48,296,502
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	43,996,041	37,966,340
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses)	3,608,656	2,598,425
10. Total (Lines 5 through 9)	105,375,408	88,861,267
11. Net cash from operations (Line 4 minus Line 10)	120,318,747	92,694,966
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	113,618,165	47,575,796
12.2 Stocks	3,182,636	1,690,015
12.3 Mortgage loans	0	0
12.4 Real estate	13,759,145	1,815,583
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(46)	0
12.7 Miscellaneous proceeds	81,462	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	130,641,363	51,081,394
13. Cost of investments acquired (long-term only):		
13.1 Bonds	192,884,315	140,670,904
13.2 Stocks	4,804,881	0
13.3 Mortgage loans	0	0
13.4 Real estate	20,570,729	8,140,821
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	81,462
13.7 Total investments acquired (Lines 13.1 to 13.6)	218,259,925	148,893,188
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(87,618,562)	(97,811,794)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(2,489,167)	(3,263,655)
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	(2,489,167)	(3,263,655)
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 Line 17)	30,211,017	(8,380,484)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	9,578,929	17,959,412
19.2 End of year (Line 18 plus Line 19.1)	39,789,946	9,578,929

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Lines of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	0	0	0	0
6.	Mortgage guaranty	207,971,062	13,212,141	12,902,316	208,280,887
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
10.	Financial guaranty	0	0	0	0
11.1	Medical malpractice - occurrence	0	0	0	0
11.2	Medical malpractice - claims-made	0	0	0	0
12.	Earthquake	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	0	0	0	0
17.1	Other liability - occurrence	0	0	0	0
17.2	Other liability - claims-made	0	0	0	0
18.1	Products liability - occurrence	0	0	0	0
18.2	Products liability - claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0	0
19.3,19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Reinsurance - Nonproportional Assumed Property	0	0	0	0
31.	Reinsurance - Nonproportional Assumed Liability	0	0	0	0
32.	Reinsurance - Nonproportional Assumed Financial Lines	693	413	331	775
33.	Aggregate write-ins for other lines of business	0	0	0	0
34.	TOTALS	207,971,755	13,212,554	12,902,647	208,281,662
DETAILS OF WRITE-INS					
3301.	.....			
3302.	.....			
3303.	.....			
3398.	Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0
3399.	Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					0
2. Allied lines					0
3. Farmowners multiple peril					0
4. Homeowners multiple peril					0
5. Commercial multiple peril					0
6. Mortgage guaranty	9,430,803	3,471,513			12,902,316
8. Ocean marine					0
9. Inland marine					0
10. Financial guaranty					0
11.1 Medical malpractice - occurrence					0
11.2 Medical malpractice - claims-made					0
12. Earthquake					0
13. Group accident and health					0
14. Credit accident and health (group and individual)					0
15. Other accident and health					0
16. Workers' compensation					0
17.1 Other liability - occurrence					0
17.2 Other liability - claims-made					0
18.1 Products liability - occurrence					0
18.2 Products liability - claims-made					0
19.1,19.2 Private passenger auto liability					0
19.3,19.4 Commercial auto liability					0
21. Auto physical damage					0
22. Aircraft (all perils)					0
23. Fidelity					0
24. Surety					0
26. Burglary and theft					0
27. Boiler and machinery					0
28. Credit					0
29. International					0
30. Reinsurance - Nonproportional Assumed Property					0
31. Reinsurance - Nonproportional Assumed Liability					0
32. Reinsurance - Nonproportional Assumed Financial Lines	331				331
33. Aggregate write-ins for other lines of business	0	0	0	0	0
34. TOTALS	9,431,134	3,471,513	0	0	12,902,647
35. Accrued retrospective premiums based on experience					
36. Earned but unbilled premiums					
37. Balance (Sum of Line 34 through 36)					12,902,647
DETAILS OF WRITE-INS					
3301.					
3302.					
3303.					
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0	0	0

(a) State here basis of computation used in each case . 1. Annual policies - monthly pro rata; monthly policies - in month coverage is provided. 2. Per Illinois Regulation 203.50.....

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....						.0
2. Allied lines .....						.0
3. Farmowners multiple peril .....						.0
4. Homeowners multiple peril .....						.0
5. Commercial multiple peril .....						.0
6. Mortgage guaranty	256,704,777			2,745,793	45,987,922	207,971,062
8. Ocean marine .....						.0
9. Inland marine .....						.0
10. Financial guaranty .....						.0
11.1 Medical malpractice - occurrence .....						.0
11.2 Medical malpractice - claims-made .....						.0
12. Earthquake .....						.0
13. Group accident and health .....						.0
14. Credit accident and health (group and individual) .....						.0
15. Other accident and health .....						.0
16. Workers' compensation .....						.0
17.1 Other liability - occurrence .....						.0
17.2 Other liability - claims-made .....						.0
18.1 Products liability - occurrence .....						.0
18.2 Products liability - claims-made .....						.0
19.1,19.2 Private passenger auto liability .....						.0
19.3,19.4 Commercial auto liability .....						.0
21. Auto physical damage .....						.0
22. Aircraft (all perils) .....						.0
23. Fidelity .....						.0
24. Surety .....						.0
26. Burglary and theft .....						.0
27. Boiler and machinery .....						.0
28. Credit .....						.0
29. International .....						.0
30. Reinsurance - Nonproportional Assumed Property	XXX					.0
31. Reinsurance - Nonproportional Assumed Liability	XXX					.0
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX		693			693
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0
34. TOTALS	256,704,777	0	693	2,745,793	45,987,922	207,971,755
DETAILS OF WRITE-INS						
3301.						
3302.						
3303.						
3398. Summary of remaining write-ins for Line 33 from overflow page .....	.0	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$

2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire				.0	.0	.0	.0	.0
2. Allied lines				.0	.0	.0	.0	.0
3. Farmowners multiple peril				.0	.0	.0	.0	.0
4. Homeowners multiple peril				.0	.0	.0	.0	.0
5. Commercial multiple peril				.0	.0	.0	.0	.0
6. Mortgage guaranty	59,026,864		917,195	58,109,670	82,452,617	50,279,532	90,282,755	43.3
8. Ocean marine				.0	.0	.0	.0	.0
9. Inland marine				.0	.0	.0	.0	.0
10. Financial guaranty				.0	.0	.0	.0	.0
11.1 Medical malpractice - occurrence				.0	.0	.0	.0	.0
11.2 Medical malpractice - claims-made				.0	.0	.0	.0	.0
12. Earthquake				.0	.0	.0	.0	.0
13. Group accident and health				.0	.0	.0	.0	.0
14. Credit accident and health (group and individual)				.0	.0	.0	.0	.0
15. Other accident and health				.0	.0	.0	.0	.0
16. Workers' compensation				.0	.0	.0	.0	.0
17.1 Other liability - occurrence				.0	.0	.0	.0	.0
17.2 Other liability - claims-made				.0	.0	.0	.0	.0
18.1 Products liability - occurrence				.0	.0	.0	.0	.0
18.2 Products liability - claims-made				.0	.0	.0	.0	.0
19.1,19.2 Private passenger auto liability				.0	.0	.0	.0	.0
19.3,19.4 Commercial auto liability				.0	.0	.0	.0	.0
21. Auto physical damage				.0	.0	.0	.0	.0
22. Aircraft (all perils)				.0	.0	.0	.0	.0
23. Fidelity				.0	.0	.0	.0	.0
24. Surety				.0	.0	.0	.0	.0
26. Burglary and theft				.0	.0	.0	.0	.0
27. Boiler and machinery				.0	.0	.0	.0	.0
28. Credit				.0	.0	.0	.0	.0
29. International				.0	.0	.0	.0	.0
30. Reinsurance - Nonproportional Assumed Property	XXX			.0	.0	.0	.0	.0
31. Reinsurance - Nonproportional Assumed Liability	XXX			.0	.0	.0	.0	.0
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX			.0	16,210	19,211	(3,001)	(387.2)
33. Aggregate write-ins for other lines of business	.0	.0	.0	.0	.0	.0	.0	.0
34. TOTALS	59,026,864	0	917,195	58,109,670	82,468,827	50,298,743	90,279,754	43.3
DETAILS OF WRITE-INS								
3301.								
3302.								
3303.								
3398. Summary of remaining write-ins for Line 33 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)	0	0	0	0	0	0	0	0.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire				.0				.0	
2. Allied lines				.0				.0	
3. Farmowners multiple peril				.0				.0	
4. Homeowners multiple peril				.0				.0	
5. Commercial multiple peril				.0				.0	
6. Mortgage guaranty	76,877,535		753,462	76,124,073	6,449,116		120,572	82,452,617	1,009,400
8. Ocean marine				.0				.0	
9. Inland marine				.0				.0	
10. Financial guaranty				.0				.0	
11.1 Medical malpractice - occurrence				.0				.0	
11.2 Medical malpractice - claims-made				.0				.0	
12. Earthquake				.0				.0	
13. Group accident and health				.0				(a) .0	
14. Credit accident and health (group and individual)				.0				(a) .0	
15. Other accident and health				.0				(a) .0	
16. Workers' compensation				.0				.0	
17.1 Other liability - occurrence				.0				.0	
17.2 Other liability - claims-made				.0				.0	
18.1 Products liability - occurrence				.0				.0	
18.2 Products liability - claims-made				.0				.0	
19.1,19.2 Private passenger auto liability				.0				.0	
19.3,19.4 Commercial auto liability				.0				.0	
21. Auto physical damage				.0				.0	
22. Aircraft (all perils)				.0				.0	
23. Fidelity				.0				.0	
24. Surety				.0				.0	
26. Burglary and theft				.0				.0	
27. Boiler and machinery				.0				.0	
28. Credit				.0				.0	
29. International				.0				.0	
30. Reinsurance - Nonproportional Assumed Property	XXX			.0	XXX			.0	
31. Reinsurance - Nonproportional Assumed Liability	XXX			.0	XXX			.0	
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	6,210		6,210	XXX	10,000		16,210	
33. Aggregate write-ins for other lines of business	.0	.0	.0	.0	.0	.0	.0	.0	.0
34. TOTALS	76,877,535	6,210	753,462	76,130,283	6,449,116	10,000	120,572	82,468,827	1,009,400
DETAILS OF WRITE-INS									
3301.									
3302.									
3303.									
3398. Summary of remaining write-ins for Line 33 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)	0	0	0	0	0	0	0	0	0

(a) Including \$ for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	1,876,661			1,876,661
1.2 Reinsurance assumed				0
1.3 Reinsurance ceded				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	1,876,661	0	0	1,876,661
2. Commission and brokerage:				
2.1 Direct, excluding contingent		284,349		284,349
2.2 Reinsurance assumed, excluding contingent		150		150
2.3 Reinsurance ceded, excluding contingent		1,336,798		1,336,798
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	(1,052,299)	0	(1,052,299)
3. Allowances to manager and agents				0
4. Advertising		537,295		537,295
5. Boards, bureaus and associations		2,222,874		2,222,874
6. Surveys and underwriting reports		217,248		217,248
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	687,122	22,090,398		22,777,520
8.2 Payroll taxes	58,428	1,302,356		1,360,784
9. Employee relations and welfare	84,094	2,272,397		2,356,491
10. Insurance		188,001		188,001
11. Directors' fees		2,250		2,250
12. Travel and travel items	10,359	2,008,312		2,018,671
13. Rent and rent items	85,955	2,068,922		2,154,877
14. Equipment	2,271	559,537		561,808
15. Cost or depreciation of EDP equipment and software		2,650,241		2,650,241
16. Printing and stationery	9,578	309,744		319,322
17. Postage, telephone and telegraph, exchange and express	15,208	774,866		790,073
18. Legal and auditing		1,990,678	755,061	2,745,739
19. Totals (Lines 3 to 18)	953,014	39,195,118	755,061	40,903,193
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		5,532,049		5,532,049
20.2 Insurance department licenses and fees		240,642		240,642
20.3 Gross guaranty association assessments				0
20.4 All other (excluding federal and foreign income and real estate)				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	5,772,692	0	5,772,692
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	4,331,942	8,333	4,340,275
25. Total expenses incurred	2,829,675	48,247,453	763,395	(a) 51,840,522
26. Less unpaid expenses - current year	1,009,400	9,237,951	165,000	10,412,351
27. Add unpaid expenses - prior year	101,369	7,720,710	155,000	7,977,079
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	1,921,644	46,730,212	753,395	49,405,251
DETAILS OF WRITE-INS				
2401. Bank fees and service charges.....		56,183		56,183
2402. Charitable gifts.....		62,182		62,182
2403. Data processing.....		204,401		204,401
2498. Summary of remaining write-ins for Line 24 from overflow page	0	4,009,176	8,333	4,017,510
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	4,331,942	8,333	4,340,275

(a) Includes management fees of \$ 112,083 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 499,126	499,125
1.1 Bonds exempt from U.S. tax	(a) 21,504,046	22,213,958
1.2 Other bonds (unaffiliated)	(a) 1,082,140	1,113,897
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 281,605	281,605
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		98,421
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 770,922	859,748
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	24,234,709	25,066,753
11. Investment expenses		(g) 763,395
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 2,225,002
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total (Lines 11 through 15)		2,988,397
17. Net Investment Income - (Line 10 minus Line 16)		22,078,357
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 1,620,923 accrual of discount less \$ 1,801,093 amortization of premium and less \$ 1,058,909 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 333,671 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Unrealized Increases (Decreases) by Adjustment	4 Total
1. U.S. Government bonds				0
1.1 Bonds exempt from U.S. tax	10,954		3,919	14,873
1.2 Other bonds (unaffiliated)	885,838	(50,000)	72,645	908,483
1.3 Bonds of affiliates	0	0	0	0
2.1 Preferred stocks (unaffiliated)		(65,000)	49,978	(15,022)
2.11 Preferred stocks of affiliates	0	0	0	0
2.2 Common stocks (unaffiliated)	1,067,969	(96,636)	(326,837)	644,496
2.21 Common stocks of affiliates	0	0	982,568	982,568
3. Mortgage loans				0
4. Real estate				0
5. Contract loans				0
6. Cash, cash equivalents and short-term investments	(46)			(46)
7. Derivative instruments				0
8. Other invested assets				0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0
10. Total capital gains (losses)	1,964,715	(211,636)	782,273	2,535,352
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash, (Schedule-E, Part 1), cash equivalents (Schedule-E, Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	24,592	27,734	3,142
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premium.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	0	0	0
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	6,134,444	5,353,058	(781,386)
19. Furniture and equipment, including health care delivery assets.....	881,131	1,349,453	468,322
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets	2,064,628	2,699,075	634,447
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	9,104,796	9,429,321	324,525
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	9,104,796	9,429,321	324,525
DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0
2301. Prepaid expenses.....	1,095,216	1,260,647	165,431
2302. Accounts receivable.....	905,292	969,997	64,705
2303. Deferred guaranty expense.....	64,120	468,431	404,311
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	2,064,628	2,699,075	634,447

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

- a. Accounting Practices
The accompanying financial statements of Triad Guaranty Insurance Corporation (“the Company”) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Illinois.
- b. Use of Estimates
The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.
- c. Accounting Policies
Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established for annual and single policy production to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at market value.
- (2) Bonds not backed by other loans are carried at amortized cost using the interest method.
- (3) Common stocks are carried at market except for investments in 100% owned subsidiaries, which are carried on the equity basis.
- (4) Preferred stocks are carried at market.
- (5) The Company owns no mortgage loans.
- (6) Loan-backed securities are carried at amortized cost using the interest method. The Company uses the retrospective adjustment method to value all securities, including loan-backed securities.
- (7) The Company has two subsidiaries, Triad Guaranty Assurance Corporation and Triad Re Insurance Corporation. These subsidiaries are carried on the equity basis.
- (8) The Company has no ownership in joint ventures, partnerships or limited liability companies.
- (9) The Company had no call options or other derivatives written at year-end 2006 or 2005.
- (10) Anticipated investment income is not utilized as a factor in premium deficiency calculations.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and the ultimate liability may be in excess of or less than the amount provided. Management periodically reviews the methods for making its estimates; with any adjustments reflected in the period adjustments are made.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company had no pharmaceutical rebate receivables.

Fair values for real estate owned are based on broker price opinions, or if applicable, accepted sale offers.

2. Accounting Changes and Corrections of Errors

The Company did not have any changes in accounting principles or correction of errors in the financial statements for the periods presented.

3. Business Combinations and Goodwill

The Company has not entered into any business combinations and has no goodwill.

4. Discontinued Operations

The Company has no discontinued operations.

5. Investments

- a. The Company does not have any mortgage loan investments.
- b. The Company does not have any restructured debt investments.
- c. The Company does not have any reverse mortgage investments.
- d. The Company used actual cost to record the cost basis of mortgage-backed securities purchased prior to January 1, 1994. The Company relies on Bloomberg for prepayment assumptions and on Interactive Data Corp. for market values. There have been no changes from the retrospective to the prospective adjustment methodology.
- e. The Company does not have any repurchase agreement investments.
- f. The Company does not have investments in real estate. However, the Company may, at its option, acquire real estate to mitigate losses on insured mortgage. When the Company purchases real estate to mitigate losses, the properties are listed on the Assets page under Properties Held for Sale and reported at the lower of cost or net realizable value, net of encumbrances. The Company utilizes broker purchase opinions to determine fair market value for the properties purchased and held for sale and periodically compares net estimated proceeds from sales to acquired cost to write down the properties to the lower of cost or net realizable value. Impairment losses resulting from net write downs are reported as a component of losses incurred on the Statement of Income as are net gains/losses from the disposal of properties held for sale. Impairment losses totaled \$1085,727 in 2006 compared with \$569,498 in 2005, while net losses from property disposals were \$117,904 in 2006 versus \$16,308 in 2005.
- g. The Company does not have investments in low-income housing tax credits.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company does not have any investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

No amount of due and accrued investment income was excluded from surplus.

8. Derivative Instruments

The Company had no call derivative investments options written at year-end 2006 or 2005.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

a. The components of the net deferred tax liability at December 31 are as follows:

	<u>2006</u>	<u>2005</u>
Total of all deferred tax assets	\$ 11,543,974	\$ 5,420,040
Total of all deferred tax liabilities	3,485,053	19,465,156
Net deferred tax asset	8,058,921	(14,045,116)
Total deferred tax assets nonadmitted	-	-
Net admitted deferred tax asset	8,058,921	(14,045,116)
Increase (decrease) in deferred tax assets nonadmitted	-	-

b. The Company has no deferred tax liabilities not recognized under SSAP No. 10, Income Taxes, paragraph 6d.

c. (1) Current income taxes consist of the following major components:

	<u>2006</u>	<u>2005</u>
Foreign taxes paid	-	-
Tax effect of contingency reserve deduction from tenth preceding taxable year	\$3,753,436	\$2,752,752
Other	(145,210)	(154,326)
Current income taxes incurred	<u>\$3,608,226</u>	<u>\$2,598,426</u>

(2) The main components of the 2006 deferred tax amounts are as follows:

	<u>2006</u>	<u>2005</u>
Deferred tax assets:		
Unearned premiums	\$ 903,185	\$ 924,879
Assets not admitted	-	3,300,263
Other than temporary declines in invested assets	325,706	60,480
Loss and loss adjustment expenses	1,606,240	990,841
Computer software costs	1,145,067	-
Contingency reserve deduction (net of tax and loss bonds held)	5,583,955	-
Other	1,979,821	143,577
Total deferred tax assets	<u>11,543,974</u>	<u>5,420,040</u>
Total deferred tax assets nonadmitted	-	-
Deferred tax liabilities:		
Contingency reserve deduction (net of tax and loss bonds held)	-	17,577,063
Assets not admitted	2,455,452	-
Securities	411,359	417,334
Computer software costs	-	479,877
Unrealized gains and losses	310,018	381,494
Other	308,224	609,388
Total deferred tax liabilities	<u>3,485,053</u>	<u>19,465,156</u>
Net admitted deferred tax asset (liability)	<u>\$8,058,921</u>	<u>(\$14,045,116)</u>

The changes in the main component of deferred tax assets and deferred tax liabilities are as follows:

	<u>2006</u>	<u>2005</u>
Increases in deferred tax assets	\$ 6,123,934	\$ 392,964
Decrease (increase) in deferred tax liabilities	15,908,627	(1,900,334)
Change in net deferred income tax	22,032,561	(1,507,370)
Tax effect of unrealized gains	71,478	176,736
Change in net deferred tax assets (liabilities)	<u>\$22,104,037</u>	<u>(\$1,330,634)</u>

(3) The Company has no investment tax credits.

(4) The Company has no operating loss carry forwards to offset net income subject to income taxes.

(5) No deferred tax assets or liabilities were adjusted due to enacted changes in tax laws, rates, or tax status of the reporting entity.

d. Among the more significant book to tax adjustments were the following:

	<u>Amount</u>	<u>Tax effect</u>
Income before tax	\$90,756,215	\$31,764,675
Tax exempt interest	(18,763,089)	(6,567,081)
Dividend received deduction	(225,193)	(78,818)
Meals and entertainment	350,408	122,643
Other	437,927	153,274
Taxable income before contingency reserve deduction	<u>72,556,268</u>	<u>25,394,694</u>
Contingency reserve deduction	(72,556,268)	(25,394,694)
Subtotal	-	-
Contingency reserve deduction from tenth preceding taxable year	10,724,103	3,753,436
Other	(414,886)	(145,210)
Taxable income	<u>\$10,309,217</u>	<u>\$3,608,226</u>

e. (1) The Company has no operating losses or tax credit carry forwards available for tax purposes.

(2) The following income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2006	\$3,753,436
2005	2,598,426
2004	2,285,507
2003	729,722
2002	676,240

9. Income Taxes (Cont.)

NOTES TO FINANCIAL STATEMENTS

- f. (1) The Company's federal income tax return is consolidated with the following entities:
 Triad Guaranty Inc. (parent company)
 Triad Guaranty Assurance Corporation (wholly-owned subsidiary)
 Triad Re Insurance Corporation (wholly-owned subsidiary)
- (2) Under a written agreement, the Company pays to or receives from the parent that percentage of the total tax liability or refund that the tax, if computed on a separate return, would bear to the total amount of the taxes if computed for each separately.

10. Information Concerning Parent, Subsidiaries and Affiliates

- a. The Company is a subsidiary of Triad Guaranty Inc., an insurance holding company. The Company has two mortgage insurance subsidiaries, Triad Guaranty Assurance Corporation and Triad Re Insurance Corporation, and owns 100 percent of the shares of both companies. Collateral Holdings Ltd. (CHL), a mortgage banking and real estate lending firm owns approximately 17% of Triad Guaranty Inc., the Company's parent. CHL and its subsidiaries are considered to be affiliated companies in terms of definitions of SSAP No. 25.
- b. The Company issued a \$25,000,000 surplus debenture to its parent, Triad Guaranty Inc., on January 29, 1998 (see Note 13, paragraph 10).
- c. The Company made two semi-annual interest payments on the surplus note of \$1,112,501 each to the parent, Triad Guaranty Inc., on January 10, 2006 and July 10, 2006.
- d. Interest due to Triad Guaranty Inc on the surplus note totaled \$1,050,694 at December 31, 2006 and 2005. There were no other material amounts due from or to related parties as of the balance sheet dates presented other than for reinsurance transactions.
- e. The Company has not made any guarantees or undertakings for the benefit of its parent, or any affiliates or subsidiaries that result in a material contingent exposure of the Company's or any related party's assets or liabilities.
- f. Prior to 2005, Collateral Mortgage Ltd. ("CML") provided investment services to the Company. In 2005, the investment management and accounting services were outsourced to an unaffiliated company and CML provided consulting services only. The Company paid CML \$104,088 for these consulting services. The investment consulting services provided by CML were terminated after January 2006.

The Company is party to an Administrative Services Agreement with a subsidiary of Collateral Holdings Ltd. ("CHL") above. Services provided by the agreement include management oversight as well as participation in certain insurance coverages with CHL and affiliates. The agreement calls for quarterly fixed payments based upon the estimated cost of providing the services with a reconciliation of actual costs at least once a year. In addition, the Company may reimburse CHL or an affiliate for amounts expended on behalf of the Company. Management services incurred under this contract totaled \$171,853 in 2006 and \$207,100 in 2005.

There is a capital management agreement between the Company and its parent, Triad Guaranty Inc., to provide capital raising and strategic planning services in which the Company will reimburse its parent for specific costs incurred on behalf of the Company. Amounts incurred for reimbursement to the parent company under the capital management agreement totaled \$1,913,619 and \$1,557,589 in 2006 and 2005, respectively.

- g. All outstanding shares of the Company are owned by the parent company, Triad Guaranty Inc., an insurance holding company domiciled in the State of Delaware.
- h. The Company does not own any shares of an upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company.
- i. The Company does not have any investments in an SCA entity that exceeds 10% of admitted assets.
- j. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.
- k. The Company does not have any investments in a foreign insurance subsidiary.

11. Debt

- a. The Company has no capital note obligations.
- b. The Company has no debt obligations other than the surplus note described in Note 13 (10) below.

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

The Company has no defined benefit retirement plan or postretirement benefit plan. The Company does have a defined contribution 401(k) Plan. Under this plan, employees can elect to defer a portion of their wages with the Company matching a percentage of the employee deferral. Company matching in 2006 was 50% on the first 8% of employee deferrals. The total amount employees were allowed to defer in 2006 in the 401(k) plan was \$15,000, except for employees 50 or older who could defer an additional \$5,000. The Company's match in 2006 and 2005 was \$485,431 and \$475,504 respectively.

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

- (1) The Company has 1,000,000 shares of common stock authorized, with 350,000 shares issued and outstanding as of December 31, 2006. The shares have a par value of \$10 per share.
- (2) The Company has no preferred stock outstanding.
- (3) Section 27 of the Illinois Insurance code ("the Code") permits dividends to be paid only out of earned surplus. In addition, Section 131.20a requires prior approval of extraordinary dividends. An extraordinary dividend is defined as any dividend or distribution of cash or other property whose fair market value, together with that of other dividends or distributions made within a period of twelve consecutive months, exceeds the greater of (a) 10 percent of the Company's policyholders' surplus or (b) the Company's net income for the calendar year preceding the date of the dividend. Section 31.16 requires that the Company notify the Director within 5 business days after any dividend is declared. In addition to these statutory limitations on dividends, Section 202.30(b)(10) of the Regulations provides that a mortgage guaranty insurer may not declare any dividends except from undivided profits remaining on hand over and above the amount of its policyholder reserve. The amount of the required policyholder reserve is determined pursuant to the procedures contained in Section 202.30(b)(7) of the Regulations.
- (4) Within the limitations of paragraph (3) noted above, dividends of \$84,722,960 could be paid to stockholders without prior approval from the Illinois insurance commissioner.
- (5) No restrictions have been placed on the unassigned surplus funds.
- (6) The Company is not a mutual or similarly organized company.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Cont.)

NOTES TO FINANCIAL STATEMENTS

- (7) The Company held no shares of stock for special purposes.
- (8) There were no changes in the balances of any special surplus funds from the prior period.
- (9) The portion of unassigned funds (surplus) represented by cumulative unrealized gains and losses was \$7,590,876.
- (10) The Company has the following Surplus Note:

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Date Issued	Interest Rate	Par Value (Face Amount of Note)	Carrying Value of Note Outstanding	Interest Paid Current Year	Total Interest Paid	Unapproved Interest	Date of Maturity
	January 29, 1998	8.90%	\$25,000,000	\$25,000,000	\$2,225,002	\$18,801,263	\$0	January 10, 2028

The surplus note was issued to the parent company. Payment of interest on the surplus note may be made only with the prior approval of the Commissioner of the Illinois Department of Insurance.

- (11) The Company has had no quasi-reorganizations.
- (12) The Company has had no quasi-reorganizations.

14. Contingencies

- a. The Company does not have any contingent commitments.
- b. The Company has not received any assessments.
- c. The Company did not have any gain contingencies.
- d. Various lawsuits have been filed against the Company in the ordinary course of the Company's business. Contingent liabilities, if any, arising from such litigation are not considered material in relation to the financial position of the Company. The Company does not have any assets it considers to be other than temporarily impaired.

15. Leases

- a. Lessee Operating Lease
 - (1) The Company leases office facilities, office equipment and automobiles under various operating lease agreements. Rental expense for all leases totaled approximately \$2,219,629 and \$1,962,516 in 2006 and 2005, respectively.

(2) Future minimum payments under noncancellable operating leases at December 31, 2006 were as follows:

Year ending December 31:	
2007	2,177,545
2008	2,009,537
2009	1,607,666
2010	1,465,644
2011	1,471,105
Thereafter	<u>1,376,944</u>
	\$10,108,411

- (3) The Company is not involved in any sale-leaseback transactions.

b. The Company does not have any lessor business activities.

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

The Company has no financial instruments with off-balance sheet risk or with concentrations of credit risk.

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

The Company did not have any transfers of receivables reported as sales, transfer and servicing of financial assets, or wash sales.

18. Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

The Company has no Insured accident and health Plans.

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

The Company does not operate under Managing General Agents/Third Party Administrators.

20. September 11 Events

The Company had no exposure to the September 11 events.

21. Other Items

There were no other items requiring disclosure.

22. Events Subsequent

The Company is unaware of any subsequent event that would have a material effect on its financial condition. The lawsuits referenced in Contingencies (Note 14d) above are ongoing and subject to continuing review of materiality.

23. Reinsurance

NOTES TO FINANCIAL STATEMENTS

- a. The Company does not have any unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized, that exceeds 3% of the Company's policyholder surplus.
- b. The Company does not have any reinsurance recoverable in dispute.
- c. Reinsurance assumed and ceded

(1) Maximum amount of return commissions due reinsurers as of December 31, 2006:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
a) Affiliates	-	-	\$49,200	\$14,760	\$ (49,200)	\$ (14,760)
b) All others	\$331	\$78	241,099	1,600	(240,768)	(1,522)
c) Total	\$331	\$78	290,299	16,360	(289,968)	(16,282)

d) Direct unearned premium reserve: \$13,192,615

(2) The Company has no additional or return commissions predicated on loss experience or other types of profit sharing arrangements.

(3) The Company has no protected cells.

- d. The Company had no uncollectible reinsurance written off in 2006.
- e. There was no commutation of ceded reinsurance in 2006.
- f. The Company does not have any retroactive reinsurance agreements.
- g. The Company does not have any reinsurance agreements accounted for as deposits.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The Company was is party to an excess of loss reinsurance treaty that provided for a no claims bonus to the Company in the event that no losses hadve been paid or were due by the reinsurer prior to the expiration of the treaty or its termination by the reinsurer, provided that a minimum level of premiums specified in the treaty was retained by the reinsurer. is At December 31, 2006, the treaty expired and the Company accrued a recoverable o f \$840,000 related to this no claims bonus because the minimum premium level specified in the treaty had not been met.has not

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years increased by \$22.5 million from \$50.3 million at December 31, 2005 to \$72.8 million at December 31, 2006 as a result of re-estimation of unpaid losses and loss adjustment expenses adjusted for paid claims during 2006 relating to 2005 and prior. Reserves are established using estimated claims rates (frequency) and claim amounts (severity) to estimate ultimate losses. Management periodically reviews the loss reserve process and refines its methodology as appropriate. The reserving process gives effect to current economic conditions and profiles delinquencies by such factors as policy year, geography, chronic late payment characteristics and the number of months a policy has been in default. The Company does not adjust premiums based on claim activity.

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

27. Structured Settlements

The Company has no structured settlements.

28. Health Care Receivables

The Company has no health care receivables.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

The Company has no premium deficiency reserves.

31. High Deductibles

The Company had no reserve credit recorded for high deductibles on unpaid claims.

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

The Company does not discount unpaid losses or unpaid loss adjustment expenses.

33. Asbestos/Environmental Reserves

The Company has no known potential exposure to asbestos and/or environmental claims.

34. Subscriber Savings Accounts

The Company has no subscriber savings accounts.

35. Multiple Peril Crop Insurance

The Company has no multiple peril crop insurance exposure.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	162,930,000	21.432	162,930,000	21.432
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies	9,249,499	1.217	9,249,499	1.217
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	9,762,948	1.284	9,762,948	1.284
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	193,698,462	25.479	193,698,462	25.479
1.43 Revenue and assessment obligations	300,391,213	39.514	300,391,213	39.514
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	46,394	0.006	46,394	0.006
1.512 Issued or guaranteed by FNMA and FHLMC		0.000		0.000
1.513 All other		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000		0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.000		0.000
1.523 All other		0.000		0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	10,945,463	1.440	10,945,463	1.440
2.2 Unaffiliated foreign securities		0.000		0.000
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated	4,398,273	0.579	4,398,273	0.579
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated	13,288,715	1.748	13,288,715	1.748
3.32 Unaffiliated	5,542,465	0.729	5,542,465	0.729
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
4.6 Mezzanine real estate loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (including \$ of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)	10,169,841	1.338	10,169,841	1.338
6. Contract loans		0.000	0	0.000
7. Receivables for securities		0.000	0	0.000
8. Cash, cash equivalents and short-term investments	39,789,946	5.234	39,789,946	5.234
9. Other invested assets		0.000		0.000
10. Total invested assets	760,213,219	100.000	760,213,219	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 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 []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] NA []
- 1.3 State Regulating? Illinois.....
- 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 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2003
- 3.2 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.12/31/2003
- 3.3 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).06/27/2005
- 3.4 By what department or departments? Illinois Department of Insurance
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
- 5.2 If yes, provide the name of the 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

- 6.1 Has the 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 []
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control;
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

GENERAL INTERROGATORIES

- 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 [X] No []
- 8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
New South Bancshares.....	Birmingham, AL.....			Yes.....		
New South Federal Savings Bank.....	Birmingham, AL.....			Yes.....		

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP, 202 Centreport Drive, Suite 200, Greensboro, NC 27409
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....
Jonathan M. Guy, FCAS, MAAA, Triad Guaranty Insurance Corporation, 101 S. Stratford Rd., Winston Salem, NC 27104, AVP Actuary
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 11.11 Name of real estate holding company
- 11.12 Number of parcels involved.....
- 11.13 Total book/adjusted carrying value..... \$.....
- 11.2 If yes, provide explanation
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []

BOARD OF DIRECTORS

13. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
14. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
15. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or likely to conflict with the official duties of such person?..... Yes [X] No []

FINANCIAL

- 16.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 16.11 To directors or other officers . \$.....
- 16.12 To stockholders not officers .. \$.....
- 16.13 Trustees, supreme or grand (Fraternal only) \$.....
- 16.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 16.21 To directors or other officers .. \$.....
- 16.22 To stockholders not officers ... \$.....
- 16.23 Trustees, supreme or grand (Fraternal only) \$.....
- 17.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes [] No [X]
- 17.2 If yes, state the amount thereof at December 31 of the current year:
- 17.21 Rented from others \$.....
- 17.22 Borrowed from others \$.....
- 17.23 Leased from others \$.....
- 17.24 Other \$.....
- 18.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 18.2 If answer is yes,
- 18.21 Amount paid as losses or risk adjustment \$.....
- 18.22 Amount paid as expenses \$.....
- 18.23 Other amounts paid \$.....
- 19.1 Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 19.2 If yes, indicated any amounts receivable from parent included in the Page 2 amount:.....\$.....4,987

GENERAL INTERROGATORIES

INVESTMENT

20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [] No []

20.2 If no, give full and complete information relating thereto:

21.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 17.1) Yes [] No []

21.2 If yes, state the amount thereof at December 31 of the current year:

	21.21 Loaned to others	\$
	21.22 Subject to repurchase agreements	\$
	21.23 Subject to reverse repurchase agreements	\$
	21.24 Subject to dollar repurchase agreements	\$
	21.25 Subject to reverse dollar repurchase agreements	\$
	21.26 Pledged as collateral	\$
	21.27 Placed under option agreements	\$
	21.28 Letter stock or other securities restricted as to sale ..	\$
	21.29 Other	\$

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No []

22.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA []
If no, attach a description with this statement.

23.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No []

23.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES

24. Excluding items in Schedule E, 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 Part 1 – General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No []

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

1 Name of Custodian(s)	2 Custodian's Address
LaSalle Bank, NA.....	135 LaSalle St., Suite 1840, Chicago, IL 60603.....

24.02 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)	2 Complete Explanation(s)
.....
.....

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? Yes [] No []
 24.04 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository Number(s)	2 Name	2 Address
DTC.....	Conning Asset Management.....	One Financial Plaza, Hartford, CT 06103.....

25.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [] No []
 25.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
25.2999 TOTAL		0

25.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding Of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....

GENERAL INTERROGATORIES

26. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
26.1 Bonds.....	722,451,256	738,356,007	15,904,751
26.2 Preferred stocks.....	4,398,273	4,398,273	0
26.3 Totals	726,849,529	742,754,280	15,904,751

26.4 Describe the sources or methods utilized in determining fair values:

Interactive Data Corporation.....

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

27.2 If no, list the exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$2,115,629

28.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Mortgage Insurance Companies of America.....	1,578,872

29.1 Amount of payments for legal expenses, if any?.....\$1,149,030

29.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
King & Spalding LLP.....	820,611

30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$

30.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	
.....	
.....	

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 1.31 Reason for excluding

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$

1.6 Individual policies:

Most current three years:

- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives 0

All years prior to most current three years:

- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives 0

All years prior to most current three years:

- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives 0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$0	\$	.....0
2.2	Premium Denominator	\$208,281,662	\$	.....166,915,723
2.3	Premium Ratio (2.1/2.2)	.....0.000		.....0.000
2.4	Reserve Numerator	\$0	\$	.....0
2.5	Reserve Denominator	\$96,380,874	\$	.....63,612,666
2.6	Reserve Ratio (2.4/2.5)	.....0.000		.....0.000

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
- 3.2 If yes, state the amount of calendar year premiums written on:
 - 3.21 Participating policies \$
 - 3.22 Non-participating policies \$

4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies? Yes [] No []
- 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums \$

5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents? Yes [] No []
- 5.2 If yes, is the commission paid:
 - 5.21 Out of Attorney's-in-fact compensation Yes [] No [] NA []
 - 5.22 As a direct expense of the exchange Yes [] No [] NA []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
- 5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:.....
 The Company does not issue workers' compensation contracts.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:.....
 The Company writes mortgage guaranty insurance which is set apart from other types of property and casualty contracts. Loss exposures are on individual mortgage loans and are limited by the coverage percentage. Furthermore, the Company is subject to statutory contingency reserve requirements.....
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
 The Company maintains excess of loss reinsurance arrangements designed to protect the Company in the event of a catastrophic level of losses. Throughout 2006, the Company maintained \$125 million of excess of loss reinsurance through non-affiliated reinsurers.....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?..... Yes [X] No []
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.

- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?..... Yes [] No [X]
- 8.2 If yes, give full information

- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 3% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 3% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) An unconditional or unilateral right by either party to commute the reinsurance contract except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), excluding cessions to approved pooling agreements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates..... Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 30 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?..... Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?..... Yes [X] No [] N/A []
- 11.1 Has this reporting entity guaranteed policies issued by any other entity and now in force:..... Yes [] No [X]
- 11.2 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses..... \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
- 12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] NA [X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From..... %
 12.42 To..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of the current year:
 12.61 Letters of Credit..... \$
 12.62 Collateral and other funds..... \$
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$562,500
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []
- 14.5 If answer to 14.4 is no, please explain:

- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]
- 15.2 If yes, give full information

- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
- If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	\$	\$	\$	\$	\$
16.12 Products.....	\$	\$	\$	\$	\$
16.13 Automobile.....	\$	\$	\$	\$	\$
16.14 Other*.....	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [] No []

Incurred but not reported losses on contracts not in force on July 1, 1984 or subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$.....
- 17.12 Unfunded portion of Interrogatory 17.11..... \$.....
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$.....
- 17.14 Case reserves portion of Interrogatory 17.11..... \$.....
- 17.15 Incurred but not reported portion of Interrogatory 17.11..... \$.....
- 17.16 Unearned premium portion of Interrogatory 17.11..... \$.....
- 17.17 Contingent commission portion of Interrogatory 17.11..... \$.....

Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.

- 17.18 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$.....
- 17.19 Unfunded portion of Interrogatory 17.18..... \$.....
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$.....
- 17.21 Case reserves portion of Interrogatory 17.18..... \$.....
- 17.22 Incurred but not reported portion of Interrogatory 17.18..... \$.....
- 17.23 Unearned premium portion of Interrogatory 17.18..... \$.....
- 17.24 Contingent commission portion of Interrogatory 17.18..... \$.....

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2006	2 2005	3 2004	4 2003	5 2002
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	256,704,777	207,260,280	176,695,784	154,046,444	124,213,962
5. Nonproportional reinsurance lines (Lines 30, 31 & 32)	693	907	701	1,844	2,874
6. Total (Line 34)	256,705,470	207,261,187	176,696,485	154,048,287	124,216,836
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	207,971,062	164,534,702	139,645,247	125,284,327	104,384,759
11. Nonproportional reinsurance lines (Lines 30, 31 & 32)	693	907	701	1,844	2,874
12. Total (Line 34)	207,971,755	164,535,609	139,645,948	125,286,171	104,387,633
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	66,924,780	59,896,187	63,164,654	53,405,997	50,003,339
14. Net investment gain (loss) (Line 11)	23,831,435	18,811,338	16,199,651	15,694,896	10,824,676
15. Total other income (Line 15)	0	0	(2,277)	9,000	51,413
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	3,608,226	2,598,426	2,285,507	730,269	676,240
18. Net income (Line 20)	87,147,989	76,109,099	77,076,521	68,379,625	60,203,188
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	794,359,344	662,271,211	572,412,541	490,737,887	405,399,823
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	18,504,954	13,393,450	12,236,162	13,187,186	9,380,950
20.2 Deferred and not yet due (Line 13.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 13.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 24)	625,920,456	530,689,206	436,751,043	362,525,730	292,519,951
22. Losses (Page 3, Line 1)	82,468,827	50,298,743	33,523,298	26,722,350	20,897,620
23. Loss adjustment expenses (Page 3, Line 3)	1,009,400	101,369	97,297	98,076	98,886
24. Unearned premiums (Page 3, Line 9)	12,902,647	13,212,554	15,592,668	15,251,898	8,237,843
25. Capital paid up (Page 3, Lines 28 & 29)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 35)	168,438,888	131,582,005	135,661,498	128,212,158	112,879,872
Risk-Based Capital Analysis					
27. Total adjusted capital	0	0	0	0	0
28. Authorized control level risk-based capital	0	0	0	0	0
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 10, Col. 3) x 100.0					
29. Bonds (Line 1)	90.4	94.5	92.7	90.5	86.3
30. Stocks (Lines 2.1 & 2.2)	3.1	3.1	4.0	5.0	5.3
31. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
32. Real estate (Lines 4.1, 4.2 & 4.3)	1.3	0.9	0.0	0.0	0.4
33. Cash, cash equivalents and short-term investments (Line 5)	5.2	1.5	3.2	4.4	8.0
34. Contract loans (Line 6)	0.0	0.0	0.0	XXX	XXX
35. Other invested assets (Line 7)	0.0	0.0	0.0	0.0	0.0
36. Receivables for securities (Line 8)	0.0	0.0	0.0	0.0	0.0
37. Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
38. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
39. Affiliated bonds, (Sch. D, Summary, Line 25, Col. 1)	0	0	0	0	0
40. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)	0	0	0	0	0
41. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2)	13,288,714	12,306,147	12,618,440	12,399,359	11,634,663
42. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)	0	0	0	0	0
43. Affiliated mortgage loans on real estate	0	0	0	0	0
44. All other affiliated	0	0	0	0	0
45. Total of above Lines 39 to 44	13,288,714	12,306,147	12,618,440	12,399,359	11,634,663
46. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 45 above divided by Page 3, Col. 1, Line 35 x 100.0)	7.9	9.4	9.3	9.7	10.3

Footnote to lines 27 and 28, Total adjusted capital and Authorized control level risk-based capital: Illinois statutes exempt mortgage guaranty insurers from risk-based capital filing requirements.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2006	2 2005	3 2004	4 2003	5 2002
Capital and Surplus Accounts (Page 4)					
47. Net unrealized capital gains (losses) (Line 24)	853,745	(821,172)	238,656	3,319,616	(73,460)
48. Dividends to stockholders (Line 35)	0	0	0	0	0
49. Change in surplus as regards policyholders for the year (Line 38)	36,856,884	(4,079,493)	7,449,340	15,332,285	7,567,951
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
50. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
51. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
52. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
53. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	59,026,864	48,826,491	28,336,051	17,540,939	10,302,961
54. Nonproportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	1,919	4,722
55. Total (Line 34)	59,026,864	48,826,491	28,336,051	17,542,858	10,307,683
Net Losses Paid (Page 9, Part 2, Col. 4)					
56. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
57. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
58. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
59. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	58,109,670	48,136,867	28,040,928	17,225,161	10,085,740
60. Nonproportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	1,919	4,722
61. Total (Line 34)	58,109,670	48,136,867	28,040,928	17,227,080	10,090,462
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
62. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
63. Losses incurred (Line 2)	43.3	38.9	25.0	19.5	13.0
64. Loss expenses incurred (Line 3)	1.4	0.6	0.5	0.4	0.4
65. Other underwriting expenses incurred (Line 4)	23.2	24.6	29.2	35.0	38.3
66. Net underwriting gain (loss) (Line 8)	32.1	35.9	45.3	45.2	48.3
Other Percentages					
67. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0)	23.2	25.0	29.1	33.0	38.0
68. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	44.7	39.5	25.5	19.9	13.4
69. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34 divided by Page 3, Line 35, Col. 1 x 100.0)	123.5	125.0	102.9	97.7	92.5
One Year Loss Development (000 omitted)					
70. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	22,474	23,074	14,831	5,636	(971)
71. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 70 above divided by Page 4, Line 21, Col. 1 x 100.0)	17.1	17.0	11.6	5.0	(0.9)
Two Year Loss Development (000 omitted)					
72. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	35,634	22,370	13,528	(349)	(4,875)
73. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 72 above divided by Page 4, Line 21, Col. 2 x 100.0)	26.3	17.4	12.0	(0.3)	(4.8)

Footnote to Lines 27 and 28, Total adjusted capital and Authorized control level risk-based capital: Illinois statutes exempt mortgage guaranty insurers from risk-based capital filing requirements.



ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

NAIC Group Code 0421

BUSINESS IN THE STATE OF Consolidated

DURING THE YEAR 2006

NAIC Company Code 24350

Table with 12 columns: Line of Business, Direct Premiums Written, Direct Premiums Earned, Dividends Paid or Credited to Policyholders on Direct Business, Direct Unearned Premium Reserves, Direct Losses Paid (deducting salvage), Direct Losses Incurred, Direct Losses Unpaid, Direct Defense and Cost Containment Expense Paid, Direct Defense and Cost Containment Expense Incurred, Direct Defense and Cost Containment Expense Unpaid, Commissions and Brokerage Expenses, Taxes, Licenses and Fees. Rows include various insurance lines like Fire, Multiple peril crop, Federal flood, etc., ending with a TOTALS row.

(a) Finance and service charges not included in Lines 1 to 34

\$ 0

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products 0 and number of persons insured under indemnity only products 0

20.GT

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31, prior year.....	5,721,087
2. Increase (decrease) by adjustment:	
2.1 Totals, Part 1, Column 11	(1,085,727)
2.2 Totals, Part 3, Column 7	(1,008,697)
3. Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9)	20,540,287
4. Cost of additions and permanent improvements:	
4.1 Totals, Part 1, Column 14.....	0
4.2 Totals, Part 3, Column 9	0
5. Total profit (loss) on sales, Part 3, Column 14	(117,904)
6. Increase (decrease) by foreign exchange adjustment:	
6.1 Totals, Part 1, Column 12.....	0
6.2 Totals, Part 3, Column 8	0
7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	13,879,205
8. Book/adjusted carrying value at end of current period	10,169,841
9. Total valuation allowance	
10. Subtotal (Lines 8 plus 9)	10,169,841
11. Total nonadmitted amounts	
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	10,169,841

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31, prior year.....	0
2. Amount loaned during year:	
2.1 Actual cost at time of acquisitions	
2.2 Additional investment made after acquisitions	0
3. Accrual of discount and mortgage interest points and commitment fees	
4. Increase (decrease) by adjustment	
5. Total profit (loss) on sale	
6. Amounts paid on account or in full during the year	
7. Amortization of premium	
8. Increase (decrease) by foreign exchange adjustment	
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0
10. Total valuation allowance	
11. Subtotal (Lines 9 plus 10)	0
12. Total nonadmitted amounts	
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column).....	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

1. Book/adjusted carrying value of long-term invested assets owned December 31 of prior year.....	0
2. Cost of acquisitions during year:	
2.1 Actual cost at time of acquisitions	
2.2 Additional investment made after acquisitions	0
3. Accrual of discount	
4. Increase (decrease) by adjustment	
5. Total profit (loss) on sale	0
6. Amounts paid on account or in full during the year	
7. Amortization of premium	
8. Increase (decrease) by foreign exchange adjustment	
9. Book/adjusted carrying value of long-term invested assets at end of current period	0
10. Total valuation allowance	
11. Subtotal (Lines 9 plus 10)	0
12. Total nonadmitted amounts	
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description	1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS				
Governments (Including all obligations guaranteed by governments)	1. United States .....172,225,894 2. Canada 3. Other Countries	171,995,649	172,225,025	172,228,188
	4. Totals	172,225,894	172,225,025	172,228,188
States, Territories and Possessions (Direct and guaranteed)	5. United States .....9,762,948 6. Canada 7. Other Countries	9,955,710	9,805,860	9,000,000
	8. Totals	9,762,948	9,805,860	9,000,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States .....193,698,462 10. Canada 11. Other Countries	200,015,005	190,125,837	206,135,000
	12. Totals	193,698,462	190,125,837	206,135,000
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States .....300,391,213 14. Canada 15. Other Countries	309,059,938	300,928,549	297,416,398
	16. Totals	300,391,213	300,928,549	297,416,398
Public Utilities (unaffiliated)	17. United States 18. Canada 19. Other Countries			
	20. Totals	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States .....9,095,419 22. Canada 23. Other Countries .....1,850,044	9,819,604	8,593,997	15,089,130
	24. Totals	10,945,463	10,438,005	16,945,796
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0
	26. Total Bonds	687,023,980	683,523,276	701,725,382
PREFERRED STOCKS				
Public Utilities (unaffiliated)	27. United States 28. Canada 29. Other Countries			
	30. Totals	0	0	0
Banks, Trust and Insurance Companies (unaffiliated)	31. United States 32. Canada 33. Other Countries			
	34. Totals	0	0	0
Industrial and Miscellaneous (unaffiliated)	35. United States .....4,398,273 36. Canada 37. Other Countries	4,398,273	4,268,840	
	38. Totals	4,398,273	4,268,840	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0
	40. Total Preferred Stocks	4,398,273	4,268,840	
COMMON STOCKS				
Public Utilities (unaffiliated)	41. United States .....172,941 42. Canada 43. Other Countries	172,941	145,642	
	44. Totals	172,941	145,642	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States .....730,392 46. Canada 47. Other Countries .....8,540	730,392	605,740	
	48. Totals	738,932	613,564	
Industrial and Miscellaneous (unaffiliated)	49. United States .....4,583,628 50. Canada 51. Other Countries .....46,966	4,583,628	3,979,297	
	52. Totals	4,630,594	4,026,927	
Parent, Subsidiaries and Affiliates	53. Totals	13,288,714	6,583,605	
	54. Total Common Stocks	18,831,181	11,369,738	
	55. Total Stocks	23,229,454	15,638,578	
	56. Total Bonds and Stocks	710,253,434	699,161,854	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	626,859,933	7. Amortization of premium.....	1,800,470
2. Cost of bonds and stocks acquired, Column 7, Part 3.....	197,689,197	8. Foreign Exchange Adjustment:	
3. Accrual of discount.....	1,620,299	8.1 Column 15, Part 1.....	0
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2, Sec. 1.....	0
4.1 Columns 12 - 14, Part 1.....	3,919	8.3 Column 16, Part 2, Sec. 2.....	0
4.2 Columns 15 - 17, Part 2, Sec. 1.....	(15,022)	8.4 Column 15, Part 4.....	0
4.3 Column 15, Part 2, Sec. 2.....	1,559,359	9. Book/adjusted carrying value at end of current period.....	710,253,436
4.4 Columns 11 - 13, Part 4.....	(977,618)	10. Total valuation allowance.....	
5. Total gain (loss), Column 19, Part 4.....	2,114,640	11. Subtotal (Lines 9 plus 10).....	710,253,436
6. Deduct consideration for bonds and stocks disposed of Column 7, Part 4.....	116,800,801	12. Total nonadmitted amounts.....	
		13. Statement value of bonds and stocks, current period.....	710,253,436

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Class 1	12,144,496	43,957,202	114,868,755	1,255,441	.0	172,225,894	23.8	145,162,292	23.9	172,225,894	.0
1.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
1.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
1.7 Totals	12,144,496	43,957,202	114,868,755	1,255,441	0	172,225,894	23.8	145,162,292	23.9	172,225,894	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.6 Class 6	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1	.0	.0	6,394,584	3,368,364	.0	9,762,948	1.4	.0	0.0	9,762,948	.0
3.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
3.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	6,394,584	3,368,364	0	9,762,948	1.4	0	0.0	9,762,948	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1	1,337,400	33,366,511	75,245,623	82,769,169	979,759	193,698,462	26.8	174,604,338	28.7	193,698,462	.0
4.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
4.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	1,337,400	33,366,511	75,245,623	82,769,169	979,759	193,698,462	26.8	174,604,338	28.7	193,698,462	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1	4,469,565	42,257,729	124,800,242	113,650,034	9,146,535	294,324,104	40.7	265,908,337	43.7	294,324,104	.0
5.2 Class 2	64,573	1,750,690	1,885,867	2,067,404	.0	5,768,533	0.8	6,273,976	1.0	5,768,533	.0
5.3 Class 3	.0	31,184	18,444	.0	.0	49,628	0.0	49,555	0.0	49,628	.0
5.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
5.5 Class 5	.0	248,948	.0	.0	.0	248,948	0.0	244,850	0.0	248,948	.0
5.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	4,534,137	44,288,551	126,704,553	115,717,437	9,146,535	300,391,213	41.6	272,476,718	44.8	300,391,213	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
6.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1	36,043,175	1,476,777	1,503,646	1,765,606	2,292,918	43,082,123	6.0	13,132,104	2.2	43,082,123	.0
7.2 Class 2	.0	2,217,610	51,541	.0	.0	2,269,151	0.3	1,264,725	0.2	2,269,151	.0
7.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	443,445	0.1	.0	.0
7.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
7.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
7.6 Class 6	0	100,000	0	759,244	0	859,244	0.1	893,585	0.1	859,244	0
7.7 Totals	36,043,175	3,794,387	1,555,187	2,524,850	2,292,918	46,210,518	6.4	15,733,859	2.6	46,210,518	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
8.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	.0
9.6 Class 6	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	53,994,636	121,058,219	322,812,850	202,808,614	12,419,212	713,093,531	98.7	XXX	XXX	713,093,531	.0
10.2 Class 2	64,573	3,968,300	1,937,408	2,067,404	.0	8,037,685	1.1	XXX	XXX	8,037,685	.0
10.3 Class 3	.0	31,184	18,444	.0	.0	49,628	0.0	XXX	XXX	49,628	.0
10.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.5 Class 5	.0	248,948	.0	.0	.0	248,948	0.0	XXX	XXX	248,948	.0
10.6 Class 6	.0	100,000	.0	759,244	.0	859,244	0.1	XXX	XXX	859,244	.0
10.7 Totals	54,059,209	125,406,651	324,768,702	205,635,261	12,419,212	722,289,036	100.0	XXX	XXX	722,289,036	.0
10.8 Line 10.7 as a % of Col. 6	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1	12,241,440	77,539,130	308,086,518	183,671,208	17,268,773	XXX	XXX	598,807,071	98.5	598,807,071	.0
11.2 Class 2	285,108	1,719,937	3,019,705	2,513,952	.0	XXX	XXX	7,538,701	1.2	7,538,701	.0
11.3 Class 3	.0	466,120	26,880	.0	.0	XXX	XXX	493,000	0.1	493,000	.0
11.4 Class 4	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.5 Class 5	.0	.0	244,850	.0	.0	XXX	XXX	244,850	0.0	244,850	.0
11.6 Class 6	.0	100,000	.0	793,585	.0	XXX	XXX	893,585	0.1	893,585	.0
11.7 Totals	12,526,548	79,825,187	311,377,953	186,978,745	17,268,773	XXX	XXX	607,977,207	100.0	607,977,207	.0
11.8 Line 11.7 as a % of Col. 8	2.1	13.1	51.2	30.8	2.8	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1	53,994,636	121,058,219	322,812,850	202,808,614	12,419,212	713,093,531	98.7	598,807,071	98.5	713,093,531	XXX
12.2 Class 2	64,573	3,968,300	1,937,408	2,067,404	.0	8,037,685	1.1	7,538,701	1.2	8,037,685	XXX
12.3 Class 3	.0	31,184	18,444	.0	.0	49,628	0.0	493,000	0.1	49,628	XXX
12.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.5 Class 5	.0	248,948	.0	.0	.0	248,948	0.0	244,850	0.0	248,948	XXX
12.6 Class 6	.0	100,000	.0	759,244	.0	859,244	0.1	893,585	0.1	859,244	XXX
12.7 Totals	54,059,209	125,406,651	324,768,702	205,635,261	12,419,212	722,289,036	100.0	607,977,207	100.0	722,289,036	XXX
12.8 Line 12.7 as a % of Col. 6	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.2 Class 2	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.3 Class 3	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.4 Class 4	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.5 Class 5	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.6 Class 6	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.7 Totals	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

(a) Includes \$.0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 248,948 current year, \$ 4,485,980 prior year of bonds with Z designations and \$.0 current year, .0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$.0 current year, \$.0 prior year of bonds with 5* designations and .0 current year, .0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Issuer Obligations	12,137,000	43,937,500	114,854,999	1,250,000	0	172,179,499	23.8	145,106,790	23.9	172,179,499	0
1.2 Single Class Mortgage-Backed/Asset-Backed Securities	7,496	19,702	13,755	5,441	0	46,394	0.0	55,501	0.0	46,394	0
1.7 Totals	12,144,496	43,957,202	114,868,755	1,255,441	0	172,225,894	23.8	145,162,291	23.9	172,225,894	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
2.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
2.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
2.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
2.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
3. States, Territories, and Possessions Guaranteed, Schedules D & DA (Group 3)											
3.1 Issuer Obligations	0	0	6,394,584	3,368,364	0	9,762,948	1.4	0	0.0	9,762,948	0
3.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
3.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
3.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
3.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
3.7 Totals	0	0	6,394,584	3,368,364	0	9,762,948	1.4	0	0.0	9,762,948	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Issuer Obligations	1,337,400	33,366,511	75,245,623	82,769,169	979,759	193,698,462	26.8	174,604,338	28.7	193,698,462	0
4.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
4.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
4.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
4.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
4.7 Totals	1,337,400	33,366,511	75,245,623	82,769,169	979,759	193,698,462	26.8	174,604,338	28.7	193,698,462	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Issuer Obligations	4,534,137	44,288,551	126,704,553	115,717,437	9,146,535	300,391,213	41.6	272,476,719	44.8	300,391,213	0
5.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
5.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
5.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
5.7 Totals	4,534,137	44,288,551	126,704,553	115,717,437	9,146,535	300,391,213	41.6	272,476,719	44.8	300,391,213	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
6.2 Single Class Mortgage-Backed/Asset-Based Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
6.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
6.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
6.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations	36,043,175	2,739,891	1,555,187	1,660,977	432,357	42,431,588	5.9	11,891,626	2.0	42,431,588	0
7.2 Single Class Mortgage-Backed/Asset-Based Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
7.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
7.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
7.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
7.6 Other	0	1,054,495	0	863,873	1,860,561	3,778,930	0.5	3,842,233	0.6	3,778,930	0
7.7 Totals	36,043,175	3,794,387	1,555,187	2,524,850	2,292,918	46,210,518	6.4	15,733,859	2.6	46,210,518	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
9. Parents, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations	0	0	0	0	0	0	0.0	0	0.0	0	0
9.2 Single Class Mortgage-Backed/Asset-Based Securities	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
9.3 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.4 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
9.5 Defined	0	0	0	0	0	0	0.0	0	0.0	0	0
9.6 Other	0	0	0	0	0	0	0.0	0	0.0	0	0
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	54,051,713	124,332,453	324,754,947	204,765,948	10,558,651	718,463,711	99.5	XXX	XXX	718,463,711	.0
10.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	7,496	19,702	13,755	5,441	.0	46,394	0.0	XXX	XXX	46,394	.0
10.3 Defined	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.5 Defined	.0	.0	.0	.0	.0	.0	0.0	XXX	XXX	.0	.0
10.6 Other	.0	1,054,495	.0	863,873	1,860,561	3,778,930	0.5	XXX	XXX	3,778,930	.0
10.7 Totals	54,059,209	125,406,651	324,768,702	205,635,261	12,419,212	722,289,036	100.0	XXX	XXX	722,289,036	.0
10.8 Line 10.7 as a % of Col. 6	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	12,515,772	79,699,191	310,399,779	186,080,281	15,384,450	XXX	XXX	604,079,473	99.4	604,079,473	.0
11.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	10,776	25,996	14,042	4,687	.0	XXX	XXX	55,501	0.0	55,501	.0
11.3 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.5 Defined	.0	.0	.0	.0	.0	XXX	XXX	.0	0.0	.0	.0
11.6 Other	.0	100,000	964,132	893,778	1,884,323	XXX	XXX	3,842,233	0.6	3,842,233	.0
11.7 Totals	12,526,548	79,825,187	311,377,953	186,978,746	17,268,773	XXX	XXX	607,977,207	100.0	607,977,207	.0
11.8 Line 11.7 as a % of Col. 8	2.1	13.1	51.2	30.8	2.8	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	54,051,713	124,332,453	324,754,947	204,765,948	10,558,651	718,463,711	99.5	604,079,473	99.4	718,463,711	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	7,496	19,702	13,755	5,441	.0	46,394	0.0	55,501	0.0	46,394	XXX
12.3 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.5 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	.0	XXX
12.6 Other	.0	1,054,495	.0	863,873	1,860,561	3,778,930	0.5	3,842,233	0.6	3,778,930	XXX
12.7 Totals	54,059,209	125,406,651	324,768,702	205,635,261	12,419,212	722,289,036	100.0	607,977,207	100.0	722,289,036	XXX
12.8 Line 12.7 as a % of Col. 6	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	7.5	17.4	45.0	28.5	1.7	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.3 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.4 Other MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.5 Defined	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.6 Other	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.7 Totals	.0	.0	.0	.0	.0	.0	0.0	.0	0.0	XXX	.0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year	495,366	495,366	0	0	0
2. Cost of short-term investments acquired	1,937,361	1,937,361			
3. Increase (decrease) by adjustment	0				
4. Increase (decrease) by foreign exchange adjustment	0				
5. Total profit (loss) on disposal of short-term investments		0			
6. Consideration received on disposal of short-term investments	2,432,728	2,432,728			
7. Book/adjusted carrying value, current year		0	0	0	0
8. Total valuation allowance	0				
9. Subtotal (Lines 7 plus 8)		0	0	0	0
10. Total nonadmitted amounts	0				
11. Statement value (Lines 9 minus 10)		0	0	0	0
12. Income collected during year	9,023	9,023			
13. Income earned during year	7,727	7,727			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE F - PART 1

Assumed Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsured	4 Domiciliary Jurisdiction	5 Assumed Premium	Reinsurance On			9 Contingent Commissions Payable	10 Assumed Premiums Receivable	11 Unearned Premium	12 Funds Held By or Deposited With Reinsured Companies	13 Letters of Credit Posted	14 Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit	15 Amount of Assets Pledged or Collateral Held in Trust
					6 Paid Losses and Loss Adjustment Expenses	7 Known Case Losses and LAE	8 Cols. 6 +7							
0599998		- Other U.S. Unaffil Insurers - Reins Col 8 < 100,000		1		6	6			0				
0599999		- Total - Other U.S. Unaffiliated Insurers		1		6	6			0				
0699998		- Pools and Associations - Reins Col 8 < 100,000					0							
0799998		- Pools and Associations - Reins Col 8 < 100,000					0							
0999998		- Other Non-U.S. Insurers - Reins Col 8 < 100,000					0							
9999999 Totals					1	6	6			0				

SCHEDULE F - PART 2

Premium Portfolio Reinsurance Effected or (Canceled) during Current Year

1 Federal ID Number	2 NAIC Company Code	3 Name of Company	4 Date of Contract	5 Original Premium	6 Reinsurance Premium
NONE					

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE F - PART 3

Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	6 Reinsurance Premiums Ceded	Reinsurance Recoverable On										Reinsurance Payable		18 Net Amount Recoverable From Reinsurers Cols. 15 - [16 + 17]	19 Funds Held By Company Under Reinsurance Treaties
						7 Paid Losses	8 Paid LAE	9 Known Case Loss Reserves	10 Known Case LAE Reserves	11 IBNR Loss Reserves	12 IBNR LAE Reserves	13 Unearned Premiums	14 Contingent Commissions	15 Cols. 7 thru 14 Totals	16 Ceded Balances Payable	17 Other Amounts Due to Reinsurers			
56-1905825	10217	Triad Guaranty Assurance Corporation	IL		2,594	112		753		121		49		1,035	584		451		
0299999 - Authorized - Affiliates - U.S. Non-Pool					2,594	112		753		121		49		1,035	584		451		
0499999 - Total - Authorized - Affiliates					2,594	112		753		121		49		1,035	584		451		
06-1384770	10021	Assured Guaranty Mortgage Ins. Co.	NY		1,995									0	(210)		210		
22-3602450	00000	Chubb Re Inc.	NY		105									0			0		
13-5616275	19453	Transatlantic Reinsurance Company	NY		(1)									0	(630)		630		
0599998 - Other U.S. Unaffil Insurers (Under \$100,000)														0			0		
0599999 - Authorized - Other U.S. Unaffiliated Insurers					2,099										(840)		840		
0899998 - Authorized - Other Non-U.S. Insurers (Under \$100,000)														0			0		
0999999 - Total - Authorized					4,693	112		753		121		49		1,035	(256)		1,291		
03-0363609	11354	Triad Re Insurance Corporation (AgFirst)	VT		152							1		1	37		(35)		
1199999 - Unauthorized - Affiliates - U.S. Non-Pool					152							1		1	37		(35)		
1399999 - Total - Unauthorized - Affiliates					152							1		1	37		(35)		
36-4255472	11466	AAMBG Reinsurance Corporation	VT		1,324							9		9	105		(96)		
03-0350909	11298	Balboa Reinsurance Company	SC		22,246							63		63	1,983		(1,920)		
03-0346846	11292	Bank of America Reinsurance Corporation	VT		863							2		2	230		(228)		
59-3537743	11476	BB&T Mortgage Reinsurance Company	VT		809							26		26	219		(193)		
23-2878531	11340	Cap Re of Vermont	VT		654							5		5	164		(159)		
58-2343351	11349	Cherokee Insurance Company	VT		248							1		1	62		(62)		
75-1870029	43192	Colonial Mortgage Insurance Company	TX		604		1					13		13	145		(132)		
03-0351351	11301	Cross Country Insurance Company	VT		2,708							12		12	544		(532)		
20-0401738	12046	EB Reinsurance Corporation	HI		433							6		6	112		(106)		
20-0065446	11913	Melville Reinsurance Corporation	VT		1,193							5		5	535		(530)		
27-0009777	12085	National City Mortgage Insurance Company	HI		336							2		2	76		(74)		
04-3370409	11345	North Star Mortgage Guaranty Reinsurance	VT		8,201							5		5	756		(751)		
75-2986529	00000	Prism Financial Reinsurance Corporation	HI		573							3		3	132		(130)		
03-0371020	11394	SCM Captive Reinsurance Company	VT		313							12		12	70		(58)		
04-3364575	12139	W M Mortgage Reinsurance Company	HI		1,154							38		38	104		(66)		
1499998 - Unauthorized - Other U.S. Unaffiliated Insurers (Under \$100,000)					63							0		0	17		(17)		
1499999 - Unauthorized - Other U.S. Unaffiliated Insurers					41,721			1				202		203	5,255		(5,052)		
AA-0054525	00000	DRH FS Mortgage Reinsurance LTD	TC		1,543							18		18	456		(437)		
AA-0050269	00000	Expanded Mortgage Reinsurance Co LTD	TC		209							13		13	50		(36)		
AA-0050242	00000	TXL Reinsurance LTD	TC		127							1		1	32		(31)		
1799998 - Unauthorized - Other Non-U.S. Insurers (Under \$100,000)					288							5		5	81		(76)		
1799999 - Unauthorized - Other Non-U.S. Insurers					2,167							37		37	617		(580)		
1899999 - Total - Unauthorized					44,041			1				241		242	5,910		(5,668)		
1999999 - Total - Authorized and Unauthorized					48,734	112		753		121		290	0	1,277	5,654		(4,377)		
2099999 - Total - Protected Cells														0			0		
9999999 Totals					48,734	112		753		121		290		1,277	5,654		(4,377)		

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

NOTE: Report the five largest provisional commission rates included in the cedant's reinsurance treaties. The commission rate to be reported is by contract with ceded premium in excess of \$50,000:

	1	2	3
	<u>Name of Reinsurer</u>	<u>Commission Rate</u>	<u>Ceded Premium</u>
1.	Triad Guaranty Assurance Corporation.....	30.000	2,594
2.	Colonial Mortgage Insurance Company.....	25.000	604
3.	Cross Country Insurance Company.....	20.000	2,708
4.	North Star Mortgage Guaranty Reinsurance.....	12.500	8,201
5.	.....	

B. Report the five largest reinsurance recoverables reported in Column 15, due from any one reinsurer (based on the total recoverables, Line 9999999, Column 15), the amount of ceded premium, and indicate whether the recoverables are due from an affiliated insurer.

	1	2	3	4
	<u>Name of Reinsurer</u>	<u>Total Recoverables</u>	<u>Ceded Premiums</u>	<u>Affiliated</u>
1.	Triad Guaranty Assurance Corporation.....	1,034,722	2,594	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
2.	Balboa Reinsurance Company.....	63,171	22,246	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
3.	W M Mortgage Reinsurance Company.....	37,878	1,154	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4.	BB&T Mortgage Reinsurance Company.....	26,062	809	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5.	DRH FS Mortgage Reinsurance LTD.....	18,480	1,543	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE F - PART 4

Aging of Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	Reinsurance Recoverable on Paid Losses and Paid Loss Adjustment Expenses							12 Percentage Overdue Col. 10/Col. 11	13 Percentage more Than 120 Days Overdue Col. 9 / Col. 11	
				5 Current	Overdue					11 Total Due Cols. 5 + 10			
					6 1 to 29 Days	7 30 - 90 Days	8 91 - 120 Days	9 Over 120 Days	10 Total Overdue Cols. 6 + 7 + 8 + 9				
0199999 - Authorized - Affiliates - U.S. Intercompany Pooling											0.0	0.0	
56-1905825 - 10217 - Triad Guaranty Assurance Corporation			IL	92	21					21	112	18.3	0.0
0299999 - Authorized - Affiliates - U.S. Non-Pool				92	21					21	112	18.3	0.0
0399999 - Authorized - Affiliates - Other (Non-U.S.)												0.0	0.0
0499999 - Total - Authorized - Affiliates				92	21					21	112	18.3	0.0
0599999 - Authorized - Other U.S. Unaffiliated Insurers												0.0	0.0
0699999 - Authorized - Pools - Mandatory Pools												0.0	0.0
0799999 - Authorized - Pools - Voluntary Pools												0.0	0.0
0899999 - Authorized - Other Non-U.S. Insurers												0.0	0.0
0999999 - Total - Authorized				92	21					21	112	18.3	0.0
1099999 - Unauthorized - Affiliates - U.S. Intercompany Pooling												0.0	0.0
1199999 - Unauthorized - Affiliates - U.S. Non-Pool												0.0	0.0
1299999 - Unauthorized - Affiliates - Other (Non-U.S.)												0.0	0.0
1399999 - Total - Unauthorized - Affiliates										0	0	0.0	0.0
1499999 - Unauthorized - Other U.S. Unaffiliated Insurers												0.0	0.0
1599999 - Unauthorized - Pools - Mandatory Pools												0.0	0.0
1699999 - Unauthorized - Pools - Voluntary Pools												0.0	0.0
1799999 - Unauthorized - Other Non-U.S. Insurers												0.0	0.0
1899999 - Total - Unauthorized										0	0	0.0	0.0
1999999 - Total - Authorized and Unauthorized				92	21					21	112	18.3	0.0
2099999 - Total - Protected Cells										0	0	0.0	0.0
9999999 Totals				92	21					21	112	18.3	0.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE F - PART 5

Provision for Unauthorized Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Recoverable all Items Schedule F Part 3, Col. 15	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	Ceded Balances Payable	Miscellaneous Balances	Other Allowed Offset Items	Sum of Cols. 6 thru 10 but not in excess of Col. 5	Subtotal Col. 5 minus Col. 11	Recoverable Paid Losses & LAE Expenses Over 90 Days Past Due not in Dispute	20% of Amount in Col. 13	Smaller of Col. 11 or Col. 14	Smaller of Col. 11 or 20% of Amount in Dispute Included in Col. 5	Total Provision for Unauthorized Reinsurance Smaller of Col.5 or Cols. 12 +15 + 16	
03-0363609	11354	Triad Re Insurance Corporation (AgFirst)	VT	.1			.37		495	.1	.0		.0	.0	.0	.0	
0299999 - Affiliates - U.S. Non-Pool				1			37		495	1	0					0	
0499999 - Total - Affiliates				1			37		495	1	0						0
36-4255472	11466	AAMBG Reinsurance Corporation	VT	.9			.105		9,031	.9	.0		.0	.0	.0	.0	
03-0350909	11298	Balboa Reinsurance Company	SC	.63			1,983		74,655	.63	.0		.0	.0	.0	.0	
03-0346846	11292	Bank of America Reinsurance Corporation	VT	.2			230		2,931	.2	.0		.0	.0	.0	.0	
59-3537743	11476	BB&T Mortgage Reinsurance Company	VT	.26			219		3,448	.26	.0		.0	.0	.0	.0	
23-2878531	11340	Cap Re of Vermont	VT	.5			164		4,428	.5	.0		.0	.0	.0	.0	
58-2343351	11349	Cherokee Insurance Company	VT	.1			.62		1,773	.1	.0		.0	.0	.0	.0	
75-1870029	43192	Colonial Mortgage Insurance Company	TX	.13			145		1,497	.13	.0		.0	.0	.0	.0	
03-0351351	11301	Cross Country Insurance Company	VT	.12			544		6,097	.12	.0		.0	.0	.0	.0	
20-0401738	12046	EB Reinsurance Corporation	HI	.6			112		1,757	.6	.0		.0	.0	.0	.0	
74-3054479	00000	E*Trade Re, LLC	SC							.0	.0		.0	.0	.0	.0	
03-0362485	11326	HMC Reinsurance Company	VT	.0			.17		294	.0	.0		.0	.0	.0	.0	
20-0065446	11913	Melville Reinsurance Corporation	VT	.5			535		1,671	.5	.0		.0	.0	.0	.0	
27-0009777	12085	National City Mortgage Insurance Company	HI	.2			.76		1,424	.2	.0		.0	.0	.0	.0	
04-3370409	11345	North Star Mortgage Guaranty Reinsurance	VT	.5			756		24,190	.5	.0		.0	.0	.0	.0	
75-2986529	00000	Prism Financial Reinsurance Corporation	HI	.3			132		1,405	.3	.0		.0	.0	.0	.0	
03-0371020	11394	SCM Captive Reinsurance Company	VT	.12			.70		2,530	.12	.0		.0	.0	.0	.0	
04-3364575	12139	W M Mortgage Reinsurance Company	HI	.38			104		3,096	.38	.0		.0	.0	.0	.0	
0599999 - Other U.S. Unaffiliated Insurers				203	0		5,255		140,224	203	0					0	
AA-0054525	00000	DRH FS Mortgage Reinsurance LTD	TC	.18			456		6,284	.18	.0		.0	.0	.0	.0	
AA-0050269	00000	Expanded Mortgage Reinsurance Co LTD	TC	.13			.50		952	.13	.0		.0	.0	.0	.0	
AA-0050228	00000	SBMC Reinsurance Limited	TC	.4			20		741	.4	.0		.0	.0	.0	.0	
AA-0054526	00000	Sidus Financial Reinsurance LTD	TC	.0			.24		151	.0	.0		.0	.0	.0	.0	
AA-0050242	00000	TXL Reinsurance LTD	TC	.1			.32		373	.1	.0		.0	.0	.0	.0	
AA-0051715	00000	UGMP Reinsurance LTD	TC	.5			.5		22	.0	.0		.0	.0	.0	.0	
AA-3190765	00000	Union Hamilton Assurance LTD	BM	.1			.15		1,569	.1	.0		.0	.0	.0	.0	
AA-0054831	00000	WTC Reinsurance LTD	TC				.17		78	.0	.0		.0	.0	.0	.0	
0899999 - Other Non-U.S. Insurers				37			617		10,170	37	0					0	
0999999 - Total - Affiliates and Others				242	0		5,910		150,889	242	0					0	
1099999 - Total - Protected Cells										0	0		0	0	0	0	
9999999 Totals				242	0		5,910		150,889	242	0					0	

1. Amounts in dispute totaling \$are included in Column 5.
2. Amounts in dispute totaling \$are excluded from Column 13.

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Schedule F - Part 6

NONE

Schedule F - Part 7

NONE

SCHEDULE F - PART 8

Restatement of Balance Sheet to Identify Net Credit for Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
<u>ASSETS</u> (Page 2, Col. 3)			
1. Cash and invested assets (Line 10)	760,213,220		760,213,220
2. Premiums and considerations (Line 13)	18,504,954		18,504,954
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 14.1)	112,193	(112,193)	0
4. Funds held by or deposited with reinsured companies (Line 14.2)	0		0
5. Other assets	15,528,978		15,528,978
6. Net amount recoverable from reinsurers		85,342,888	85,342,888
7. Protected cell assets (Line 25)	0		0
8. Totals (Line 26)	794,359,344	85,230,696	879,590,040
<u>LIABILITIES</u> (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3)	83,478,227	874,034	84,352,261
10. Taxes, expenses, and other obligations (Lines 4 through 8)	10,453,645		10,453,645
11. Unearned premiums (Line 9)	12,902,647	290,299	13,192,946
12. Advance Premiums (Line 10)	0		0
13. Dividends declared and unpaid (Line 11.1 and 11.2)	0		0
14. Ceded reinsurance premiums payable (net of ceded commissions) (Line 12)	5,653,636	(5,653,636)	0
15. Funds held by company under reinsurance treaties (Line 13)	0		0
16. Amounts withheld or retained by company for account of others (Line 14)	120,609		120,609
17. Provision for reinsurance (Line 16)	0		0
18. Other liabilities	513,311,692	89,719,999	603,031,691
19. Total liabilities excluding protected cell business (Line 24)	625,920,456	85,230,696	711,151,152
20. Protected cell liabilities (Line 25)	0		0
21. Surplus as regards policyholders (Line 35)	168,438,888	X X X	168,438,888
22. Totals (Line 36)	794,359,344	85,230,696	879,590,040

NOTE: Is the restatement of this exhibit the result of grossing up balances ceded to affiliates under 100 percent reinsurance or pooling arrangements? Yes [] No [X]

If yes, give full explanation:

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5

NONE

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported - Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 1997	40,331	3,769	36,562	4,201	302	1	0	228	0	10	4,128	XXX
3. 1998	53,920	2,943	50,978	4,852	253	5	0	243	0	48	4,847	XXX
4. 1999	65,615	3,233	62,382	5,819	258	3	0	229	0	2	5,793	XXX
5. 2000	76,774	6,407	70,366	7,864	255	0	0	348	0	15	7,957	XXX
6. 2001	94,838	11,950	82,888	14,446	213	0	0	456	0	13	14,689	XXX
7. 2002	123,328	19,757	103,571	27,422	321	0	0	651	0	47	27,752	XXX
8. 2003	146,958	28,686	118,272	33,852	368	0	0	792	0	14	34,276	XXX
9. 2004	176,384	37,079	139,305	41,241	642	0	0	1,040	0	29	41,639	XXX
10. 2005	209,709	42,793	166,916	35,724	509	0	0	1,148	0	13	36,362	XXX
11. 2006	257,007	48,725	208,282	7,479	228	0	0	233	0	1	7,484	XXX
12. Totals	XXX	XXX	XXX	182,899	3,349	9	0	5,368	0	191	184,927	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	7	0	0	0	0	0	0	0	0	0	0	6	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	12	0	0	0	0	0	0	0	0	0	0	12	XXX
6.	117	1	0	0	0	0	0	0	0	0	0	117	XXX
7.	261	0	0	0	0	0	0	0	0	0	0	261	XXX
8.	1,479	3	0	0	0	0	0	0	0	0	0	1,476	XXX
9.	3,446	21	0	0	0	0	0	0	0	0	0	3,425	XXX
10.	16,107	163	646	12	0	0	0	0	0	0	0	16,578	XXX
11.	55,454	565	5,813	109	0	0	0	0	1,009	0	0	61,603	XXX
12. Totals	76,884	753	6,459	121	0	0	0	0	1,009	0	0	83,478	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	4,430	302	4,128	11.0	8.0	11.3	0	0	0	0	0
3.	5,106	253	4,853	9.5	8.6	9.5	0	0	0	6	0
4.	6,051	258	5,793	9.2	8.0	9.3	0	0	0	0	0
5.	8,225	255	7,969	10.7	4.0	11.3	0	0	0	12	0
6.	15,020	214	14,806	15.8	1.8	17.9	0	0	0	117	0
7.	28,334	321	28,013	23.0	1.6	27.0	0	0	0	261	0
8.	36,123	370	35,752	24.6	1.3	30.2	0	0	0	1,476	0
9.	45,727	663	45,064	25.9	1.8	32.3	0	0	0	3,425	0
10.	53,624	684	52,940	25.6	1.6	31.7	0	0	0	16,578	0
11.	69,989	902	69,087	27.2	1.9	33.2	0	0	0	60,594	1,009
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	82,469	1,009

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006	11 One Year	12 Two Year
1. Prior	2,972	2,502	2,381	2,351	2,194	2,171	2,173	2,166	2,166	2,166	0	0
2. 1997	5,656	5,037	4,275	4,126	3,998	3,931	3,910	3,901	3,903	3,900	(3)	(1)
3. 1998	XXX	7,576	6,121	5,005	4,712	4,645	4,577	4,580	4,588	4,610	22	30
4. 1999	XXX	XXX	8,902	6,486	5,459	5,571	5,613	5,593	5,564	5,564	0	(29)
5. 2000	XXX	XXX	XXX	10,817	7,204	7,591	7,534	7,700	7,630	7,621	(9)	(79)
6. 2001	XXX	XXX	XXX	XXX	13,898	12,585	13,310	14,230	14,416	14,350	(66)	120
7. 2002	XXX	XXX	XXX	XXX	XXX	14,492	19,506	26,344	26,629	27,362	734	1,018
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	17,439	24,377	31,536	34,960	3,424	10,583
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	20,031	35,566	44,024	8,458	23,992
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	41,878	51,792	9,914	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	67,844	XXX	XXX
12. Totals											22,474	35,634

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	000	1,501	1,821	2,097	2,142	2,151	2,166	2,166	2,166	2,166	XXX	XXX
2. 1997	186	1,908	3,233	3,794	3,843	3,890	3,890	3,890	3,890	3,900	XXX	XXX
3. 1998	XXX	266	2,441	4,137	4,469	4,532	4,532	4,549	4,554	4,604	XXX	XXX
4. 1999	XXX	XXX	209	3,866	4,973	5,334	5,538	5,560	5,564	5,564	XXX	XXX
5. 2000	XXX	XXX	XXX	534	4,287	6,703	7,241	7,526	7,609	7,609	XXX	XXX
6. 2001	XXX	XXX	XXX	XXX	264	7,009	11,961	13,709	14,127	14,233	XXX	XXX
7. 2002	XXX	XXX	XXX	XXX	XXX	470	11,366	24,059	25,951	27,101	XXX	XXX
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	646	13,453	29,530	33,484	XXX	XXX
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	488	26,617	40,599	XXX	XXX
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,570	35,214	XXX	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,251	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006
1. Prior	308	0	0	0	0	0	0	0	0	0
2. 1997	2,779	314	0	0	0	0	0	0	0	0
3. 1998	XXX	2,840	314	0	0	0	0	0	0	0
4. 1999	XXX	XXX	2,840	314	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	2,840	233	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	2,105	286	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	2,583	324	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	2,924	366	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,293	1,085	0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,761	634
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,705

Schedule P - Part 1A - Home/Farm

NONE

Schedule P - Part 1B - Private Passenger

NONE

Schedule P - Part 1C - Comm Auto/Truck

NONE

Schedule P - Part 1D - Workers' Comp

NONE

Schedule P - Part 1E - Comm Multi Peril

NONE

Schedule P - Part 1F - Medical Mal Occur

NONE

Schedule P - Part 1F - Medical Mal Claim

NONE

Schedule P - Part 1G - Special Liability

NONE

Schedule P - Part 1H - Other Liab Occur

NONE

Schedule P - Part 1H - Other Liab Claims

NONE

Schedule P - Part 1I - Special Property

NONE

Schedule P - Part 1J - Auto Physical

NONE

Schedule P - Part 1K - Fidelity/Surety

NONE

Schedule P - Part 1L - Other

NONE

Schedule P - Part 1M - International

NONE

Schedule P - Part 1N - Reinsurance A

NONE

Schedule P - Part 1O - Reinsurance B

NONE

SCHEDULE P - PART 1P - REINSURANCE - NONPROPORTIONAL ASSUMED FINANCIAL LINES

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments					
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX	
2. 1997	20	0	20	68	0	0	0	0	0	0	0	68	XXX
3. 1998	16	0	16	12	0	0	0	0	0	0	0	12	XXX
4. 1999	14	0	14	27	0	0	0	0	0	0	0	27	XXX
5. 2000	9	0	9	10	0	0	0	0	0	0	0	10	XXX
6. 2001	5	0	5	2	0	0	0	0	0	0	0	2	XXX
7. 2002	4	0	4	0	0	0	0	0	0	0	0	0	XXX
8. 2003	2	0	2	0	0	0	0	0	0	0	0	0	XXX
9. 2004	1	0	1	0	0	0	0	0	0	0	0	0	XXX
10. 2005	1	0	1	0	0	0	0	0	0	0	0	0	XXX
11. 2006	1	0	1	0	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	118	0	0	0	0	0	0	0	118	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	2	0	1	0	0	0	0	0	0	0	0	3	XXX
11.	4	0	9	0	0	0	0	0	0	0	0	13	XXX
12.	6	0	10	0	0	0	0	0	0	0	0	16	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	68	0	68	341.0	0.0	341.0	0	0	0.0	0	0
3.	12	0	12	76.9	0.0	76.9	0	0	0.0	0	0
4.	27	0	27	191.8	0.0	191.8	0	0	0.0	0	0
5.	10	0	10	114.5	0.0	114.5	0	0	0.0	0	0
6.	2	0	2	35.0	0.0	35.0	0	0	0.0	0	0
7.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
8.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
9.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
10.	3	0	3	313.2	0.0	313.2	0	0	0.0	3	0
11.	13	0	13	1,722.2	0.0	1,722.2	0	0	0.0	13	0
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	16	0

Schedule P - Part 1R - Prod Liab Occur

NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

SCHEDULE P - PART 1S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	19,505	253	0	0	635	0	27	19,887	XXX
2. 2005	209,708	42,793	166,915	35,724	509	0	0	1,148	0	13	36,362	XXX
3. 2006	257,006	48,725	208,281	7,479	228	0	0	233	0	1	7,484	XXX
4. Totals	XXX	XXX	XXX	62,708	990	0	0	2,016	0	41	63,733	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	5,323	25	0	0	0	0	0	0	0	0	0	5,298	155
2.	16,105	163	645	12	0	0	0	0	0	0	0	16,575	508
3.	55,450	565	5,804	109	0	0	0	0	1,009	0	0	61,590	707
4.	76,878	753	6,449	121	0	0	0	0	1,009	0	0	83,462	1,370

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	5,298	0
2.	53,621	684	52,937	25.6	1.6	31.7	0	0	0.0	16,575	0
3.	69,975	902	69,074	27.2	1.9	33.2	0	0	0.0	60,580	1,009
4.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	82,453	1,009

Schedule P - Part 2A

NONE

Schedule P - Part 2B

NONE

Schedule P - Part 2C

NONE

Schedule P - Part 2D

NONE

Schedule P - Part 2E

NONE

Schedule P - Part 2F - Medical Mal Occur

NONE

Schedule P - Part 2F - Medical Mal Claim

NONE

Schedule P - Part 2G

NONE

Schedule P - Part 2H - Other Liab Occur

NONE

Schedule P - Part 2H - Other Liab Claim

NONE

Schedule P - Part 2I

NONE

Schedule P - Part 2J

NONE

Schedule P - Part 2K

NONE

Schedule P - Part 2L

NONE

Schedule P - Part 2M

NONE

SCHEDULE P - PART 2N - REINSURANCE
Nonproportional Assumed Property

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006	11 One Year	12 Two Year
1. Prior	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 1998	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 1999	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. 2000	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. 2001	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0
7. 2002	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2O - REINSURANCE
Nonproportional Assumed Liability

1. Prior	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 1998	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 1999	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. 2000	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. 2001	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0
7. 2002	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2P - REINSURANCE
Nonproportional Assumed Financial Lines

1. Prior	.34	.54	.54	.61	.56	.52	.52	.52	.52	.52	.0	.0
2. 1997	.79	.52	.74	.74	.72	.68	.68	.68	.68	.68	.0	.0
3. 1998	XXX	.58	.29	.25	.23	.12	.12	.12	.12	.12	.0	.0
4. 1999	XXX	XXX	.37	.25	.28	.27	.27	.27	.27	.27	.0	.0
5. 2000	XXX	XXX	XXX	.18	.7	.10	.10	.12	.10	.10	.0	(.1)
6. 2001	XXX	XXX	XXX	XXX	.16	.5	.5	.2	.2	.2	.0	.0
7. 2002	XXX	XXX	XXX	XXX	XXX	.28	.11	.0	.0	.0	.0	.0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.15	.3	.0	.0	.0	(.3)
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.11	.4	.0	(.4)	(.11)
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.15	.3	(.13)	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.13	XXX	XXX
12. Totals											(.16)	(.15)

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE P - PART 2R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006	11 One Year	12 Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

NONE

SCHEDULE P - PART 2R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

NONE

SCHEDULE P - PART 2S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	33,508	56,594	69,158	12,564	35,649
2. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	41,863	51,789	9,926	XXX
3. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	67,831	XXX	XXX
4. Totals											22,490	35,649

Schedule P - Part 3A

NONE

Schedule P - Part 3B

NONE

Schedule P - Part 3C

NONE

Schedule P - Part 3D

NONE

Schedule P - Part 3E

NONE

Schedule P - Part 3F - Medical Mal Occur

NONE

Schedule P - Part 3F - Medical Mal Claim

NONE

Schedule P - Part 3G

NONE

Schedule P - Part 3H - Other Liab Occur

NONE

Schedule P - Part 3H - Other Liab Claims

NONE

Schedule P - Part 3I

NONE

Schedule P - Part 3J

NONE

Schedule P - Part 3K

NONE

Schedule P - Part 3L

NONE

Schedule P - Part 3M

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE P - PART 3N - REINSURANCE
Nonproportional Assumed Property

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment	
	1	2	3	4	5	6	7	8	9	10			
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006			
1. Prior	.000	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
3. 1998	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
4. 1999	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
5. 2000	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
6. 2001	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
7. 2002	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	XXX	XXX
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	XXX	XXX
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	XXX	XXX
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	XXX	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX

SCHEDULE P - PART 3O - REINSURANCE
Nonproportional Assumed Liability

1. Prior	.000	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
3. 1998	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
4. 1999	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
5. 2000	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
6. 2001	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	.0	XXX	XXX
7. 2002	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	XXX	XXX
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	XXX	XXX
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	XXX	XXX
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	XXX	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX

SCHEDULE P - PART 3P - REINSURANCE
Nonproportional Assumed Financial Lines

1. Prior	.000	.46	.46	.46	.52	.52	.52	.52	.52	.52	.52	XXX	XXX
2. 1997	.17	.47	.68	.68	.68	.68	.68	.68	.68	.68	.68	XXX	XXX
3. 1998	XXX	.0	.5	.12	.12	.12	.12	.12	.12	.12	.12	XXX	XXX
4. 1999	XXX	XXX	.0	.19	.27	.27	.27	.27	.27	.27	.27	XXX	XXX
5. 2000	XXX	XXX	XXX	.0	.6	.10	.10	.10	.10	.10	.10	XXX	XXX
6. 2001	XXX	XXX	XXX	XXX	.0	.0	.2	.2	.2	.2	.2	XXX	XXX
7. 2002	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	.0	XXX	XXX
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	.0	XXX	XXX
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	.0	XXX	XXX
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0	.0	.0	XXX	XXX
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX

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SCHEDULE P - PART 3R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006		
1. Prior	.000	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 1998	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 1999	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. 2000	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. 2001	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0
7. 2002	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0
8. 2003	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0
9. 2004	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0
10. 2005	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0
11. 2006	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0

NONE

SCHEDULE P - PART 3R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	.000	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 1997	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 1998	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 1999	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. 2000	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. 2001	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0	.0
7. 2002	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0	.0
8. 2003	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0	.0
9. 2004	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0	.0
10. 2005	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0	.0
11. 2006	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.0	.0	.0

NONE

SCHEDULE P - PART 3S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.000	44,608	63,860	.XXX	.XXX
2. 2005	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	3,570	35,214	.XXX	.XXX
3. 2006	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	7,251	.XXX	.XXX

Schedule P - Part 4A

NONE

Schedule P - Part 4B

NONE

Schedule P - Part 4C

NONE

Schedule P - Part 4D

NONE

Schedule P - Part 4E

NONE

Schedule P - Part 4F - Medical Mal Occur

NONE

Schedule P - Part 4F - Medical Mal Claim

NONE

Schedule P - Part 4G

NONE

Schedule P - Part 4H - Other Liab Occur

NONE

Schedule P - Part 4H - Other Liab Claims

NONE

Schedule P - Part 4I - Special Property

NONE

Schedule P - Part 4J

NONE

Schedule P - Part 4K

NONE

Schedule P - Part 4L

NONE

Schedule P - Part 4M

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE P - PART 4N - REINSURANCE

Nonproportional Assumed Property

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
9. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

NONE

SCHEDULE P - PART 4O - REINSURANCE

Nonproportional Assumed Liability

1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
9. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

NONE

SCHEDULE P - PART 4P - REINSURANCE

Nonproportional Assumed Financial Lines

1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1997	10	0	0	0	0	0	0	0	0	0
3. 1998	XXX	10	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	10	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	10	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	10	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	10	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	10	1	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9	1	0
9. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9	1
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9

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SCHEDULE P - PART 4R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 1997	2 1998	3 1999	4 2000	5 2001	6 2002	7 2003	8 2004	9 2005	10 2006
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

NONE

SCHEDULE P - PART 4R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1997	0	0	0	0	0	0	0	0	0	0
3. 1998	XXX	0	0	0	0	0	0	0	0	0
4. 1999	XXX	XXX	0	0	0	0	0	0	0	0
5. 2000	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2001	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2002	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2003	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2004	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

NONE

SCHEDULE P - PART 4S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,648	1,084	0
2. 2005	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,752	633
3. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,696

Schedule P - Part 5A- SN1

NONE

Schedule P - Part 5A- SN2

NONE

Schedule P - Part 5A- SN3

NONE

Schedule P - Part 5B- SN1

NONE

Schedule P - Part 5B- SN2

NONE

Schedule P - Part 5B- SN3

NONE

Schedule P - Part 5C- SN1

NONE

Schedule P - Part 5C- SN2

NONE

Schedule P - Part 5C- SN3

NONE

Schedule P - Part 5D- SN1

NONE

Schedule P - Part 5D- SN2

NONE

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

NONE

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

NONE

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 6O - SN1

NONE

Schedule P - Part 6O - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

NONE

Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

Schedule P - Part 7B - Section 1

NONE

Schedule P - Part 7B - Section 2

NONE

Schedule P - Part 7B - Section 3

NONE

Schedule P - Part 7B - Section 4

NONE

Schedule P - Part 7B - Section 5

NONE

Schedule P - Part 7B - Section 6

NONE

Schedule P - Part 7B - Section 7

NONE

SCHEDULE P INTERROGATORIES

1. What is the extended loss and expense reserve - direct and assumed - for the following classes? An example of an extended loss and expense reserve is the actuarial reserve for the free-tail coverage arising upon death, disability or retirement in most medical malpractice policies. Such a liability is to be reported here even if it was not reported elsewhere in Schedule P, but otherwise reported as a liability item on Page 3. Show the full reserve amount, not just the change during the current year.

Years in which premiums were earned and losses were incurred		1 Medical Malpractice	2 Other Liability	3 Products Liability
1.01	Prior			
1.02	1997			
1.03	1998			
1.04	1999			
1.05	2000			
1.06	2001			
1.07	2002			
1.08	2003			
1.09	2004			
1.10	2005			
1.11	2006			
1.12	Totals	0	0	0

2. The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement? Yes [X] No []

3. The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement? Answer: Yes [X] No []

4. Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10? Yes [] No [X]

If Yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.

Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.

Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.

5. What were the net premiums in force at the end of the year for:
(in thousands of dollars)

5.1 Fidelity0
5.2 Surety0

6. Claim count information is reported per claim or per claimant (Indicate which).....CLAIM
If not the same in all years, explain in Interrogatory 7.

7.1 The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses? Yes [] No [X]

7.2 An extended statement may be attached.
.....

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	Yes	1,017,999	973,258	0	121,405	190,852	352,622	0
2. Alaska	AK	Yes	0	0	0	0	0	0	0
3. Arizona	AZ	Yes	3,891,105	3,889,155	0	35,145	175,249	576,923	0
4. Arkansas	AR	Yes	1,899,611	1,774,122	0	110,137	158,175	281,442	0
5. California	CA	Yes	52,868,318	52,845,506	0	15,425,835	20,273,114	22,071,868	0
6. Colorado	CO	Yes	5,001,087	4,990,397	0	3,105,535	3,791,783	2,359,698	0
7. Connecticut	CT	Yes	153,085	158,474	0	(2,382)	(13,948)	22,346	0
8. Delaware	DE	Yes	22,344	22,056	0	0	(187)	561	0
9. District of Columbia	DC	Yes	21,389,338	23,001,963	0	337,973	578,356	1,473,527	0
10. Florida	FL	Yes	9,412,774	9,125,701	0	476,989	1,084,700	1,717,878	0
11. Georgia	GA	Yes	4,967,219	4,991,351	0	2,381,091	2,494,497	1,551,357	0
12. Hawaii	HI	Yes	5,577	5,577	0	0	76	140	0
13. Idaho	ID	Yes	146,285	146,285	0	54,994	27,978	19,551	0
14. Illinois	IL	Yes	5,795,954	6,155,996	0	5,943,310	7,689,227	4,306,886	0
15. Indiana	IN	Yes	1,698,554	1,698,765	0	1,781,792	1,800,612	902,958	0
16. Iowa	IA	Yes	127,981	126,893	0	0	18,424	34,041	0
17. Kansas	KS	Yes	507,744	505,449	0	235,023	275,462	152,710	0
18. Kentucky	KY	Yes	3,202,795	3,166,399	0	1,282,619	1,924,805	1,465,748	0
19. Louisiana	LA	Yes	55,281	55,281	0	0	1,389	1,389	0
20. Maine	ME	Yes	0	0	0	0	0	0	0
21. Maryland	MD	Yes	1,986,295	1,998,935	0	54,016	74,809	269,057	0
22. Massachusetts	MA	Yes	657,386	672,009	0	19,990	168,230	244,218	0
23. Michigan	MI	Yes	4,189,873	4,174,230	0	2,470,967	2,971,715	2,127,760	0
24. Minnesota	MN	Yes	48,046,171	46,887,376	0	10,912,289	21,193,363	18,050,840	0
25. Mississippi	MS	Yes	369,398	357,322	0	74,904	126,992	147,330	0
26. Missouri	MO	Yes	782,200	757,535	0	139,114	221,544	166,558	0
27. Montana	MT	Yes	31,322	31,322	0	0	(224)	787	0
28. Nebraska	NE	Yes	9,356	9,842	0	0	(8,056)	235	0
29. Nevada	NV	Yes	1,036,309	1,034,461	0	24,069	70,586	209,857	0
30. New Hampshire	NH	Yes	85,315	85,315	0	0	19,595	19,595	0
31. New Jersey	NJ	Yes	2,454,561	2,433,580	0	443,147	985,797	1,275,305	0
32. New Mexico	NM	Yes	212,182	209,906	0	0	(9,576)	5,331	0
33. New York	NY	Yes	117,117	116,580	0	0	28,674	28,913	0
34. North Carolina	NC	Yes	8,138,181	8,077,320	0	2,484,463	3,315,217	2,311,392	0
35. North Dakota	ND	Yes	0	0	0	0	0	0	0
36. Ohio	OH	Yes	3,956,158	3,909,823	0	1,011,516	1,815,027	1,607,122	0
37. Oklahoma	OK	Yes	3,326,681	3,293,048	0	664,735	489,129	342,505	0
38. Oregon	OR	Yes	640,010	641,361	0	8,936	16,039	102,989	0
39. Pennsylvania	PA	Yes	3,564,469	3,614,430	0	478,815	617,073	963,189	0
40. Rhode Island	RI	Yes	58,879	58,575	0	0	(15,139)	44,224	0
41. South Carolina	SC	Yes	4,219,716	4,227,864	0	1,890,999	2,174,887	1,680,218	0
42. South Dakota	SD	Yes	12,025	12,025	0	0	58	302	0
43. Tennessee	TN	Yes	3,071,816	3,015,283	0	696,078	794,256	810,339	0
44. Texas	TX	Yes	30,736,025	30,666,523	0	5,768,851	8,388,341	6,764,491	0
45. Utah	UT	Yes	448,639	449,179	0	24,846	74,990	107,341	0
46. Vermont	VT	Yes	0	0	0	0	0	0	0
47. Virginia	VA	Yes	24,962,840	25,226,201	0	455,057	7,360,953	8,542,328	0
48. Washington	WA	Yes	1,027,661	1,024,469	0	62,849	42,580	145,188	0
49. West Virginia	WV	Yes	197,036	194,390	0	40,603	31,254	4,950	0
50. Wisconsin	WI	Yes	167,892	162,991	0	11,156	(19,085)	61,732	0
51. Wyoming	WY	Yes	36,207	36,260	0	0	453	910	0
52. American Samoa	AS	No	0	0	0	0	0	0	0
53. Guam	GU	No	0	0	0	0	0	0	0
54. Puerto Rico	PR	No	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	No	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	No	0	0	0	0	0	0	0
57. Canada	ON	No	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Totals	(a) 51		256,704,777	257,010,783	0	59,026,864	91,400,047	83,326,651	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 + 5898) (Line 58 above)	XXX		0	0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

Explanation of basis of allocation of premiums by states, etc.

Premiums are allocated to the state of residence of the insured.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE T – PART 2
INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN

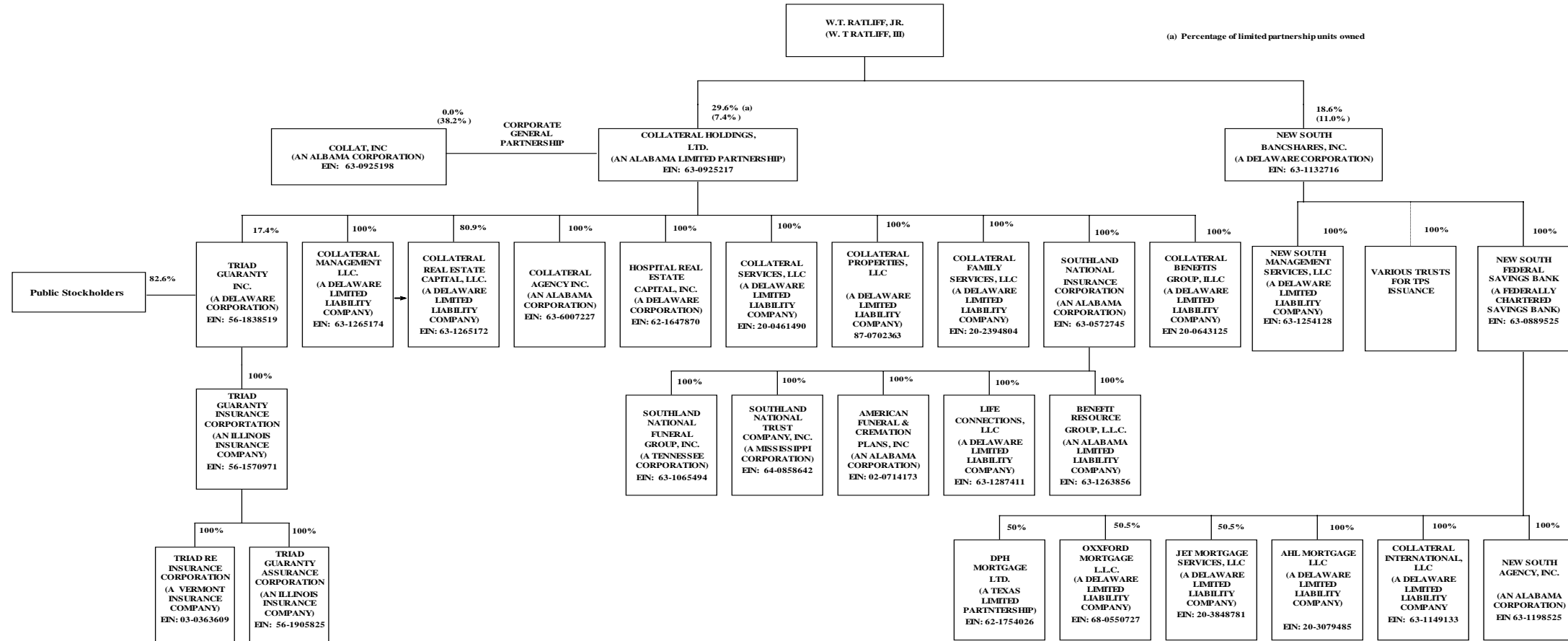
Allocated by States and Territories

States, Etc.	Direct Business Only					
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama	AL					0
2. Alaska	AK					0
3. Arizona	AZ					0
4. Arkansas	AR					0
5. California	CA					0
6. Colorado	CO					0
7. Connecticut	CT					0
8. Delaware	DE					0
9. District of Columbia	DC					0
10. Florida	FL					0
11. Georgia	GA					0
12. Hawaii	HI					0
13. Idaho	ID					0
14. Illinois	IL					0
15. Indiana	IN					0
16. Iowa	IA					0
17. Kansas	KS					0
18. Kentucky	KY					0
19. Louisiana	LA					0
20. Maine	ME					0
21. Maryland	MD					0
22. Massachusetts	MA					0
23. Michigan	MI					0
24. Minnesota	MN					0
25. Mississippi	MS					0
26. Missouri	MO					0
27. Montana	MT					0
28. Nebraska	NE					0
29. Nevada	NV					0
30. New Hampshire	NH					0
31. New Jersey	NJ					0
32. New Mexico	NM					0
33. New York	NY					0
34. North Carolina	NC					0
35. North Dakota	ND					0
36. Ohio	OH					0
37. Oklahoma	OK					0
38. Oregon	OR					0
39. Pennsylvania	PA					0
40. Rhode Island	RI					0
41. South Carolina	SC					0
42. South Dakota	SD					0
43. Tennessee	TN					0
44. Texas	TX					0
45. Utah	UT					0
46. Vermont	VT					0
47. Virginia	VA					0
48. Washington	WA					0
49. West Virginia	WV					0
50. Wisconsin	WI					0
51. Wyoming	WY					0
52. American Samoa	AS					0
53. Guam	GU					0
54. Puerto Rico	PR					0
55. U.S. Virgin Islands	VI					0
56. Northern Mariana Islands	MP					0
57. Canada	CN					0
58. Aggregate Other Alien	OT					0
59. Totals		0	0	0	0	0

NONE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

COLLATERAL FAMILY OF COMPANIES



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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE Y
PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
00000	63-0925217	CHL	306,304	(310,000)			385,650				381,954	
00000	63-0925198	Collat Inc.					136,202				136,202	
00000	20-0643125	Collateral Benefits Group, LLC					(52,869)				(52,869)	
00000	63-1194869	Collateral Insurance Group LLC									.0	
00000	63-1030349	Collateral Investment Corporation					293,452				293,452	
00000	63-0925217	Collateral Mortgage LTD									.0	
00000	20-0461490	Collateral Services LLC					.63,427				.63,427	
00000	63-1287411	Life Connections LLC					(28,540)				(28,540)	
00000	63-0889525	New South Federal Savings Bank					12,730				12,730	
79057	63-0572745	Southland National Insurance Corporation	(306,304)	310,000			(741,950)				(738,254)	
10217	56-1905825	Triad Guaranty Assurance Corporation					(157,717)	678,547			520,830	(985,523)
00000	56-1838519	Triad Guaranty Inc				2,225,002	3,941,974				6,166,976	
24350	56-1570971	Triad Guaranty Insurance Corporation			(2,225,002)		(3,821,538)	(830,171)			(6,876,711)	986,936
11354	03-0363609	Triad Re Insurance Corporation					(30,821)	151,624			120,803	(1,413)
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** 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.

	RESPONSES
MARCH FILING	
1. Will an actuarial opinion be filed by March 1?	.....YES.....
2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	.....YES.....
3. Will the Risk-based Capital Report be filed with the NAIC by March 1?	.....WAIVED.....
4. Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	.....WAIVED.....
5. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?	.....YES.....
APRIL FILING	
6. Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1?	.....YES.....
7. Will Management's Discussion and Analysis be filed by April 1?	.....YES.....
8. Will the Supplemental Investment Risk Interrogatories be filed by April 1?	.....YES.....
MAY FILING	
9. Will this company be included in a combined annual statement which is filed with the NAIC by May 1?	.....YES.....
JUNE FILING	
10. Will an audited financial report be filed by June 1?	.....YES.....

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.

MARCH FILING	
11. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	.....NO.....
12. Will the Financial Guaranty Insurance Exhibit be filed March 1?	.....NO.....
13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	.....NO.....
14. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed by March 1?	.....NO.....
15. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	.....NO.....
16. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?	.....NO.....
17. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?	.....SEE EXPLANATION.....
18. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	.....NO.....
19. Will the Actuarial Opinion Summary be filed with the state of domicile, if required by March 15 (or the date otherwise specified)?	.....YES.....
APRIL FILING	
20. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	.....NO.....
21. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	.....NO.....
22. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	.....NO.....

Explanation:

- 11.
- 12.
- 13.
- 14.

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION
SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

15.

16.

17. Information for the Reinsurance Summary Supplemental Filing for General Interrogatory 9 is not required to be filed since the answers to General Interrogatories 9.1 and 9.2 are No.













18.

20.

21.

22.

Bar Code:

3.	 2 4 3 5 0 2 0 0 6 3 9 0 0 0 0 0 0
4.	 2 4 3 5 0 2 0 0 6 3 9 0 0 0 0 0 0
11.	 2 4 3 5 0 2 0 0 6 4 2 0 0 0 0 0 0
12.	 2 4 3 5 0 2 0 0 6 2 4 0 0 0 0 0 0
13.	 2 4 3 5 0 2 0 0 6 3 6 0 5 9 0 0 0
14.	 2 4 3 5 0 2 0 0 6 4 5 0 0 0 0 0 0
15.	 2 4 3 5 0 2 0 0 6 4 9 0 0 0 0 0 0
16.	 2 4 3 5 0 2 0 0 6 3 8 5 0 0 0 0 0
18.	 2 4 3 5 0 2 0 0 6 3 6 5 5 9 0 0 0
20.	 2 4 3 5 0 2 0 0 6 2 3 0 5 9 0 0 0
21.	 2 4 3 5 0 2 0 0 6 3 3 0 5 9 0 0 0
22.	 2 4 3 5 0 2 0 0 6 2 1 0 0 0 0 0 0

OVERFLOW PAGE FOR WRITE-INS

P011 Additional Aggregate Lines for Page 11 Line 24.
 *EXEXP - Underwriting and Investment - Part 3 - Expenses

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Miscellaneous consulting fees.....		949,350		949,350
2405. Contract underwriting reports.....		(5,016,074)		(5,016,074)
2406. Contract underwriting fees.....		5,362,991		5,362,991
2407. Guaranty fees.....		414,444		414,444
2408. Credit counseling fees.....		277,601		277,601
2409. Miscellaneous expenses.....		39,144		39,144
2410. Holding company expenses.....		1,913,619		1,913,619
2411. Management fees - affiliated companies.....		68,103	8,333	76,436
2497. Summary of remaining write-ins for Line 24 from page 11	0	4,009,176	8,333	4,017,510

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 1

Showing All Real Estate OWNED December 31 of Current Year

1	2	Location		5	6	7	8	9	10	11	12	13	14	15	16
		3	4												
Description of Property	Code	City	State	Date Acquired	Date of Last Appraisal	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Fair Value Less Encumbrances	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Amounts Received During Year	Expended for Additions, Permanent Improvements and Changes in Encumbrances During Year	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
0199999 - Property occupied by the reporting entity - Health Care Delivery						0									
0399999 - Total property occupied by the reporting entity						0									
Single family residence		Newport	MI	11/17/2005	12/29/2006	130,783		110,019	140,000	(20,764)					
Single family residence		Troy	MI	11/30/2005	12/29/2006	145,681		107,562	132,500	(16,489)					
Single family residence		Garden City	MI	11/30/2005	12/29/2006	129,002		104,650	127,500	(15,072)					
Single family residence		Taylor	MI	01/05/2006	01/06/2006	68,337		68,337	101,000	0					
Single family residence		Minneapolis	MN	01/05/2006	01/06/2006	143,578		72,709	122,500	(70,869)					
Single family residence		Cleveland	MS	01/10/2006	01/12/2006	93,948		79,820	86,000	(14,128)					
Single family residence		Indianapolis	IN	01/10/2006	01/12/2006	54,922		39,949	53,975	(14,973)					
Single family residence		Aurora	CO	02/16/2006	02/15/2006	202,366		178,269	220,000	(24,097)					
Single family residence		Aurora	CO	02/27/2006	02/24/2006	174,688		133,679	156,000	(41,009)					
Single family residence		Dallas	TX	02/28/2006	02/24/2006	97,269		97,269	120,250	0					
Single family residence		Louisville	KY	04/04/2006	03/28/2006	231,481		186,095	217,000	(45,386)					
Single family residence		Lakewood	OH	04/04/2006	03/27/2006	125,558		118,027	131,500	(7,531)					
Single family residence		Canton	SD	04/06/2006	02/10/2006	66,287		59,059	67,800	(7,228)					
Single family residence		Marble Hill	MO	04/10/2006	03/20/2006	76,612		69,615	79,000	(6,997)					
Single family residence		St. Paul	MN	04/12/2006	04/10/2006	170,825		143,689	160,750	(27,136)					
Single family residence		Desoto	TX	05/16/2006	02/17/2006	146,936		146,936	172,000	0					
Single family residence		Cordova	TN	06/28/2006	06/15/2006	141,137		104,940	117,000	(36,197)					
Single family residence		Saint Petersburg	FL	06/30/2006	06/06/2006	136,696		136,696	152,000	0					
Single family residence		Charleston	WV	08/01/2006	07/31/2006	394,927		337,155	370,500	(57,772)					
Single family residence		Memphis	TN	08/10/2006	08/09/2006	119,853		119,853	139,500	0					
Single family residence		Friendswood	TX	08/14/2006	08/11/2006	114,981		114,981	128,000	0					
Single family residence		Lee's Summit	MO	08/21/2006	08/17/2006	254,658		254,658	310,000	0					
Single family residence		Zion	IL	08/23/2006	08/21/2006	213,782		167,895	184,500	(45,887)					
Single family residence		Kingwood	TX	08/28/2006	08/24/2006	139,247		123,305	135,500	(15,942)					
Single family residence		Gaffney	SC	08/28/2006	08/24/2006	148,268		131,950	145,000	(16,318)					
Single family residence		Atlanta	GA	08/31/2006	08/30/2006	312,154		282,100	310,000	(30,054)					
Single family residence		Camdenton	MO	08/31/2006	08/30/2006	105,686		105,686	129,000	0					
Single family residence		Coon Rapids	MN	08/31/2006	08/30/2006	136,225		119,893	131,750	(16,332)					
Single family residence		Cumberland City	TN	08/31/2006	08/30/2006	91,938		83,720	92,000	(8,218)					
Single family residence		Montgomery	TX	09/08/2006	09/06/2006	198,451		198,451	229,500	0					
Single family residence		Manassas	VA	09/12/2006	09/11/2006	275,911		275,911	304,250	0					
Single family residence		Florissant	MO	09/14/2006	09/12/2006	127,384		115,570	127,000	(11,814)					
Single family residence		Winston Salem	NC	09/14/2006	09/12/2006	99,464		90,909	99,900	(8,555)					
Single family residence		Corpus Christi	TX	09/25/2006	09/21/2006	158,044		153,790	169,000	(4,254)					
Single family residence		Troy	OH	09/28/2006	09/26/2006	188,883		156,520	172,000	(32,363)					
Single family residence		Houston	TX	09/29/2006	09/27/2006	126,570		126,570	154,000	0					
Single family residence		Houston	TX	09/29/2006	09/28/2006	126,268		117,845	129,500	(8,423)					
Single family residence		Martinsville	IN	10/06/2006	10/04/2006	69,544		63,245	70,000	(6,299)					
Single family residence		North Richland Hills	TX	10/06/2006	10/04/2006	243,855		221,130	243,000	(22,725)					
Single family residence		College Park	GA	10/06/2006	10/05/2006	62,847		59,833	65,750	(3,015)					
Single family residence		Clayton	NC	10/12/2006	10/12/2006	213,428		174,493	191,750	(38,935)					
Single family residence		Lawley	FL	10/16/2006	10/12/2006	92,483		92,483	105,500	0					
Single family residence		Addison	IL	10/18/2006	10/16/2006	98,706		97,370	107,000	(1,336)					
Single family residence		Port Lavaca	TX	10/19/2006	10/17/2006	88,450		88,450	105,500	0					
Single family residence		Lilburn	GA	10/20/2006	10/18/2006	247,727		226,590	249,000	(21,137)					
Single family residence		Rockford	MI	10/27/2006	10/30/2006	155,572		150,150	165,000	(5,422)					
Single family residence		Sagamore Hills	OH	10/31/2006	10/27/2006	126,133		113,295	124,500	(12,838)					
Single family residence		Fayetteville	TN	10/31/2006	10/27/2006	87,953		75,303	82,750	(12,650)					
Single family residence		Jacksonville	FL	10/31/2006	10/30/2006	210,906		194,285	220,500	(16,621)					
Single family residence		Birmingham	AL	11/02/2006	10/31/2006	289,938		289,938	370,000	0					
Single family residence		Arlington	TX	11/03/2006	11/01/2006	163,431		157,180	172,725	(6,251)					
Single family residence		Arlington	TX	11/03/2006	11/01/2006	93,560		78,715	86,500	(14,845)					

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 1

Showing All Real Estate OWNED December 31 of Current Year

1 Description of Property	2 Code	3 Location		5 Date Acquired	6 Date of Last Appraisal	7 Actual Cost	8 Amount of Encumbrances	9 Book/Adjusted Carrying Value Less Encumbrances	10 Fair Value Less Encumbrances	11 Increase (Decrease) by Adjustment	12 Increase (Decrease) by Foreign Exchange Adjustment	13 Amounts Received During Year	14 Expended for Additions, Permanent Improvements and Changes in Encumbrances During Year	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
		City	State												
Single family residence.....		Oskosh.....	WI	11/03/2006	11/01/2006	67,940		56,784	62,400	(11,156)					
Single family residence.....		Birmingham.....	AL	11/06/2006	11/02/2006	226,948		226,948	266,000	0					
Single family residence.....		Grass Valley.....	CA	11/07/2006	11/03/2006	480,457		423,605	465,500	(56,852)					
Single family residence.....		Woodstock.....	IL	11/14/2006	11/10/2006	122,624		113,750	125,000	(8,874)					
Single family residence.....		Pleasant Hill.....	IA	11/14/2006	11/10/2006	181,360		165,893	182,300	(15,467)					
Single family residence.....		Cincinnati.....	OH	11/21/2006	11/17/2006	134,051		132,291	145,375	(1,760)					
Single family residence.....		Glenolden.....	PA	11/20/2006	11/17/2006	125,578		113,750	125,000	(11,828)					
Single family residence.....		Claremore.....	OK	11/29/2006	11/28/2006	261,482		232,050	255,000	(29,432)					
Single family residence.....		Calera.....	AL	11/29/2006	11/28/2006	121,634		114,296	125,600	(7,338)					
Single family residence.....		Mableton.....	GA	12/05/2006	12/04/2006	142,328		142,328	162,000	0					
Single family residence.....		Shepherdsville.....	KY	12/12/2006	12/11/2006	242,645		213,850	235,000	(28,795)					
Single family residence.....		Macon.....	GA	12/15/2006	12/15/2006	67,181		60,060	66,000	(7,121)					
Single family residence.....		West Hills.....	CA	12/18/2006	12/15/2006	708,176		591,500	650,000	(116,676)					
Single family residence.....		Florissant.....	MO	12/22/2006	12/22/2006	115,940		115,940	136,300	0					
Single family residence.....		Newark.....	NJ	12/21/2006	12/21/2006	167,118		167,118	215,000	0					
Single family residence.....		Duluth.....	GA	12/23/2006	12/23/2006	207,684		183,138	201,250	(24,547)					
0599999 - Properties held for sale						11,286,477		10,169,841	11,594,875	(1,085,727)					
9999999 Totals						11,286,477		10,169,841	11,594,875	(1,085,727)					

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED During the Year

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
Single family residence	Richmond	TX	.01/05/2006	FNMA	163,604		127,673	
Single family residence	San Antonio	TX	.01/05/2006	FNMA	103,761		100,615	
Single family residence	Columbus	OH	.01/05/2006	FNMA	76,931		74,470	
Single family residence	Farmington Hills	MI	.01/05/2006	FHLMC	182,854		182,854	
Single family residence	Davenport	FL	.01/05/2006	FNMA	106,227		89,838	
Single family residence	Snellville	GA	.01/05/2006	Countrywide Home Loans	152,770		152,465	
Single family residence	Spring	TX	.01/05/2006	FHLMC	177,160		160,865	
Single family residence	Taylor	MI	.01/05/2006	FNMA	68,337		68,337	
Single family residence	Minneapolis	MN	.01/05/2006	FNMA	143,578		72,709	
Single family residence	Country Club Hills	IL	.01/05/2006	National City Mortgage	134,588		134,588	
Single family residence	Antioch	IL	.01/05/2006	CitiMortgage	130,026		122,760	
Single family residence	Cleveland	MS	.01/10/2006	FNMA	93,948		79,820	
Single family residence	Dallas	TX	.01/10/2006	FNMA	194,041		165,890	
Single family residence	Colorado Springs	CO	.01/10/2006	FNMA	204,100		173,282	
Single family residence	Indianapolis	IN	.01/10/2006	Select Portfolio Servicing	54,922		39,949	
Single family residence	Fenton	MO	.01/10/2006	FHLMC	193,384		193,384	
Single family residence	Durham	NC	.01/10/2006	FNMA	133,096		125,944	
Single family residence	Oklahoma City	OK	.01/11/2006	FHLMC	136,540		136,540	
Single family residence	Houston	TX	.01/11/2006	Just Mortgage	125,384		101,180	
Single family residence	Woodland Park	CO	.01/11/2006	FNMA	148,480		145,731	
Single family residence	East Stroudsburg	PA	.01/11/2006	FNMA	246,453		214,626	
Single family residence	Lake in the Hills	IL	.01/11/2006	FHLMC	293,103		275,860	
Single family residence	Ellenwood	GA	.01/11/2006	EMC Mortgage Corp	106,821		96,460	
Single family residence	Troy	MI	.01/12/2006	FNMA	2,151			
Single family residence	High Point	NC	.01/19/2006	Select Portfolio Servicing	115,307		101,250	
Single family residence	Tulsa	OK	.01/19/2006	FHLMC	190,759		167,650	
Single family residence	Whiteland	IN	.01/19/2006	Select Portfolio Servicing	154,271		121,050	
Single family residence	Plano	TX	.02/10/2006	Wells Fargo	219,038		204,600	
Single family residence	Wickliffe	OH	.02/10/2006	FHLMC	115,680		94,751	
Single family residence	Hobart	IN	.02/10/2006	FNMA	155,843		154,860	
Single family residence	Copperhill	TN	.02/10/2006	FHLMC	134,506		107,710	
Single family residence	Newport	MI	.02/10/2006	FNMA	3,233			
Single family residence	Garden City	MI	.02/10/2006	FNMA	2,422			
Single family residence	Falkville	AL	.02/16/2006	FHLMC	51,506		51,506	
Single family residence	Aurora	CO	.02/16/2006	FHLMC	202,366		178,269	
Single family residence	Hiram	GA	.02/16/2006	Select Portfolio Servicing	75,355		75,355	
Single family residence	Aurora	CO	.02/27/2006	FHLMC	174,688		133,679	
Single family residence	Powder Springs	GA	.02/27/2006	FHLMC	176,193		165,975	
Single family residence	Louisville	KY	.02/28/2006	FNMA	102,567		83,697	
Single family residence	Dallas	TX	.02/28/2006	FHLMC	97,269		97,269	
Single family residence	Longmont	CO	.02/28/2006	FNMA	231,595		208,610	
Single family residence	Hampton	GA	.03/02/2006	FNMA	144,671		130,244	
Single family residence	Spring Hill	TN	.03/03/2006	FNMA	138,427		138,427	
Single family residence	Spring	TX	.03/06/2006	FHLMC	115,952		100,890	
Single family residence	Angier	NC	.03/07/2006	Auroa Loan Servicing	98,280		85,925	
Single family residence	Brazoria	TX	.03/07/2006	Select Portfolio Servicing	91,063		72,946	
Single family residence	Newton	NC	.03/07/2006	FNMA	155,417		138,290	
Single family residence	Mauldin	SC	.03/08/2006	FNMA	169,814		138,285	
Single family residence	Mount Washington	KY	.03/10/2006	FNMA	183,089		148,800	
Single family residence	Machesney Park	IL	.03/27/2006	FHLMC	107,455		107,455	
Single family residence	San Antonio	TX	.04/03/2006	FNMA	175,564		175,564	
Single family residence	Tucker	GA	.04/03/2006	FHLMC	140,587		123,450	
Single family residence	Choctaw	OK	.04/03/2006	FHLMC	161,163		155,064	
Single family residence	Lees Summit	MO	.04/03/2006	FNMA	193,516		167,185	
Single family residence	Louisville	KY	.04/04/2006	FNMA	231,481		186,095	
Single family residence	Big Spring	TX	.04/04/2006	FNMA	36,914		34,060	
Single family residence	Raleigh	NC	.04/04/2006	Regions Mortgage	381,694		381,694	
Single family residence	Lakewood	OH	.04/04/2006	Select Portfolio Servicing	125,558		118,027	
Single family residence	Floresville	TX	.04/05/2006	FNMA	186,906		186,906	
Single family residence	Simpsonville	SC	.04/05/2006	SunTrust Mortgage	153,530		153,530	

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED During the Year

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
Single family residence	Omaha	NE	04/05/2006	FNMA	126,246		114,915	
Single family residence	Jonesboro	GA	04/05/2006	FNMA	119,426		111,828	
Single family residence	Urbandale	IA	04/05/2006	FNMA	186,243		152,550	
Single family residence	Canton	SD	04/06/2006	FNMA	66,287		59,059	
Single family residence	Houston	TX	04/06/2006	FNMA	112,125		109,519	
Single family residence	Carrollton	TX	04/10/2006	FNMA	188,234		163,240	
Single family residence	Marble Hill	MO	04/10/2006	FNMA	76,612		69,615	
Single family residence	Poplar Grove	IL	04/11/2006	FNMA	153,960		145,145	
Single family residence	St. Paul	MN	04/12/2006	FHLMC	170,825		143,689	
Single family residence	Lansdowne	PA	04/27/2006	FNMA	175,461		174,608	
Single family residence	Desoto	TX	05/16/2006	Select Portfolio Servicing	146,936		146,936	
Single family residence	Choctaw	OK	06/16/2006	FHLMC	268,864		223,314	
Single family residence	Clarksville	TN	06/19/2006	FNMA	103,843		103,843	
Single family residence	Katy	TX	06/26/2006	FHLMC	158,086		158,086	
Single family residence	Shreveport	LA	06/28/2006	FHLMC	61,264		61,264	
Single family residence	Cordova	TN	06/28/2006	FHLMC	141,137		104,940	
Single family residence	Saint Petersburg	FL	06/30/2006	FNMA	136,696		136,696	
Single family residence	Clever	MO	07/14/2006	FNMA	86,525		86,525	
Single family residence	Midwest City	OK	07/14/2006	FNMA	149,687		137,111	
Single family residence	Snellville	GA	07/27/2006	FHLMC	136,053		127,595	
Single family residence	Charlestown	WV	08/01/2006	Wells Fargo Home Bank	394,927		337,155	
Single family residence	Rock Hill	SC	08/11/2006	FHLMC	128,576		123,041	
Single family residence	Memphis	TN	08/10/2006	FHLMC	119,853		119,853	
Single family residence	Friendswood	TX	08/14/2006	FHLMC	114,981		114,981	
Single family residence	Lee's Summit	MO	08/21/2006	FNMA	254,658		254,658	
Single family residence	Zion	IL	08/23/2006	FNMA	213,782		167,895	
Single family residence	Kingwood	TX	08/28/2006	FNMA	139,247		123,305	
Single family residence	Gaffney	SC	08/28/2006	FNMA	148,268		131,950	
Single family residence	Atlanta	GA	08/31/2006	FHLMC	312,154		282,100	
Single family residence	Candenton	MO	08/31/2006	FHLMC	105,686		105,686	
Single family residence	Coon Rapids	MN	08/31/2006	FNMA	136,225		119,893	
Single family residence	Cumberland City	TN	08/31/2006	FNMA	91,938		83,720	
Single family residence	Montgomery	TX	09/08/2006	FNMA	198,451		198,451	
Single family residence	Manassas	VA	09/12/2006	Wells Fargo Bank	275,911		275,911	
Single family residence	Florissant	MO	09/14/2006	FHLMC	127,384		115,570	
Single family residence	Winston Salem	NC	09/14/2006	FHLMC	99,464		90,909	
Single family residence	Corpus Christi	TX	09/25/2006	FNMA	158,044		153,790	
Single family residence	Troy	OH	09/28/2006	Aurora Loan Services	188,883		156,520	
Single family residence	Houston	TX	09/29/2006	Select Portfolio Servicing	126,570		126,570	
Single family residence	Houston	TX	09/29/2006	Dovenmuehle Mortgage	126,268		117,845	
Single family residence	Martinsville	IN	10/06/2006	FNMA	69,544		63,245	
Single family residence	North Richland Hills	TX	10/06/2006	EMC Mortgage Corp	243,855		221,130	
Single family residence	College Park	GA	10/06/2006	Select Portfolio Servicing	62,847		59,833	
Single family residence	Clayton	NC	10/12/2006	FNMA	213,428		174,493	
Single family residence	Lawley	FL	10/16/2006	FNMA	92,483		92,483	
Single family residence	Addison	IL	10/18/2006	CitiMortgage	98,706		97,370	
Single family residence	Port Lavaca	TX	10/19/2006	FHLMC	88,450		88,450	
Single family residence	Mission	TX	10/20/2006	FNMA	130,891		130,167	
Single family residence	Lilburn	GA	10/20/2006	EMC Mortgage Corp	247,727		226,590	
Single family residence	Rockford	MI	10/27/2006	Wells Fargo Home Bank	155,572		150,150	
Single family residence	Sagamore Hills	OH	10/31/2006	FNMA	126,133		113,295	
Single family residence	Fayetteville	TN	10/31/2006	FNMA	87,953		75,303	
Single family residence	Jacksonville	FL	10/31/2006	FNMA	210,906		194,285	
Single family residence	Birmingham	AL	11/02/2006	FNMA	289,938		289,938	
Single family residence	Arlington	TX	11/03/2006	FNMA	163,431		157,180	
Single family residence	Arlington	TX	11/03/2006	FNMA	93,560		78,715	
Single family residence	Oskosh	WI	11/03/2006	FNMA	67,940		56,784	
Single family residence	Birmingham	AL	11/06/2006	FNMA	226,948		226,948	
Single family residence	Grass Valley	CA	11/07/2006	Wells Fargo Home Bank	480,457		423,605	
Single family residence	Woodstock	IL	11/14/2006	FNMA	122,624		113,750	

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 3

Showing All Real Estate SOLD During the Year, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) By Adjustment	8 Increase (Decrease) By Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/ Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
Single family residence	Houston	TX	01/04/2006	Yolanda Iris Salmeron	80,114	.0			68,554	64,770		(3,784)	(3,784)		
Single family residence	Lawrenceville	GA	01/05/2006	Jose Alvarez	126,918	.0			117,077	116,702		(375)	(375)		
Single family residence	The Woodlands	TX	01/18/2006	Alejandro Macias	113,160	.0			111,600	107,415		(4,185)	(4,185)		
Single family residence	Lake Wylie	SC	01/18/2006	Barton W. Hodges II; Rene R. Hodges	202,594	.0			190,418	188,073		(2,344)	(2,344)		
Single family residence	Douglasville	GA	01/24/2006	Lynn Lindley	99,168	.0			95,588	97,766		2,178	2,178		
Single family residence	Dacula	GA	01/30/2006	Holli Hoefle; Walter Akins; Patti Akins	154,855	.0			116,807	116,260		(547)	(547)		
Single family residence	Henderson	TX	01/31/2006	Virginia Hunt	93,087	.0			83,700	81,918		(1,782)	(1,782)		
Single family residence	Katy	TX	01/31/2006	Daniel Arriazola; Teresa Arriazola	118,301	.0			115,505	110,762		(4,743)	(4,743)		
Single family residence	Riverdale	GA	02/02/2006	Billy Ray Seabon	114,716	.0			101,857	101,154		(703)	(703)		
Single family residence	New Virginia	IA	02/07/2006	Jerry Johnson	83,686	.0			71,557	67,641		(3,916)	(3,916)		
Single family residence	Longmont	CO	03/02/2006	William Orr	167,625	1,792			158,100	156,570		(1,530)	(1,530)		
Single family residence	Colorado Springs	CO	03/02/2006	Peter and Julie Schwartz	204,100	(30,818)			173,282	170,815		(2,467)	(2,467)		
Single family residence	Houston	TX	03/24/2006	Elizabeth Saenz	132,428	1,142			116,142	113,934		(2,208)	(2,208)		
Single family residence	Houston	TX	03/28/2006	Angela Detjen	125,384	(24,204)			101,180	93,582		(7,598)	(7,598)		
Single family residence	El Paso	TX	03/31/2006	Alicia Cruz	41,780	.0			41,780	38,474		(3,306)	(3,306)		
Single family residence	Royse City	TX	04/03/2006	Jeremy & Whitney Marinelli	125,880	.77			108,177	106,178		(1,999)	(1,999)		
Single family residence	Lilburn	GA	04/03/2006	Troy Kelly	180,893	(2,460)			138,300	139,194		894	894		
Single family residence	Conyers	GA	04/04/2006	Sharise Howe	94,233	.0			92,000	95,045		3,045	3,045		
Single family residence	Plano	TX	04/12/2006	Wu Wei	219,038	(14,438)			204,600	201,149		(3,451)	(3,451)		
Single family residence	Riverdale	GA	04/13/2006	Admiral Gordan	78,934	(8,174)			70,760	70,951		191	191		
Single family residence	Pearland	TX	04/18/2006	Sue Decker	191,345	(21,864)			152,936	149,518		(3,418)	(3,418)		
Single family residence	Spring Hill	TN	04/21/2006	Alicia Hinson	138,427	.0			138,427	142,662		4,234	4,234		
Single family residence	Florissant	MO	04/24/2006	Michael Smith	90,008	(9,280)			78,120	78,570		450	450		
Single family residence	Macon	GA	04/24/2006	Benton Poole III	87,024	.612			78,812	77,062		(1,750)	(1,750)		
Single family residence	Mansfield	GA	04/24/2006	Carolyn Green	104,071	(3,760)			97,440	97,116		(324)	(324)		
Single family residence	Angier	NC	04/25/2006	Maria Marquez	98,280	(12,355)			85,925	85,107		(818)	(818)		
Single family residence	Atlanta	GA	04/27/2006	Kim Miller	193,647	(6,728)			167,980	164,700		(3,280)	(3,280)		
Single family residence	Charlotte	NC	04/27/2006	Jose Maldonado	100,879	.0			100,879	101,525		645	645		
Single family residence	Memphis	TN	04/27/2006	Lurelle Starling	193,921	.0			177,560	160,861		(16,699)	(16,699)		
Single family residence	Arlington	TX	05/02/2006	Daniel Cook	88,369	.0			84,565	88,957		4,392	4,392		
Single family residence	Garland	TX	05/02/2006	Dan Pham	178,390	(465)			154,555	146,512		(8,043)	(8,043)		
Single family residence	Ooltewah	TN	05/03/2006	Jennifer Caldwell	190,551	(9,780)			160,420	157,122		(3,298)	(3,298)		
Single family residence	Nashville	TN	05/03/2006	Kimberly Hutchinson	187,485	(1,498)			182,502	179,517		(2,985)	(2,985)		
Single family residence	Grand Prairie	TX	05/08/2006	Santos Hernandez	132,641	(12,282)			120,100	116,141		(3,959)	(3,959)		
Single family residence	Fenton	MO	05/08/2006	Kevin & Barbara Moynihan	193,384	.0			193,384	212,637		19,253	19,253		
Single family residence	Dallas	TX	05/09/2006	Kris Gomez	165,890	(28,151)			165,890	161,918		(3,972)	(3,972)		
Single family residence	Duncanville	TX	05/10/2006	Dora Rubin	99,611	(9,000)			87,600	83,413		(4,187)	(4,187)		
Single family residence	Poplar Grove	IL	05/25/2006	Derck and Jessica Loverich	153,960	(8,163)			145,797	150,436		4,639	4,639		
Single family residence	Houston	TX	05/26/2006	Angela Yalamanchili	112,125	(2,606)			109,519	113,347		3,828	3,828		
Single family residence	Woodland Park	CO	06/01/2006	Timothy and Misty McMahan; Shemiel Cambridge; Clarence	148,480	(2,749)			145,731	144,185		(1,546)	(1,546)		
Single family residence	Lithonia	GA	06/02/2006	Gonzalez	129,268	(4,512)			118,180	117,114		(1,066)	(1,066)		
Single family residence	San Antonio	TX	06/02/2006	David and Mayra Honaker	175,564	.0			175,564	183,184		7,620	7,620		
Single family residence	Choctaw	OK	06/02/2006	Maria and Frank Vassar	161,163	(6,099)			155,064	154,179		(885)	(885)		
Single family residence	East Stroudsburg	PA	06/05/2006	Luis Mejia	246,453	(31,827)			214,626	212,934		(1,692)	(1,692)		
Single family residence	Hobart	IN	06/07/2006	Ray and Lynn McCollum; Melissa and Joseph Michael	155,843	(983)			154,860	150,536		(4,324)	(4,324)		
Single family residence	Mount Washington	KY	06/07/2006	Weekley	183,089	(34,289)			148,800	147,527		(1,273)	(1,273)		
Single family residence	Gastonia	NC	06/08/2006	Robert Todd Snyder	146,317	210			130,850	129,094		(1,756)	(1,756)		
Single family residence	Lees Summit	MO	06/09/2006	Thomas and Janet Schaaf	193,516	(26,331)			167,185	166,151		(1,034)	(1,034)		
Single family residence	Antioch	IL	06/13/2006	Shelley Hurst Picardi	130,026	(7,266)			122,760	117,048		(5,712)	(5,712)		
Single family residence	Marysville	OH	06/15/2006	Beth Wilkins	173,526	(15,970)			135,830	133,447		(2,383)	(2,383)		

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 3

Showing All Real Estate SOLD During the Year, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) By Adjustment	8 Increase (Decrease) By Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/ Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
Single family residence.....	Farmington Hills.....	MI.....	06/15/2006.....	Sarah Carlson.....	182,854.....	0.....	.....	.....	182,854.....	181,912.....	.....	(942).....	(942).....	.....	.....
Single family residence.....	Hampton.....	GA.....	06/22/2006.....	Nicole Gindraw.....	144,671.....	(12,387).....	.....	.....	132,283.....	130,916.....	.....	(1,367).....	(1,367).....	.....	.....
Single family residence.....	Raleigh.....	NC.....	06/27/2006.....	James Paulakuhn.....	381,694.....	0.....	.....	.....	381,694.....	418,371.....	.....	36,677.....	36,677.....	.....	.....
Single family residence.....	Machesney Park.....	IL.....	07/01/2006.....	Frank and Tammy Chesher.....	107,455.....	0.....	.....	.....	107,455.....	108,669.....	.....	1,214.....	1,214.....	.....	.....
Single family residence.....	Carrollton.....	TX.....	07/03/2006.....	Matthew and Erica Zook.....	188,234.....	(24,994).....	.....	.....	163,240.....	158,792.....	.....	(4,448).....	(4,448).....	.....	.....
Single family residence.....	Powder Springs.....	GA.....	07/05/2006.....	Jones.....	176,193.....	(10,218).....	.....	.....	165,975.....	164,677.....	.....	(1,298).....	(1,298).....	.....	.....
Single family residence.....	New Athens.....	IL.....	07/07/2006.....	Jerry Carroll Jr.....	73,052.....	0.....	.....	.....	71,965.....	72,385.....	.....	421.....	421.....	.....	.....
Single family residence.....	Longmont.....	CO.....	07/07/2006.....	Katie Smith and Mark Niemiec.....	231,595.....	(22,985).....	.....	.....	208,610.....	204,714.....	.....	(3,896).....	(3,896).....	.....	.....
Single family residence.....	Ypsilanti.....	MI.....	07/11/2006.....	Lillie Johnson.....	177,170.....	(4,605).....	.....	.....	129,405.....	124,332.....	.....	(5,073).....	(5,073).....	.....	.....
Single family residence.....	Big Spring.....	TX.....	07/12/2006.....	Hector Granados.....	36,914.....	(2,854).....	.....	.....	34,060.....	32,309.....	.....	(1,751).....	(1,751).....	.....	.....
Single family residence.....	Maysville.....	KY.....	07/13/2006.....	Paul Vernon Morgan.....	69,709.....	(2,050).....	.....	.....	66,030.....	64,653.....	.....	(1,377).....	(1,377).....	.....	.....
Single family residence.....	Davenport.....	FL.....	07/19/2006.....	Richard & Rhena Lukagitz.....	106,227.....	(16,389).....	.....	.....	89,838.....	86,993.....	.....	(2,845).....	(2,845).....	.....	.....
Single family residence.....	Webb City.....	MO.....	07/24/2006.....	John and Candace Miles.....	91,680.....	(7,115).....	.....	.....	69,375.....	68,147.....	.....	(1,228).....	(1,228).....	.....	.....
Single family residence.....	Ellenwood.....	GA.....	07/24/2006.....	William Webster.....	106,821.....	(10,361).....	.....	.....	96,460.....	91,438.....	.....	(5,022).....	(5,022).....	.....	.....
Single family residence.....	Brazoria.....	TX.....	07/24/2006.....	Jason and Anne Howell.....	91,063.....	(18,117).....	.....	.....	72,946.....	71,486.....	.....	(1,460).....	(1,460).....	.....	.....
Single family residence.....	Omaha.....	NE.....	07/24/2006.....	Thomas Sawyer, Jr.....	126,246.....	(11,331).....	.....	.....	114,915.....	112,143.....	.....	(2,772).....	(2,772).....	.....	.....
Single family residence.....	Durham.....	NC.....	07/25/2006.....	Brandon Le, Khoi Le, Deborah Le.....	133,096.....	(7,152).....	.....	.....	125,944.....	119,726.....	.....	(6,218).....	(6,218).....	.....	.....
Single family residence.....	Lansdowne.....	PA.....	07/25/2006.....	Cynthia Sparks.....	175,461.....	0.....	.....	.....	175,461.....	175,473.....	.....	11.....	11.....	.....	.....
Single family residence.....	Mauldin.....	SC.....	07/26/2006.....	James Boiter.....	169,814.....	(31,529).....	.....	.....	138,285.....	134,270.....	.....	(4,015).....	(4,015).....	.....	.....
Single family residence.....	Choctaw.....	OK.....	07/31/2006.....	Adam V. Stephens; Jennifer C. Stephens.....	268,864.....	(45,550).....	.....	.....	223,314.....	235,289.....	.....	11,975.....	11,975.....	.....	.....
Single family residence.....	Falkville.....	AL.....	08/02/2006.....	Seth Emerson.....	51,506.....	0.....	.....	.....	51,506.....	64,063.....	.....	12,557.....	12,557.....	.....	.....
Single family residence.....	Newton.....	NC.....	08/03/2006.....	Clayton Cline and Kristen Cline.....	155,417.....	(17,127).....	.....	.....	138,290.....	137,046.....	.....	(1,244).....	(1,244).....	.....	.....
Single family residence.....	San Antonio.....	TX.....	08/04/2006.....	Thomas Gindera, Kim Woolcott-Gindera.....	103,761.....	(3,146).....	.....	.....	100,615.....	96,990.....	.....	(3,625).....	(3,625).....	.....	.....
Single family residence.....	Snellville.....	GA.....	08/04/2006.....	Donovan Falloon.....	152,770.....	(305).....	.....	.....	152,465.....	150,009.....	.....	(2,456).....	(2,456).....	.....	.....
Single family residence.....	Wickliffe.....	OH.....	08/07/2006.....	William Cagle.....	115,680.....	(20,929).....	.....	.....	94,751.....	92,223.....	.....	(2,528).....	(2,528).....	.....	.....
Single family residence.....	Oklahoma City.....	OK.....	08/15/2006.....	Terry Jones.....	136,540.....	0.....	.....	.....	136,540.....	136,326.....	.....	(213).....	(213).....	.....	.....
Single family residence.....	Spring.....	TX.....	08/16/2006.....	Ross Fible.....	115,952.....	(15,062).....	.....	.....	100,890.....	97,767.....	.....	(3,123).....	(3,123).....	.....	.....
Single family residence.....	Stockbridge.....	GA.....	08/18/2006.....	George & Nettye Largin.....	209,021.....	(21,635).....	.....	.....	157,765.....	162,139.....	.....	4,374.....	4,374.....	.....	.....
Single family residence.....	Shreveport.....	LA.....	08/23/2006.....	Latisha Pennywell.....	61,264.....	0.....	.....	.....	61,264.....	65,870.....	.....	4,606.....	4,606.....	.....	.....
Single family residence.....	Simpsonville.....	SC.....	08/24/2006.....	Stewart Curry.....	153,530.....	0.....	.....	.....	153,530.....	152,690.....	.....	(840).....	(840).....	.....	.....
Single family residence.....	Columbus.....	OH.....	09/05/2006.....	David & Cora Mackensen.....	76,931.....	(2,461).....	.....	.....	74,470.....	71,011.....	.....	(3,459).....	(3,459).....	.....	.....
Single family residence.....	Lake in the Hills.....	IL.....	09/05/2006.....	Francine Maze.....	293,103.....	(17,243).....	.....	.....	275,860.....	263,621.....	.....	(12,239).....	(12,239).....	.....	.....
Single family residence.....	Louisville.....	KY.....	09/12/2006.....	Karl Neville.....	102,567.....	(18,870).....	.....	.....	83,697.....	82,415.....	.....	(1,282).....	(1,282).....	.....	.....
Single family residence.....	Jonesboro.....	GA.....	09/18/2006.....	Arnold Richardson.....	119,426.....	(7,598).....	.....	.....	111,828.....	110,656.....	.....	(1,172).....	(1,172).....	.....	.....
Single family residence.....	Brighton.....	MI.....	09/20/2006.....	Britanil Vermeesch & Timothy Adkins.....	110,515.....	(10,723).....	.....	.....	83,117.....	78,968.....	.....	(4,149).....	(4,149).....	.....	.....
Single family residence.....	Spring.....	TX.....	09/20/2006.....	James Mendez Jr. & Darlene Mendez.....	177,160.....	(16,295).....	.....	.....	160,865.....	151,355.....	.....	(9,510).....	(9,510).....	.....	.....
Single family residence.....	Kansas City.....	KS.....	10/03/2006.....	Rolf Scherer & Eric Cartier.....	69,037.....	(23,850).....	.....	.....	34,110.....	31,382.....	.....	(2,728).....	(2,728).....	.....	.....
Single family residence.....	McDonough.....	GA.....	10/03/2006.....	Leona Allen.....	174,378.....	(16,829).....	.....	.....	130,371.....	126,924.....	.....	(3,447).....	(3,447).....	.....	.....
Single family residence.....	Country Club Hills.....	IL.....	10/03/2006.....	MC and P Development.....	134,588.....	0.....	.....	.....	134,588.....	128,310.....	.....	(6,277).....	(6,277).....	.....	.....
Single family residence.....	Snellville.....	GA.....	10/03/2006.....	Jose Jurado.....	136,053.....	(8,458).....	.....	.....	127,595.....	126,205.....	.....	(1,390).....	(1,390).....	.....	.....
Single family residence.....	Clever.....	MO.....	10/04/2006.....	Kristen Hill.....	86,525.....	0.....	.....	.....	86,525.....	87,207.....	.....	682.....	682.....	.....	.....
Single family residence.....	Richmond.....	TX.....	10/05/2006.....	Carmelita Deranburg.....	163,604.....	(35,931).....	.....	.....	127,673.....	122,852.....	.....	(4,821).....	(4,821).....	.....	.....
Single family residence.....	Hiram.....	GA.....	10/05/2006.....	Bernard Manista.....	75,355.....	0.....	.....	.....	75,355.....	77,080.....	.....	1,725.....	1,725.....	.....	.....
Single family residence.....	Norcross.....	GA.....	10/10/2006.....	Claude Wayne Martin.....	125,331.....	(2,574).....	.....	.....	107,826.....	99,079.....	.....	(8,747).....	(8,747).....	.....	.....
Single family residence.....	Tulsa.....	OK.....	10/10/2006.....	Timothy & Rhonda Settles.....	190,759.....	(23,109).....	.....	.....	167,650.....	164,371.....	.....	(3,279).....	(3,279).....	.....	.....
Single family residence.....	High Point.....	NC.....	10/11/2006.....	Monty Williams.....	115,307.....	(14,057).....	.....	.....	101,250.....	99,644.....	.....	(1,606).....	(1,606).....	.....	.....
Single family residence.....	Urbandale.....	IA.....	10/11/2006.....	RMJ Holdings LTD.....	186,243.....	(33,693).....	.....	.....	152,550.....	148,749.....	.....	(3,801).....	(3,801).....	.....	.....
Single family residence.....	Katy.....	TX.....	10/12/2006.....	Clark & Megan Dickensheidt.....	158,086.....	0.....	158,086.....	168,683.....	10,597.....	10,597.....

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE A - PART 3

Showing All Real Estate SOLD During the Year, Including Payments During the Final Year on "Sales Under Contract"

1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16
	2	3													
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Increase (Decrease) By Adjustment	Increase (Decrease) By Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/ Adjusted Carrying Value Less Encumbrances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
Single family residence.....	Cordova.....	TN.....	10/13/2006.....	Matt Mayall.....	158,756	(10,150)			135,210	132,569		(2,641)	(2,641)		
Single family residence.....	Floresville.....	TX.....	10/20/2006.....	John and Karen Gonzales.....	186,906	.0			186,906	193,813		6,907	6,907		
Single family residence.....	Copperhill.....	TN.....	11/03/2006.....	Annie Townsend.....	134,506	(26,796)			107,710	105,701		(2,009)	(2,009)		
Single family residence.....	Clarksville.....	TN.....	11/07/2006.....	Mary Rutherford.....	103,843	.0			103,843	112,708		8,864	8,864		
Single family residence.....	Midwest City.....	OK.....	11/07/2006.....	Patricia Sondhi & Shondella Burleson.....	149,687	(12,576)			137,111	134,572		(2,539)	(2,539)		
Single family residence.....	Montgomery.....	AL.....	11/09/2006.....	Shannon Horne.....	230,747	(32,579)			169,591	166,621		(2,970)	(2,970)		
Single family residence.....	Tucker.....	GA.....	11/28/2006.....	Erica Leong.....	140,587	(17,137)			123,450	121,846		(1,604)	(1,604)		
Single family residence.....	Rock Hill.....	SC.....	12/01/2006.....	David Goulet.....	128,576	(5,535)			123,041	121,037		(2,004)	(2,004)		
Single family residence.....	Riverdale.....	GA.....	12/05/2006.....	Theresa Jones.....	139,271	(951)			138,320	133,829		(4,491)	(4,491)		
Single family residence.....	Mission.....	TX.....	12/12/2006.....	Augusto Jaime Garcia Olivares.....	130,891	.0			130,891	132,012		1,121	1,121		
Single family residence.....	Whiteland.....	IN.....	12/18/2006.....	S. Dhillon; K. Singh; B. Dhillon.....	154,271	(33,221)			121,050	113,300		(7,750)	(7,750)		
0199999 - Property Sold					15,575,560	(1,008,697)			13,997,110	13,879,205		(117,904)	(117,904)		
9999999 Totals					15,575,560	(1,008,697)			13,997,110	13,879,205		(117,904)	(117,904)		

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Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	How Paid	Admitted Amount Due & Accrued	Gross Amt. Rec. During Year	Acquired	Maturity
31359M-Y0-0	FANNIE MAE			1	1	1,999,400	.98 9370	1,978,750	2,000,000	1,999,499	.0	.76	.0	.0	5.000	5.005	FA	.41,389	.100,342	.08/26/2005	.08/02/2012
3136F3-2L-9	FANNIE MAE			1	1	5,000,000	.98 0000	4,900,000	5,000,000	5,000,000	.0	.0	.0	.0	5.660	5.660	FA	.113,986	.283,000	.07/16/2003	.08/06/2005
31339X-5S-9	FEDERAL HOME LOAN BANK			1	1	1,000,000	.95 2810	952,813	1,000,000	1,000,000	.0	.0	.0	.0	5.000	5.000	JD	.12,028	.50,000	.05/16/2003	.12/11/2004
3128X1-LX-3	FREDDIE MAC			1	1	1,250,000	.94 8220	1,185,280	1,250,000	1,250,000	.0	.0	.0	.0	5.000	5.000	JJ	.31,076	.62,500	.06/06/2003	.07/02/2018
915320-R9-8	US MTG GTY CO TAX & LOSS BOND				1	187,000	.100 0000	187,000	187,000	187,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/17/1997	.03/17/2007
915322-R9-4	US MTG GTY CO TAX & LOSS BOND				1	914,000	.100 0000	914,000	914,000	914,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/1997	.04/15/2007
915323-R9-2	US MTG GTY CO TAX & LOSS BOND				1	1,203,000	.100 0000	1,203,000	1,203,000	1,203,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/16/1997	.06/16/2007
915325-R9-7	US MTG GTY CO TAX & LOSS BOND				1	1,873,000	.100 0000	1,873,000	1,873,000	1,873,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/1997	.09/15/2007
915327-R9-3	US MTG GTY CO TAX & LOSS BOND				1	1,960,000	.100 0000	1,960,000	1,960,000	1,960,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/1997	.12/15/2007
915333-R9-1	US MTG GTY CO TAX & LOSS BOND				1	473,000	.100 0000	473,000	473,000	473,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/16/1998	.03/16/2008
915337-R9-2	US MTG GTY CO TAX & LOSS BOND				1	1,620,000	.100 0000	1,620,000	1,620,000	1,620,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/1998	.04/15/2008
915339-R9-8	US MTG GTY CO TAX & LOSS BOND				1	2,100,000	.100 0000	2,100,000	2,100,000	2,100,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/1998	.06/15/2008
915340-R9-6	US MTG GTY CO TAX & LOSS BOND				1	2,016,000	.100 0000	2,016,000	2,016,000	2,016,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/1998	.09/15/2008
915342-R9-2	US MTG GTY CO TAX & LOSS BOND				1	1,845,000	.100 0000	1,845,000	1,845,000	1,845,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/1998	.12/15/2008
915345-R9-5	US MTG GTY CO TAX & LOSS BOND				1	1,610,000	.100 0000	1,610,000	1,610,000	1,610,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/1999	.04/15/2009
915346-R9-3	US MTG GTY CO TAX & LOSS BOND				1	2,107,000	.100 0000	2,107,000	2,107,000	2,107,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/1999	.06/15/2009
915348-R9-9	US MTG GTY CO TAX & LOSS BOND				1	2,834,000	.100 0000	2,834,000	2,834,000	2,834,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/1999	.09/15/2009
915350-R9-5	US MTG GTY CO TAX & LOSS BOND				1	3,142,000	.100 0000	3,142,000	3,142,000	3,142,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/1999	.12/15/2009
915352-R9-1	US MTG GTY CO TAX & LOSS BOND				1	1,116,000	.100 0000	1,116,000	1,116,000	1,116,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/15/2000	.03/15/2010
915355-R9-4	US MTG GTY CO TAX & LOSS BOND				1	2,703,000	.100 0000	2,703,000	2,703,000	2,703,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/14/2000	.04/14/2010
915357-R9-0	US MTG GTY CO TAX & LOSS BOND				1	3,600,000	.100 0000	3,600,000	3,600,000	3,600,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/2000	.06/15/2010
915359-R9-6	US MTG GTY CO TAX & LOSS BOND				1	2,947,000	.100 0000	2,947,000	2,947,000	2,947,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/2000	.09/15/2010
915362-R9-0	US MTG GTY CO TAX & LOSS BOND				1	3,075,000	.100 0000	3,075,000	3,075,000	3,075,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/2000	.12/15/2010
915363-R9-8	US MTG GTY CO TAX & LOSS BOND				1	565,000	.100 0000	565,000	565,000	565,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/15/2001	.03/15/2011
915364-R9-6	US MTG GTY CO TAX & LOSS BOND				1	3,222,500	.100 0000	3,222,500	3,222,500	3,222,500	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/16/2001	.04/16/2011
915366-R9-1	US MTG GTY CO TAX & LOSS BOND				1	2,971,000	.100 0000	2,971,000	2,971,000	2,971,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/2001	.06/15/2011
915368-R9-7	US MTG GTY CO TAX & LOSS BOND				1	2,396,000	.100 0000	2,396,000	2,396,000	2,396,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.10/01/2001	.10/01/2011
915370-R9-3	US MTG GTY CO TAX & LOSS BOND				1	3,595,000	.100 0000	3,595,000	3,595,000	3,595,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/17/2001	.12/17/2011
915372-R9-9	US MTG GTY CO TAX & LOSS BOND				1	1,140,000	.100 0000	1,140,000	1,140,000	1,140,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/15/2002	.03/15/2012
915375-R9-2	US MTG GTY CO TAX & LOSS BOND				1	3,332,000	.100 0000	3,332,000	3,332,000	3,332,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/2002	.04/15/2012
915376-R9-0	US MTG GTY CO TAX & LOSS BOND				1	2,407,000	.100 0000	2,407,000	2,407,000	2,407,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/2002	.06/15/2012
915379-R9-4	US MTG GTY CO TAX & LOSS BOND				1	4,063,000	.100 0000	4,063,000	4,063,000	4,063,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/16/2002	.09/16/2012
915382-R9-8	US MTG GTY CO TAX & LOSS BOND				1	4,333,000	.100 0000	4,333,000	4,333,000	4,333,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/16/2002	.12/16/2012
915383-R9-6	US MTG GTY CO TAX & LOSS BOND				1	1,017,000	.100 0000	1,017,000	1,017,000	1,017,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.03/17/2003	.03/17/2013
915384-R9-4	US MTG GTY CO TAX & LOSS BOND				1	3,788,000	.100 0000	3,788,000	3,788,000	3,788,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/2003	.04/15/2013
915386-R9-9	US MTG GTY CO TAX & LOSS BOND				1	5,329,000	.100 0000	5,329,000	5,329,000	5,329,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/16/2003	.06/16/2013
915388-R9-5	US MTG GTY CO TAX & LOSS BOND				1	5,226,000	.100 0000	5,226,000	5,226,000	5,226,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/2003	.09/15/2013
915390-R9-1	US MTG GTY CO TAX & LOSS BOND				1	5,675,000	.100 0000	5,675,000	5,675,000	5,675,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/2003	.12/15/2013
915392-R9-7	US MTG GTY CO TAX & LOSS BOND				1	4,860,000	.100 0000	4,860,000	4,860,000	4,860,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/2004	.04/15/2014
915395-R9-0	US MTG GTY CO TAX & LOSS BOND				1	4,614,000	.100 0000	4,614,000	4,614,000	4,614,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/2004	.06/15/2014
915397-R9-6	US MTG GTY CO TAX & LOSS BOND				1	5,500,000	.100 0000	5,500,000	5,500,000	5,500,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/2004	.09/15/2014
915399-R9-2	US MTG GTY CO TAX & LOSS BOND				1	5,577,500	.100 0000	5,577,500	5,577,500	5,577,500	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/15/2005	.04/15/2015
915401-R9-6	US MTG GTY CO TAX & LOSS BOND				1	5,006,000	.100 0000	5,006,000	5,006,000	5,006,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/2005	.09/15/2015
915403-R9-2	US MTG GTY CO TAX & LOSS BOND				1	5,624,000	.100 0000	5,624,000	5,624,000	5,624,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.04/14/2006	.04/14/2016
915404-R9-0	US MTG GTY CO TAX & LOSS BOND				1	8,032,000	.100 0000	8,032,000	8,032,000	8,032,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.06/15/2006	.06/15/2016
915405-R9-7	US MTG GTY CO TAX & LOSS BOND				1	8,095,000	.100 0000	8,095,000	8,095,000	8,095,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.09/15/2006	.09/15/2016
915406-R9-5	US MTG GTY CO TAX & LOSS BOND				1	9,040,000	.100 0000	9,040,000	9,040,000	9,040,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/15/2006	.12/15/2016
915398-R9-4	US MTG GTY CO TAX & LOSS BONDS				1	7,187,000	.100 0000	7,187,000	7,187,000	7,187,000	.0	.0	.0	.0	0.000	0.000	NONE	.0	.0	.12/16/2004	.12/16/2014
915400-R9-8	US MTG GTY TAX & LOSS				1	5,662,000	.100 0000	5,662,000	5,662,000	5,662,000	.0										

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	*	F	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	How Paid	Admitted Amount Due & Accrued	Gross Amt. Rec. During Year	Acquired	Maturity
740408-AA-7	PREFERRED TERM SECS LTD		F	2	IFE	895,548	.112,3750	1,006,372	895,548	895,548	.0	.0	.0	.0	8.790	8.790	MS	23,178	78,719	09/07/2000	09/15/2030
4499999	Total Bonds - Industrial, Misc. - Other Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities					3,772,894	.XXX	4,365,053	4,685,552	3,778,930	.0	1,315	.0	.0	.XXX	.XXX	.XXX	90,973	342,434	.XXX	.XXX
4599999	Total - Industrial and Miscellaneous Bonds					10,438,005	.XXX	11,902,430	16,945,796	10,945,463	.0	90,318	.0	.0	.XXX	.XXX	.XXX	161,014	733,568	.XXX	.XXX
5499999	Total - Issuer Obligations					679,704,757	.XXX	698,514,873	696,991,642	683,198,655	3,919	(262,405)	.0	.0	.XXX	.XXX	.XXX	7,170,962	22,564,915	.XXX	.XXX
5599999	Total - Single Class Mortgage-Backed/Asset-Backed Securities					45,625	.XXX	48,807	48,188	46,394	.0	44	.0	.0	.XXX	.XXX	.XXX	231	2,527	.XXX	.XXX
5699999	Total - Defined Multi-Class Residential Mortgage-Backed Securities					.0	.XXX	.0	.0	.0	.0	.0	.0	.0	.XXX	.XXX	.XXX	.0	.0	.XXX	.XXX
5799999	Total - Other Multi-Class Residential Mortgage-Backed Securities					.0	.XXX	.0	.0	.0	.0	.0	.0	.0	.XXX	.XXX	.XXX	.0	.0	.XXX	.XXX
5899999	Total - Defined Multi-Class Commercial Mortgage-Backed Securities					.0	.XXX	.0	.0	.0	.0	.0	.0	.0	.XXX	.XXX	.XXX	.0	.0	.XXX	.XXX
5999999	Total - Other Multi-Class Commercial Mortgage-Backed Securities					3,772,894	.XXX	4,365,053	4,685,552	3,778,930	.0	1,315	.0	.0	.XXX	.XXX	.XXX	90,973	342,434	.XXX	.XXX
6099999	Totals					683,523,276	.XXX	702,928,732	701,725,381	687,023,980	3,919	(261,046)	0	0	.XXX	.XXX	.XXX	7,262,166	22,909,877	.XXX	.XXX

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 1

Showing ALL PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Codes		5 Number Of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/ Adjusted Carrying Value	9 Fair Value		11 Actual Cost	12 Dividends			13 Change in Book/ Adjusted Carrying Value					20 NAIC Designation	21 Date Acquired
		Code	Foreign					Rate Per Share Used to Obtain Fair Value	Fair Value		Declared But Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other Than Temporary Impairment Recognized	18 Total Change In B./A.C.V. (15 + 16 - 17)	19 Total Foreign Exchange Change In B./A.C.V.		
003714-81-3	ABN-AMRO NORTH AMERICA			250,000	1,000.00	1,009.370	252,344	1,009.370	252,344	250,000		16,150		(2,031)			(2,031)		P1LFE	06/26/1997
05562E-AA-6	BNP US FUNDING LLC			10,000,000	1,000.00	101.788	1,017,879	1,017.879	1,017,879	973,840		77,380		(29,141)			(29,141)		P1LFE	05/24/1999
172967-30-9	CITIGROUP INC			5,000,000	50.00	50.400	252,000	50.400	252,000	250,000		15,912		(5,500)			(5,500)		P1LFE	06/17/1997
172967-70-5	CITIGROUP INC			5,000,000	50.00	50.550	252,750	50.550	252,750	250,000		15,577		(9,250)			(9,250)		P1LFE	09/08/1997
313586-82-8	FANNIEMAE			20,000,000	50.00	47.730	954,600	47.730	954,600	935,000	13,750	55,000		68,600		65,000	3,600		P1LFE	09/23/2003
313400-80-6	FED HOME LN MTGE			8,000,000	50.00	50.050	400,400	50.050	400,400	400,000		24,560		3,600			3,600		P1LFE	06/03/1997
40428H-20-1	HSBC USA INC			10,000,000	50.00	51.250	512,500	51.250	512,500	500,000	7,144	28,575		22,500			22,500		P1LFE	09/24/1997
524908-70-4	LEHMAN BROTHERS HOLDINGS			10,000,000	50.00	50.250	502,500	50.250	502,500	460,000		29,700		2,500			2,500		P2LFE	05/25/1999
69340M-20-4	PLC CAPITAL TRUST III			10,000,000	25.00	25.330	253,300	25.330	253,300	250,000		18,750		(1,300)			(1,300)		P2LFE	08/20/2001
8399999 - Total	Preferred Stock - Industrial, Misc.						4,398,273	XXX	4,398,273	4,268,840	20,894	281,605		49,978		65,000	(15,022)		XXX	XXX
8599999 Total	Preferred Stocks						4,398,273	XXX	4,398,273	4,268,840	20,894	281,605	0	49,978	0	65,000	(15,022)	0	XXX	XXX

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book / Adjusted Carrying Value				17	18
		3	4			7	8		10	11	12	13	14	15	16		
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book / Adjusted Carrying Value	Rate per Share Used To Obtain Fair Value	Fair Value	Actual Cost	Declared But Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase / (Decrease)	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (13 - 14)	Total Foreign Exchange Change in B./A.C.V.	NAIC Market Indicator (a)	Date Acquired
00130H-10-5	AES CORP.			285,000	6,281	22.040	6,281	4,819	.0	.0	.0	1,463	.0	1,463	.0	L	01/04/2006
017361-10-6	ALLEGHENY ENERGY INC.			71,000	3,260	45.910	3,260	2,303	.0	.0	.0	957	.0	957	.0	L	01/04/2006
023608-10-2	AMEREN CORPORATION			89,000	4,782	53.730	4,782	4,594	.0	226	.0	188	.0	188	.0	L	01/04/2006
025537-10-1	AMERICAN ELECTRIC POWER			171,000	7,281	42.580	7,281	6,381	.0	257	.0	900	.0	900	.0	L	01/04/2006
15189T-10-7	CENTERPOINT ENERGY INC.			134,000	2,222	16.580	2,222	1,744	.0	80	.0	477	.0	477	.0	L	01/04/2006
125896-10-0	CMS ENERGY CORP.			95,000	1,587	16.700	1,587	1,377	.0	.0	.0	209	.0	209	.0	L	01/04/2006
209115-10-4	CONSOLIDATED EDISON INC.			106,000	5,095	48.070	5,095	4,952	.0	244	.0	143	.0	143	.0	L	01/04/2006
210371-10-0	CONSTELLATION ENERGY GROUP			78,000	5,372	68.870	5,372	4,559	.0	.88	.0	813	.0	813	.0	L	01/04/2006
25746U-10-9	DOMINION RESOURCES INC/VA			151,000	12,660	83.840	12,660	11,988	.0	.417	.0	672	.0	672	.0	L	01/04/2006
233331-10-7	DTE ENERGY COMPANY			77,000	3,728	48.410	3,728	3,359	41	119	.0	368	.0	368	.0	L	01/04/2006
26441C-10-5	DUKE ENERGY CORP.			535,000	17,767	33.210	17,767	9,549	.0	632	.0	3,054	.0	3,054	.0	L	04/03/2006
281020-10-7	EDISON INTERNATIONAL			141,000	6,413	45.480	6,413	6,383	41	114	.0	30	.0	30	.0	L	01/04/2006
29364G-10-3	ENTERGY CORP.			90,000	8,309	92.320	8,309	6,321	.0	194	.0	1,987	.0	1,987	.0	L	01/04/2006
337932-10-7	FIRSTENERGY CORP.			143,000	8,623	60.300	8,623	7,224	.0	257	.0	1,399	.0	1,399	.0	L	01/04/2006
302571-10-4	FPL GROUP INC.			175,000	9,524	54.420	9,524	7,368	.0	261	.0	2,156	.0	2,156	.0	L	08/15/2006
49337W-10-0	KEYSPAN CORP.			76,000	3,130	41.180	3,130	2,775	.0	141	.0	355	.0	355	.0	L	01/04/2006
654086-10-7	NICOR INC.			19,000	889	46.800	889	781	.0	27	.0	108	.0	108	.0	L	01/04/2006
65473P-10-5	NISOURCE INC.			118,000	2,844	24.100	2,844	2,506	.0	109	.0	338	.0	338	.0	L	01/04/2006
69331C-10-8	P G & E CORP.			150,000	7,100	47.330	7,100	5,625	.0	149	.0	1,475	.0	1,475	.0	L	01/04/2006
711030-10-6	PEOPLES ENERGY CORP.			17,000	758	44.570	758	613	.0	28	.0	145	.0	145	.0	L	01/04/2006
723484-10-1	PINNACLE WEST CAPITAL			43,000	2,180	50.690	2,180	1,831	.0	87	.0	348	.0	348	.0	L	01/04/2006
69351T-10-6	PPL CORPORATION			165,000	5,914	35.840	5,914	4,996	45	136	.0	918	.0	918	.0	L	01/04/2006
743263-10-5	PROGRESS ENERGY INC.			110,000	5,399	49.080	5,399	4,852	.0	266	.0	547	.0	547	.0	L	01/04/2006
744573-10-6	PUBLIC SERVICE ENTERPRISE GP			109,000	7,235	66.380	7,235	7,276	.0	249	.0	(40)	.0	(40)	.0	L	01/04/2006
816851-10-9	SEMPRA ENERGY			112,000	6,276	56.040	6,276	5,103	34	101	.0	1,174	.0	1,174	.0	L	01/04/2006
842587-10-7	SOUTHERN CO.			321,000	11,832	36.860	11,832	11,238	.0	493	.0	594	.0	594	.0	L	01/04/2006
872375-10-0	TECO ENERGY INC.			90,000	1,551	17.230	1,551	1,587	.0	.68	.0	(36)	.0	(36)	.0	L	01/04/2006
873168-10-8	TXU CORP.			201,000	10,896	54.210	10,896	10,271	87	249	.0	626	.0	626	.0	L	01/04/2006
98389B-10-0	XCEL ENERGY INC.			175,000	4,036	23.060	4,036	3,269	39	116	.0	767	.0	767	.0	L	01/04/2006
6699999 - Total	- Common Stock - Public Utility				172,941	XXX	172,941	145,642	354	5,107	.0	22,135	.0	22,135	.0	XXX	XXX
001055-10-2	AFLAC INC.			216,000	9,936	46.000	9,936	10,119	.0	119	.0	(183)	.0	(183)	.0	L	01/04/2006
020002-10-1	ALLSTATE CORP.			275,000	17,905	65.110	17,905	15,039	96	289	.0	2,866	.0	2,866	.0	L	01/04/2006
023139-10-8	AMBAC FINANCIAL GROUP INC.			46,000	4,097	89.070	4,097	3,626	.0	30	.0	472	.0	472	.0	L	01/04/2006
026874-10-7	AMERICAN INTERNATIONAL GROUP			1,126,000	80,689	71.660	80,689	78,525	.0	709	.0	2,164	.0	2,164	.0	L	01/04/2006
037389-10-3	AON CORP.			138,000	4,877	35.340	4,877	5,161	.0	.83	.0	(284)	.0	(284)	.0	L	01/04/2006
03748R-10-1	APARTMENT INVT & MGMT CO -A			42,000	2,353	56.020	2,353	1,642	25	.76	.0	711	.0	711	.0	L	01/04/2006
039583-10-9	ARCHSTONE-SMITH TRUST			93,000	5,414	58.210	5,414	4,052	.0	162	.0	1,362	.0	1,362	.0	L	01/04/2006
060505-10-4	BANK OF AMERICA CORP.			1,978,000	105,605	53.390	105,605	45,523	.0	4,193	.0	14,321	.0	14,321	.0	L	04/01/2004
064057-10-2	BANK OF NEW YORK CO INC.			334,000	13,150	39.370	13,150	10,918	.0	287	.0	2,232	.0	2,232	.0	L	01/04/2006
054937-10-7	BB&T CORP.			238,000	10,455	43.930	10,455	10,153	.0	380	.0	302	.0	302	.0	L	08/15/2006
101121-10-1	BOSTON PROPERTIES INC.			40,000	4,475	111.880	4,475	3,874	243	27	.0	602	.0	602	.0	L	08/15/2006
14040H-10-5	CAPITAL ONE FINANCIAL CORP.			205,000	15,748	76.820	15,748	16,746	.0	14	.0	(998)	.0	(998)	.0	L	12/01/2006
171232-10-1	CHUBB CORP.			180,000	9,524	52.910	9,524	8,897	45	132	.0	627	.0	627	.0	L	08/15/2006
125509-10-9	CIGNA CORP.			48,000	6,315	131.570	6,315	5,513	.0	.4	.0	803	.0	803	.0	L	01/04/2006
172062-10-1	CINCINNATI FINANCIAL CORP.			75,000	3,398	45.310	3,398	3,409	25	.75	.0	(11)	.0	(11)	.0	L	01/04/2006
200340-10-7	COMERICA INC.			70,000	4,108	58.680	4,108	4,068	41	124	.0	39	.0	39	.0	L	01/04/2006
200519-10-6	COMMERCE BANCORP INC/NJ			80,000	2,822	35.270	2,822	2,693	.0	10	.0	129	.0	129	.0	L	08/15/2006
20449H-10-9	COMPASS BANCSHARES INC			56,000	3,340	59.650	3,340	2,748	22	64	.0	592	.0	592	.0	L	08/15/2006
294741-10-3	EQUITY OFFICE PROPERTIES TR			158,000	7,611	48.170	7,611	4,997	.0	209	.0	2,614	.0	2,614	.0	L	01/04/2006
29476L-10-7	EQUITY RESIDENTIAL			126,000	6,395	50.750	6,395	5,059	58	167	.0	1,336	.0	1,336	.0	L	01/04/2006
316773-10-0	FIFTH THIRD BANCORP.			241,000	9,864	40.930	9,864	9,244	96	284	.0	620	.0	620	.0	L	01/04/2006
320517-10-5	FIRST HORIZON NATIONAL CORP			53,000	2,214	41.780	2,214	2,100	.0	72	.0	115	.0	115	.0	L	01/04/2006
37247D-10-6	GENWORTH FINANCIAL INC-CL A			158,000	5,405	34.210	5,405	5,531	.0	.50	.0	(126)	.0	(126)	.0	L	01/04/2006
416515-10-4	HARTFORD FINANCIAL SVCS GRP			132,000	12,317	93.310	12,317	11,697	66	158	.0	620	.0	620	.0	L	08/15/2006
446150-10-4	HUNTINGTON BANCSHARES INC			106,000	2,518	23.750	2,518	2,567	27	.77	.0	(50)	.0	(50)	.0	L	08/15/2006
493267-10-8	KEYCORP.			175,000	6,655	38.030	6,655	5,932	.0	242	.0	723	.0	723	.0	L	01/04/2006
49448R-10-9	KIMCO REALTY CORP.			92,000	4,135	44.950	4,135	3,684	33	33	.0	452	.0	452	.0	L	08/15/2006
534187-10-9	LINCOLN NATIONAL CORP.			124,000	8,234	66.400	8,234	6,914	.0	.134	.0	1,320	.0	1,320	.0	L	08/15/2006
540424-10-8	LOEWS CORP.			176,000	7,299	41.470	7,299	5,725	.0	42	.0	1,574	.0	1,574	.0	L	01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book / Adjusted Carrying Value			17	18	
		3	4			7	8		10	11	12	13	14	15			16
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book / Adjusted Carrying Value												
55261F-10-4	M & T BANK CORP.			34.000	4,153	122,160	4,153	3,784	.0	.77	.0	.370	.0	.370	.0	L	01/04/2006
571748-10-2	MARSH & MCLENNAN COS.			238.000	7,297	30,660	7,297	7,596	.0	.162	.0	(299)	.0	(299)	.0	L	01/04/2006
571834-10-0	MARSHALL & ILSLEY CORP.			98.000	4,715	48,110	4,715	4,304	.0	.99	.0	.410	.0	.410	.0	L	08/15/2006
55262C-10-0	MBA INC.			58.000	4,237	73,060	4,237	3,565	.18	.54	.0	.672	.0	.672	.0	L	01/04/2006
58551A-10-8	MELLON FINANCIAL CORP.			179.000	7,545	42,150	7,545	6,331	.0	.154	.0	1,214	.0	1,214	.0	L	01/04/2006
59156R-10-8	METLIFE INC.			329.000	19,414	59,010	19,414	16,729	.0	.194	.0	2,685	.0	2,685	.0	L	01/04/2006
552848-10-3	MGIC INVESTMENT CORP.			38.000	2,377	62,540	2,377	2,590	.0	.38	.0	(213)	.0	(213)	.0	L	01/04/2006
635405-10-3	NATIONAL CITY CORP.			235.000	8,592	36,560	8,592	8,067	.0	.357	.0	.525	.0	.525	.0	L	01/04/2006
665859-10-4	NORTHERN TRUST CORP.			80.000	4,855	60,690	4,855	4,181	.20	.55	.0	.675	.0	.675	.0	L	01/04/2006
693475-10-5	PNC FINANCIAL SERVICES GROUP			128.000	9,477	74,040	9,477	8,189	.0	.275	.0	1,288	.0	1,288	.0	L	01/04/2006
74251V-10-2	PRINCIPAL FINANCIAL GROUP			120.000	7,044	58,700	7,044	5,724	.0	.96	.0	1,320	.0	1,320	.0	L	01/04/2006
743315-10-3	PROGRESSIVE CORP.			339.000	8,211	24,220	8,211	7,644	.0	.8	.0	.566	2,191	(1,624)	.0	L	01/04/2006
743410-10-2	PROLOGIS			106.000	6,442	60,770	6,442	5,037	.0	.170	.0	1,405	.0	1,405	.0	L	01/04/2006
744320-10-2	PRUDENTIAL FINANCIAL INC.			213.000	18,288	85,860	18,288	16,279	.0	.202	.0	2,009	.0	2,009	.0	L	01/04/2006
74460D-10-9	PUBLIC STORAGE INC.			36.000	3,510	97,500	3,510	2,529	.0	.72	.0	.981	.0	.981	.0	L	01/04/2006
7591EP-10-0	REGIONS FINANCIAL CORP.			316.000	11,818	37,400	11,818	5,791	.114	.299	.0	2,636	.0	2,636	.0	L	11/06/2006
786429-10-0	SAFECO CORP.			52.000	3,253	62,550	3,253	3,049	.0	.204	.0	.204	.0	.204	.0	L	01/04/2006
828806-10-9	SIMON PROPERTY GROUP INC.			80.000	8,103	101,290	8,103	6,292	.0	.243	.0	1,811	.0	1,811	.0	L	01/04/2006
845905-10-8	SOVEREIGN Bancorp Inc.			163.000	4,139	25,390	4,139	3,443	.0	.48	.0	.696	.0	.696	.0	L	01/04/2006
792860-10-8	ST PAUL TRAVELERS COS INC.			302.000	16,214	53,690	16,214	14,048	.0	.305	.0	2,166	.0	2,166	.0	L	01/04/2006
857477-10-3	STATE STREET CORP.			144.000	9,711	67,440	9,711	8,237	.30	.85	.0	1,474	.0	1,474	.0	L	08/15/2006
867914-10-3	SUNTRUST BANKS INC.			158.000	13,343	84,450	13,343	11,824	.0	.386	.0	1,519	.0	1,519	.0	L	01/04/2006
87161C-10-5	SYNOVUS FINANCIAL CORP.			139.000	4,285	30,830	4,285	3,840	.27	.81	.0	.445	.0	.445	.0	L	08/15/2006
891027-10-4	TORCHMARK CORP.			44.000	2,805	63,760	2,805	2,459	.0	.16	.0	.346	.0	.346	.0	L	01/04/2006
91529Y-10-6	UNUMPROVIDENT CORP.			148.000	3,075	20,780	3,075	3,358	.0	.40	.0	(283)	.0	(283)	.0	L	08/15/2006
902973-30-4	US Bancorp			771.000	27,902	36,190	27,902	23,445	.308	.763	.0	4,458	.0	4,458	.0	L	01/04/2006
929042-10-9	VORNADO REALTY TRUST			52.000	6,318	121,500	6,318	4,482	.0	.197	.0	1,836	.0	1,836	.0	L	01/04/2006
929903-10-2	WACHOVIA CORP.			813.000	46,300	56,950	46,300	43,199	.0	1,537	.0	3,101	.0	3,101	.0	L	10/02/2006
939322-10-3	WASHINGTON MUTUAL INC.			416.000	18,924	45,490	18,924	18,686	.0	.857	.0	.238	.0	.238	.0	L	01/04/2006
949746-10-1	WELLS FARGO & COMPANY			1,456.000	51,775	35,560	51,775	45,921	.0	1,572	.0	5,855	.0	5,855	.0	L	01/04/2006
698255-10-5	XL CAPITAL LTD -CLASS A			78.000	5,618	72,020	5,618	5,417	.0	.117	.0	.200	.0	.200	.0	L	08/15/2006
989701-10-7	ZIONS BANCORPORATION			46.000	3,792	82,440	3,792	3,544	.0	.68	.0	.248	.0	.248	.0	L	01/04/2006
G0070K-10-3	ACE LTD.		F	141.000	8,540	60,570	8,540	7,824	.35	.103	.0	.717	.0	.717	.0	L	01/04/2006
6799999	- Total - Common Stock - Banks, Trust, Insurance			738,932	738,932	xxx	738,933	613,564	1,331	17,017	.0	76,216	2,191	74,026	.0	xxx	xxx
88579Y-10-1	3M CO.			327.000	25,483	77,930	25,483	25,744	.0	.602	.0	(261)	.0	(261)	.0	L	01/04/2006
002824-10-0	ABBOTT LABORATORIES			661.000	32,197	48,710	32,197	26,194	.0	.767	.0	6,003	.0	6,003	.0	L	01/04/2006
000886-30-9	ADC TELECOMMUNICATIONS INC.			50.000	.727	14,530	.727	1,155	.0	.0	.0	(428)	.0	(428)	.0	L	01/04/2006
00724F-10-1	ADOBE SYSTEMS INC.			259.000	10,650	41,120	10,650	9,955	.0	.0	.0	.695	.0	.695	.0	L	01/04/2006
007903-10-7	ADVANCED MICRO DEVICES			209.000	4,253	20,350	4,253	6,437	.0	.0	.0	(2,183)	.0	(2,183)	.0	L	08/15/2006
00817Y-10-8	AETNA INC.			246.000	10,622	43,180	10,622	11,616	.0	.10	.0	(994)	.0	(994)	.0	L	01/04/2006
008190-10-0	AFFILIATED COMPUTER SVCS-A			51.000	2,491	48,840	2,491	3,119	.0	.0	.0	(628)	.0	(628)	.0	L	01/04/2006
00846U-10-1	AGILENT TECHNOLOGIES INC.			184.000	6,412	34,850	6,412	5,817	.0	.0	.0	.595	.0	.595	.0	L	08/15/2006
009158-10-6	AIR PRODUCTS & CHEMICALS INC.			97.000	6,817	70,280	6,817	5,718	.33	.99	.0	1,099	.0	1,099	.0	L	01/04/2006
013078-10-0	ALBERTO-CULVER CO.			33.000	.708	21,450	.708	1,127	.0	.837	.0	(419)	.0	(419)	.0	L	01/04/2006
013817-10-1	ALCOA INC.			377.000	11,314	30,010	11,314	11,343	.0	.226	.0	(29)	.0	(29)	.0	L	01/04/2006
01741R-10-2	ALLEGHENY TECHNOLOGIES INC.			38.000	3,446	90,680	3,446	1,480	.0	.16	.0	1,965	.0	1,965	.0	L	08/15/2006
018490-10-2	ALLERGAN INC.			66.000	7,903	119,740	7,903	7,294	.0	.25	.0	.609	.0	.609	.0	L	08/15/2006
019589-30-8	ALL IED WASTE INDUSTRIES INC.			104.000	1,278	12,290	1,278	.915	.0	.0	.0	.363	.0	.363	.0	L	08/15/2006
020039-10-3	ALLTEL CORP.			169.000	10,221	60,480	10,221	8,734	.21	.158	.0	1,487	.0	1,487	.0	L	08/15/2006
021441-10-0	ALTERA CORPORATION			155.000	3,050	19,680	3,050	2,979	.0	.0	.0	.72	.0	.72	.0	L	01/04/2006
02209S-10-3	ALTRIA GROUP INC.			905.000	77,667	85,820	77,667	68,362	.778	2,226	.0	9,305	.0	9,305	.0	L	01/04/2006
023135-10-6	AMAZON.COM INC.			134.000	5,288	39,460	5,288	5,406	.0	.0	.0	(118)	.928	(1,046)	.0	L	01/04/2006
025816-10-9	AMERICAN EXPRESS CO.			535.000	32,458	60,670	32,458	27,803	.0	.225	.0	4,656	.0	4,656	.0	L	01/04/2006
029066-10-7	AMERICAN POWER CONVERSION			73.000	2,233	30,590	2,233	1,683	.0	.29	.0	.551	.0	.551	.0	L	01/04/2006
029712-10-6	AMERICAN STANDARD COS INC.			77.000	3,530	45,850	3,530	3,028	.0	.55	.0	.502	.0	.502	.0	L	01/04/2006
03076C-10-6	AMERIPRISE FINANCIAL INC.			106.000	5,777	54,500	5,777	4,604	.0	.47	.0	1,173	.0	1,173	.0	L	01/04/2006
03073E-10-5	AMERSOURCEBERGEN CORP.			91.000	4,091	44,960	4,091	3,822	.0	.11	.0	.270	.0	.270	.0	L	01/04/2006
031162-10-0	AMGEN INC.			34.906	34,906	68,310	34,906	36,301	.0	.0	.0	(1,395)	4,578	(5,973)	.0	L	01/04/2006
032511-10-7	ANADARKO PETROLEUM CORP.			199.000	8,660	43,520	8,660	9,780	.0	.72	.0	(1,119)	.0	(1,119)	.0	L	01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	7 Fair Value		9 Actual Cost	10 Dividends			13 Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
032654-10-5	ANALOG DEVICES			156,000	5,128	32,870	5,128	5,781	0	94	0	(653)	0	(653)	0	L	01/04/2006
034425-10-8	ANDREW CORP			69,000	706	10,230	706	749	0	0	0	(43)	0	(43)	0	L	01/04/2006
035229-10-3	ANHEUSER-BUSCH COS INC			335,000	16,482	49,200	16,482	14,719	0	379	0	1,763	0	1,763	0	L	01/04/2006
037411-10-5	APACHE CORP			143,000	9,511	66,510	9,511	10,113	0	64	0	(602)	0	(602)	0	L	01/04/2006
037604-10-5	APOLLO GROUP INC-CL A			61,000	2,377	38,970	2,377	2,366	0	0	0	11	1,372	(1,361)	0	L	01/04/2006
037833-10-0	APPLE INC			369,000	31,306	84,840	31,306	27,662	0	0	0	3,644	0	3,644	0	L	08/15/2006
038020-10-3	APPLIED BIOSYSTEMS GROUP-APP			80,000	2,935	36,690	2,935	2,153	3	782	0	782	0	782	0	L	01/04/2006
038222-10-5	APPLIED MATERIALS INC			677,000	12,491	18,450	12,491	12,530	0	122	0	(39)	0	(39)	0	L	01/04/2006
039483-10-2	ARCHER-DANIELS-MIDLAND CO			284,000	9,077	31,960	9,077	7,366	0	114	0	1,710	0	1,710	0	L	01/04/2006
044209-10-4	ASHLAND INC			31,000	2,145	69,180	2,145	1,850	0	350	0	295	0	295	0	L	01/04/2006
00206R-10-2	AT&T INC			1,685,000	60,239	35,750	60,239	41,970	0	2,241	0	18,269	0	18,269	0	L	01/04/2006
052769-10-6	AUTODESK INC			100,000	4,046	40,460	4,046	4,254	0	0	0	(208)	0	(208)	0	L	01/04/2006
053015-10-3	AUTOMATIC DATA PROCESSING			250,000	12,313	49,250	12,313	11,625	58	139	0	688	0	688	0	L	01/04/2006
05329W-10-2	AUTONATION INC			64,000	1,364	21,320	1,364	1,432	0	0	0	(68)	0	(68)	0	L	01/04/2006
053332-10-2	AUTOZONE INC			23,000	2,658	115,560	2,658	2,114	0	0	0	544	0	544	0	L	01/04/2006
053499-10-9	AVAYA INC			178,000	2,488	13,980	2,488	1,956	0	0	0	533	0	533	0	L	01/04/2006
053611-10-9	AVERY DENNISON CORP			48,000	3,261	67,930	3,261	2,745	0	75	0	516	0	516	0	L	01/04/2006
054303-10-2	AVON PRODUCTS INC			195,000	6,443	33,040	6,443	5,590	0	137	0	853	0	853	0	L	01/04/2006
057224-10-7	BAKER HUGHES INC			148,000	11,050	74,660	11,050	9,563	0	77	0	1,486	0	1,486	0	L	01/04/2006
058498-10-6	BALL CORP			45,000	1,962	43,600	1,962	1,890	0	18	0	72	0	72	0	L	01/04/2006
067383-10-9	BARC (C.R.) INC			45,000	3,734	82,970	3,734	3,013	0	24	0	721	0	721	0	L	01/04/2006
068306-10-9	BARR PHARMACEUTICALS INC			46,000	2,306	50,120	2,306	2,570	0	0	0	(264)	0	(264)	0	L	08/15/2006
071707-10-3	BAUSCH & LOMB INC			23,000	1,197	52,060	1,197	1,572	3	9	0	(375)	0	(375)	0	L	01/04/2006
071813-10-9	BAXTER INTERNATIONAL INC			284,000	13,175	46,390	13,175	11,096	165	0	0	2,079	0	2,079	0	L	08/15/2006
073902-10-8	BEAR STEARNS COMPANIES INC			53,000	8,627	162,780	8,627	6,225	0	57	0	2,402	0	2,402	0	L	08/15/2006
075887-10-9	BECTON DICKINSON & CO			107,000	7,506	70,150	7,506	6,566	26	69	0	940	0	940	0	L	01/04/2006
075896-10-0	BED BATH & BEYOND INC			122,000	4,648	38,100	4,648	4,445	0	0	0	203	0	203	0	L	01/04/2006
079860-10-2	BELLSOUTH CORP			784,000	36,934	47,110	36,934	19,506	0	909	0	15,688	0	15,688	0	L	05/01/2003
081437-10-5	BEMIS COMPANY			45,000	1,529	33,980	1,529	1,302	0	34	0	227	0	227	0	L	01/04/2006
086516-10-1	BEST BUY CO INC			174,000	8,559	49,190	8,559	7,668	17	45	0	891	0	891	0	L	01/04/2006
089302-10-3	BIG LOTS INC			49,000	1,123	22,920	1,123	598	0	0	0	525	0	525	0	L	01/04/2006
09062X-10-3	BIOMED INC			149,000	7,329	49,190	7,329	7,041	0	0	0	288	0	288	0	L	08/15/2006
090613-10-0	BIOMET INC			106,000	4,375	41,270	4,375	3,938	0	32	0	437	0	437	0	L	01/04/2006
055482-10-3	BJ SERVICES CO			139,000	4,075	29,320	4,075	4,694	7	21	0	(619)	839	(1,458)	0	L	01/04/2006
091797-10-0	BLACK & DECKER CORP			33,000	2,639	79,970	2,639	2,960	0	0	0	(321)	0	(321)	0	L	01/04/2006
055921-10-0	BMC SOFTWARE INC			92,000	2,962	32,200	2,962	2,124	0	0	0	838	0	838	0	L	01/04/2006
097023-10-5	BOEING CO			347,000	30,827	88,840	30,827	24,702	0	416	0	6,125	0	6,125	0	L	01/04/2006
101137-10-7	BOSTON SCIENTIFIC CORP			526,000	9,037	17,180	9,037	8,337	0	0	0	700	4,071	(3,371)	0	L	08/15/2006
110122-10-8	BRISTOL-MYERS SQUIBB CO			853,000	22,451	26,320	22,451	19,319	0	717	0	3,132	0	3,132	0	L	06/22/2006
111320-10-7	BROADCOM CORP-CL A			198,000	6,397	32,310	6,397	6,371	0	0	0	26	0	26	0	L	08/15/2006
115637-20-9	BROWN-FORMAN CORP-CLASS B			36,000	2,385	66,240	2,385	2,566	11	30	0	(182)	0	(182)	0	L	01/04/2006
117043-10-9	BRUNSWICK CORP			41,000	1,308	31,900	1,308	1,327	0	25	0	(19)	345	(364)	0	L	01/04/2006
12189T-10-4	BURLINGTON NORTHERN SANTA FE			158,000	11,662	73,810	11,662	11,143	0	103	0	519	0	519	0	L	01/04/2006
12673P-10-5	CA INC			197,000	4,462	22,650	4,462	4,275	0	32	0	187	1,308	(1,121)	0	L	01/04/2006
134429-10-9	CAMPBELL SOUP CO			80,000	3,111	38,890	3,111	2,392	16	45	0	719	0	719	0	L	01/04/2006
14149Y-10-8	CARDINAL HEALTH INC			181,000	11,662	64,430	11,662	12,677	16	43	0	(1,015)	0	(1,015)	0	L	01/04/2006
141705-10-3	CAREMARK RX INC			192,000	10,965	57,110	10,965	9,890	0	38	0	1,076	0	1,076	0	L	01/04/2006
149123-10-1	CATERPILLAR INC			290,000	17,786	61,330	17,786	17,208	0	319	0	578	0	578	0	L	01/04/2006
124857-20-2	CBS CORP-CLASS B			334,000	10,414	31,180	10,414	8,690	0	180	0	1,724	0	1,724	0	L	01/04/2006
152312-10-4	CENTEX CORP			53,000	2,982	56,270	2,982	2,933	0	8	0	49	913	(864)	0	L	01/04/2006
156700-10-6	CENTURYTEL INC			50,000	2,183	43,660	2,183	1,675	0	13	0	508	0	508	0	L	01/04/2006
165167-10-7	CHESAPEAKE ENERGY CORP			178,000	5,171	29,050	5,171	5,608	0	11	0	(438)	0	(438)	0	L	08/15/2006
166764-10-0	CHEVRON CORP			961,000	70,662	73,530	70,662	36,483	0	1,932	0	16,106	0	16,106	0	L	02/13/1998
167760-10-7	CHICAGO MERCANTILE EXCHANG-A			15,000	7,646	509,750	7,646	7,005	0	19	0	641	0	641	0	L	08/15/2006
171779-30-9	CIENA CORP			36,000	998	27,710	998	803	0	0	0	194	0	194	0	L	01/04/2006
172908-10-5	CINTAS CORP			60,000	2,383	39,710	2,383	2,487	0	21	0	(105)	0	(105)	0	L	01/04/2006
172737-10-8	CIRCUIT CITY STORES INC			65,000	1,234	18,980	1,234	1,500	3	5	0	(266)	0	(266)	0	L	01/04/2006
17275R-10-2	CISCO SYSTEMS INC			2,645,000	72,288	27,330	72,288	47,261	0	0	0	25,027	0	25,027	0	L	01/04/2006
125581-10-8	CIT GROUP INC			86,000	4,796	55,770	4,796	4,474	0	69	0	323	0	323	0	L	01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
172967-10-1	CITIGROUP INC.			2,155,000	120,034	55,700	120,034	104,298		4,224		15,736		15,736			.01/04/2006
174538-10-1	CITIZENS COMMUNICATIONS CO.			140,000	2,012	14,370	2,012	1,715				297		297			.01/04/2006
177376-10-0	CITRIX SYSTEMS INC.			79,000	2,137	27,050	2,137	2,367				(231)		(231)			.08/15/2006
184502-10-2	CLEAR CHANNEL COMMUNICATIONS.			218,000	7,748	35,540	7,748	6,982				123		766			.01/04/2006
189054-10-9	CLOROX COMPANY			65,000	4,170	64,150	4,170	3,741				429		429			.01/04/2006
189754-10-4	COACH INC.			166,000	7,131	42,960	7,131	5,433				1,699		1,699			.01/04/2006
191216-10-0	COCA-COLA CO/THE			888,000	42,846	48,250	42,846	36,264		1,101		6,582		6,582			.01/04/2006
191219-10-4	COCA-COLA ENTERPRISES.			131,000	2,675	20,420	2,675	2,515				160		160			.01/04/2006
194162-10-3	COLGATE-PALMOLIVE CO.			223,000	14,549	65,240	14,549	12,394				279		2,155			.01/04/2006
20030N-10-1	COMCAST CORP-CL A			916,000	38,774	42,330	38,774	24,181				14,594		14,594			.01/04/2006
205363-10-4	COMPUTER SCIENCES CORP.			81,000	4,323	53,370	4,323	4,118				205		205			.01/04/2006
205638-10-9	COMPUWARE CORP.			163,000	1,358	8,330	1,358	1,368				(10)	158	(168)			.01/04/2006
205862-40-2	COMVERSE TECHNOLOGY INC.			87,000	1,837	21,110	1,837	2,353				(517)		(517)			.01/04/2006
205887-10-2	CONAGRA FOODS INC.			225,000	6,075	27,000	6,075	4,637				183		1,438			.01/04/2006
20825C-10-4	CONOCOPHILLIPS.			716,001	51,516	71,950	51,516	23,616		988		9,268		9,268			.04/03/2006
20854P-10-9	CONSOL ENERGY INC.			79,000	2,538	32,130	2,538	2,962				(423)		(423)			.08/15/2006
21036P-10-8	CONSTELLATION BRANDS-A W/L			86,000	2,496	29,020	2,496	2,256				239		239			.01/04/2006
212485-10-6	CONVERGYS CORP.			60,000	1,427	23,780	1,427	959				468		468			.01/04/2006
624182-10-0	COOPER INDUSTRIES LTD-CL A			40,000	3,617	90,430	3,617	2,985		15	44	632		632			.01/04/2006
219350-10-5	CORNING INC.			675,000	12,629	18,710	12,629	14,079				(1,450)		(1,450)			.08/15/2006
22160K-10-5	COSTCO WHOLESALE CORP.			204,000	10,785	52,870	10,785	10,220			103	565		565			.01/04/2006
222372-10-4	COUNTRYWIDE FINANCIAL CORP.			263,000	11,164	42,450	11,164	9,359				157		1,805			.08/15/2006
222862-10-4	COVENTRY HEALTH CARE INC.			70,000	3,504	50,050	3,504	4,026				(523)		(523)			.01/04/2006
126408-10-3	CSX CORP.			192,000	6,611	34,430	6,611	4,796				63		1,815			.08/15/2006
231021-10-6	CUMMINS INC.			20,000	2,364	118,180	2,364	1,911				26		452			.01/04/2006
126650-10-0	CVS CORP.			354,000	10,942	30,910	10,942	9,334				55		1,608			.01/04/2006
235811-10-6	DANA CORP.			66,000	92	1,390	92	108				(17)	386	(402)			.01/04/2006
235851-10-2	DANAHER CORP.			102,000	7,389	72,440	7,389	5,775		2	6	1,614		1,614			.01/04/2006
237194-10-5	DARDEN RESTAURANTS INC.			56,000	2,250	40,170	2,250	2,193				24		57			.01/04/2006
242370-10-4	DEAN FOODS CO.			59,000	2,495	42,280	2,495	2,282				213		213			.08/15/2006
244199-10-5	DEERE & CO.			102,000	9,697	95,070	9,697	6,947		45	119	2,750		2,750			.01/04/2006
24702R-10-1	DELL INC.			984,000	24,689	25,090	24,689	26,804				(2,116)	3,481	(5,597)			.01/04/2006
25179M-10-3	DEVON ENERGY CORPORATION			191,000	12,812	67,080	12,812	12,608				86		205			.01/04/2006
254067-10-1	DILLARDS INC-CL A			27,000	944	34,970	944	694		1	3	250		250			.01/04/2006
256669-10-2	DOLLAR GENERAL CORP.			135,000	2,168	16,060	2,168	2,098				70	411	(341)			.01/04/2006
260003-10-8	DOVER CORP.			88,000	4,314	49,020	4,314	3,715				69		599			.01/04/2006
260543-10-3	DOW CHEMICAL			417,000	16,638	39,900	16,638	13,440		156		609		(1,635)			.05/01/2003
260561-10-5	DOW JONES & CO INC.			25,000	950	38,000	950	979				25		(29)			.01/04/2006
23331A-10-9	DR HORTON INC.			117,000	3,099	26,490	3,099	3,117				59		(18)	1,172		.01/04/2006
263534-10-9	DU PONT (E.I.) DE NEMOURS			399,000	19,435	48,710	19,435	17,092				591		2,343			.01/04/2006
268160-10-1	DYNEGY INC-CL A			159,000	1,151	7,240	1,151	838				62		313			.08/15/2006
269246-10-4	E*TRADE FINANCIAL CORP.			184,000	4,125	22,420	4,125	3,992				133		133			.08/15/2006
277432-10-0	EASTMAN CHEMICAL COMPANY			35,000	2,076	59,310	2,076	1,830				46		246			.01/04/2006
277461-10-9	EASTMAN KODAK CO.			124,000	3,199	25,800	3,199	3,010				62		189			.01/04/2006
278058-10-2	EATON CORP.			65,000	4,884	75,140	4,884	4,352				71		532			.01/04/2006
278642-10-3	EBAY INC.			501,000	15,065	30,070	15,065	16,202				(1,137)	6,087	(7,224)			.08/15/2006
278865-10-0	ECOLAB INC.			79,000	3,571	45,200	3,571	2,796		9	24	775		775			.01/04/2006
28336L-10-9	EL PASO CORP.			301,000	4,599	15,280	4,599	3,748				35		851			.08/15/2006
285512-10-9	ELECTRONIC ARTS INC.			133,000	6,698	50,360	6,698	7,256				(558)		(558)			.08/15/2006
285661-10-4	ELECTRONIC DATA SYSTEMS CORP.			224,000	6,171	27,550	6,171	5,432				45		740			.01/04/2006
532457-10-8	ELI LILLY & CO.			490,000	25,529	52,100	25,529	27,978				784		(2,449)			.01/04/2006
29078E-10-5	EMBARO CORP.			65,000	3,416	52,560	3,416	2,819		33	33	598		598			.08/15/2006
268648-10-2	EMC CORP/MASS			1,024,000	13,517	13,200	13,517	14,354				(838)		(838)			.01/04/2006
291011-10-4	EMERSON ELECTRIC CO.			356,000	15,696	44,090	15,696	13,396				331		2,300			.01/04/2006
26875P-10-1	EOG RESOURCES INC.			105,000	6,557	62,450	6,557	7,406				23		(848)	896		.01/04/2006
294429-10-5	EQUIFAX INC.			55,000	2,233	40,600	2,233	2,098				9		135			.01/04/2006
518439-10-4	ESTEE LAUDER COMPANIES-CL A			51,000	2,082	40,820	2,082	1,897				26		185			.08/15/2006
811054-20-4	EW SCRIPPS CO-CL A			37,000	1,848	49,940	1,848	1,834				13		13			.01/04/2006
30161N-10-1	EVELOX CORP.			290,000	17,948	61,890	17,948	15,845				464		2,103			.01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book / Adjusted Carrying Value			17	18	
		3	4			7	8		10	11	12	13	14	15			16
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book / Adjusted Carrying Value	Rate per Share Used To Obtain Fair Value	Fair Value	Actual Cost	Declared But Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase / (Decrease)	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (13 - 14)	Total Foreign Exchange Change in B./A.C.V.	NAIC Market Indicator (a)	Date Acquired
302182-10-0	EXPRESS SCRIPTS INC.			60,000	4,296	71.600	4,296	5,267	0	0	0	(971)	0	(971)	0	L	01/04/2006
302316-10-2	EXXON MOBIL CORP.			2,623,000	201,000	76.630	201,000	153,676	0	3,357	0	47,324	0	47,324	0	L	01/04/2006
307000-10-9	FAMILY DOLLAR STORES			67,000	1,965	29.330	1,965	1,674	7	21	0	291	0	291	0	L	01/04/2006
313586-10-9	FANNIE MAE			419,000	24,884	59.390	24,884	20,434	0	494	0	4,451	0	4,451	0	L	01/04/2006
31410H-10-1	FEDERATED DEPARTMENT STORES			240,000	9,151	38.130	9,151	8,297	0	91	0	854	0	854	0	L	08/15/2006
314211-10-3	FEDERATED INVESTORS INC-CL B			36,000	1,216	33.780	1,216	1,327	0	25	0	(111)	0	(111)	0	L	01/04/2006
31428X-10-6	FEDEX CORP.			132,000	14,338	108.620	14,338	13,841	12	34	0	497	0	497	0	L	01/04/2006
319963-10-4	FIRST DATA CORP.			332,000	8,473	25.520	8,473	7,777	10	60	0	696	0	696	0	L	01/04/2006
337738-10-8	FISERV INC.			76,000	3,984	52.420	3,984	3,368	0	0	0	616	0	616	0	L	01/04/2006
343412-10-2	FLUOR CORP.			38,000	3,103	81.650	3,103	2,959	0	23	0	143	0	143	0	L	01/04/2006
345370-86-0	FORD MOTOR CO.			813,000	6,106	7.510	6,106	6,527	0	203	0	(421)	0	(421)	0	L	08/15/2006
345838-10-6	FOREST LABORATORIES INC.			141,000	7,135	50.600	7,135	5,789	0	0	0	1,345	0	1,345	0	L	01/04/2006
349631-10-1	FORTUNE BRANDS INC.			64,000	5,465	85.390	5,465	4,998	0	0	0	467	0	467	0	L	01/04/2006
354613-10-1	FRANKLIN RESOURCES INC.			67,000	7,381	110.170	7,381	6,434	10	24	0	947	0	947	0	L	08/15/2006
313400-30-1	FREDDIE MAC			300,000	20,370	67.900	20,370	19,580	0	573	0	790	0	790	0	L	01/04/2006
35671D-85-7	FREEMONT-MCMORAN COPPER-B			82,000	4,570	55.730	4,570	4,890	0	385	0	(320)	0	(320)	0	L	08/15/2006
364730-10-1	GANNETT CO.			103,000	6,227	60.460	6,227	6,481	0	92	0	(253)	0	(253)	0	L	01/04/2006
364760-10-8	GAP INC/THE			238,000	4,641	19.500	4,641	4,198	19	57	0	443	0	443	0	L	01/04/2006
369550-10-8	GENERAL DYNAMICS CORP.			175,000	13,011	74.350	13,011	10,065	0	156	0	2,946	0	2,946	0	L	01/04/2006
369604-10-3	GENERAL ELECTRIC CO.			4,507,000	167,705	37.210	167,705	159,268	1,262	3,380	0	8,437	0	8,437	0	L	01/04/2006
370334-10-4	GENERAL MILLS INC.			154,000	8,870	57.600	8,870	7,701	0	213	0	1,169	0	1,169	0	L	01/04/2006
370442-10-5	GENERAL MOTORS CORP.			245,000	7,526	30.720	7,526	4,760	0	245	0	2,767	0	2,767	0	L	01/04/2006
372460-10-5	GENUINE PARTS CO.			75,000	3,557	47.430	3,557	3,321	25	76	0	236	0	236	0	L	01/04/2006
372917-10-4	GENZYME CORP.			113,000	6,959	61.580	6,959	7,284	0	0	0	(325)	1,061	(1,386)	0	L	01/04/2006
375558-10-3	GILEAD SCIENCES INC.			197,000	12,791	64.930	12,791	10,927	0	0	0	1,864	0	1,864	0	L	01/04/2006
38141G-10-4	GOLDMAN SACHS GROUP INC.			188,000	37,478	199.350	37,478	23,896	0	244	0	13,581	0	13,581	0	L	01/04/2006
382388-10-6	GOODRICH CORP.			54,000	2,460	45.550	2,460	2,196	11	32	0	264	0	264	0	L	01/04/2006
382550-10-1	GOODYEAR TIRE & RUBBER CO.			76,000	1,595	20.990	1,595	1,358	0	0	0	237	0	237	0	L	01/04/2006
38259P-50-8	GOOGLE INC-CL A			90,000	41,443	460.480	41,443	34,289	0	0	0	7,154	0	7,154	0	L	08/15/2006
093671-10-5	HBR BLOCK INC.			142,000	3,272	23.040	3,272	3,446	19	55	0	(174)	0	(174)	0	L	01/04/2006
406216-10-1	HALLIBURTON CO.			447,000	13,879	31.050	13,879	14,782	0	134	0	(902)	0	(902)	0	L	01/04/2006
410345-10-2	HANESBRANDS INC.			41,000	968	23.620	968	926	0	0	0	43	0	43	0	L	09/06/2006
412822-10-8	HARLEY-DAVIDSON INC.			116,000	8,175	70.470	8,175	5,883	0	94	0	2,291	0	2,291	0	L	01/04/2006
413086-10-9	HARMAN INTERNATIONAL			29,000	2,897	99.910	2,897	2,381	0	0	0	516	0	516	0	L	08/15/2006
413619-10-7	HARRAIS ENTERTAINMENT INC.			80,000	6,618	82.720	6,618	5,739	0	122	0	879	0	879	0	L	01/04/2006
418056-10-7	HASBRO INC.			74,000	2,017	27.250	2,017	1,469	0	33	0	547	0	547	0	L	01/04/2006
421933-10-2	HEALTH MGMT ASSOCIATES INC-A			104,000	2,195	21.110	2,195	2,267	0	25	0	(72)	0	(72)	0	L	01/04/2006
427056-10-6	HERCULES INC.			49,000	946	19.310	946	566	0	0	0	380	0	380	0	L	01/04/2006
427866-10-8	HERSHEY CO/THE			77,000	3,835	49.800	3,835	4,221	0	79	0	(386)	0	(386)	0	L	01/04/2006
42809H-10-7	HESS CORP.			104,000	5,155	49.570	5,155	4,695	10	31	0	460	0	460	0	L	01/04/2006
428236-10-3	HEWLETT-PACKARD CO.			1,209,000	49,799	41.190	49,799	35,820	97	290	0	13,978	0	13,978	0	L	01/04/2006
432848-10-9	HILTON HOTELS CORP.			143,000	4,991	34.900	4,991	3,467	0	23	0	1,523	0	1,523	0	L	01/04/2006
423074-10-3	HJ HEINZ CO.			145,000	6,526	45.010	6,526	4,905	51	145	0	1,621	0	1,621	0	L	01/04/2006
437076-10-2	HOME DEPOT INC.			896,000	35,983	40.160	35,983	36,286	0	605	0	(303)	0	(303)	0	L	01/04/2006
438516-10-6	HONEYWELL INTERNATIONAL INC.			359,000	16,241	45.240	16,241	13,401	0	326	0	2,840	0	2,840	0	L	01/04/2006
441060-10-0	HOSPIRA INC.			67,000	2,250	33.580	2,250	2,949	0	0	0	(699)	0	(699)	0	L	01/04/2006
444859-10-2	HUMANA INC.			71,000	3,927	55.310	3,927	4,039	0	0	0	(112)	0	(112)	0	L	01/04/2006
451663-10-8	IDEARC INC.			63,000	1,805	28.650	1,805	1,452	0	0	0	353	0	353	0	L	11/20/2006
452308-10-9	ILLINOIS TOOL WORKS			179,000	8,268	46.190	8,268	8,041	38	97	0	227	0	227	0	L	01/04/2006
449934-10-8	IMS HEALTH INC.			86,000	2,363	27.480	2,363	2,183	0	10	0	180	0	180	0	L	01/04/2006
458140-10-0	INTEL CORP.			2,521,000	51,050	20.250	51,050	47,779	0	1,008	0	13,126	25,000	(11,874)	0	L	05/13/2002
460146-10-3	INTERNATIONAL PAPER CO.			213,000	7,263	34.100	7,263	7,193	0	213	0	71	0	71	0	L	01/04/2006
460690-10-0	INTERPUBLIC GROUP OF COS INC.			189,000	2,313	12.240	2,313	1,866	0	0	0	448	0	448	0	L	08/15/2006
459200-10-1	INTL BUSINESS MACHINES CORP.			672,000	65,285	97.150	65,285	49,104	0	739	0	25,046	15,000	10,046	0	L	09/19/2001
459506-10-1	INTL FLAVORS & FRAGRANCES			34,000	1,671	49.160	1,671	1,153	0	19	0	519	0	519	0	L	01/04/2006
459902-10-2	INTL GAME TECHNOLOGY			147,000	6,791	46.200	6,791	4,566	19	56	0	2,226	0	2,226	0	L	01/04/2006
461202-10-3	INTUIT INC.			148,000	4,515	30.510	4,515	4,009	0	0	0	506	0	506	0	L	01/04/2006
450911-10-2	ITT CORP.			80,000	4,546	56.820	4,546	4,219	9	26	0	327	0	327	0	L	01/04/2006
708160-10-6	J.C. PENNEY CO INC.			102,000	7,891	77.360	7,891	5,839	0	68	0	2,051	0	2,051	0	L	01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book / Adjusted Carrying Value				17	18
		3	4			7	8		10	11	12	13	14	15	16		
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book / Adjusted Carrying Value	Rate per Share Used To Obtain Fair Value	Fair Value	Actual Cost	Declared But Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase / (Decrease)	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (13 - 14)	Total Foreign Exchange Change in B./A.C.V.	NAIC Market Indicator (a)	Date Acquired
466313-10-3	JABIL CIRCUIT INC.			77,000	1,890	24,550	1,890	2,907	0	16	0	(1,017)	0	(1,017)	0	L	08/15/2006
47102X-10-5	JANUS CAPITAL GROUP INC.			91,000	1,965	21,590	1,965	1,748	0	4	0	217	0	217	0	L	01/04/2006
46612J-50-7	JDS UNIPHASE CORP.			91,000	1,516	16,660	1,516	1,831	0	0	0	(315)	0	(315)	0	L	08/15/2006
478160-10-4	JOHNSON & JOHNSON			1,283,000	84,704	66,020	84,704	80,313	0	1,867	0	4,390	0	4,390	0	L	01/04/2006
478366-10-7	JOHNSON CONTROLS INC.			85,000	7,303	85,920	7,303	6,391	28	71	0	912	0	912	0	L	08/15/2006
480074-10-3	JONES APPAREL GROUP INC.			48,000	1,605	33,430	1,605	1,486	0	24	0	119	0	119	0	L	01/04/2006
46625H-10-0	JPMORGAN CHASE & CO.			1,506,000	72,740	48,300	72,740	59,695	0	1,536	0	13,045	0	13,045	0	L	01/04/2006
48203R-10-4	JUNIPER NETWORKS INC.			245,000	4,640	18,940	4,640	3,309	0	0	0	1,331	0	1,331	0	L	08/15/2006
48666K-10-9	KB HOME			33,000	1,692	51,280	1,692	1,706	0	33	0	(14)	774	(787)	0	L	01/04/2006
487836-10-8	KELLOGG CO.			106,000	5,306	50,060	5,306	4,677	0	121	0	630	0	630	0	L	01/04/2006
494368-10-3	KIMBERLY-CLARK CORP.			199,000	13,522	67,950	13,522	11,874	98	293	0	1,648	0	1,648	0	L	01/04/2006
49455P-10-1	KINDER MORGAN INC.			45,000	4,759	105,750	4,759	4,248	0	158	0	510	0	510	0	L	01/04/2006
495582-10-8	KING PHARMACEUTICALS INC.			104,000	1,656	15,920	1,656	1,829	0	0	0	(173)	0	(173)	0	L	01/04/2006
482480-10-0	KLA-TENCOR CORPORATION			86,000	4,279	49,750	4,279	4,326	0	41	0	(48)	0	(48)	0	L	01/04/2006
500255-10-4	KOHL'S CORP.			148,000	10,128	68,430	10,128	6,956	0	0	0	3,172	0	3,172	0	L	01/04/2006
501044-10-1	KROGER CO.			313,000	7,221	23,070	7,221	5,874	0	61	0	1,347	0	1,347	0	L	01/04/2006
502424-10-4	L-3 COMMUNICATIONS HOLDINGS			53,000	4,334	81,780	4,334	4,021	0	40	0	313	0	313	0	L	01/04/2006
50540R-40-9	LABORATORY CRP OF AMER HLDGS.			54,000	3,967	73,470	3,967	2,957	0	0	0	1,010	0	1,010	0	L	01/04/2006
524901-10-5	LEGG MASON INC.			57,000	5,418	95,050	5,418	4,941	12	12	0	477	0	477	0	L	08/15/2006
524660-10-7	LEGGITT & PLATT INC.			79,000	1,888	23,900	1,888	1,915	13	40	0	(27)	0	(27)	0	L	01/04/2006
524908-10-0	LEHMAN BROTHERS HOLDINGS INC.			232,000	18,124	78,120	18,124	14,866	0	111	0	3,258	0	3,258	0	L	01/04/2006
526057-10-4	LENNAR CORP-CL A.			60,000	3,148	52,460	3,148	3,150	0	38	0	(2)	576	(578)	0	L	01/04/2006
529771-10-7	LEXMARK INTERNATIONAL INC-A			46,000	3,367	73,200	3,367	2,106	0	0	0	1,261	0	1,261	0	L	01/04/2006
532716-10-7	LIMITED BRANDS INC.			148,000	4,283	28,940	4,283	3,266	0	89	0	1,017	0	1,017	0	L	01/04/2006
535678-10-6	LINEAR TECHNOLOGY CORP.			131,000	3,972	30,320	3,972	4,810	0	79	0	(838)	0	(838)	0	L	01/04/2006
539320-10-1	LIZ CLAIBORNE INC.			45,000	1,956	43,460	1,956	1,581	0	10	0	375	0	375	0	L	01/04/2006
539830-10-9	LOCKHEED MARTIN CORP.			154,000	14,179	92,070	14,179	9,933	0	193	0	4,246	0	4,246	0	L	01/04/2006
546347-10-5	LOUISIANA-PACIFIC CORP.			46,000	990	21,530	990	1,291	0	28	0	(300)	0	(300)	0	L	01/04/2006
548661-10-7	LOWES COS INC.			672,000	20,933	31,150	20,933	22,263	0	108	0	(1,330)	0	(1,330)	0	L	01/04/2006
502161-10-2	LSI LOGIC CORP.			171,000	1,539	9,000	1,539	1,470	0	69	0	69	0	69	0	L	01/04/2006
564055-10-1	MANOR CARE INC.			32,000	1,501	46,920	1,501	1,287	0	20	0	215	0	215	0	L	01/04/2006
565849-10-6	MARATHON OIL CORP.			157,000	14,523	92,500	14,523	10,381	0	240	0	4,142	0	4,142	0	L	01/04/2006
571903-20-2	MARRIOTT INTERNATIONAL-CL A.			142,000	6,776	47,720	6,776	4,847	9	25	0	1,929	0	1,929	0	L	01/04/2006
574599-10-6	MASCO CORP.			172,000	5,138	29,870	5,138	5,289	0	114	0	(151)	0	(151)	0	L	01/04/2006
577081-10-2	MATTEL INC.			168,000	3,807	22,660	3,807	2,619	0	109	0	1,188	0	1,188	0	L	01/04/2006
57772K-10-1	MAXIM INTEGRATED PRODUCTS			139,000	4,256	30,620	4,256	5,118	0	78	0	(862)	0	(862)	0	L	01/04/2006
579780-20-6	MCCORMICK & CO-NON VTG SHRS			57,000	2,198	38,560	2,198	1,831	11	31	0	367	0	367	0	L	01/04/2006
580135-10-1	MCDONALDS CORP.			540,000	23,938	44,330	23,938	18,273	0	540	0	5,666	0	5,666	0	L	01/04/2006
580645-10-9	MCGRAW-HILL COMPANIES INC.			155,000	10,543	68,020	10,543	8,005	0	113	0	2,538	0	2,538	0	L	01/04/2006
581550-10-3	MCKESSON CORP.			132,000	6,692	50,700	6,692	7,108	8	24	0	(416)	0	(416)	0	L	01/04/2006
583334-10-7	MEADWESTVACO CORP.			78,000	2,345	30,060	2,345	2,192	0	72	0	152	0	152	0	L	01/04/2006
58405U-10-2	MEDCO HEALTH SOLUTIONS INC.			131,000	7,001	53,440	7,001	7,443	0	0	0	(443)	0	(443)	0	L	01/04/2006
584699-10-2	MEDIMUNE INC.			107,000	3,464	32,370	3,464	3,749	0	0	0	(285)	0	(285)	0	L	01/04/2006
585055-10-6	MEDTRONIC INC.			523,000	27,986	53,510	27,986	27,264	0	165	0	722	3,273	(2,551)	0	L	01/04/2006
589331-10-7	MERCK & CO. INC.			946,000	41,246	43,600	41,246	31,358	359	1,078	0	9,888	0	9,888	0	L	01/04/2006
589433-10-1	MEREDITH CORP.			18,000	1,014	56,350	1,014	944	0	12	0	71	0	71	0	L	01/04/2006
590188-10-8	MERRILL LYNCH & CO INC.			401,000	37,333	93,100	37,333	27,412	0	401	0	9,922	0	9,922	0	L	01/04/2006
595112-10-3	MICRON TECHNOLOGY INC.			314,000	4,383	13,960	4,383	4,522	0	0	0	(138)	0	(138)	0	L	08/15/2006
594918-10-4	MICROSOFT CORP.			3,802,000	113,528	29,860	113,528	102,646	0	1,407	0	10,881	0	10,881	0	L	01/04/2006
601073-10-9	MILLIPORE CORP.			23,000	1,532	66,600	1,532	1,554	0	0	0	(22)	0	(22)	0	L	01/04/2006
608554-10-1	MOLEX INC.			61,000	1,929	31,630	1,929	1,632	0	12	0	298	0	298	0	L	01/04/2006
60871R-20-9	MOLSON COORS BREWING CO -B.			25,000	1,911	76,440	1,911	1,672	0	32	0	239	0	239	0	L	01/04/2006
61166W-10-1	MONSANTO CO.			234,000	12,292	52,530	12,292	9,370	0	70	0	2,922	0	2,922	0	L	01/04/2006
611742-10-7	MONSTER WORLDWIDE INC.			55,000	2,565	46,640	2,565	2,212	0	0	0	353	0	353	0	L	08/15/2006
615369-10-5	MOODY'S CORP.			106,000	7,320	69,060	7,320	6,668	0	30	0	652	0	652	0	L	01/04/2006
617446-44-8	MORGAN STANLEY			464,000	37,784	81,430	37,784	22,295	0	501	0	11,456	0	11,456	0	L	05/13/2002
620076-10-9	MOTOROLA INC.			1,070,000	21,999	20,560	21,999	25,057	54	150	0	(3,058)	0	(3,058)	0	L	01/04/2006
626717-10-2	MURPHY OIL CORP.			72,000	3,661	50,850	3,661	3,959	0	38	0	(298)	0	(298)	0	L	01/04/2006
628530-10-7	MYLAN LABORATORIES INC.			91,000	1,816	19,960	1,816	1,814	5	16	0	2	0	2	0	L	01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	7 Fair Value		9 Actual Cost	10 Dividends			13 Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
66359F-10-3	NABORS INDUSTRIES LTD.			134,000	3,991	29,780	3,991	4,524				(533)	797	(1,330)			.01/04/2006
637071-10-1	NATIONAL OILWELL VARCO INC.			76,000	4,650	61,180	4,650	5,309				(660)		(660)			.01/04/2006
637640-10-3	NATIONAL SEMICONDUCTOR CORP.			146,000	3,314	22,700	3,314	4,025				(711)		(711)			.01/04/2006
63934E-10-8	NAVISTAR INTERNATIONAL			26,000	.869	33,430	.869	.754				.115		.115			.01/04/2006
62886E-10-8	NCR CORPORATION			79,000	3,378	42,760	3,378	2,683				.695		.695			.01/04/2006
64120L-10-4	NETWORK APPLIANCE INC.			162,000	6,363	39,280	6,363	4,549				1,815		1,815			.01/04/2006
650111-10-7	NEW YORK TIMES CO -CL A			62,000	1,510	24,360	1,510	1,712				(201)		(201)			.01/04/2006
651229-10-6	NEWELL RUBBERMAID INC.			119,000	3,445	28,950	3,445	2,865				.580		.580			.01/04/2006
651639-10-6	NEWMONT MINING CORP.			195,000	8,804	45,150	8,804	11,321				(2,517)		(2,517)			.01/04/2006
65248E-10-4	NEWS CORP-CL A			1,025,000	22,017	21,480	22,017	15,916				.6,101		6,101			.01/04/2006
654106-10-3	NIKE INC -CL B			82,000	8,120	99,030	8,120	7,017				1,104		1,104			.01/04/2006
665422-10-0	NOBLE CORP.			60,000	4,569	76,150	4,569					.10		.10			.01/04/2006
655664-10-0	NORDSTROM INC.			93,000	4,589	49,340	4,589	3,505				1,084		1,084			.01/04/2006
655844-10-8	NORFOLK SOUTHERN CORP.			180,000	9,052	50,290	9,052	7,842				1,211		1,211			.08/15/2006
666807-10-2	NORTHROP GRUMMAN CORP.			149,000	10,087	67,700	10,087	8,952				1,136		1,136			.01/04/2006
670006-10-5	NOVELL INC.			146,000	905	6,200	905	1,287				(382)		(382)			.01/04/2006
670008-10-1	NOVELLUS SYSTEMS INC.			55,000	1,893	34,420	1,893	1,368				.525		.525			.01/04/2006
670346-10-5	NUCOR CORP.			135,000	7,379	54,660	7,379	4,757			81	209		2,623			.01/04/2006
670666-10-4	NVIDIA CORP.			152,000	5,626	37,010	5,626	2,999				2,626		2,626			.08/15/2006
674599-10-5	OCCIDENTAL PETROLEUM CORP.			372,000	18,165	48,830	18,165	15,993				2,172		2,172			.08/15/2006
676220-10-6	OFFICE DEPOT INC.			124,000	4,733	38,170	4,733	3,895				.838		.838			.01/04/2006
67622P-10-1	OFFICEMAX INC.			31,000	1,539	49,650	1,539	.824				.715		.715			.01/04/2006
681919-10-6	OMNICOM GROUP			74,000	7,736	104,540	7,736	6,409			19	56		1,327			.01/04/2006
68389X-10-5	ORACLE CORP.			1,688,002	28,932	17,140	28,932	21,320				7,613		7,613			.02/07/2006
693718-10-8	PACCAR INC.			108,000	7,009	64,900	7,009	5,153			216	.83		1,856			.01/04/2006
695257-10-5	PACTIV CORPORATION			61,000	2,177	35,690	2,177	1,385				.793		.793			.01/04/2006
696429-30-7	PALL CORP.			54,000	1,866	34,550	1,866	1,454				.412		.412			.01/04/2006
699173-20-9	PARAMETRIC TECHNOLOGY CORP.			48,000	.865	18,020	.865	.782				.83		.83			.08/15/2006
701094-10-4	PARKER HANNAFIN CORP.			52,000	3,998	76,880	3,998	3,566				.432		.432			.01/04/2006
703395-10-3	PATTERSON COS INC.			60,000	2,131	35,510	2,131	2,001				.129		.129			.01/04/2006
704326-10-7	PAYCHEX INC.			145,000	5,733	39,540	5,733	5,652				.100		.100			.01/04/2006
713409-10-0	PEPSI BOTTLING GROUP INC.			58,000	1,793	30,910	1,793	1,672				.17		.17			.01/04/2006
713448-10-8	PEPSICO INC.			716,000	44,786	62,550	44,786	42,780			215	616		2,006			.01/04/2006
714046-10-9	PERKINELMER INC.			54,000	1,200	22,230	1,200	1,298				.15		(97)			.01/04/2006
717081-10-3	PFIZER INC.			3,175,000	82,233	25,900	82,233	78,003				3,048		4,229			.01/04/2006
717265-10-2	PHELPS DODGE CORP.			89,000	10,655	119,720	10,655	6,930				422		3,725			.08/15/2006
724479-10-0	PITNEY BOWES INC.			96,000	4,434	46,190	4,434	4,145				.289		.289			.01/04/2006
729251-10-8	PLUM CREEK TIMBER CO.			80,000	3,188	39,850	3,188	2,945				.128		.128			.01/04/2006
69344F-10-6	PMC - SIERRA INC.			89,000	597	6,710	597	717				.0		(120)			.08/15/2006
693506-10-7	PPG INDUSTRIES INC.			72,000	4,623	64,210	4,623	4,236				.138		.388			.01/04/2006
74005P-10-4	PRAXAIR INC.			140,000	8,306	59,330	8,306	7,479				.140		.828			.01/04/2006
742718-10-9	PROCTER & GAMBLE CO.			1,422,000	91,392	64,270	91,392	83,767				1,721		7,625			.01/04/2006
745867-10-1	PULTE HOMES INC.			92,000	3,047	33,120	3,047	3,104				.11		(57)	650		.01/04/2006
747277-10-1	QLOGIC CORP.			69,000	1,512	21,920	1,512	1,123				.0		.390			.01/04/2006
747525-10-3	QUALCOMM INC.			726,000	27,436	37,790	27,436	32,925				.238		(5,490)			.08/15/2006
74834L-10-0	QUEST DIAGNOSTICS			71,000	3,763	53,000	3,763	3,661				.28		.102			.01/04/2006
749121-10-9	QUEST COMMUNICATIONS INTL			678,000	5,675	8,370	5,675	3,717				.1,958		1,958			.08/15/2006
750438-10-3	RADIOSHACK CORP.			58,000	973	16,780	973	1,017				.15		(276)	232		.01/04/2006
755111-50-7	RAYTHEON COMPANY			193,000	10,190	52,800	10,190	7,722			46	139		2,469			.01/04/2006
75605E-10-0	REALOGY CORP.			112,000	3,396	30,320	3,396	3,257				.138		.138			.08/01/2006
761713-10-6	REYNOLDS AMERICAN INC.			74,000	4,845	65,470	4,845	3,656				56	148	1,189			.01/04/2006
770323-10-3	ROBERT HALF INTL INC.			74,000	2,747	37,120	2,747	2,770				.24		(23)			.01/04/2006
773903-10-9	ROCKWELL AUTOMATION INC.			77,000	4,703	61,080	4,703	4,676				.74		.27			.01/04/2006
774341-10-1	ROCKWELL COLLINS INC.			74,000	4,683	63,290	4,683	3,516				.44		1,168			.01/04/2006
775371-10-7	ROHNI AND HAAS CO.			63,000	3,221	51,120	3,221	3,055				.81		.166			.01/04/2006
779382-10-0	ROWAN COMPANIES INC.			47,000	1,560	33,200	1,560	1,839				.26		(279)			.01/04/2006
257867-10-1	RR DONNELLEY & SONS CO.			93,000	3,305	35,540	3,305	3,164				.97		.142			.01/04/2006
783549-10-8	RYDER SYSTEM INC.			26,000	1,328	51,060	1,328	1,090				.238		.19			.01/04/2006
785905-10-0	SABRE HOLDINGS CORP-CL A			57,000	1,818	31,890	1,818	1,400				.25		.418			.01/04/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired	
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.			
786514-20-8	SAFEWAY INC.....			195,000	6,739	34,560	6,739	4,621		11	32		2,118		2,118			01/04/2006
79546E-10-4	SALLY BEAUTY HOLDINGS INC.....			33,000	257	7,800	257	411					(154)		(154)			11/17/2006
80004C-10-1	SANDISK CORP.....			85,000	3,658	43,030	3,658	4,155					(498)		(498)			08/15/2006
800907-10-7	SANMINA-SCI CORP.....			230,000	794	3,450	794	1,018					(225)		(225)			01/04/2006
803111-10-3	SARA LEE CORP.....			329,000	5,603	17,030	5,603	5,262			163		340		340			01/04/2006
806605-10-1	SCHERING-PLOUGH CORP.....			641,000	15,153	23,640	15,153	13,428			141		1,726		1,726			01/04/2006
806857-10-8	SCHLUMBERGER LTD.....			511,000	32,275	63,160	32,275	26,766		64	213		5,509		5,509			01/04/2006
808513-10-5	SCHWAB (CHARLES) CORP.....			447,000	8,645	19,340	8,645	7,021			60		1,624		1,624			01/04/2006
81211K-10-0	SEALED AIR CORP.....			35,000	2,272	64,920	2,272	1,946			21		326		326			01/04/2006
812350-10-6	SEARS HOLDINGS CORP.....			42,000	7,053	167,930	7,053	4,873					2,180		2,180			01/04/2006
824348-10-6	SHERWIN-WILLIAMS CO/THE.....			48,000	3,052	63,580	3,052	2,170			48		882		882			01/04/2006
826552-10-1	SIGMA-ALDRICH.....			29,000	2,254	77,720	2,254	1,831			24		423		423			01/04/2006
78442P-10-6	SLM CORP.....			178,000	8,681	48,770	8,681	10,021			173		(1,340)		(1,340)			01/04/2006
833034-10-1	SNAP-ON INC.....			25,000	1,191	47,640	1,191	973			27		218		218			01/04/2006
834182-10-7	SOLETRON CORP.....			396,000	1,275	3,220	1,275	1,468					(193)		(193)			01/04/2006
844741-10-8	SOUTHWEST AIRLINES CO.....			306,000	4,688	15,320	4,688	5,189		1	4		(501)		(501)			08/15/2006
852061-10-0	SPRINT NEXTEL CORP.....			1,291,000	24,387	18,890	24,387	27,241			129		(2,854)		(2,854)			01/04/2006
790849-10-3	ST JUDE MEDICAL INC.....			156,000	5,703	36,560	5,703	5,814					(111)	2,067	(2,177)			01/04/2006
854616-10-9	STANLEY WORKS/THE.....			31,000	1,559	50,290	1,559	1,490			37		69		69			01/04/2006
855030-10-2	STAPLES INC.....			315,000	8,411	26,700	8,411	7,125			69		1,286		1,286			01/04/2006
855244-10-9	STARBUCKS CORP.....			332,000	11,759	35,420	11,759	10,520					1,239		1,239			01/04/2006
85590A-40-1	STARWOOD HOTELS & RESORTS.....			94,000	5,875	62,500	5,875	4,825			39		1,050		1,050			01/04/2006
863667-10-1	STRYKER CORP.....			127,000	6,999	55,110	6,999	5,764		28			1,235		1,235			01/04/2006
866810-10-4	SUN MICROSYSTEMS INC.....			1,516,000	8,217	5,420	8,217	6,718					1,499		1,499			08/15/2006
86764P-10-9	SUNOCO INC.....			58,000	3,617	62,360	3,617	3,953			55		(336)	935	(1,272)			01/04/2006
868536-10-3	SUPERVALU INC.....			88,000	3,146	35,750	3,146	2,214			49		932		932			06/02/2006
871503-10-8	SYMANTEC CORP.....			448,000	9,341	20,850	9,341	8,081					1,260		1,260			01/04/2006
871508-10-7	SYMBOL TECHNOLOGIES INC.....			109,000	1,628	14,940	1,628	1,431			1		198		198			01/04/2006
871829-10-7	SYSCO CORP.....			268,000	9,852	36,760	9,852	8,342			137		1,509		1,509			01/04/2006
74144T-10-8	T ROWE PRICE GROUP INC.....			115,000	5,034	43,770	5,034	4,224		20			809		809			08/15/2006
87612E-10-6	TARGET CORP.....			374,000	21,337	57,050	21,337	20,446					891		891			01/04/2006
879131-10-0	TEKTRONIX INC.....			36,000	1,050	29,170	1,050	1,031			6		19		19			01/04/2006
879664-10-0	TELLABS INC.....			194,000	1,990	10,260	1,990	2,281					(291)		(291)			01/04/2006
879868-10-7	TEMPLE-INLAND INC.....			48,000	2,209	46,030	2,209	2,176			48		33		33			01/04/2006
880336-10-0	TENET HEALTHCARE CORP.....			203,000	1,415	6,970	1,415	1,579					(164)		(164)			01/04/2006
880770-10-2	TERADYNE INC.....			85,000	1,272	14,960	1,272	1,251					21		21			01/04/2006
882508-10-4	TEXAS INSTRUMENTS INC.....			675,000	19,440	28,800	19,440	22,652			88		(3,212)		(3,212)			01/04/2006
883203-10-1	TEXTRON INC.....			57,000	5,345	93,770	5,345	4,418		22	66		927		927			01/04/2006
254687-10-6	THE WALT DISNEY CO.....			951,000	32,591	34,270	32,591	23,453		295			9,138		9,138			08/15/2006
883556-10-2	THERMO FISHER SCIENTIFIC INC.....			179,000	8,107	45,290	8,107	5,552					2,555		2,555			11/10/2006
886547-10-8	TIFFANY & CO.....			61,000	2,394	39,240	2,394	2,332		6	17		62		62			01/04/2006
88706M-10-3	TIM HORTONS INC.....			69,000	1,998	28,960	1,998	1,457					541		541			10/02/2006
887317-10-5	TIME WARNER INC.....			1,762,000	38,376	21,780	38,376	31,290					7,087		7,087			01/04/2006
872540-10-9	TJX COMPANIES INC.....			198,000	5,647	28,520	5,647	4,819					828		828			01/04/2006
690078-10-9	TRANSOCEAN INC.....			141,000	11,405	80,890	11,405	10,444					962		962			01/04/2006
896047-10-7	TRIBUNE CO.....			95,000	2,924	30,780	2,924	2,946					(22)		(22)			01/04/2006
902494-10-3	TYSON FOODS INC-CL A.....			109,000	1,793	16,450	1,793	1,834					(41)		(41)			01/04/2006
907818-10-8	UNION PACIFIC CORP.....			117,000	10,766	92,020	10,766	9,374		35			1,393		1,393			08/15/2006
909214-10-8	UNISYS CORP.....			148,000	1,160	7,840	1,160	901					259		259			01/04/2006
911312-10-6	UNITED PARCEL SERVICE-CL B.....			470,000	35,241	74,980	35,241	35,564		179	536		(323)		(323)			01/04/2006
912909-10-8	UNITED STATES STEEL CORP.....			54,000	3,950	73,140	3,950	2,731			31		1,219		1,219			08/15/2006
913017-10-9	UNITED TECHNOLOGIES CORP.....			438,000	27,384	62,520	27,384	24,619					2,765		2,765			01/04/2006
91324P-10-2	UNITEDHEALTH GROUP INC.....			584,000	31,378	53,730	31,378	28,663					2,716	7,486	(4,770)			01/04/2006
914906-10-2	UNIVISION COMMUNICATIONS-A.....			96,000	3,400	35,420	3,400	2,919					481		481			01/04/2006
902911-10-6	UST INC.....			70,000	4,074	58,200	4,074	2,927					1,147		1,147			01/04/2006
91913Y-10-0	VALERO ENERGY CORP.....			267,000	13,660	51,160	13,660	14,666					(1,006)		(1,006)			01/04/2006
Y93691-10-6	VERIGY LTD.....			22,000	391	17,750	391	349					42		42			11/01/2006
92343E-10-2	VERISIGN INC.....			106,000	2,549	24,050	2,549	1,888					662		662			08/15/2006
92343V-10-4	VERIZON COMMUNICATIONS INC.....			1,264,000	47,071	37,240	47,071	38,264			1,981		8,808		8,808			08/15/2006

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
918204-10-8	VF CORP			38,000	3,119	82,080	3,119	2,084	0	74	0	1,035	0	1,035	0	L	01/04/2006
92553P-20-1	VIACOM INC-CLASS B			312,000	12,801	41,030	12,801	11,375	0	0	0	1,426	0	1,426	0	L	08/15/2006
929160-10-9	VULCAN MATERIALS CO			44,000	3,954	89,870	3,954	2,988	0	65	0	966	0	966	0	L	01/04/2006
931142-10-3	WAL-MART STORES INC			1,084,000	50,059	46,180	50,059	50,230	182	545	0	(171)	0	(171)	0	L	01/04/2006
931422-10-9	WALGREEN CO			438,000	20,100	45,890	20,100	19,271	0	125	0	829	0	829	0	L	01/04/2006
94106L-10-9	WASTE MANAGEMENT INC			236,000	8,678	36,770	8,678	7,148	0	208	0	1,530	0	1,530	0	L	01/04/2006
941848-10-3	WATERS CORP			45,000	2,204	48,970	2,204	1,703	0	0	0	500	0	500	0	L	01/04/2006
942683-10-3	WATSON PHARMACEUTICALS INC			44,000	1,145	26,030	1,145	1,129	0	0	0	16	319	(304)	0	L	01/04/2006
695089-10-1	WEATHERFORD INTL LTD			151,000	6,310	41,790	6,310	5,887	0	0	0	423	0	423	0	L	01/04/2006
94973V-10-7	WELLPOINT INC			276,000	21,718	78,690	21,718	21,952	0	0	0	(234)	0	(234)	0	L	01/04/2006
950590-10-9	WENDYS INTERNATIONAL INC			51,000	1,688	33,090	1,688	1,332	0	30	0	355	0	355	0	L	01/04/2006
959802-10-9	WESTERN UNION CO			332,000	7,443	22,420	7,443	6,505	0	3	0	938	0	938	0	L	10/02/2006
962166-10-4	WEYERHAEUSER CO			107,000	7,560	70,650	7,560	7,293	0	234	0	267	0	267	0	L	08/15/2006
963320-10-6	WHIRLPOOL CORP			34,005	2,823	83,021	2,823	2,775	0	57	0	48	0	48	0	L	04/03/2006
966837-10-6	WHOLE FOODS MARKET INC			61,000	2,863	46,930	2,863	2,977	0	156	0	(114)	1,740	(1,854)	0	L	08/15/2006
969457-10-0	WILLIAMS COS INC			257,000	6,713	26,120	6,713	6,191	0	88	0	522	0	522	0	L	08/15/2006
97381W-10-4	WINDSTREAM CORP			205,000	2,915	14,220	2,915	2,336	51	42	0	579	0	579	0	L	08/15/2006
982526-10-5	WRIGLEY WM JR CO			115,000	5,948	51,720	5,948	6,126	0	101	0	(179)	0	(179)	0	L	11/20/2006
384802-10-4	WW GRAINGER INC			33,000	2,308	69,940	2,308	2,360	0	37	0	(52)	0	(52)	0	L	01/04/2006
983024-10-0	WYETH			583,000	29,686	50,920	29,686	27,132	0	589	0	2,555	0	2,555	0	L	01/04/2006
98310W-10-8	WYNDHAM WORLDWIDE CORP			89,000	2,850	32,020	2,850	3,159	0	0	0	(310)	0	(310)	0	L	08/01/2006
984121-10-3	XEROX CORP			430,000	7,289	16,950	7,289	6,409	0	0	0	879	0	879	0	L	08/15/2006
983919-10-1	XILINX INC			148,000	3,524	23,810	3,524	3,988	0	50	0	(464)	0	(464)	0	L	01/04/2006
98385X-10-6	XTO ENERGY INC			158,000	7,434	47,050	7,434	6,895	14	36	0	539	0	539	0	L	01/04/2006
984332-10-6	YAHOO! INC			543,000	13,868	25,540	13,868	14,666	0	0	0	(798)	7,590	(8,388)	0	L	01/04/2006
988498-10-1	YUM! BRANDS INC			118,000	6,938	58,800	6,938	5,566	0	63	0	1,373	0	1,373	0	L	01/04/2006
98956P-10-2	ZIMMER HOLDINGS INC			108,000	8,465	78,380	8,465	7,468	0	0	0	997	0	997	0	L	01/04/2006
013904-30-5	ALCATEL-LUCENT-SPONSORED ADR		F	378,000	5,375	14,220	5,375	5,302	0	0	0	73	0	73	0	L	12/01/2006
143658-30-0	CARNIVAL CORP		F	188,000	9,221	49,050	9,221	10,223	0	193	0	(1,002)	0	(1,002)	0	L	01/04/2006
64776G-10-1	INGERSOLL-RAND CO LTD-CL A		F	142,000	5,556	39,130	5,556	5,857	0	97	0	(301)	0	(301)	0	L	01/04/2006
902124-10-6	TYCO INTERNATIONAL LTD		F	882,000	26,813	30,400	26,813	26,248	88	264	0	565	0	565	0	L	08/15/2006
899999	- Total - Common Stock - Industrial, Misc				4,630,594	XXX	4,630,594	4,026,927	5,365	67,636	0	575,076	94,446	480,630	0	XXX	XXX
915336-R9-4	TRIAD GUARANTY ASSURANCE CORPORATION			250,000,000	12,023,243	48,093	12,023,243	5,035,982	0	0	0	1,005,477	0	1,005,477	0	A	02/15/1995
915356-R9-2	TRIAD RE INSURANCE CORPORATION			1,000,000	1,265,472	1,265,472	1,265,472	1,547,622	0	0	0	(22,909)	0	(22,909)	0	A	05/01/2000
899999	- Total - Common Stock - Parent, Subsidiaries, Affiliates				13,288,714	XXX	13,288,714	6,583,605	0	0	0	982,568	0	982,568	0	XXX	XXX
729999	Total - Common Stocks				18,831,180	XXX	18,831,180	11,369,737	7,050	89,760	0	1,655,995	96,636	1,559,359	0	XXX	XXX
739999	Total - Preferred and Common Stocks				23,229,454	XXX	23,229,454	15,638,577	27,944	371,365	0	1,705,973	161,636	561,768	0	XXX	XXX

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

.....1, the total \$ value (included in Column 8) of all such issues \$

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.915403-R9-2	US MTG GTY CO TAX & L 04/14/2016 0.000		04/14/2006	FEDERAL RESERVE		5,624,000	5,624,000	.0
.915404-R9-0	US MTG GTY CO TAX & L 06/15/2016 0.000		06/15/2006	FEDERAL RESERVE		8,032,000	8,032,000	.0
.915405-R9-7	US MTG GTY CO TAX & L 09/15/2016 0.000		09/15/2006	FEDERAL RESERVE		8,095,000	8,095,000	.0
.915406-R9-5	US MTG GTY CO TAX & L 12/15/2016 0.000		12/15/2006	FEDERAL RESERVE		9,040,000	9,040,000	.0
0399999 - Total	Bonds - U.S. Government					30,791,000	30,791,000	.0
.419780-S8-5	HI REF-SER DG 07/01/2015 5.000		03/16/2006	MERRILL LYNCH		3,249,780	3,000,000	33,333
.641457-4P-8	NEVADA-REF-WTR-SER D 07/01/2017 5.000		07/12/2006	MERRILL LYNCH		3,168,510	3,000,000	.0
.709141-V9-3	PA ST-3RD-REF-2004 07/01/2018 5.375		03/16/2006	CITIGROUP		3,387,570	3,000,000	35,833
1799999 - Total	Bonds - States, Territories and Possessions					9,805,860	9,000,000	69,167
.101565-VV-8	BOULDER ETC SD REF 12/15/2019 5.250		04/06/2006	RAYMOND JAMES		3,325,020	3,000,000	3,063
.167501-2J-3	CHICAGO BOE-REF-A 12/01/2018 5.500		05/16/2006	LEHMAN BROTHERS		3,189,787	2,860,000	73,407
.207726-KM-9	CT VAR-REF-SER B 06/01/2020 5.250		05/16/2006	FIRST ALBANY CORP.		3,297,900	3,000,000	73,500
.478718-VT-3	JOHNSON USD 233 RF-B 09/01/2017 5.500		05/16/2006	RAYMOND JAMES		1,718,025	1,545,000	18,411
.499512-Q8-7	KNOX CNTY-REF-A 05/01/2018 5.000		06/07/2006	LEHMAN BROTHERS		3,240,120	3,000,000	17,083
.677520-CF-3	OH REF-COMMON SCHS-D 09/15/2019 5.500		07/20/2006	FIRST ALBANY CORP.		2,243,160	2,000,000	39,722
.833153-QJ-1	SNOWHOMISH SD #15 REF 12/01/2017 5.000		06/08/2006	FIRST ALBANY CORP.		3,230,730	3,000,000	5,000
2499999 - Total	Bonds - Political Subdivisions					20,244,741	18,405,000	230,186
.240523-UG-3	DE KALB W/S REF-B 10/01/2024 5.250		12/20/2006	FIRST ALBANY CORP.		2,310,040	2,000,000	24,792
.64605L-5N-4	ED EDL 07/01/2021 5.250		12/08/2006	LEHMAN BROTHERS		2,544,526	2,215,000	.0
.365418-CR-1	GARDEN ST PRES-REF-C 11/01/2017 5.125		05/12/2006	GOLDMAN SACHS		3,221,940	3,000,000	6,833
.395468-ET-4	GREENSBORO 06/01/2022 5.250		12/11/2006	DAIN RAUSCHER		2,321,420	2,000,000	2,042
.455057-CP-2	IN FIN ST REVOLV FD-A 02/01/2016 5.000		05/03/2006	RAYMOND JAMES		2,019,319	1,905,000	25,665
.575577-HR-5	MA BAY TRN ASSMT 07/01/2025 5.250		10/17/2006	FIRST ALBANY CORP.		3,349,270	2,960,000	15,972
.591745-ZZ-0	MET ATLAN TRAN TAX 07/01/2017 5.000		02/27/2006	FIRST ALBANY CORP.		3,299,730	3,000,000	25,417
.646135-3T-8	NJ ST TRANSN-B 12/15/2016 5.500		01/11/2006	LEHMAN BROTHERS		2,260,240	2,000,000	9,778
.646136-FM-8	NJ TRN FD SER A-FSA 12/15/2022 5.250		12/21/2006	LEHMAN BROTHERS		3,458,550	3,000,000	5,250
.67766W-GT-3	OH ST WTR-REF-LN FD 06/01/2019 5.250		06/19/2006	FIRST ALBANY CORP.		3,286,770	3,000,000	9,188
.717903-YN-2	PHILADELPHIA HSP-A-FH 01/01/2018 5.300		08/25/2006	CAPITALIZED INTEREST		.35,000	.35,000	.0
.880443-BN-5	TN ENERGY 09/01/2021 5.250		07/13/2006	GOLDMAN SACHS		3,176,940	3,000,000	.0
.917565-EU-3	UT TRN S/TAX REF-C 06/15/2032 5.250		10/17/2006	FIRST ALBANY CORP.		3,439,980	3,000,000	.0
.98322P-B6-5	WY CMNTY DEV VAR-3 06/01/2034 3.960		12/29/2006	MERRILL LYNCH		3,000,000	3,000,000	8,501
3199999 - Total	Bonds - Special Revenue					37,723,724	34,115,000	133,436
.126408-BR-3	CSX CORP 10/15/2008 6.250		04/20/2006	BEAR STEARNS & CO		1,018,990	1,000,000	1,736
4599999 - Total	Bonds - Industrial, Misc.					1,018,990	1,000,000	1,736
6099997 - Total	Bonds - Part 3					99,584,315	93,311,000	434,525
6099998 - Total	Bonds - Part 5					93,300,000	93,300,000	624,384
6099999 - Total	Bonds					192,884,315	186,611,000	1,058,909
6599998 - Total	Preferred Stocks - Part 5					.0	XXX	.0
6599999 - Total	Preferred Stocks					.0	XXX	.0
.00130H-10-5	AES CORP		01/04/2006	LEHMAN BROTHERS	286,000	4,836	.0	.0
.017361-10-6	ALLEGHENY ENERGY INC.		01/04/2006	LEHMAN BROTHERS	.71,000	2,303	.0	.0
.023608-10-2	AMEREN CORPORATION		01/04/2006	LEHMAN BROTHERS	.89,000	4,594	.0	.0
.025537-10-1	AMERICAN ELECTRIC POWER		01/04/2006	LEHMAN BROTHERS	172,000	6,419	.0	.0
.15189T-10-7	CENTERPOINT ENERGY INC.		01/04/2006	LEHMAN BROTHERS	136,000	1,770	.0	.0
.125896-10-0	CMS ENERGY CORP.		01/04/2006	LEHMAN BROTHERS	.96,000	1,392	.0	.0
.209115-10-4	CONSOLIDATED EDISON INC.		01/04/2006	LEHMAN BROTHERS	107,000	4,999	.0	.0
.210371-10-0	CONSTELLATION ENERGY GROUP		01/04/2006	LEHMAN BROTHERS	.78,000	4,559	.0	.0
.25746U-10-9	DOMINION RESOURCES INC/VA		01/04/2006	LEHMAN BROTHERS	152,000	12,067	.0	.0
.233331-10-7	DTE ENERGY COMPANY		01/04/2006	LEHMAN BROTHERS	.78,000	3,403	.0	.0
.26441C-10-5	DUKE ENERGY CORP.		04/03/2006	EXCHANGE	135,720	3,753	.0	.0
.281020-10-7	EDISON INTERNATIONAL		01/04/2006	LEHMAN BROTHERS	142,000	6,428	.0	.0
.293646-10-3	ENTERGY CORP.		01/04/2006	LEHMAN BROTHERS	.91,000	6,392	.0	.0
.337932-10-7	FIRSTENERGY CORP.		01/04/2006	LEHMAN BROTHERS	144,000	7,275	.0	.0
.302571-10-4	FPL GROUP INC.		08/15/2006	LEHMAN BROTHERS	175,000	7,368	.0	.0
.49337W-10-0	KEYSPAN CORP.		01/04/2006	LEHMAN BROTHERS	.76,000	2,775	.0	.0
.654086-10-7	NICOR INC.		01/04/2006	LEHMAN BROTHERS	.19,000	781	.0	.0
.65473P-10-5	NISOURCE INC.		01/04/2006	LEHMAN BROTHERS	119,000	2,527	.0	.0
.69331C-10-8	P G & E CORP.		01/04/2006	LEHMAN BROTHERS	150,000	5,625	.0	.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.711030-10-6	PEOPLES ENERGY CORP.		01/04/2006	LEHMAN BROTHERS	17.000	613		.0
.723484-10-1	PINNACLE WEST CAPITAL		01/04/2006	LEHMAN BROTHERS	43.000	1,831		.0
.69351T-10-6	PPL CORPORATION		01/04/2006	LEHMAN BROTHERS	166.000	5,026		.0
.743263-10-5	PROGRESS ENERGY INC.		01/04/2006	LEHMAN BROTHERS	110.000	4,852		.0
.744573-10-6	PUBLIC SERVICE ENTERPRISE GP		01/04/2006	LEHMAN BROTHERS	110.000	7,342		.0
.816851-10-9	SEMPRA ENERGY		01/04/2006	LEHMAN BROTHERS	112.000	5,103		.0
.842587-10-7	SOUTHERN CO.		01/04/2006	LEHMAN BROTHERS	324.000	11,343		.0
.872375-10-0	TECO ENERGY INC.		01/04/2006	LEHMAN BROTHERS	91.000	1,604		.0
.873168-10-8	TXU CORP.		01/04/2006	LEHMAN BROTHERS	211.000	10,782		.0
.98389B-10-0	XCEL ENERGY INC.		01/04/2006	LEHMAN BROTHERS	176.000	3,287		.0
6699999 - Total	- Common Stocks - Public Utilities					141,047	XXX	.0
.001055-10-2	AFLAC INC.		01/04/2006	LEHMAN BROTHERS	219.000	10,260		.0
.020002-10-1	ALLSTATE CORP.		01/04/2006	LEHMAN BROTHERS	284.000	15,531		.0
.023139-10-8	AMBAC FINANCIAL GROUP INC.		01/04/2006	LEHMAN BROTHERS	46.000	3,626		.0
.026874-10-7	AMERICAN INTERNATIONAL GROUP		01/04/2006	LEHMAN BROTHERS	1,135.000	79,153		.0
.037389-10-3	AON CORP.		01/04/2006	LEHMAN BROTHERS	140.000	5,236		.0
.03748R-10-1	APARTMENT INVT & MGMT CO -A		01/04/2006	LEHMAN BROTHERS	42.000	1,642		.0
.039583-10-9	ARCHSTONE-SMITH TRUST		01/04/2006	LEHMAN BROTHERS	93.000	4,052		.0
.064057-10-2	BANK OF NEW YORK CO INC.		01/04/2006	LEHMAN BROTHERS	337.000	11,016		.0
.054937-10-7	BB&T CORP.		08/15/2006	LEHMAN BROTHERS	238.000	10,153		.0
.101121-10-1	BOSTON PROPERTIES INC.		08/15/2006	LEHMAN BROTHERS	40.000	3,874		.0
.14040H-10-5	CAPITAL ONE FINANCIAL CORP.		12/01/2006	VARIOUS	205.209	16,764		.0
.171232-10-1	CHUBB CORP.		08/15/2006	LEHMAN BROTHERS	93.000	8,897		.0
.125509-10-9	CIGNA CORP.		01/04/2006	LEHMAN BROTHERS	55.000	6,317		.0
.172062-10-1	CINCINNATI FINANCIAL CORP.		01/04/2006	LEHMAN BROTHERS	76.000	3,455		.0
.200340-10-7	COMERICA INC.		01/04/2006	LEHMAN BROTHERS	72.000	4,185		.0
.200519-10-6	COMMERCE BANCORP INC/NJ		08/15/2006	LEHMAN BROTHERS	80.000	2,693		.0
.20449H-10-9	COMPASS BANCSHARES INC.		08/15/2006	LEHMAN BROTHERS	56.000	2,748		.0
.294741-10-3	EQUITY OFFICE PROPERTIES TR		01/04/2006	LEHMAN BROTHERS	178.000	5,630		.0
.29476L-10-7	EQUITY RESIDENTIAL		01/04/2006	LEHMAN BROTHERS	126.000	5,059		.0
.316773-10-0	FIFTH THIRD BANCORP		01/04/2006	LEHMAN BROTHERS	243.000	9,321		.0
.320517-10-5	FIRST HORIZON NATIONAL CORP.		01/04/2006	LEHMAN BROTHERS	55.000	2,179		.0
.37247D-10-6	GENWORTH FINANCIAL INC-CL A		01/04/2006	LEHMAN BROTHERS	165.000	5,776		.0
.416515-10-4	HARTFORD FINANCIAL SVCS GRP.		08/15/2006	LEHMAN BROTHERS	132.000	11,697		.0
.446150-10-4	HUNTINGTON BANCSHARES INC.		08/15/2006	LEHMAN BROTHERS	106.000	2,567		.0
.493267-10-8	KEYCORP		01/04/2006	LEHMAN BROTHERS	178.000	6,034		.0
.49446R-10-9	KIMCO REALTY CORP.		08/15/2006	LEHMAN BROTHERS	92.000	3,684		.0
.534187-10-9	LINCOLN NATIONAL CORP.		08/15/2006	LEHMAN BROTHERS	124.000	6,914		.0
.540424-10-8	LOEWS CORP.		01/04/2006	LEHMAN BROTHERS	59.000	5,757		.0
.55261F-10-4	M & T BANK CORP.		01/04/2006	LEHMAN BROTHERS	35.000	3,895		.0
.571748-10-2	MARSH & MCLENNAN COS.		01/04/2006	LEHMAN BROTHERS	238.000	7,596		.0
.571834-10-0	MARSHALL & LISLEY CORP.		08/15/2006	LEHMAN BROTHERS	98.000	4,304		.0
.55262C-10-0	MBIA INC.		01/04/2006	LEHMAN BROTHERS	59.000	3,627		.0
.58551A-10-8	MELLON FINANCIAL CORP.		01/04/2006	LEHMAN BROTHERS	183.000	6,472		.0
.59156R-10-8	METLIFE INC.		01/04/2006	LEHMAN BROTHERS	331.000	16,831		.0
.552848-10-3	MGIC INVESTMENT CORP.		01/04/2006	LEHMAN BROTHERS	40.000	2,726		.0
.635405-10-3	NATIONAL CITY CORP.		01/04/2006	LEHMAN BROTHERS	241.000	8,273		.0
.665859-10-4	NORTHERN TRUST CORP.		01/04/2006	LEHMAN BROTHERS	81.000	4,233		.0
.693475-10-5	PNC FINANCIAL SERVICES GROUP		01/04/2006	LEHMAN BROTHERS	128.000	8,189		.0
.74251V-10-2	PRINCIPAL FINANCIAL GROUP		01/04/2006	LEHMAN BROTHERS	122.000	5,819		.0
.743315-10-3	PROGRESSIVE CORP.		01/04/2006	LEHMAN BROTHERS	86.000	9,980		.0
.743410-10-2	PROLOGIS		01/04/2006	LEHMAN BROTHERS	106.000	5,037		.0
.744320-10-2	PRUDENTIAL FINANCIAL INC.		01/04/2006	LEHMAN BROTHERS	221.000	16,891		.0
.74460D-10-9	PUBLIC STORAGE INC.		01/04/2006	LEHMAN BROTHERS	36.000	2,529		.0
.7591EP-10-0	REGIONS FINANCIAL CORP.		11/06/2006	EXCHANGE	119.610	2,465		.0
.786429-10-0	SAFECO CORP.		01/04/2006	LEHMAN BROTHERS	54.000	3,166		.0
.828806-10-9	SIMON PROPERTY GROUP INC.		01/04/2006	LEHMAN BROTHERS	82.000	6,449		.0
.845905-10-8	SOVEREIGN BANCORP INC.		01/04/2006	LEHMAN BROTHERS	156.000	3,460		.0
.792860-10-8	ST PAUL TRAVELERS COS INC.		01/04/2006	LEHMAN BROTHERS	303.000	14,095		.0
.857477-10-3	STATE STREET CORP.		08/15/2006	LEHMAN BROTHERS	144.000	8,237		.0
.867914-10-3	SUNTRUST BANKS INC.		01/04/2006	LEHMAN BROTHERS	158.000	11,824		.0

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SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.87161C-10-5	SYNOVUS FINANCIAL CORP		08/15/2006	LEHMAN BROTHERS	139.000	3,840		.0
.891027-10-4	TORCHMARK CORP		01/04/2006	LEHMAN BROTHERS	45.000	2,515		.0
.91529Y-10-6	UNUMPROVIDENT CORP		08/15/2006	LEHMAN BROTHERS	148.000	3,358		.0
.902973-30-4	US BANCORP		01/04/2006	LEHMAN BROTHERS	794.000	24,144		.0
.929042-10-9	VORNADO REALTY TRUST		01/04/2006	LEHMAN BROTHERS	52.000	4,482		.0
.929903-10-2	WACHOVIA CORP		10/02/2006	VARIOUS	813.666	43,235		.0
.939322-10-3	WASHINGTON MUTUAL INC		01/04/2006	LEHMAN BROTHERS	431.000	19,360		.0
.949746-10-1	WELLS FARGO & COMPANY		01/04/2006	LEHMAN BROTHERS	731.000	46,110		.0
.698255-10-5	XL CAPITAL LTD -CLASS A		08/15/2006	LEHMAN BROTHERS	78.000	5,417		.0
.989701-10-7	ZIONS BANCORPORATION		01/04/2006	LEHMAN BROTHERS	46.000	3,544		.0
.60070K-10-3	ACE LTD	F	01/04/2006	LEHMAN BROTHERS	141.000	7,824		.0
6799999 - Total	- Common Stocks - Banks, Trusts, Insurance					574,145	XXX	.0
.88579Y-10-1	3M CO		01/04/2006	LEHMAN BROTHERS	332.000	26,138		.0
.002824-10-0	ABBOTT LABORATORIES		01/04/2006	LEHMAN BROTHERS	678.000	26,868		.0
.000886-30-9	ADC TELECOMMUNICATIONS INC		01/04/2006	LEHMAN BROTHERS	51.000	1,178		.0
.00724F-10-1	ADOBE SYSTEMS INC		01/04/2006	LEHMAN BROTHERS	263.000	10,109		.0
.007903-10-7	ADVANCED MICRO DEVICES		08/15/2006	LEHMAN BROTHERS	209.000	6,437		.0
.00817Y-10-8	AETNA INC		01/04/2006	LEHMAN BROTHERS	125.000	11,805		.0
.008190-10-0	AFFILIATED COMPUTER SVCS-A		01/04/2006	LEHMAN BROTHERS	54.000	3,302		.0
.00846U-10-1	AGILENT TECHNOLOGIES INC		08/15/2006	LEHMAN BROTHERS	184.000	6,174		.0
.009158-10-6	AIR PRODUCTS & CHEMICALS INC		01/04/2006	LEHMAN BROTHERS	97.000	5,718		.0
.013078-10-0	ALBERTO-CULVER CO		01/04/2006	LEHMAN BROTHERS	33.000	1,538		.0
.013817-10-1	ALCOA INC		01/04/2006	LEHMAN BROTHERS	380.000	11,433		.0
.01741R-10-2	ALLEGHENY TECHNOLOGIES INC		08/15/2006	LEHMAN BROTHERS	38.000	1,480		.0
.018490-10-2	ALLERGAN INC		08/15/2006	LEHMAN BROTHERS	66.000	7,294		.0
.019589-30-8	ALLIED WASTE INDUSTRIES INC		08/15/2006	LEHMAN BROTHERS	104.000	915		.0
.020039-10-3	ALLTEL CORP		08/15/2006	LEHMAN BROTHERS	169.000	10,645		.0
.021441-10-0	ALTERA CORPORATION		01/04/2006	LEHMAN BROTHERS	158.000	3,036		.0
.02209S-10-3	ALTRIA GROUP INC		01/04/2006	LEHMAN BROTHERS	910.000	68,740		.0
.023135-10-6	AMAZON.COM INC		01/04/2006	LEHMAN BROTHERS	134.000	6,334		.0
.025816-10-9	AMERICAN EXPRESS CO		01/04/2006	LEHMAN BROTHERS	543.000	28,219		.0
.029066-10-7	AMERICAN POWER CONVERSION		01/04/2006	LEHMAN BROTHERS	75.000	1,729		.0
.029712-10-6	AMERICAN STANDARD COS INC		01/04/2006	LEHMAN BROTHERS	80.000	3,146		.0
.03076C-10-6	AMERIPRISE FINANCIAL INC		01/04/2006	LEHMAN BROTHERS	108.000	4,691		.0
.03073E-10-5	AMERISOURCEBERGEN CORP		01/04/2006	LEHMAN BROTHERS	91.000	3,822		.0
.031162-10-0	AMGEN INC		01/04/2006	LEHMAN BROTHERS	540.000	43,199		.0
.032511-10-7	ANADARKO PETROLEUM CORP		01/04/2006	LEHMAN BROTHERS	104.000	10,222		.0
.032654-10-5	ANALOG DEVICES		01/04/2006	LEHMAN BROTHERS	160.000	5,929		.0
.034425-10-8	ANDREW CORP		01/04/2006	LEHMAN BROTHERS	71.000	770		.0
.035229-10-3	ANHEUSER-BUSCH COS INC		01/04/2006	LEHMAN BROTHERS	339.000	14,895		.0
.037411-10-5	APACHE CORP		01/04/2006	LEHMAN BROTHERS	144.000	10,183		.0
.037604-10-5	APOLLO GROUP INC-CL A		01/04/2006	LEHMAN BROTHERS	64.000	3,922		.0
.037833-10-0	APPLE INC		08/15/2006	LEHMAN BROTHERS	369.000	27,662		.0
.038020-10-3	APPLIED BIOSYSTEMS GROUP-APP		01/04/2006	LEHMAN BROTHERS	82.000	2,207		.0
.038222-10-5	APPLIED MATERIALS INC		01/04/2006	LEHMAN BROTHERS	709.000	13,122		.0
.039483-10-2	ARCHER-DANIELS-MIDLAND CO		01/04/2006	LEHMAN BROTHERS	286.000	7,418		.0
.044209-10-4	ASHLAND INC		01/04/2006	LEHMAN BROTHERS	31.000	1,850		.0
.00206R-10-2	AT&T INC		01/04/2006	LEHMAN BROTHERS	1,707.000	42,518		.0
.052769-10-6	AUTODESK INC		01/04/2006	LEHMAN BROTHERS	101.000	4,296		.0
.053015-10-3	AUTOMATIC DATA PROCESSING		01/04/2006	LEHMAN BROTHERS	252.000	11,718		.0
.05329W-10-2	AUTONATION INC		01/04/2006	LEHMAN BROTHERS	79.000	1,768		.0
.053332-10-2	AUTOZONE INC		01/04/2006	LEHMAN BROTHERS	24.000	2,206		.0
.053499-10-9	AVAYA INC		01/04/2006	LEHMAN BROTHERS	183.000	2,011		.0
.053611-10-9	AVERY DENNISON CORP		01/04/2006	LEHMAN BROTHERS	48.000	2,745		.0
.054303-10-2	AVON PRODUCTS INC		01/04/2006	LEHMAN BROTHERS	200.000	5,734		.0
.057224-10-7	BAKER HUGHES INC		01/04/2006	LEHMAN BROTHERS	149.000	9,628		.0
.058498-10-6	BALL CORP		01/04/2006	LEHMAN BROTHERS	46.000	1,932		.0
.067383-10-9	BARD (C.R.) INC		01/04/2006	LEHMAN BROTHERS	46.000	3,080		.0
.068306-10-9	BARR PHARMACEUTICALS INC		08/15/2006	LEHMAN BROTHERS	46.000	2,570		.0
.071707-10-3	BAUSCH & LOMB INC		01/04/2006	LEHMAN BROTHERS	24.000	1,641		.0
.071813-10-9	BAXTER INTERNATIONAL INC		08/15/2006	LEHMAN BROTHERS	284.000	11,096		.0

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SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.073902-10-8	BEAR STEARNS COMPANIES INC.		08/15/2006	LEHMAN BROTHERS	53.000	6.225		.0
.075887-10-9	BECTON DICKINSON & CO.		01/04/2006	LEHMAN BROTHERS	110.000	6.750		.0
.075896-10-0	BED BATH & BEYOND INC.		01/04/2006	LEHMAN BROTHERS	130.000	4.737		.0
.081437-10-5	BEMIS COMPANY		01/04/2006	LEHMAN BROTHERS	46.000	1.331		.0
.086516-10-1	BEST BUY CO INC.		01/04/2006	LEHMAN BROTHERS	179.000	7.888		.0
.089302-10-3	BIG LOTS INC.		01/04/2006	LEHMAN BROTHERS	50.000	610		.0
.09062X-10-3	BIOGEN IDEC INC.		08/15/2006	LEHMAN BROTHERS	149.000	7.041		.0
.090613-10-0	BIOMET INC.		01/04/2006	LEHMAN BROTHERS	109.000	4.049		.0
.055482-10-3	BJ SERVICES CO.		01/04/2006	LEHMAN BROTHERS	141.000	5.613		.0
.091797-10-0	BLACK & DECKER CORP.		01/04/2006	LEHMAN BROTHERS	34.000	3.050		.0
.055921-10-0	BMC SOFTWARE INC.		01/04/2006	LEHMAN BROTHERS	95.000	2.193		.0
.097023-10-5	BOEING CO.		01/04/2006	LEHMAN BROTHERS	353.000	25.129		.0
.101137-10-7	BOSTON SCIENTIFIC CORP.		08/15/2006	VARIOUS	526.585	12.421		.0
.110122-10-8	BRISTOL-MYERS SQUIBB CO.		06/22/2006	VARIOUS	855.010	19.364		.0
.111320-10-7	BROADCOM CORP-CL A		08/15/2006	LEHMAN BROTHERS	135.000	6.371		.0
.115637-20-9	BROWN-FORMAN CORP-CLASS B		01/04/2006	LEHMAN BROTHERS	36.000	2.566		.0
.117043-10-9	BRUNSWICK CORP.		01/04/2006	LEHMAN BROTHERS	42.000	1.713		.0
.12189T-10-4	BURLINGTON NORTHERN SANTA FE		01/04/2006	LEHMAN BROTHERS	163.000	11.496		.0
.12673P-10-5	CA INC.		01/04/2006	LEHMAN BROTHERS	201.000	5.696		.0
.134429-10-9	CAMPBELL SOUP CO.		01/04/2006	LEHMAN BROTHERS	81.000	2.422		.0
.14149Y-10-8	CARDINAL HEALTH INC.		01/04/2006	LEHMAN BROTHERS	187.000	13.097		.0
.141705-10-3	CAREMARK RX INC.		01/04/2006	LEHMAN BROTHERS	197.000	10.147		.0
.149123-10-1	CATERPILLAR INC.		01/04/2006	LEHMAN BROTHERS	297.000	17.623		.0
.124857-20-2	CBS CORP-CLASS B		01/04/2006	LEHMAN BROTHERS	338.000	8.794		.0
.152312-10-4	CENTEX CORP.		01/04/2006	LEHMAN BROTHERS	56.000	4.064		.0
.156700-10-6	CENTURYTEL INC.		01/04/2006	LEHMAN BROTHERS	57.000	1.909		.0
.165167-10-7	CHESAPEAKE ENERGY CORP.		08/15/2006	LEHMAN BROTHERS	178.000	5.608		.0
.167760-10-7	CHICAGO MERCANTILE EXCHANG-A		08/15/2006	LEHMAN BROTHERS	15.000	7.005		.0
.171779-30-9	CIENA CORP.		01/04/2006	LEHMAN BROTHERS	253.000	.807		.0
.172908-10-5	CINTAS CORP.		01/04/2006	LEHMAN BROTHERS	60.000	2.487		.0
.172737-10-8	CIRCUIT CITY STORES INC.		01/04/2006	LEHMAN BROTHERS	68.000	1.569		.0
.17275R-10-2	CISCO SYSTEMS INC.		01/04/2006	LEHMAN BROTHERS	2,685.000	47.976		.0
.125581-10-8	CIT GROUP INC.		01/04/2006	LEHMAN BROTHERS	87.000	4.526		.0
.172967-10-1	CITIGROUP INC.		01/04/2006	LEHMAN BROTHERS	2,211.000	107.008		.0
.17453B-10-1	CITIZENS COMMUNICATIONS CO.		01/04/2006	LEHMAN BROTHERS	146.000	1.788		.0
.177376-10-0	CITRIX SYSTEMS INC.		08/15/2006	LEHMAN BROTHERS	79.000	2.367		.0
.184502-10-2	CLEAR CHANNEL COMMUNICATIONS		01/04/2006	LEHMAN BROTHERS	236.000	7.559		.0
.189054-10-9	CLOROX COMPANY		01/04/2006	LEHMAN BROTHERS	66.000	3.798		.0
.189754-10-4	COACH INC.		01/04/2006	LEHMAN BROTHERS	166.000	5.433		.0
.191216-10-0	COCA-COLA CO/THE		01/04/2006	LEHMAN BROTHERS	905.000	36.958		.0
.191219-10-4	COCA-COLA ENTERPRISES		01/04/2006	LEHMAN BROTHERS	132.000	2.534		.0
.194162-10-3	COLGATE-PALMOLIVE CO.		01/04/2006	LEHMAN BROTHERS	226.000	12.561		.0
.20030N-10-1	COMCAST CORP-CL A		01/04/2006	LEHMAN BROTHERS	949.000	25.052		.0
.205363-10-4	COMPUTER SCIENCES CORP.		01/04/2006	LEHMAN BROTHERS	81.000	4.118		.0
.205638-10-9	COMPUWARE CORP.		01/04/2006	LEHMAN BROTHERS	169.000	1.582		.0
.205862-40-2	COMVERSE TECHNOLOGY INC.		01/04/2006	LEHMAN BROTHERS	88.000	2.380		.0
.205887-10-2	CONAGRA FOODS INC.		01/04/2006	LEHMAN BROTHERS	227.000	4.678		.0
.20825C-10-4	CONOCOPHILLIPS		04/03/2006	EXCHANGE	119.031	7.517		.0
.20854P-10-9	CONSOL ENERGY INC.		08/15/2006	LEHMAN BROTHERS	79.000	2.962		.0
.21036P-10-8	CONSTELLATION BRANDS-A W/I		01/04/2006	LEHMAN BROTHERS	86.000	2.256		.0
.212485-10-6	CONVERGYS CORP.		01/04/2006	LEHMAN BROTHERS	61.000	.975		.0
.624182-10-0	COOPER INDUSTRIES LTD-CL A		01/04/2006	LEHMAN BROTHERS	40.000	2.985		.0
.219350-10-5	CORNING INC.		08/15/2006	LEHMAN BROTHERS	675.000	14.079		.0
.22160K-10-5	COSTCO WHOLESALE CORP.		01/04/2006	LEHMAN BROTHERS	206.000	10.320		.0
.222372-10-4	COUNTRYWIDE FINANCIAL CORP.		08/15/2006	LEHMAN BROTHERS	263.000	9.359		.0
.222862-10-4	COVENTRY HEALTH CARE INC.		01/04/2006	LEHMAN BROTHERS	71.000	4.084		.0
.126408-10-3	CSX CORP.		08/15/2006	LEHMAN BROTHERS	96.000	4.796		.0
.231021-10-6	CUMMINS INC.		01/04/2006	LEHMAN BROTHERS	20.000	1.911		.0
.126650-10-0	CYS CORP.		01/04/2006	LEHMAN BROTHERS	356.000	9.387		.0
.235811-10-6	DANA CORP.		01/04/2006	LEHMAN BROTHERS	66.000	.494		.0
.235851-10-2	DANAHER CORP.		01/04/2006	LEHMAN BROTHERS	104.000	5.888		.0

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SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
237194-10-5	DARDEN RESTAURANTS INC.		01/04/2006	LEHMAN BROTHERS	57.000	2,232		.0
242370-10-4	DEAN FOODS CO.		08/15/2006	LEHMAN BROTHERS	59.000	2,282		.0
244199-10-5	DEERE & CO.		01/04/2006	LEHMAN BROTHERS	105.000	7,151		.0
24702R-10-1	DELL INC.		01/04/2006	LEHMAN BROTHERS	1,029.000	31,671		.0
25179M-10-3	DEVON ENERGY CORPORATION		01/04/2006	LEHMAN BROTHERS	194.000	12,806		.0
254067-10-1	DILLARDS INC-CL A		01/04/2006	LEHMAN BROTHERS	27.000	694		.0
256669-10-2	DOLLAR GENERAL CORP.		01/04/2006	LEHMAN BROTHERS	138.000	2,565		.0
260003-10-8	DOVER CORP.		01/04/2006	LEHMAN BROTHERS	89.000	3,757		.0
260561-10-5	DOW JONES & CO INC.		01/04/2006	LEHMAN BROTHERS	26.000	1,019		.0
23331A-10-9	DR HORTON INC.		01/04/2006	LEHMAN BROTHERS	119.000	4,362		.0
263534-10-9	DU PONT (E.I.) DE NEMOURS		01/04/2006	LEHMAN BROTHERS	402.000	17,221		.0
268160-10-1	DYNEGY INC-CL A		08/15/2006	LEHMAN BROTHERS	159.000	838		.0
269246-10-4	E*TRADE FINANCIAL CORP.		08/15/2006	LEHMAN BROTHERS	184.000	3,992		.0
277432-10-0	EASTMAN CHEMICAL COMPANY		01/04/2006	LEHMAN BROTHERS	36.000	1,882		.0
277461-10-9	EASTMAN KODAK CO.		01/04/2006	LEHMAN BROTHERS	126.000	3,059		.0
278058-10-2	EATON CORP.		01/04/2006	LEHMAN BROTHERS	65.000	4,352		.0
278642-10-3	EBAY INC.		08/15/2006	LEHMAN BROTHERS	501.000	22,289		.0
278865-10-0	ECOLAB INC.		01/04/2006	LEHMAN BROTHERS	81.000	2,866		.0
28336L-10-9	EL PASO CORP.		08/15/2006	LEHMAN BROTHERS	301.000	3,748		.0
285512-10-9	ELECTRONIC ARTS INC.		08/15/2006	LEHMAN BROTHERS	133.000	7,256		.0
285661-10-4	ELECTRONIC DATA SYSTEMS CORP.		01/04/2006	LEHMAN BROTHERS	228.000	5,529		.0
532457-10-8	ELI LILLY & CO.		01/04/2006	LEHMAN BROTHERS	497.000	28,378		.0
29078E-10-5	EMBARO CORP.		08/15/2006	VARIOUS	65.550	2,843		.0
268648-10-2	EMC CORP/MASS.		01/04/2006	LEHMAN BROTHERS	1,045.000	14,649		.0
291011-10-4	EMERSON ELECTRIC CO.		01/04/2006	LEHMAN BROTHERS	180.000	13,546		.0
26875P-10-1	EOG RESOURCES INC.		01/04/2006	LEHMAN BROTHERS	106.000	8,381		.0
294429-10-5	EQUIFAX INC.		01/04/2006	LEHMAN BROTHERS	57.000	2,174		.0
518439-10-4	ESTEE LAUDER COMPANIES-CL A		08/15/2006	LEHMAN BROTHERS	51.000	1,897		.0
811054-20-4	EW SCRIPPS CO-CL A		01/04/2006	LEHMAN BROTHERS	37.000	1,834		.0
30161N-10-1	EXELON CORP.		01/04/2006	LEHMAN BROTHERS	292.000	15,954		.0
302182-10-0	EXPRESS SCRIPTS INC.		01/04/2006	LEHMAN BROTHERS	64.000	5,618		.0
302316-10-2	EXXON MOBIL CORP.		01/04/2006	LEHMAN BROTHERS	2,720.000	159,359		.0
307000-10-9	FAMILY DOLLAR STORES		01/04/2006	LEHMAN BROTHERS	68.000	1,699		.0
313586-10-9	FANNIE MAE		01/04/2006	LEHMAN BROTHERS	423.000	20,629		.0
31410H-10-1	FEDERATED DEPARTMENT STORES		08/15/2006	LEHMAN BROTHERS	121.000	8,297		.0
314211-10-3	FEDERATED INVESTORS INC-CL B		01/04/2006	LEHMAN BROTHERS	37.000	1,364		.0
31428X-10-6	FEDEX CORP.		01/04/2006	LEHMAN BROTHERS	132.000	13,841		.0
319963-10-4	FIRST DATA CORP.		01/04/2006	LEHMAN BROTHERS	334.000	14,368		.0
337738-10-8	FISERV INC.		01/04/2006	LEHMAN BROTHERS	81.000	3,590		.0
343412-10-2	FLUOR CORP.		01/04/2006	LEHMAN BROTHERS	38.000	2,959		.0
345370-86-0	FORD MOTOR CO.		08/15/2006	LEHMAN BROTHERS	813.000	6,527		.0
345838-10-6	FOREST LABORATORIES INC.		01/04/2006	LEHMAN BROTHERS	148.000	6,077		.0
349631-10-1	FORTUNE BRANDS INC.		01/04/2006	LEHMAN BROTHERS	64.000	4,998		.0
354613-10-1	FRANKLIN RESOURCES INC.		08/15/2006	LEHMAN BROTHERS	67.000	6,434		.0
313400-30-1	FREDDIE MAC		01/04/2006	LEHMAN BROTHERS	302.000	19,711		.0
35671D-85-7	FREEMONT-MCMORAN COPPER-B		08/15/2006	LEHMAN BROTHERS	82.000	4,890		.0
364730-10-1	GANNETT CO.		01/04/2006	LEHMAN BROTHERS	105.000	6,606		.0
364760-10-8	GAP INC/THE		01/04/2006	LEHMAN BROTHERS	251.000	4,427		.0
369550-10-8	GENERAL DYNAMICS CORP.		01/04/2006	LEHMAN BROTHERS	88.000	10,122		.0
369604-10-3	GENERAL ELECTRIC CO.		01/04/2006	LEHMAN BROTHERS	4,618.000	163,191		.0
370334-10-4	GENERAL MILLS INC.		01/04/2006	LEHMAN BROTHERS	155.000	7,751		.0
370442-10-5	GENERAL MOTORS CORP.		01/04/2006	LEHMAN BROTHERS	247.000	4,799		.0
372460-10-5	GENUINE PARTS CO.		01/04/2006	LEHMAN BROTHERS	76.000	3,365		.0
372917-10-4	GENZYME CORP.		01/04/2006	LEHMAN BROTHERS	113.000	8,345		.0
375558-10-3	GILEAD SCIENCES INC.		01/04/2006	LEHMAN BROTHERS	200.000	11,094		.0
38141G-10-4	GOLDMAN SACHS GROUP INC.		01/04/2006	LEHMAN BROTHERS	197.000	25,040		.0
382388-10-6	GOODRICH CORP.		01/04/2006	LEHMAN BROTHERS	54.000	2,196		.0
382550-10-1	GOODYEAR TIRE & RUBBER CO.		01/04/2006	LEHMAN BROTHERS	77.000	1,376		.0
38259P-50-8	GOOGLE INC-CL A		08/15/2006	LEHMAN BROTHERS	90.000	34,289		.0
093671-10-5	H&R BLOCK INC.		01/04/2006	LEHMAN BROTHERS	143.000	3,470		.0
406216-10-1	HALLIBURTON CO.		01/04/2006	LEHMAN BROTHERS	224.000	14,815		.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
410345-10-2	HANESBRANDS INC.		09/06/2006	SPIN OFF NEW SECURITY	41.125	929		.0
412822-10-8	HARLEY-DAVIDSON INC.		01/04/2006	LEHMAN BROTHERS	120.000	6,086		.0
413086-10-9	HARMAN INTERNATIONAL		08/15/2006	LEHMAN BROTHERS	29.000	2,381		.0
413619-10-7	HARRAHS ENTERTAINMENT INC.		01/04/2006	LEHMAN BROTHERS	80.000	5,739		.0
418056-10-7	HASBRO INC.		01/04/2006	LEHMAN BROTHERS	78.000	1,549		.0
421933-10-2	HEALTH MGMT ASSOCIATES INC-A		01/04/2006	LEHMAN BROTHERS	108.000	2,354		.0
427056-10-6	HERCULES INC.		01/04/2006	LEHMAN BROTHERS	49.000	566		.0
427866-10-8	HERSHEY CO/THE		01/04/2006	LEHMAN BROTHERS	79.000	4,331		.0
42809H-10-7	HESS CORP.		01/04/2006	LEHMAN BROTHERS	35.000	4,740		.0
428236-10-3	HEWLETT-PACKARD CO.		01/04/2006	LEHMAN BROTHERS	1,252.000	37,094		.0
432848-10-9	HILTON HOTELS CORP.		01/04/2006	LEHMAN BROTHERS	143.000	3,467		.0
423074-10-3	HJ HEINZ CO.		01/04/2006	LEHMAN BROTHERS	146.000	4,939		.0
437076-10-2	HOME DEPOT INC.		01/04/2006	LEHMAN BROTHERS	929.000	37,623		.0
438516-10-6	HONEYWELL INTERNATIONAL INC.		01/04/2006	LEHMAN BROTHERS	368.000	13,737		.0
441060-10-0	HOSPIRA INC.		01/04/2006	LEHMAN BROTHERS	70.000	3,081		.0
444859-10-2	HUMANA INC.		01/04/2006	LEHMAN BROTHERS	71.000	4,039		.0
451663-10-8	IDEARC INC.		11/20/2006	SPIN OFF NEW SECURITY	63.200	1,456		.0
452308-10-9	ILLINOIS TOOL WORKS		01/04/2006	LEHMAN BROTHERS	90.000	8,086		.0
449934-10-8	IMS HEALTH INC.		01/04/2006	LEHMAN BROTHERS	101.000	2,564		.0
460146-10-3	INTERNATIONAL PAPER CO.		01/04/2006	LEHMAN BROTHERS	214.000	7,226		.0
460690-10-0	INTERPUBLIC GROUP OF COS INC.		08/15/2006	LEHMAN BROTHERS	189.000	1,866		.0
459506-10-1	INTL FLAVORS & FRAGRANCES		01/04/2006	LEHMAN BROTHERS	35.000	1,187		.0
459902-10-2	INTL GAME TECHNOLOGY		01/04/2006	LEHMAN BROTHERS	147.000	4,566		.0
461202-10-3	INTUIT INC.		01/04/2006	LEHMAN BROTHERS	77.000	4,172		.0
450911-10-2	ITT CORP.		01/04/2006	LEHMAN BROTHERS	40.000	4,219		.0
708160-10-6	J.C. PENNEY CO INC.		01/04/2006	LEHMAN BROTHERS	102.000	5,839		.0
466313-10-3	JABIL CIRCUIT INC.		08/15/2006	LEHMAN BROTHERS	77.000	2,907		.0
47102X-10-5	JANUS CAPITAL GROUP INC.		01/04/2006	LEHMAN BROTHERS	94.000	1,806		.0
46612J-50-7	JDS UNIPHASE CORP.		08/15/2006	LEHMAN BROTHERS	730.000	1,836		.0
478160-10-4	JOHNSON & JOHNSON		01/04/2006	LEHMAN BROTHERS	1,300.000	81,377		.0
478366-10-7	JOHNSON CONTROLS INC.		08/15/2006	LEHMAN BROTHERS	85.000	6,391		.0
480074-10-3	JONES APPAREL GROUP INC.		01/04/2006	LEHMAN BROTHERS	51.000	1,579		.0
46625H-10-0	JPMORGAN CHASE & CO.		01/04/2006	LEHMAN BROTHERS	1,529.000	60,607		.0
48203R-10-4	JUNIPER NETWORKS INC.		08/15/2006	LEHMAN BROTHERS	245.000	3,309		.0
48666K-10-9	KB HOME		01/04/2006	LEHMAN BROTHERS	34.000	2,555		.0
487836-10-8	KELLOGG CO.		01/04/2006	LEHMAN BROTHERS	112.000	4,941		.0
494368-10-3	KIMBERLY-CLARK CORP.		01/04/2006	LEHMAN BROTHERS	204.000	12,172		.0
49455P-10-1	KINDER MORGAN INC.		01/04/2006	LEHMAN BROTHERS	46.000	4,343		.0
495582-10-8	KING PHARMACEUTICALS INC.		01/04/2006	LEHMAN BROTHERS	106.000	1,864		.0
482480-10-0	KLA-TENCOR CORPORATION		01/04/2006	LEHMAN BROTHERS	86.000	4,326		.0
500255-10-4	KOHL'S CORP.		01/04/2006	LEHMAN BROTHERS	151.000	7,097		.0
501044-10-1	KROGER CO.		01/04/2006	LEHMAN BROTHERS	317.000	5,949		.0
502424-10-4	L-3 COMMUNICATIONS HOLDINGS		01/04/2006	LEHMAN BROTHERS	53.000	4,021		.0
50540R-40-9	LABORATORY CRP OF AMER HLDGS.		01/04/2006	LEHMAN BROTHERS	58.000	3,176		.0
524901-10-5	LEGG MASON INC.		08/15/2006	LEHMAN BROTHERS	57.000	4,941		.0
524660-10-7	LEGGETT & PLATT INC.		01/04/2006	LEHMAN BROTHERS	80.000	1,939		.0
524908-10-0	LEHMAN BROTHERS HOLDINGS INC.		01/04/2006	LEHMAN BROTHERS	117.000	14,994		.0
526057-10-4	LENNAR CORP-CL A		01/04/2006	LEHMAN BROTHERS	60.000	3,726		.0
529771-10-7	LEXMARK INTERNATIONAL INC-A		01/04/2006	LEHMAN BROTHERS	51.000	2,335		.0
532716-10-7	LIMITED BRANDS INC.		01/04/2006	LEHMAN BROTHERS	152.000	3,354		.0
535678-10-6	LINEAR TECHNOLOGY CORP.		01/04/2006	LEHMAN BROTHERS	133.000	4,883		.0
539320-10-1	LIZ CLAIBORNE INC.		01/04/2006	LEHMAN BROTHERS	47.000	1,651		.0
539830-10-9	LOCKHEED MARTIN CORP.		01/04/2006	LEHMAN BROTHERS	156.000	10,062		.0
546347-10-5	LOUISIANA-PACIFIC CORP.		01/04/2006	LEHMAN BROTHERS	46.000	1,291		.0
548661-10-7	LOWES COS INC.		01/04/2006	LEHMAN BROTHERS	342.000	22,660		.0
502161-10-2	LSI LOGIC CORP.		01/04/2006	LEHMAN BROTHERS	171.000	1,470		.0
564055-10-1	MANOR CARE INC.		01/04/2006	LEHMAN BROTHERS	35.000	1,407		.0
565849-10-6	MARATHON OIL CORP.		01/04/2006	LEHMAN BROTHERS	160.000	10,579		.0
571903-20-2	MARRIOTT INTERNATIONAL-CL A		01/04/2006	LEHMAN BROTHERS	72.000	4,915		.0
574599-10-6	MASCO CORP.		01/04/2006	LEHMAN BROTHERS	185.000	5,688		.0
577081-10-2	MATTEL INC.		01/04/2006	LEHMAN BROTHERS	177.000	2,759		.0

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SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.57772K-10-1	MAXIM INTEGRATED PRODUCTS		01/04/2006	LEHMAN BROTHERS	143.000	5.265		.0
.579780-20-6	MCCORMICK & CO-NON VTG SHRS		01/04/2006	LEHMAN BROTHERS	59.000	1.896		.0
.580135-10-1	MCDONALDS CORP		01/04/2006	LEHMAN BROTHERS	550.000	18.611		.0
.580645-10-9	MCGRAW-HILL COMPANIES INC		01/04/2006	LEHMAN BROTHERS	164.000	8.470		.0
.581550-10-3	MCKESSON CORP		01/04/2006	LEHMAN BROTHERS	135.000	7.269		.0
.583334-10-7	MEADWESTVACO CORP		01/04/2006	LEHMAN BROTHERS	79.000	2.221		.0
.58405U-10-2	MEDCO HEALTH SOLUTIONS INC		01/04/2006	LEHMAN BROTHERS	134.000	7.614		.0
.584699-10-2	MEDIMMUNE INC		01/04/2006	LEHMAN BROTHERS	108.000	3.784		.0
.585055-10-6	MEDTRONIC INC		01/04/2006	LEHMAN BROTHERS	529.000	30.887		.0
.589331-10-7	MERCK & CO. INC		01/04/2006	LEHMAN BROTHERS	956.000	31.689		.0
.589433-10-1	MEREDITH CORP		01/04/2006	LEHMAN BROTHERS	18.000	.944		.0
.590188-10-8	MERRILL LYNCH & CO INC		01/04/2006	LEHMAN BROTHERS	402.000	27.480		.0
.595112-10-3	MICRON TECHNOLOGY INC		08/15/2006	LEHMAN BROTHERS	314.000	4.522		.0
.594918-10-4	MICROSOFT CORP		01/04/2006	LEHMAN BROTHERS	4,001.000	108.019		.0
.601073-10-9	MILLIPORE CORP		01/04/2006	LEHMAN BROTHERS	23.000	1.554		.0
.608554-10-1	MOLEX INC		01/04/2006	LEHMAN BROTHERS	63.000	1.685		.0
.60871R-20-9	MOLSON COORS BREWING CO -B		01/04/2006	LEHMAN BROTHERS	25.000	1.672		.0
.61166W-10-1	MONSANTO CO		01/04/2006	LEHMAN BROTHERS	117.000	9.370		.0
.611742-10-7	MONSTER WORLDWIDE INC		08/15/2006	LEHMAN BROTHERS	55.000	2.212		.0
.615369-10-5	MOODYS CORP		01/04/2006	LEHMAN BROTHERS	108.000	6.794		.0
.620076-10-9	MOTOROLA INC		01/04/2006	LEHMAN BROTHERS	1,089.000	25.502		.0
.626717-10-2	MURPHY OIL CORP		01/04/2006	LEHMAN BROTHERS	72.000	3.959		.0
.628530-10-7	MYLAN LABORATORIES INC		01/04/2006	LEHMAN BROTHERS	96.000	1.914		.0
.66359F-10-3	NABORS INDUSTRIES LTD		01/04/2006	LEHMAN BROTHERS	69.000	5.480		.0
.637071-10-1	NATIONAL OILWELL VARCO INC		01/04/2006	LEHMAN BROTHERS	76.000	5.309		.0
.637640-10-3	NATIONAL SEMICONDUCTOR CORP		01/04/2006	LEHMAN BROTHERS	150.000	4.135		.0
.63934E-10-8	NAVISTAR INTERNATIONAL		01/04/2006	LEHMAN BROTHERS	27.000	.783		.0
.62886E-10-8	NCR CORPORATION		01/04/2006	LEHMAN BROTHERS	80.000	2.717		.0
.64120L-10-4	NETWORK APPLIANCE INC		01/04/2006	LEHMAN BROTHERS	163.000	4.577		.0
.650111-10-7	NEW YORK TIMES CO -CL A		01/04/2006	LEHMAN BROTHERS	63.000	1.739		.0
.651229-10-6	NEWELL RUBBERMAID INC		01/04/2006	LEHMAN BROTHERS	120.000	2.889		.0
.651639-10-6	NEWMONT MINING CORP		01/04/2006	LEHMAN BROTHERS	195.000	11.321		.0
.65248E-10-4	NEWS CORP-CL A		01/04/2006	LEHMAN BROTHERS	1,064.000	16.522		.0
.654106-10-3	NIKE INC -CL B		01/04/2006	LEHMAN BROTHERS	83.000	7.102		.0
.665422-10-0	NOBLE CORP		01/04/2006	LEHMAN BROTHERS	60.000	4.569		.0
.655664-10-0	NORDSTROM INC		01/04/2006	LEHMAN BROTHERS	96.000	3.618		.0
.655844-10-8	NORFOLK SOUTHERN CORP		08/15/2006	LEHMAN BROTHERS	180.000	7.842		.0
.666807-10-2	NORTHROP GRUMMAN CORP		01/04/2006	LEHMAN BROTHERS	155.000	9.312		.0
.670006-10-5	NOVELL INC		01/04/2006	LEHMAN BROTHERS	167.000	1.473		.0
.670008-10-1	NOVELLUS SYSTEMS INC		01/04/2006	LEHMAN BROTHERS	58.000	1.443		.0
.670346-10-5	NUCOR CORP		01/04/2006	LEHMAN BROTHERS	68.000	4.792		.0
.67066G-10-4	NVIDIA CORP		08/15/2006	LEHMAN BROTHERS	77.000	2.999		.0
.674599-10-5	OCCIDENTAL PETROLEUM CORP		08/15/2006	LEHMAN BROTHERS	186.000	15.993		.0
.676220-10-6	OFFICE DEPOT INC		01/04/2006	LEHMAN BROTHERS	135.000	4.240		.0
.67622P-10-1	OFFICEMAX INC		01/04/2006	LEHMAN BROTHERS	31.000	.824		.0
.681919-10-6	OMNICOM GROUP		01/04/2006	LEHMAN BROTHERS	79.000	6.842		.0
.68389X-10-5	ORACLE CORP		02/07/2006	VARIOUS	1,826.212	23.025		.0
.693718-10-8	PACCAR INC		01/04/2006	LEHMAN BROTHERS	74.000	5.296		.0
.695257-10-5	PACTIV CORPORATION		01/04/2006	LEHMAN BROTHERS	63.000	1.430		.0
.696429-30-7	PALL CORP		01/04/2006	LEHMAN BROTHERS	54.000	1.454		.0
.699173-20-9	PARAMETRIC TECHNOLOGY CORP		08/15/2006	LEHMAN BROTHERS	120.000	.792		.0
.701094-10-4	PARKER HANNIFIN CORP		01/04/2006	LEHMAN BROTHERS	52.000	3.566		.0
.703395-10-3	PATTERSON COS INC		01/04/2006	LEHMAN BROTHERS	60.000	2.001		.0
.704326-10-7	PAYCHEX INC		01/04/2006	LEHMAN BROTHERS	146.000	5.691		.0
.713409-10-0	PEPSI BOTTLING GROUP INC		01/04/2006	LEHMAN BROTHERS	60.000	1.730		.0
.713448-10-8	PEPSICO INC		01/04/2006	LEHMAN BROTHERS	725.000	43.317		.0
.714046-10-9	PERKINELMER INC		01/04/2006	LEHMAN BROTHERS	57.000	1.370		.0
.717081-10-3	PFIZER INC		01/04/2006	LEHMAN BROTHERS	3,222.000	79.158		.0
.717265-10-2	PHELPS DODGE CORP		08/15/2006	LEHMAN BROTHERS	45.000	6.930		.0
.724479-10-0	PITNEY BOWES INC		01/04/2006	LEHMAN BROTHERS	100.000	4.318		.0
.729251-10-8	PLUM CREEK TIMBER CO		01/04/2006	LEHMAN BROTHERS	80.000	2.945		.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.69344F-10-6	PMC - SIERRA INC.		08/15/2006	LEHMAN BROTHERS	89.000	717		.0
.693506-10-7	PPG INDUSTRIES INC.		01/04/2006	LEHMAN BROTHERS	73.000	4,294		.0
.74005P-10-4	PRAXAIR INC.		01/04/2006	LEHMAN BROTHERS	141.000	7,532		.0
.742718-10-9	PROCTER & GAMBLE CO.		01/04/2006	LEHMAN BROTHERS	1,465.000	86,300		.0
.745867-10-1	PULTE HOMES INC.		01/04/2006	LEHMAN BROTHERS	94.000	3,836		.0
.747277-10-1	QLOGIC CORP.		01/04/2006	LEHMAN BROTHERS	35.000	1,139		.0
.747525-10-3	QUALCOMM INC.		08/15/2006	LEHMAN BROTHERS	726.000	32,925		.0
.74834L-10-0	QUEST DIAGNOSTICS		01/04/2006	LEHMAN BROTHERS	72.000	3,712		.0
.749121-10-9	QWEST COMMUNICATIONS INTL		08/15/2006	LEHMAN BROTHERS	678.000	3,717		.0
.750438-10-3	RADIOSHACK CORP.		01/04/2006	LEHMAN BROTHERS	59.000	1,271		.0
.755111-50-7	RAYTHEON COMPANY		01/04/2006	LEHMAN BROTHERS	195.000	7,802		.0
.75605E-10-0	REALOGY CORP.		08/01/2006	SPIN OFF NEW SECURITY	112.000	3,257		.0
.761713-10-6	REYNOLDS AMERICAN INC.		01/04/2006	LEHMAN BROTHERS	37.000	3,656		.0
.770323-10-3	ROBERT HALF INTL INC.		01/04/2006	LEHMAN BROTHERS	74.000	2,770		.0
.773903-10-9	ROCKWELL AUTOMATION INC.		01/04/2006	LEHMAN BROTHERS	78.000	4,737		.0
.774341-10-1	ROCKWELL COLLINS INC.		01/04/2006	LEHMAN BROTHERS	76.000	3,611		.0
.775371-10-7	ROHM AND HAAS CO.		01/04/2006	LEHMAN BROTHERS	63.000	3,055		.0
.779382-10-0	ROWAN COMPANIES INC.		01/04/2006	LEHMAN BROTHERS	48.000	1,879		.0
.257867-10-1	RR DONNELLEY & SONS CO.		01/04/2006	LEHMAN BROTHERS	95.000	3,232		.0
.783549-10-8	RYDER SYSTEM INC.		01/04/2006	LEHMAN BROTHERS	28.000	1,174		.0
.785905-10-0	SABRE HOLDINGS CORP-CL A		01/04/2006	LEHMAN BROTHERS	57.000	1,400		.0
.786514-20-8	SAFEWAY INC.		01/04/2006	LEHMAN BROTHERS	196.000	4,645		.0
.79546E-10-4	SALLY BEAUTY HOLDINGS INC.		11/17/2006	SPIN OFF NEW SECURITY	33.000	411		.0
.80004C-10-1	SANDISK CORP.		08/15/2006	LEHMAN BROTHERS	85.000	4,155		.0
.800907-10-7	SANMINA-SCI CORP.		01/04/2006	LEHMAN BROTHERS	230.000	1,018		.0
.803111-10-3	SARA LEE CORP.		01/04/2006	LEHMAN BROTHERS	332.000	6,248		.0
.806605-10-1	SCHERING-PLOUGH CORP.		01/04/2006	LEHMAN BROTHERS	646.000	13,532		.0
.806857-10-8	SCHLUMBERGER LTD.		01/04/2006	LEHMAN BROTHERS	258.000	27,028		.0
.808513-10-5	SCHWAB (CHARLES) CORP.		01/04/2006	LEHMAN BROTHERS	451.000	7,084		.0
.81211K-10-0	SEALED AIR CORP.		01/04/2006	LEHMAN BROTHERS	36.000	2,002		.0
.812350-10-6	SEARS HOLDINGS CORP.		01/04/2006	LEHMAN BROTHERS	44.000	5,105		.0
.824348-10-6	SHERWIN-WILLIAMS CO/THE		01/04/2006	LEHMAN BROTHERS	49.000	2,215		.0
.826552-10-1	SIGMA-ALDRICH		01/04/2006	LEHMAN BROTHERS	29.000	1,831		.0
.78442P-10-6	SLM CORP.		01/04/2006	LEHMAN BROTHERS	182.000	10,246		.0
.833034-10-1	SNAP-ON INC.		01/04/2006	LEHMAN BROTHERS	25.000	973		.0
.834182-10-7	SOLETRON CORP.		01/04/2006	LEHMAN BROTHERS	399.000	1,479		.0
.844741-10-8	SOUTHWEST AIRLINES CO.		08/15/2006	LEHMAN BROTHERS	306.000	5,189		.0
.852061-10-0	SPRINT NEXTEL CORP.		01/04/2006	LEHMAN BROTHERS	1,291.000	30,039		.0
.790849-10-3	ST JUDE MEDICAL INC.		01/04/2006	LEHMAN BROTHERS	160.000	8,083		.0
.854616-10-9	STANLEY WORKS/THE		01/04/2006	LEHMAN BROTHERS	32.000	1,538		.0
.855030-10-2	STAPLES INC.		01/04/2006	LEHMAN BROTHERS	320.000	7,238		.0
.855244-10-9	STARBUCKS CORP.		01/04/2006	LEHMAN BROTHERS	336.000	10,647		.0
.85590A-40-1	STARWOOD HOTELS & RESORTS		01/04/2006	LEHMAN BROTHERS	96.000	6,090		.0
.863667-10-1	STRYKER CORP.		01/04/2006	LEHMAN BROTHERS	127.000	5,764		.0
.866810-10-4	SUN MICROSYSTEMS INC.		08/15/2006	LEHMAN BROTHERS	1,516.000	6,718		.0
.86764P-10-9	SUNOCO INC.		01/04/2006	LEHMAN BROTHERS	60.000	5,057		.0
.868536-10-3	SUPERVALU INC.		06/02/2006	VARIOUS	89.302	2,227		.0
.871503-10-8	SYMANTEC CORP.		01/04/2006	LEHMAN BROTHERS	473.000	8,532		.0
.871508-10-7	SYMBOL TECHNOLOGIES INC.		01/04/2006	LEHMAN BROTHERS	110.000	1,444		.0
.871829-10-7	SYSCO CORP.		01/04/2006	LEHMAN BROTHERS	271.000	8,436		.0
.74144T-10-8	T ROWE PRICE GROUP INC.		08/15/2006	LEHMAN BROTHERS	58.000	4,224		.0
.87612E-10-6	TARGET CORP.		01/04/2006	LEHMAN BROTHERS	384.000	20,993		.0
.879131-10-0	TEKTRONIX INC.		01/04/2006	LEHMAN BROTHERS	36.000	1,031		.0
.879664-10-0	TELLABS INC.		01/04/2006	LEHMAN BROTHERS	196.000	2,305		.0
.879868-10-7	TEMPLE-INLAND INC.		01/04/2006	LEHMAN BROTHERS	49.000	2,222		.0
.88033G-10-0	TENET HEALTHCARE CORP.		01/04/2006	LEHMAN BROTHERS	205.000	1,594		.0
.880770-10-2	TERADYNE INC.		01/04/2006	LEHMAN BROTHERS	86.000	1,266		.0
.882508-10-4	TEXAS INSTRUMENTS INC.		01/04/2006	LEHMAN BROTHERS	707.000	23,726		.0
.883203-10-1	TEXTRON INC.		01/04/2006	LEHMAN BROTHERS	58.000	4,495		.0
.254687-10-6	THE WALT DISNEY CO.		08/15/2006	LEHMAN BROTHERS	951.000	23,453		.0
.883556-10-2	THERMO FISHER SCIENTIFIC INC.		11/10/2006	VARIOUS	179.000	5,552		.0

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
.886547-10-8	TIFFANY & CO.		01/04/2006	LEHMAN BROTHERS	62.000	2,370		.0
.88706M-10-3	TIM HORTONS INC.		10/02/2006	SPIN OFF NEW SECURITY	69.068	1,458		.0
.887317-10-5	TIME WARNER INC.		01/04/2006	LEHMAN BROTHERS	2,038.000	36,191		.0
.872540-10-9	TJX COMPANIES INC.		01/04/2006	LEHMAN BROTHERS	201.000	4,892		.0
.690078-10-9	TRANSOCEAN INC.		01/04/2006	LEHMAN BROTHERS	144.000	10,666		.0
.896047-10-7	TRIBUNE CO.		01/04/2006	LEHMAN BROTHERS	114.000	3,535		.0
.902494-10-3	TYSON FOODS INC-CL A.		01/04/2006	LEHMAN BROTHERS	110.000	1,851		.0
.907818-10-8	UNION PACIFIC CORP.		08/15/2006	LEHMAN BROTHERS	117.000	9,374		.0
.909214-10-8	UNISYS CORP.		01/04/2006	LEHMAN BROTHERS	149.000	907		.0
.911312-10-6	UNITED PARCEL SERVICE-CL B.		01/04/2006	LEHMAN BROTHERS	482.000	36,472		.0
.912909-10-8	UNITED STATES STEEL CORP.		08/15/2006	LEHMAN BROTHERS	54.000	2,731		.0
.913017-10-9	UNITED TECHNOLOGIES CORP.		01/04/2006	LEHMAN BROTHERS	445.000	25,013		.0
.91324P-10-2	UNITEDHEALTH GROUP INC.		01/04/2006	LEHMAN BROTHERS	596.000	36,891		.0
.914906-10-2	UNIVISION COMMUNICATIONS-A.		01/04/2006	LEHMAN BROTHERS	98.000	2,980		.0
.902911-10-6	UST INC.		01/04/2006	LEHMAN BROTHERS	72.000	3,010		.0
.91913Y-10-0	VALERO ENERGY CORP.		01/04/2006	LEHMAN BROTHERS	270.000	14,831		.0
.Y93691-10-6	VERIGY LTD.		11/01/2006	SPIN OFF NEW SECURITY	22,528	357		.0
.92343E-10-2	VERISIGN INC.		08/15/2006	LEHMAN BROTHERS	106.000	1,888		.0
.92343V-10-4	VERIZON COMMUNICATIONS INC.		08/15/2006	LEHMAN BROTHERS	1,264.000	39,720		.0
.918204-10-8	VF CORP.		01/04/2006	LEHMAN BROTHERS	39.000	2,139		.0
.92553P-20-1	VIACOM INC-CLASS B.		08/15/2006	LEHMAN BROTHERS	312.000	11,375		.0
.929160-10-9	VULCAN MATERIALS CO.		01/04/2006	LEHMAN BROTHERS	45.000	3,056		.0
.931142-10-3	WAL-MART STORES INC.		01/04/2006	LEHMAN BROTHERS	1,092.000	50,601		.0
.931422-10-9	WALGREEN CO.		01/04/2006	LEHMAN BROTHERS	442.000	19,447		.0
.94106L-10-9	WASTE MANAGEMENT INC.		01/04/2006	LEHMAN BROTHERS	241.000	7,299		.0
.941848-10-3	WATERS CORP.		01/04/2006	LEHMAN BROTHERS	48.000	1,817		.0
.942683-10-3	WATSON PHARMACEUTICALS INC.		01/04/2006	LEHMAN BROTHERS	44.000	1,449		.0
.695089-10-1	WEATHERFORD INTL LTD.		01/04/2006	LEHMAN BROTHERS	152.000	5,926		.0
.94973V-10-7	WELLPOINT INC.		01/04/2006	LEHMAN BROTHERS	288.000	22,907		.0
.950590-10-9	WENDYS INTERNATIONAL INC.		01/04/2006	LEHMAN BROTHERS	51.000	2,791		.0
.959802-10-9	WESTERN UNION CO.		10/02/2006	SPIN OFF NEW SECURITY	332.000	6,505		.0
.962166-10-4	WEYERHAEUSER CO.		08/15/2006	LEHMAN BROTHERS	107.000	7,293		.0
.963320-10-6	WHIRLPOOL CORP.		04/03/2006	VARIOUS	34.175	2,787		.0
.966837-10-6	WHOLE FOODS MARKET INC.		08/15/2006	LEHMAN BROTHERS	61.000	4,717		.0
.969457-10-0	WILLIAMS COS INC.		08/15/2006	LEHMAN BROTHERS	257.000	6,191		.0
.97381W-10-4	WINDSTREAM CORP.		08/15/2006	VARIOUS	205.665	2,343		.0
.982526-10-5	WRIGLEY WM JR CO.		11/20/2006	VARIOUS	115.000	7,188		.0
.384802-10-4	WW GRAINGER INC.		01/04/2006	LEHMAN BROTHERS	33.000	2,360		.0
.983024-10-0	WYETH		01/04/2006	LEHMAN BROTHERS	587.000	27,318		.0
.98310W-10-8	WYNDHAM WORLDWIDE CORP.		08/01/2006	SPIN OFF NEW SECURITY	89.600	3,181		.0
.984121-10-3	XEROX CORP.		08/15/2006	LEHMAN BROTHERS	430.000	6,409		.0
.983919-10-1	XILINX INC.		01/04/2006	LEHMAN BROTHERS	152.000	4,096		.0
.98385X-10-6	XTO ENERGY INC.		01/04/2006	LEHMAN BROTHERS	159.000	7,207		.0
.984332-10-6	YAHOO! INC.		01/04/2006	LEHMAN BROTHERS	552.000	22,625		.0
.988498-10-1	YUM! BRANDS INC.		01/04/2006	LEHMAN BROTHERS	124.000	5,849		.0
.98956P-10-2	ZIMMER HOLDINGS INC.		01/04/2006	LEHMAN BROTHERS	108.000	7,468		.0
.013904-30-5	ALCATEL-LUCENT-SPONSORED ADR.	F	12/01/2006	EXCHANGE	378.883	5,314		.0
.143658-30-0	CARNIVAL CORP.	F	01/04/2006	LEHMAN BROTHERS	189.000	10,277		.0
.64776G-10-1	INGERSOLL-RAND CO LTD-CL A.	F	01/04/2006	LEHMAN BROTHERS	145.000	5,981		.0
.902124-10-6	TYCO INTERNATIONAL LTD.	F	08/15/2006	LEHMAN BROTHERS	882.000	26,248		.0
6899999	- Total - Common Stocks - Industrial, Misc.					3,973,428	XXX	.0
7299997	- Total - Common Stocks - Part 3					4,688,620	XXX	.0
7299998	- Total - Common Stocks - Part 5					116,261	XXX	.0
7299999	- Total - Common Stocks					4,804,881	XXX	.0
7399999	- Total - Preferred and Common Stocks					4,804,881	XXX	.0
7499999	Totals					197,689,197	XXX	1,058,909

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
36202K-5M-3	G2 8952		12/01/2006	MBS PAYDOWN		3,746	3,746	3,517	3,579	.0	168	.0	168	.0	3,746	.0	.0	.0	.93	02/01/2022
36202K-7D-1	G2 8952		12/01/2006	MBS PAYDOWN		5,415	5,415	5,084	5,179	.0	236	.0	236	.0	5,415	.0	.0	.0	124	03/01/2022
36202L-JH-7	G2 9264		12/01/2006	MBS PAYDOWN		393	393	393	393	.0	.0	.0	.0	.0	393	.0	.0	.0	18	07/01/2017
915312-R9-5	US MTG GTY CO TAX & L		04/15/2006	MATURITY		383,000	383,000	383,000	383,000	.0	.0	.0	.0	.0	383,000	.0	.0	.0	.0	04/15/2006
915314-R9-1	US MTG GTY CO TAX & L		06/17/2006	MATURITY		805,000	805,000	805,000	805,000	.0	.0	.0	.0	.0	805,000	.0	.0	.0	.0	06/17/2006
915315-R9-8	US MTG GTY CO TAX & L		09/16/2006	MATURITY		735,000	735,000	735,000	735,000	.0	.0	.0	.0	.0	735,000	.0	.0	.0	.0	09/16/2006
915317-R9-4	US MTG GTY CO TAX & L		12/16/2006	MATURITY		1,300,000	1,300,000	1,300,000	1,300,000	.0	.0	.0	.0	.0	1,300,000	.0	.0	.0	.0	12/16/2006
0399999 - Bonds - U.S. Governments						3,232,555	3,232,555	3,231,994	3,232,151	.0	403	.0	403	.0	3,232,555	.0	.0	.0	235	XXX
130621-GH-1	CA UNREF BAL-REF		09/01/2006	CALL BY ISSUER 101.000		121,200	120,000	120,000	120,000	.0	.0	.0	.0	.0	120,000	.0	1,200	1,200	6,480	09/01/2013
425208-KD-6	HENDERSON IMP-10-SR-A		08/01/2006	102.000		10,200	10,000	10,300	10,088	.0	(18)	.0	(18)	.0	10,070	.0	130	130	309	08/01/2007
562073-DJ-2	MANCELONA SCHS-PREREF		05/01/2006	CALL BY ISSUER 100.000		85,000	85,000	84,441	84,960	.0	40	.0	40	.0	85,000	.0	.0	.0	2,231	05/01/2006
562073-DK-9	MANCELONA SCHS-UNREF		05/01/2006	CALL BY ISSUER 100.000		415,000	415,000	412,269	412,714	.0	34	.0	34	.0	412,749	.0	2,251	2,251	10,894	05/01/2006
602364-TG-6	MILWAUKEE REF		08/01/2006	CALL BY ISSUER 100.000		250,000	250,000	243,783	246,726	.0	226	.0	226	.0	246,952	.0	3,048	3,048	12,500	02/01/2013
645002-OC-3	NEW HAVEN USD-CABS-A		08/07/2006	CALL BY ISSUER 42.022		420,220	1,000,000	289,990	399,220	.0	20,980	.0	20,980	.0	420,200	.0	20	20	.0	08/01/2006
67755M-BG-1	OH TRN COPS-RICKENBAC		10/15/2006	SINKING FUND REDEMPTION		6,125	15,000	15,204	15,000	.0	.0	.0	.0	.0	15,000	.0	.0	.0	766	04/15/2015
776219-GF-8	ROMULUS CAB -I		05/02/2006	CALL BY ISSUER 45.582		45,582	100,000	22,768	44,783	.0	799	.0	799	.0	45,582	.0	.0	.0	.0	05/01/2006
977056-JA-9	WISCONSIN REF-SER 1		03/01/2006	CALL BY ISSUER 100.000		80,000	80,000	79,900	79,900	.0	.1	.0	.1	.0	79,931	.0	69	69	416	05/01/2017
2499999 - Bonds - Political Subdivisions						1,442,201	2,075,000	1,278,654	1,413,421	.0	22,062	.0	22,062	.0	1,435,483	.0	6,718	6,718	33,596	XXX
01030N-GQ-8	AL HFA SFM AMT-HM-A2		10/01/2006	CALL BY ISSUER 100.0		25,000	25,000	25,000	25,000	.0	.0	.0	.0	.0	25,000	.0	.0	.0	1,190	10/01/2016
01030N-KU-4	AL SFM AMT-COLL HM-B2		10/01/2006	CALL BY ISSUER 100.0		10,000	10,000	10,000	10,000	.0	.0	.0	.0	.0	10,000	.0	.0	.0	443	04/01/2015
01030N-KV-2	AL SFM AMT-COLL HM-B2		10/01/2006	CALL BY ISSUER 100.0		20,000	20,000	20,000	20,000	.0	.0	.0	.0	.0	20,000	.0	.0	.0	885	10/01/2015
041081-F9-6	AR SFM AMT-MTG BKD-B		07/01/2006	100.000		15,000	15,000	15,000	15,000	.0	.0	.0	.0	.0	15,000	.0	.0	.0	595	01/01/2016
091244-BA-0	BIRMINGHAM ETC CLG		12/01/2006	MATURITY		65,000	65,000	64,740	64,971	.0	29	.0	29	.0	65,000	.0	.0	.0	3,478	12/01/2006
091104-FA-2	BIRMINGHAM ETC MED		11/15/2006	CALL BY ISSUER 102.000		102,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	2,000	2,000	5,800	11/15/2006
100340-BM-9	BOSSIERE FING SFM RF-B		11/01/2006	100.000		15,000	15,000	15,113	15,020	.0	(5)	.0	(5)	.0	15,015	.0	(15)	(15)	636	08/01/2015
130174-OS-7	CA EDL FACS STD LN-A		03/01/2006	CALL BY ISSUER 100.000		45,000	45,000	45,000	45,000	.0	.0	.0	.0	.0	45,000	.0	.0	.0	1,350	03/01/2016
28139W-AH-7	ED LNS TAX-SUB-1K		06/09/2006	CALL BY ISSUER 100.000		10,000	10,000	9,155	9,305	.0	13	.0	13	.0	9,318	.0	682	682	281	06/01/2020
303823-EE-4	FAIRFAX IDA HLTH-INDV		08/15/2006	CALL BY ISSUER 102.000		102,000	100,000	98,600	99,512	.0	77	.0	77	.0	99,589	.0	2,411	2,411	5,500	08/15/2006
359900-DL-8	FULTON DEV CLARK ATL		01/01/2006	SINKING FUND REDEMPTION		35,700	35,000	34,000	34,721	.0	979	.0	979	.0	35,700	.0	.0	.0	897	01/01/2010
45129T-GY-7	ID HSG & FIN SFM-SR-A		07/01/2006	100.000		10,000	10,000	10,113	10,036	.0	(3)	.0	(3)	.0	10,033	.0	(33)	(33)	458	07/01/2016
45129T-HQ-3	ID HSG-AMT-SFM-SR-B		07/01/2006	100.000		25,000	25,000	25,000	25,000	.0	.0	.0	.0	.0	25,000	.0	.0	.0	1,024	07/01/2016
45129T-HB-6	ID HSG/FIN SFM-MEZZ-A		07/01/2006	100.000		20,000	20,000	20,234	20,075	.0	(6)	.0	(6)	.0	20,069	.0	(69)	(69)	915	07/01/2014
451888-DU-2	IL PCR-RF-A-12/3/01-R		10/13/2006	FIRST ALBANY CORP		250,500	250,000	250,000	250,000	.0	.0	.0	.0	.0	250,000	.0	500	500	12,108	03/01/2014
47689R-EN-5	JESSAMINE CNTY SD FIN		01/03/2006	CALL BY ISSUER 102.000		250,000	250,000	250,000	250,000	.0	.0	.0	.0	.0	250,000	.0	5,000	5,000	6,625	01/01/2006
484581-BA-0	KANNAPOLIS W/S AMT-B		02/01/2006	MATURITY		500,000	500,000	500,000	500,000	.0	.0	.0	.0	.0	500,000	.0	.0	.0	8,750	02/01/2006
523510-CC-7	LEE CNTY SLD WST REF		10/01/2006	MATURITY		250,000	250,000	249,100	249,854	.0	147	.0	147	.0	250,000	.0	.0	.0	8,750	10/01/2006
575915-RU-9	MA HFA AMT-RENTAL-E		01/03/2006	CALL BY ISSUER 102.000		102,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	2,000	2,000	2,625	01/01/2006
575915-SA-2	MA HFA AMT-RENTAL-E		01/03/2006	CALL BY ISSUER 102.000		76,500	75,000	75,000	75,000	.0	.0	.0	.0	.0	75,000	.0	1,500	1,500	2,100	01/01/2006
575915-SB-0	MA HFA AMT-RENTAL-E		01/03/2006	CALL BY ISSUER 102.000		102,000	100,000	100,000	100,000	.0	.0	.0	.0	.0	100,000	.0	2,000	2,000	2,900	01/01/2006
575915-TJ-2	MA HFA SFM SER 46		06/01/2006	CALL BY ISSUER 100.000		5,000	5,000	4,994	4,997	.0	.0	.0	.0	.0	4,997	.0	3	3	147	06/01/2012
59465M-KZ-7	MI HSG VAR-AMT-SER A		04/07/2006	VARIABLE		4,500,000	4,500,000	4,500,000	4,500,000	.0	.0	.0	.0	.0	4,500,000	.0	.0	.0	59,127	10/01/2039
647198-4H-0	MN MTG FIN SFM-E-1		07/01/2006	100.000		30,000	30,000	30,000	30,000	.0	.0	.0	.0	.0	30,000	.0	.0	.0	1,200	01/01/2010
605275-MQ-6	MS BUS-TXB-HEWSON/DES		07/01/2006	SINKING FUND REDEMPTION		24,790	24,790	24,790	24,790	.0	.0	.0	.0	.0	24,790	.0	.0	.0	992	01/01/2022
612125-6L-3	MT BRD HSG SFH -A-2		12/01/2006	101.273		60,700	60,000	60,000	60,000	.0	.0	.0	.0	.0	60,000	.0	700	700	3,335	12/01/2009
65820E-MQ-0	NC HFA AMT-SF-SER JJ		08/01/2006	100.000		15,000	15,000	14,963	14,986	.0	.1	.0	.1	.0	14,988	.0	12	12	474	03/01/2011
65820E-HH-6	NC HFA REF-SF-SER CC		08/01/2006	100.000		35,000	35,000	35,000	35,000	.0	.0	.0	.0	.0	35,000	.0	.0	.0	1,057	03/01/2010
63967C-DV-1	NE INVT FIN SFH SER A		09/01/2006	100.000		10,000	10,000	10,150	10,020	.0	(7)	.0	(7)	.0	10,013	.0	(13)	(13)	454	09/01/2007
647198-5W-6	NM MTG AMT-SFM-A-2		07/01/2006	100.000		15,000	15,000	15,000	15,000	.0	.0	.0	.0	.0	15,000	.0	.0	.0	738	01/01/2011
641271-PD-7	NV HSG SFM-SUB-SER C		10/01/2006	SINKING FUND REDEMPTION		10,000	10,000	10,000	10,000	.0	.0	.0	.0	.0	10,000	.0	.0	.0	476	04/01/2009
641271-SP-7	NV HSG-SER A-2		10/01/2006	100.000		15,000	15,000	15,000	15,000	.0	.0	.0	.0	.0	15,000	.0	.0	.0	595	10/01/2014
677555-UG-7	OH ECON ENTRPRSE FD-2		12/04/2006	SINKING FUND REDEMPTION		875,728	775,000	775,000	775,000	.0	.0	.0	.0	.0	775,000	.0	100,728	100,728	53,694	06/01/2018

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	
68608R-JT-1	OR HSG & SVCS SFM-E 5.500		CALL BY ISSUER 100.000		5,000	5,000	5,000	5,000	.0	.0	.0	.0	.0	5,000	.0	.0	.0	.155	07/01/2009.	
709172-EA-4	PA HGR ED HLTH-UNIV-A 5.875		CALL BY ISSUER 101.000		252,500	250,000	247,878	248,692	.0	1	.0	1	.0	248,692	.0	3,808	3,808	7,344	01/01/2006.	
709171-YG-1	PA HGR EDL TEXT & SCI 5.350		MATURITY		165,000	165,000	158,961	164,931	.0	69	.0	69	.0	165,000	.0	.0	.0	4,414	02/01/2006.	
717903-YN-2	PHILADELPHIA HSP-A-FH 5.300		VARIOUS		65,000	65,000	65,000	65,000	.0	.0	.0	.0	.0	65,000	.0	.0	.0	3,048	01/01/2018.	
837147-PO-4	SC PUB SVC-REF SER A 5.750		CALL BY ISSUER 102.000		408,000	400,000	426,256	408,000	.0	1,702	.0	1,702	.0	409,702	.0	(1,702)	(1,702)	11,500	01/01/2006.	
917556-3L-2	UT HSG SFM-B-1-CL III 6.100		SINKING FUND REDEMPTION		20,000	20,000	20,100	20,025	.0	(25)	.0	(25)	.0	20,000	.0	.0	.0	915	07/01/2008.	
924195-SD-3	VT HFA SFM SER 7A 6.150		CALL BY ISSUER 100.0		70,832	70,000	70,175	70,037	.0	(16)	.0	(16)	.0	70,020	.0	.812	.812	3,998	11/01/2015.	
97710A-Z7-2	WI HLTH-AURORA PROJ 5.600		TENDER OFFER		257,500	250,000	244,718	246,800	.0	246	.0	246	.0	247,046	.0	10,454	10,454	14,000	11/15/2016.	
98322P-WJ-4	WY HSG-ADJ-AMT-8 3.520		MERRILL LYNCH		500,000	500,000	500,000	500,000	.0	.0	.0	.0	.0	500,000	.0	.0	.0	5,432	12/01/2033.	
3199999 - Bonds - Special Revenues					9,375,750	9,239,790	9,249,037	9,241,772	0	3,201	0	3,201	0	9,244,973	0	130,777	130,777	230,400	XXX	
00036K-AA-1	AAZZ 1999-T PRINCIPAL 0.000		DIRECT		5,177,792	3,604,184	3,604,156	4,296,903	.0	55,773	.0	55,773	.0	4,296,903	.0	880,889	880,889	2	12/15/2018.	
22609A-AD-8	CRESTAR CAPITAL TRUST 8.160		CALL BY ISSUER 104.080		520,400	500,000	496,875	497,092	.0	53	.0	53	.0	497,146	.0	23,255	23,255	40,800	12/15/2026.	
345397-SM-6	FORD MOTOR CREDIT CO 7.375		VARIOUS		466,250	500,000	465,467	443,445	72,645	(623)	50,000	22,022	.0	465,467	.0	783	783	16,286	10/28/2009.	
501673-AA-5	LAAF 1 A 7.656		MBS PAYDOWN		29,905	29,905	29,905	29,905	.0	.0	.0	.0	.0	29,905	.0	.0	.0	2,290	12/15/2021.	
606866-AA-7	MNCAPS FUNDING I LTD/ 8.030		MBS PAYDOWN		15,666	15,666	15,666	15,666	.0	.0	.0	.0	.0	15,666	.0	.0	.0	1,258	06/15/2031.	
66899A-AP-7	NORWELL CONWAY LLC 6.780		VARIOUS		34,341	34,341	34,341	34,341	.0	.0	.0	.0	.0	34,341	.0	.0	.0	1,195	12/15/2018.	
74040K-AC-6	PREFERRED TERM SECS I 9.550	F	100.000		11,043	11,043	10,898	10,952	.0	7	.0	7	.0	10,959	.0	.84	.84	858	03/01/2011.	
740408-AA-7	PREFERRED TERM SECS L 8.790	F	MBS PAYDOWN		8,096	8,096	8,096	8,096	.0	.0	.0	.0	.0	8,096	.0	.0	.0	356	09/15/2030.	
4599999 - Bonds - Industrial and Miscellaneous					6,263,493	4,703,235	4,665,403	5,336,400	72,645	55,210	50,000	77,855	0	5,358,482	0	905,011	905,011	63,045	XXX	
6099997 - Bonds - Part 4					20,313,999	19,250,580	18,425,089	19,223,745	72,645	80,876	50,000	103,521	0	19,271,493	0	1,042,506	1,042,506	327,275	XXX	
6099998 - Bonds - Part 5					93,304,166	93,300,000	93,300,000	93,300,000	0	0	0	0	0	93,300,000	0	4,166	4,166	937,360	XXX	
6099999 - Total - Bonds					113,618,165	112,550,580	111,725,089	112,523,745	72,645	80,876	50,000	103,521	0	112,571,493	0	1,046,672	1,046,672	1,264,635	XXX	
6399999 - Preferred Stocks - Industrial and Miscellaneous					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6599997 - Preferred Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6599998 - Preferred Stocks - Part 5					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6599999 - Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
00130H-10-5	AES CORP		LEHMAN BROTHERS	1,000	20		17		.0	.0	.0	.0	.0	17	.0	.3	.3	1	XXX	
025537-10-1	AMERICAN ELECTRIC POWER		VARIOUS	1,000	37		37		.0	.0	.0	.0	.0	37	.0	(1)	(1)	1	XXX	
151897-10-7	CENTERPOINT ENERGY INC		VARIOUS	2,000	28		26		.0	.0	.0	.0	.0	26	.0	2	2	1	XXX	
125896-10-0	CMS ENERGY CORP		LEHMAN BROTHERS	1,000	14		15		.0	.0	.0	.0	.0	15	.0	.0	.0	1	XXX	
209115-10-4	CONSOLIDATED EDISON INC		VARIOUS	1,000	45		47		.0	.0	.0	.0	.0	47	.0	(1)	(1)	2	XXX	
257460-10-9	DOMINION RESOURCES INC/VA		LEHMAN BROTHERS	1,000	80		79		.0	.0	.0	.0	.0	79	.0	.0	.0	1	XXX	
233331-10-7	DTE ENERGY COMPANY		LEHMAN BROTHERS	1,000	41		44		.0	.0	.0	.0	.0	44	.0	(2)	(2)	1	XXX	
26441C-10-5	DUKE ENERGY CORP		VARIOUS	11,600,720	322,404		168,684	318,420	(149,756)	.0	.0	(149,756)	.0	168,684	.0	153,720	153,720	5	XXX	
281020-10-7	EDISON INTERNATIONAL		LEHMAN BROTHERS	1,000	43		45		.0	.0	.0	.0	.0	45	.0	(3)	(3)	1	XXX	
293646-10-3	ENTERGY CORP		VARIOUS	1,000	79		70		.0	.0	.0	.0	.0	70	.0	.8	.8	2	XXX	
337932-10-7	FIRSTENERGY CORP		VARIOUS	1,000	56		51		.0	.0	.0	.0	.0	51	.0	.6	.6	1	XXX	
65473P-10-5	NISOURCE INC		LEHMAN BROTHERS	1,000	21		21		.0	.0	.0	.0	.0	21	.0	.0	.0	1	XXX	
69351T-10-6	PPL CORPORATION		LEHMAN BROTHERS	1,000	35		30		.0	.0	.0	.0	.0	30	.0	.5	.5	1	XXX	
744573-10-6	PUBLIC SERVICE ENTERPRISE GP		LEHMAN BROTHERS	1,000	70		67		.0	.0	.0	.0	.0	67	.0	.3	.3	1	XXX	
842587-10-7	SOUTHERN CO		VARIOUS	3,000	101		105		.0	.0	.0	.0	.0	105	.0	(4)	(4)	3	XXX	
872375-10-0	TECO ENERGY INC		LEHMAN BROTHERS	1,000	16		18		.0	.0	.0	.0	.0	18	.0	(2)	(2)	1	XXX	
873168-10-8	TXU CORP		LEHMAN BROTHERS	10,000	654		511		.0	.0	.0	.0	.0	511	.0	143	143	8	XXX	
98389B-10-0	XCEL ENERGY INC		LEHMAN BROTHERS	1,000	21		19		.0	.0	.0	.0	.0	19	.0	.2	.2	0	XXX	
6699999 - Common Stocks - Public Utilities					323,764	XXX	169,885	318,420	(149,756)	0	0	(149,756)	0	169,885	0	153,879	153,879	29	XXX	
001055-10-2	AFLAC INC		LEHMAN BROTHERS	3,000	129		141		.0	.0	.0	.0	.0	141	.0	(11)	(11)	1	XXX	
020002-10-1	ALLSTATE CORP		LEHMAN BROTHERS	9,000	516		492		.0	.0	.0	.0	.0	492	.0	24	24	6	XXX	
026874-10-7	AMERICAN INTERNATIONAL GROUP		LEHMAN BROTHERS	9,000	563		628		.0	.0	.0	.0	.0	628	.0	(65)	(65)	3	XXX	
032165-10-2	AMSOUTH BANCORPORATION		VARIOUS	16,000,000	425,050		274,273	419,360	(145,088)	.0	.0	(145,088)	.0	274,273	.0	150,778	150,778	4,278	XXX	
037389-10-3	AON CORP		LEHMAN BROTHERS	2,000	68		75		.0	.0	.0	.0	.0	75	.0	(7)	(7)	1	XXX	
060505-10-4	BANK OF AMERICA CORP		LEHMAN BROTHERS	4,684,000	218,379		107,800	216,167	(108,366)	.0	.0	(108,366)	.0	107,800	.0	110,579	110,579	52	XXX	
064057-10-2	BANK OF NEW YORK CO INC		LEHMAN BROTHERS	3,000	103		98		.0	.0	.0	.0	.0	98	.0	.5	.5	2	XXX	
14040H-10-5	CAPITAL ONE FINANCIAL CORP		DIRECT		209		18		.0	.0	.0	.0	.0	18	.0	(2)	(2)	0	XXX	
125509-10-9	CIGNA CORP		LEHMAN BROTHERS	7,000	743		804		.0	.0	.0	.0	.0	804	.0	(61)	(61)	0	XXX	
172062-10-1	CINCINNATI FINANCIAL CORP		LEHMAN BROTHERS	1,000	46		45		.0	.0	.0	.0	.0	45	.0	.1	.1	1	XXX	
200340-10-7	COMERICA INC		LEHMAN BROTHERS	2,000	116		116		.0	.0	.0	.0	.0	116	.0	.0	.0	2	XXX	
294741-10-3	EQUITY OFFICE PROPERTIES TR		LEHMAN BROTHERS	20,000	743		633		.0	.0	.0	.0	.0	633	.0	111	111	13	XXX	
316773-10-0	FIFTH THIRD BANCORP		LEHMAN BROTHERS	2,000	79		77		.0	.0	.0	.0	.0	77	.0	.3	.3	2	XXX	
320517-10-5	FIRST HORIZON NATIONAL CORP		LEHMAN BROTHERS	2,000	83		79		.0	.0	.0	.0	.0	79	.0	.4	.4	2	XXX	

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
58551A-10-8	MELLON FINANCIAL CORP.		08/15/2006	LEHMAN BROTHERS	4,000	148		141	0	0	0	0	0	0	141	0	7	7	3	XXX
59156R-10-8	NETLIFE INC.		08/15/2006	LEHMAN BROTHERS	2,000	107		102	0	0	0	0	0	0	102	0	6	6	0	XXX
552848-10-3	MGIC INVESTMENT CORP.		09/01/2006	VARIOUS	2,000	114		136	0	0	0	0	0	0	136	0	(23)	(23)	2	XXX
635405-10-3	NATIONAL CITY CORP.		08/15/2006	LEHMAN BROTHERS	6,000	216		206	0	0	0	0	0	0	206	0	10	10	7	XXX
665859-10-4	NORTHERN TRUST CORP.		08/15/2006	LEHMAN BROTHERS	1,000	57		52	0	0	0	0	0	0	52	0	5	5	0	XXX
74251V-10-2	PRINCIPAL FINANCIAL GROUP		08/15/2006	LEHMAN BROTHERS	2,000	108		95	0	0	0	0	0	0	95	0	12	12	0	XXX
743315-10-3	PROGRESSIVE CORP.		12/01/2006	VARIOUS	5,000	114		145	0	0	0	0	0	0	145	0	(32)	(32)	0	XXX
744320-10-2	PRUDENTIAL FINANCIAL INC.		08/15/2006	LEHMAN BROTHERS	8,000	581		611	0	0	0	0	0	0	611	0	(31)	(31)	0	XXX
7591EP-10-0	REGIONS FINANCIAL CORP.		12/01/2006	VARIOUS	2,341,610	80,844		39,687	79,969	(40,294)	0	0	(40,294)	0	39,687	0	41,156	41,156	3	XXX
786429-10-0	SAFECO CORP.		08/15/2006	LEHMAN BROTHERS	2,000	111		117	0	0	0	0	0	0	117	0	(6)	(6)	1	XXX
828806-10-9	SIMON PROPERTY GROUP INC.		08/15/2006	LEHMAN BROTHERS	2,000	167		157	0	0	0	0	0	0	157	0	9	9	5	XXX
845905-10-8	SOVEREIGN BANCORP INC.		07/07/2006	DIRECT	0,800	17		17	0	0	0	0	0	0	17	0	0	0	0	XXX
792860-10-8	ST PAUL TRAVELERS COS INC.		08/15/2006	LEHMAN BROTHERS	1,000	44		47	0	0	0	0	0	0	47	0	(2)	(2)	0	XXX
891027-10-4	TORCHMARK CORP.		08/15/2006	LEHMAN BROTHERS	1,000	60		56	0	0	0	0	0	0	56	0	5	5	0	XXX
902973-30-4	US BANCORP.		08/15/2006	LEHMAN BROTHERS	23,000	742		699	0	0	0	0	0	0	699	0	43	43	15	XXX
929903-10-2	WACHOVIA CORP.		10/04/2006	CASH IN LIEU	0,666	37		36	0	0	0	0	0	0	36	0	1	1	1	XXX
939322-10-3	WASHINGTON MUTUAL INC.		08/15/2006	LEHMAN BROTHERS	15,000	660		674	0	0	0	0	0	0	674	0	(13)	(13)	23	XXX
949746-10-1	WELLS FARGO & COMPANY		09/01/2006	VARIOUS	6,000	210		189	0	0	0	0	0	0	189	0	20	20	5	XXX
6799999	- Common Stocks - Banks, Trust and Insurance Companies					731,544	XXX	429,000	715,495	(293,748)	0	0	(293,748)	0	429,000	0	302,544	302,544	4,433	XXX
885791-10-1	3M CO.		08/15/2006	LEHMAN BROTHERS	5,000	349		394	0	0	0	0	0	0	394	0	(45)	(45)	5	XXX
002824-10-0	ABBOTT LABORATORIES		08/15/2006	LEHMAN BROTHERS	17,000	827		674	0	0	0	0	0	0	674	0	153	153	15	XXX
000896-30-9	ADC TELECOMMUNICATIONS INC.		08/15/2006	LEHMAN BROTHERS	1,000	14		23	0	0	0	0	0	0	23	0	(9)	(9)	0	XXX
00724F-10-1	ADOBE SYSTEMS INC.		08/15/2006	LEHMAN BROTHERS	4,000	136		154	0	0	0	0	0	0	154	0	(18)	(18)	0	XXX
00817Y-10-8	AETNA INC.		08/15/2006	LEHMAN BROTHERS	4,000	141		189	0	0	0	0	0	0	189	0	(48)	(48)	0	XXX
008190-10-0	AFFILIATED COMPUTER SVCS-A		08/15/2006	LEHMAN BROTHERS	3,000	149		183	0	0	0	0	0	0	183	0	(35)	(35)	0	XXX
00848U-10-1	AGILENT TECHNOLOGIES INC.		11/01/2006	RETURN OF CAPITAL	0,000	357		357	0	0	0	0	0	0	357	0	0	0	0	XXX
013078-10-0	ALBERTO-CULVER CO.		11/17/2006	RETURN OF CAPITAL	0,000	411		411	0	0	0	0	0	0	411	0	0	0	0	XXX
013817-10-1	ALCOA INC.		08/15/2006	LEHMAN BROTHERS	3,000	85		90	0	0	0	0	0	0	90	0	(5)	(5)	1	XXX
020039-10-3	ALLTEL CORP.		07/18/2006	RETURN OF CAPITAL	0,000	1,911		1,911	0	0	0	0	0	0	1,911	0	0	0	0	XXX
021441-10-0	ALTERA CORPORATION		08/15/2006	LEHMAN BROTHERS	3,000	56		58	0	0	0	0	0	0	58	0	(2)	(2)	0	XXX
022095-10-3	ALTRIA GROUP INC.		08/15/2006	LEHMAN BROTHERS	5,000	405		378	0	0	0	0	0	0	378	0	27	27	8	XXX
025816-10-9	AMERICAN EXPRESS CO.		08/15/2006	LEHMAN BROTHERS	8,000	422		416	0	0	0	0	0	0	416	0	7	7	2	XXX
029066-10-7	AMERICAN POWER CONVERSION		08/15/2006	LEHMAN BROTHERS	2,000	34		46	0	0	0	0	0	0	46	0	(12)	(12)	0	XXX
029712-10-6	AMERICAN STANDARD COS INC.		08/15/2006	LEHMAN BROTHERS	3,000	121		118	0	0	0	0	0	0	118	0	3	3	1	XXX
03076C-10-6	AMERIPRISE FINANCIAL INC.		08/15/2006	LEHMAN BROTHERS	2,000	90		87	0	0	0	0	0	0	87	0	3	3	1	XXX
031162-10-0	AMGEN INC.		12/01/2006	VARIOUS	29,000	1,904		2,320	0	0	0	0	0	0	2,320	0	(416)	(416)	0	XXX
032511-10-7	ANADARKO PETROLEUM CORP.		08/15/2006	LEHMAN BROTHERS	9,000	406		442	0	0	0	0	0	0	442	0	(36)	(36)	2	XXX
032654-10-5	ANALOG DEVICES		08/15/2006	LEHMAN BROTHERS	4,000	111		148	0	0	0	0	0	0	148	0	(37)	(37)	1	XXX
034425-10-8	ANDREW CORP.		08/15/2006	LEHMAN BROTHERS	2,000	16		22	0	0	0	0	0	0	22	0	(5)	(5)	0	XXX
035229-10-3	ANHEUSER-BUSCH COS INC.		09/11/2006	VARIOUS	4,000	194		176	0	0	0	0	0	0	176	0	18	18	3	XXX
037411-10-5	APACHE CORP.		08/15/2006	LEHMAN BROTHERS	1,000	68		71	0	0	0	0	0	0	71	0	(3)	(3)	0	XXX
037604-10-5	APOLLO GROUP INC-CL A		12/01/2006	VARIOUS	3,000	135		184	0	0	0	0	0	0	184	0	(49)	(49)	0	XXX
038020-10-3	APPLIED BIOSYSTEMS GROUP-APP		08/15/2006	LEHMAN BROTHERS	2,000	63		54	0	0	0	0	0	0	54	0	9	9	0	XXX
038222-10-5	APPLIED MATERIALS INC.		09/07/2006	VARIOUS	32,000	501		592	0	0	0	0	0	0	592	0	(91)	(91)	4	XXX
039483-10-2	ARCHER-DANIELS-MIDLAND CO.		08/15/2006	LEHMAN BROTHERS	2,000	82		52	0	0	0	0	0	0	52	0	30	30	0	XXX
00206R-10-2	AT&T INC.		08/15/2006	LEHMAN BROTHERS	22,000	667		548	0	0	0	0	0	0	548	0	120	120	22	XXX
052769-10-6	AUTODESK INC.		08/15/2006	LEHMAN BROTHERS	1,000	34		43	0	0	0	0	0	0	43	0	(9)	(9)	0	XXX
053015-10-3	AUTOMATIC DATA PROCESSING		08/15/2006	LEHMAN BROTHERS	2,000	93		93	0	0	0	0	0	0	93	0	0	0	1	XXX
05329W-10-2	AUTONATION INC.		08/15/2006	LEHMAN BROTHERS	15,000	292		336	0	0	0	0	0	0	336	0	(44)	(44)	0	XXX
053332-10-2	AUTOZONE INC.		08/15/2006	LEHMAN BROTHERS	1,000	88		92	0	0	0	0	0	0	92	0	(4)	(4)	0	XXX
053499-10-9	AVAYA INC.		08/15/2006	LEHMAN BROTHERS	5,000	48		55	0	0	0	0	0	0	55	0	(7)	(7)	0	XXX
054303-10-2	AVON PRODUCTS INC.		09/01/2006	VARIOUS	5,000	142		143	0	0	0	0	0	0	143	0	(1)	(1)	3	XXX
057224-10-7	BAKER HUGHES INC.		08/15/2006	LEHMAN BROTHERS	1,000	75		65	0	0	0	0	0	0	65	0	10	10	0	XXX
058498-10-6	BALL CORP.		08/15/2006	LEHMAN BROTHERS	1,000	39		42	0	0	0	0	0	0	42	0	(3)	(3)	0	XXX
067383-10-9	BARD (C.R.) INC.		08/15/2006	LEHMAN BROTHERS	1,000	73		67	0	0	0	0	0	0	67	0	6	6	0	XXX
071707-10-3	BAUSCH & LOMB INC.		08/15/2006	LEHMAN BROTHERS	1,000	45		68	0	0	0	0	0	0	68	0	(23)	(23)	0	XXX
075887-10-9	BECTON DICKINSON & CO.		08/15/2006	LEHMAN BROTHERS	3,000	199		184	0	0	0	0	0	0	184	0	14	14	1	XXX
075896-10-0	BED BATH & BEYOND INC.		08/15/2006	LEHMAN BROTHERS	8,000	282		292	0	0	0	0	0	0	292	0	(9)	(9)	0	XXX
079860-10-2	BELLSOUTH CORP.		08/15/2006	LEHMAN BROTHERS	4,216,000	115,579		104,894	114,254	(9,360)	0	0	(9,360)	0	104,894	0	10,685	10,685	13	XXX
081437-10-5	BEMIS COMPANY		08/15/2006	LEHMAN BROTHERS	1,000	31		29	0	0	0	0	0	0	29	0	2	2	0	XXX
086516-10-1	BEST BUY CO INC.		08/15/2006	LEHMAN BROTHERS	5,000	240		220	0	0	0	0	0	0	220	0	20	20	1	XXX

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Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
101137-10-7	BOSTON SCIENTIFIC CORP.		12/01/2006	VARIOUS	0.585	13	13	13	0	0	0	0	0	0	13	0	0	0	0	.XXX
110122-10-8	BRISTOL-MYERS SQUIBB CO.		08/15/2006	VARIOUS	2.010	3,848	46	46	0	0	0	0	0	0	46	0	3,803	3,803	1	.XXX
117043-10-9	BRUNSWICK CORP.		12/01/2006	VARIOUS	1.000	30	41	41	0	0	0	0	0	0	41	0	(11)	(11)	0	.XXX
121897-10-4	BURLINGTON NORTHERN SANTA FE		08/15/2006	LEHMAN BROTHERS	5.000	328	328	328	0	0	0	0	0	0	328	0	(24)	(24)	2	.XXX
12673P-10-5	CA INC.		12/01/2006	VARIOUS	4.000	93	113	113	0	0	0	0	0	0	113	0	(20)	(20)	0	.XXX
134429-10-9	CAMPBELL SOUP CO.		08/15/2006	LEHMAN BROTHERS	1.000	38	30	30	0	0	0	0	0	0	30	0	8	8	0	.XXX
14149Y-10-8	CARDINAL HEALTH INC.		08/15/2006	LEHMAN BROTHERS	6.000	398	420	420	0	0	0	0	0	0	420	0	(22)	(22)	1	.XXX
141705-10-3	CAREMARK RX INC.		08/15/2006	LEHMAN BROTHERS	5.000	284	258	258	0	0	0	0	0	0	258	0	26	26	1	.XXX
149123-10-1	CATERPILLAR INC.		08/15/2006	LEHMAN BROTHERS	7.000	472	415	415	0	0	0	0	0	0	415	0	56	56	6	.XXX
124857-20-2	CBS CORP-CLASS B.		08/15/2006	LEHMAN BROTHERS	4.000	110	104	104	0	0	0	0	0	0	104	0	6	6	1	.XXX
152312-10-4	CENTEX CORP.		12/01/2006	VARIOUS	3.000	143	218	218	0	0	0	0	0	0	218	0	(75)	(75)	0	.XXX
156700-10-6	CENTURYTEL INC.		08/15/2006	LEHMAN BROTHERS	7.000	277	234	234	0	0	0	0	0	0	234	0	43	43	1	.XXX
166764-10-0	CHEVRON CORP.		08/15/2006	LEHMAN BROTHERS	7,039.000	414,687	267,228	399,604	(132,376)	0	0	0	0	(132,376)	267,228	0	147,459	147,459	19	.XXX
171779-30-9	CIENA CORP.		09/26/2006	CASH IN LIEU	0.140	3	3	3	0	0	0	0	0	0	3	0	1	1	0	.XXX
172737-10-8	CIRCUIT CITY STORES INC.		08/15/2006	LEHMAN BROTHERS	3.000	72	69	69	0	0	0	0	0	0	69	0	3	3	0	.XXX
17275R-10-2	CISCO SYSTEMS INC.		08/15/2006	LEHMAN BROTHERS	40.000	825	715	715	0	0	0	0	0	0	715	0	111	111	0	.XXX
125581-10-8	CIT GROUP INC.		08/15/2006	LEHMAN BROTHERS	1.000	43	52	52	0	0	0	0	0	0	52	0	(9)	(9)	1	.XXX
172967-10-1	CITIGROUP INC.		08/15/2006	LEHMAN BROTHERS	56.000	2,710	2,710	2,710	0	0	0	0	0	0	2,710	0	0	0	82	.XXX
17453B-10-1	CITIZENS COMMUNICATIONS CO.		08/15/2006	LEHMAN BROTHERS	6.000	81	73	73	0	0	0	0	0	0	73	0	7	7	3	.XXX
184502-10-2	CLEAR CHANNEL COMMUNICATIONS		08/15/2006	LEHMAN BROTHERS	18.000	500	577	577	0	0	0	0	0	0	577	0	(76)	(76)	7	.XXX
189054-10-9	CLOROX COMPANY		08/15/2006	LEHMAN BROTHERS	1.000	60	58	58	0	0	0	0	0	0	58	0	2	2	1	.XXX
191216-10-0	COCA-COLA CO/THE		08/15/2006	LEHMAN BROTHERS	17.000	753	694	694	0	0	0	0	0	0	694	0	59	59	11	.XXX
191219-10-4	COCA-COLA ENTERPRISES		08/15/2006	LEHMAN BROTHERS	1.000	21	19	19	0	0	0	0	0	0	19	0	2	2	0	.XXX
194162-10-3	COLGATE-PALMOLIVE CO.		08/15/2006	LEHMAN BROTHERS	3.000	180	167	167	0	0	0	0	0	0	167	0	14	14	3	.XXX
20030N-10-1	COMCAST CORP-CL A		08/15/2006	LEHMAN BROTHERS	33.000	1,144	871	871	0	0	0	0	0	0	871	0	273	273	0	.XXX
205638-10-9	COMPUWARE CORP.		12/01/2006	VARIOUS	6.000	41	56	56	0	0	0	0	0	0	56	0	(15)	(15)	0	.XXX
205862-40-2	CONVERSE TECHNOLOGY INC.		08/15/2006	LEHMAN BROTHERS	1.000	20	27	27	0	0	0	0	0	0	27	0	(7)	(7)	0	.XXX
205887-10-2	CONAGRA FOODS INC.		09/01/2006	VARIOUS	2.000	46	41	41	0	0	0	0	0	0	41	0	4	4	1	.XXX
20825C-10-4	CONOCOPHILLIPS		09/14/2006	VARIOUS	7,403.030	444,103	199,661	430,707	(231,048)	0	0	0	0	(231,048)	199,661	0	244,442	244,442	11	.XXX
21248S-10-6	CONVEYYS CORP.		08/15/2006	LEHMAN BROTHERS	1.000	19	16	16	0	0	0	0	0	0	16	0	3	3	0	.XXX
22160K-10-5	COSTCO WHOLESALE CORP.		08/15/2006	LEHMAN BROTHERS	2.000	104	100	100	0	0	0	0	0	0	100	0	3	3	1	.XXX
222862-10-4	COVENTRY HEALTH CARE INC.		08/15/2006	LEHMAN BROTHERS	1.000	53	58	58	0	0	0	0	0	0	58	0	(5)	(5)	0	.XXX
126650-10-0	CVS CORP.		08/15/2006	LEHMAN BROTHERS	2.000	70	53	53	0	0	0	0	0	0	53	0	17	17	0	.XXX
235851-10-2	DANAHER CORP.		08/15/2006	LEHMAN BROTHERS	2.000	129	113	113	0	0	0	0	0	0	113	0	16	16	0	.XXX
237194-10-5	DARDEN RESTAURANTS INC.		08/15/2006	LEHMAN BROTHERS	1.000	35	39	39	0	0	0	0	0	0	39	0	(4)	(4)	0	.XXX
244199-10-5	DEERE & CO.		08/15/2006	LEHMAN BROTHERS	3.000	207	204	204	0	0	0	0	0	0	204	0	3	3	2	.XXX
24702R-10-1	DELL INC.		12/01/2006	VARIOUS	45.000	993	1,385	1,385	0	0	0	0	0	0	1,385	0	(392)	(392)	0	.XXX
25179M-10-3	DEVON ENERGY CORPORATION		08/15/2006	LEHMAN BROTHERS	3.000	186	198	198	0	0	0	0	0	0	198	0	(12)	(12)	1	.XXX
256669-10-2	DOLLAR GENERAL CORP.		12/01/2006	VARIOUS	3.000	41	56	56	0	0	0	0	0	0	56	0	(15)	(15)	0	.XXX
260003-10-8	DOVER CORP.		08/15/2006	LEHMAN BROTHERS	1.000	47	42	42	0	0	0	0	0	0	42	0	5	5	0	.XXX
260543-10-3	DOW CHEMICAL		08/15/2006	LEHMAN BROTHERS	3,583.000	155,508	115,480	157,007	(41,527)	0	0	0	0	(41,527)	115,480	0	40,028	40,028	1,204	.XXX
260561-10-5	DOW JONES & CO INC.		09/01/2006	VARIOUS	1.000	36	39	39	0	0	0	0	0	0	39	0	(4)	(4)	1	.XXX
23331A-10-9	DR HORTON INC.		12/01/2006	VARIOUS	2.000	41	73	73	0	0	0	0	0	0	73	0	(32)	(32)	0	.XXX
263534-10-9	DU PONT (E. I.) DE NEMOURS		09/12/2006	VARIOUS	3.000	120	129	129	0	0	0	0	0	0	129	0	(9)	(9)	3	.XXX
277432-10-0	EASTMAN CHEMICAL COMPANY		08/15/2006	LEHMAN BROTHERS	1.000	51	52	52	0	0	0	0	0	0	52	0	(1)	(1)	1	.XXX
277461-10-9	EASTMAN KODAK CO.		08/15/2006	LEHMAN BROTHERS	2.000	40	49	49	0	0	0	0	0	0	49	0	(9)	(9)	1	.XXX
278865-10-0	ECOLAB INC.		08/15/2006	LEHMAN BROTHERS	2.000	89	71	71	0	0	0	0	0	0	71	0	18	18	0	.XXX
285661-10-4	ELECTRONIC DATA SYSTEMS CORP.		09/11/2006	VARIOUS	4.000	95	97	97	0	0	0	0	0	0	97	0	(2)	(2)	1	.XXX
532457-10-8	ELI LILLY & CO.		09/08/2006	VARIOUS	7.000	387	400	400	0	0	0	0	0	0	400	0	(13)	(13)	8	.XXX
29078E-10-5	EMBARQ CORP.		06/05/2006	DIRECT	0.550	23	24	24	0	0	0	0	0	0	24	0	(1)	(1)	0	.XXX
268648-10-2	EMC CORP/MASS		08/15/2006	LEHMAN BROTHERS	21.000	229	294	294	0	0	0	0	0	0	294	0	(65)	(65)	0	.XXX
291011-10-4	EMERSON ELECTRIC CO.		09/11/2006	VARIOUS	2.000	161	151	151	0	0	0	0	0	0	151	0	11	11	3	.XXX
26875P-10-1	EOG RESOURCES INC.		12/01/2006	VARIOUS	1.000	66	79	79	0	0	0	0	0	0	79	0	(13)	(13)	0	.XXX
294429-10-5	EQUIFAX INC.		08/15/2006	LEHMAN BROTHERS	2.000	64	76	76	0	0	0	0	0	0	76	0	(13)	(13)	0	.XXX
30161N-10-1	ELEXON CORP.		09/11/2006	VARIOUS	2.000	119	109	109	0	0	0	0	0	0	109	0	10	10	2	.XXX
302182-10-0	EXPRESS SCRIPTS INC.		08/15/2006	LEHMAN BROTHERS	4.000	327	351	351	0	0	0	0	0	0	351	0	(24)	(24)	0	.XXX
302316-10-2	EXXON MOBIL CORP.		09/11/2006	VARIOUS	97.000	6,661	5,683	5,683	0	0	0	0	0	0	5,683	0	978	978	93	.XXX
307000-10-9	FAMILY DOLLAR STORES		08/15/2006	LEHMAN BROTHERS	1.000	24	25	25	0	0	0	0	0	0	25	0	(1)	(1)	0	.XXX
313586-10-9	FANNIE MAE		08/15/2006	LEHMAN BROTHERS	4.000	196	195	195	0	0	0	0	0	0	195	0	1	1	3	.XXX
314211-10-3	FEDERATED INVESTORS INC-CL B.		08/15/2006	LEHMAN BROTHERS	1.000	33	37	37	0	0	0	0	0	0	37	0	(4)	(4)	1	.XXX
319963-10-4	FIRST DATA CORP.		10/02/2006	VARIOUS	2.000	6,588	6,591	6,591	0	0	0	0	0	0	6,591	0	(3)	(3)	0	.XXX
337738-10-8	FISERV INC.		08/15/2006	LEHMAN BROTHERS	5.000	222	222	222	0	0	0	0	0	0	222	0	0	0	0	.XXX
345838-10-6	FOREST LABORATORIES INC.		08/15/2006	LEHMAN BROTHERS	7.000	329	287	287	0	0	0	0	0	0	287	0	41	41	0	.XXX
313400-30-1	FREDDIE MAC		08/15/2006	LEHMAN BROTHERS	2.000	120	131	131	0	0	0	0	0	0	131	0	(11)	(11)	2	.XXX
364730-10-1	GANNETT CO.		08/15/2006	LEHMAN BROTHERS	2.000	111	126	126	0	0	0	0	0	0	126	0	(15)	(15)	1	.XXX
364760-10-8	GAP INC/THE		08/15/2006	LEHMAN BROTHERS	13.000	229	229	229	0	0	0	0	0	0	229	0	(5)	(5)	2	.XXX
369550-10-8	GENERAL DYNAMICS CORP.		08/15/2006	LEHMAN BROTHERS	1.000	69	58	58	0	0	0	0	0	0	58	0	11	11	1	.XXX

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
615369-10-5	WOODYS CORP.		08/15/2006	LEHMAN BROTHERS	2,000	118		126	0	0	0	0	0	0	126	0	(8)	(8)	0	.XXX
617446-44-9	MORGAN STANLEY		08/15/2006	LEHMAN BROTHERS	4,936,000	287,973		246,004	280,069	(34,065)	0	0	(34,065)	0	246,004	0	41,970	41,970	6	.XXX
620076-10-9	MOTOROLA INC.		08/15/2006	LEHMAN BROTHERS	19,000	447		445	0	0	0	0	0	445	0	2	2	2	.XXX	
628530-10-7	MYLAN LABORATORIES INC.		08/15/2006	LEHMAN BROTHERS	5,000	102		100	0	0	0	0	0	100	0	2	2	2	.XXX	
66359F-10-3	NABORS INDUSTRIES LTD.		12/01/2006	VARIOUS	4,000	133		159	0	0	0	0	0	159	0	(26)	(26)	0	.XXX	
637640-10-3	NATIONAL SEMICONDUCTOR CORP.		08/15/2006	LEHMAN BROTHERS	4,000	93		110	0	0	0	0	0	110	0	(18)	(18)	0	.XXX	
63934E-10-8	NAVISTAR INTERNATIONAL		08/15/2006	LEHMAN BROTHERS	1,000	23		29	0	0	0	0	0	29	0	(6)	(6)	0	.XXX	
62866E-10-8	NCR CORPORATION		08/15/2006	LEHMAN BROTHERS	1,000	34		34	0	0	0	0	0	34	0	0	0	0	.XXX	
64120L-10-4	NETWORK APPLIANCE INC.		08/15/2006	LEHMAN BROTHERS	1,000	32		28	0	0	0	0	0	28	0	4	4	4	.XXX	
650111-10-7	NEW YORK TIMES CO -CL A.		08/15/2006	LEHMAN BROTHERS	1,000	22		28	0	0	0	0	0	28	0	(5)	(5)	0	.XXX	
651229-10-6	NEWELL RUBBERMAID INC.		08/15/2006	LEHMAN BROTHERS	1,000	26		24	0	0	0	0	0	24	0	2	2	2	.XXX	
65248E-10-4	NEWS CORP-CL A.		08/15/2006	LEHMAN BROTHERS	39,000	733		606	0	0	0	0	0	606	0	127	127	2	.XXX	
654106-10-3	NIKE INC -CL B.		08/15/2006	LEHMAN BROTHERS	1,000	78		86	0	0	0	0	0	86	0	(8)	(8)	1	.XXX	
655664-10-0	NORDSTROM INC.		08/15/2006	LEHMAN BROTHERS	3,000	108		113	0	0	0	0	0	113	0	(5)	(5)	1	.XXX	
666807-10-2	NORTHROP GRUMMAN CORP.		08/15/2006	LEHMAN BROTHERS	6,000	394		360	0	0	0	0	0	360	0	34	34	3	.XXX	
670006-10-5	NOVELL INC.		08/15/2006	LEHMAN BROTHERS	21,000	140		185	0	0	0	0	0	185	0	(45)	(45)	0	.XXX	
670008-10-1	NOVELLUS SYSTEMS INC.		08/15/2006	LEHMAN BROTHERS	3,000	77		75	0	0	0	0	0	75	0	3	3	0	.XXX	
670346-10-5	NUCOR CORP.		08/15/2006	LEHMAN BROTHERS	1,000	50		35	0	0	0	0	0	35	0	15	15	1	.XXX	
676220-10-6	OFFICE DEPOT INC.		08/15/2006	LEHMAN BROTHERS	11,000	409		345	0	0	0	0	0	345	0	63	63	0	.XXX	
681919-10-6	OMNICO GROUP		08/15/2006	LEHMAN BROTHERS	5,000	442		433	0	0	0	0	0	433	0	9	9	3	.XXX	
68389X-10-5	ORACLE CORP.		08/15/2006	VARIOUS	138,210	2,169		1,705	0	0	0	0	0	1,705	0	464	464	0	.XXX	
693718-10-8	PACCAR INC.		08/15/2006	LEHMAN BROTHERS	3,000	169		143	0	0	0	0	0	143	0	26	26	1	.XXX	
695257-10-5	PACTIV CORPORATION		08/15/2006	LEHMAN BROTHERS	2,000	51		45	0	0	0	0	0	45	0	6	6	0	.XXX	
699173-20-9	PARAMETRIC TECHNOLOGY CORP.		03/13/2006	DIRECT.	0,600	10		0	0	0	0	0	0	0	0	(1)	(1)	0	.XXX	
704326-10-7	PAYCHEX INC.		08/15/2006	LEHMAN BROTHERS	1,000	35		39	0	0	0	0	0	39	0	(4)	(4)	0	.XXX	
713409-10-0	PEPSI BOTTLING GROUP INC.		08/15/2006	LEHMAN BROTHERS	2,000	68		58	0	0	0	0	0	58	0	10	10	0	.XXX	
713448-10-8	PEPSICO INC.		08/15/2006	LEHMAN BROTHERS	9,000	572		538	0	0	0	0	0	538	0	34	34	5	.XXX	
714046-10-9	PERKINELMER INC.		08/15/2006	LEHMAN BROTHERS	3,000	57		72	0	0	0	0	0	72	0	(15)	(15)	1	.XXX	
717081-10-3	Pfizer Inc.		09/05/2006	VARIOUS	47,000	1,240		1,155	0	0	0	0	0	1,155	0	85	85	34	.XXX	
724479-10-0	PITNEY BOWES INC.		08/15/2006	LEHMAN BROTHERS	4,000	171		173	0	0	0	0	0	173	0	(1)	(1)	3	.XXX	
693506-10-7	PPG INDUSTRIES INC.		09/12/2006	VARIOUS	1,000	63		59	0	0	0	0	0	59	0	4	4	1	.XXX	
74005P-10-4	PRAXAIR INC.		08/15/2006	LEHMAN BROTHERS	1,000	55		53	0	0	0	0	0	53	0	1	1	1	.XXX	
742718-10-9	PROCTER & GAMBLE CO.		08/15/2006	LEHMAN BROTHERS	43,000	2,598		2,533	0	0	0	0	0	2,533	0	65	65	39	.XXX	
745867-10-1	PULTE HOMES INC.		12/01/2006	VARIOUS	2,000	57		82	0	0	0	0	0	82	0	(25)	(25)	0	.XXX	
747277-10-1	QLOGIC CORP.		08/15/2006	LEHMAN BROTHERS	1,000	17		16	0	0	0	0	0	16	0	1	1	0	.XXX	
74834L-10-0	QUEST DIAGNOSTICS.		08/15/2006	LEHMAN BROTHERS	1,000	63		52	0	0	0	0	0	52	0	11	11	0	.XXX	
750438-10-3	RADIOSHACK CORP.		12/01/2006	VARIOUS	1,000	17		22	0	0	0	0	0	22	0	(4)	(4)	0	.XXX	
755111-50-7	RAYTHEON COMPANY		08/15/2006	LEHMAN BROTHERS	2,000	93		80	0	0	0	0	0	80	0	13	13	1	.XXX	
773903-10-9	ROCKWELL AUTOMATION INC.		09/05/2006	VARIOUS	1,000	61		61	0	0	0	0	0	61	0	1	1	1	.XXX	
774341-10-1	ROCKWELL COLLINS INC.		09/05/2006	VARIOUS	2,000	105		95	0	0	0	0	0	95	0	10	10	1	.XXX	
779382-10-0	ROWAN COMPANIES INC.		08/15/2006	LEHMAN BROTHERS	1,000	31		39	0	0	0	0	0	39	0	(8)	(8)	0	.XXX	
257867-10-1	RR DONNELLEY & SONS CO.		09/01/2006	VARIOUS	2,000	67		68	0	0	0	0	0	68	0	(1)	(1)	2	.XXX	
783549-10-8	RYDER SYSTEM INC.		08/15/2006	LEHMAN BROTHERS	2,000	100		84	0	0	0	0	0	84	0	16	16	1	.XXX	
786514-20-8	SAFEWAY INC.		08/15/2006	LEHMAN BROTHERS	1,000	29		24	0	0	0	0	0	24	0	6	6	0	.XXX	
803111-10-3	SARA LEE CORP.		09/06/2006	VARIOUS	3,000	980		985	0	0	0	0	0	985	0	(5)	(5)	1	.XXX	
806605-10-1	SCHERING-PLOUGH CORP.		08/15/2006	LEHMAN BROTHERS	5,000	100		105	0	0	0	0	0	105	0	(5)	(5)	1	.XXX	
806857-10-8	SCHLUMBERGER LTD.		08/15/2006	LEHMAN BROTHERS	5,000	318		262	0	0	0	0	0	262	0	56	56	1	.XXX	
808513-10-5	SCHWAB (CHARLES) CORP.		08/15/2006	LEHMAN BROTHERS	4,000	66		63	0	0	0	0	0	63	0	3	3	0	.XXX	
81211K-10-0	SEALED AIR CORP.		08/15/2006	LEHMAN BROTHERS	1,000	51		56	0	0	0	0	0	56	0	(5)	(5)	0	.XXX	
812350-10-6	SEARS HOLDINGS CORP.		08/15/2006	LEHMAN BROTHERS	2,000	293		232	0	0	0	0	0	232	0	61	61	0	.XXX	
824348-10-6	SHERWIN-WILLIAMS CO/THE.		08/15/2006	LEHMAN BROTHERS	1,000	51		45	0	0	0	0	0	45	0	6	6	1	.XXX	
78442P-10-6	SLM CORP.		08/15/2006	LEHMAN BROTHERS	4,000	192		225	0	0	0	0	0	225	0	(34)	(34)	2	.XXX	
834182-10-7	SOLECTRON CORP.		08/15/2006	LEHMAN BROTHERS	3,000	9		11	0	0	0	0	0	11	0	(2)	(2)	0	.XXX	
852061-10-0	SPRINT NEXTEL CORP.		05/18/2006	RETURN OF CAPITAL	0,000	2,798		2,798	0	0	0	0	0	0	2,798	0	0	0	0	.XXX
790849-10-3	ST JUDE MEDICAL INC.		12/01/2006	VARIOUS	4,000	138		202	0	0	0	0	0	202	0	(65)	(65)	0	.XXX	
854616-10-9	STANLEY WORKS/THE.		08/15/2006	LEHMAN BROTHERS	1,000	47		48	0	0	0	0	0	48	0	(1)	(1)	1	.XXX	
855030-10-2	STAPLES INC.		08/15/2006	LEHMAN BROTHERS	5,000	118		113	0	0	0	0	0	113	0	5	5	1	.XXX	
855244-10-9	STARBUCKS CORP.		08/15/2006	LEHMAN BROTHERS	4,000	121		127	0	0	0	0	0	127	0	(6)	(6)	0	.XXX	
85590A-40-1	STARWOOD HOTELS & RESORTS.		08/15/2006	VARIOUS	2,000	1,266		1,265	0	0	0	0	0	1,265	0	1	1	1	.XXX	
86764P-10-9	SUNOCO INC.		12/01/2006	VARIOUS	2,000	156		169	0	0	0	0	0	169	0	(12)	(12)	1	.XXX	
868536-10-3	SUPERVALU INC.		08/15/2006	VARIOUS	1,302	36		13	0	0	0	0	0	13	0	23	23	0	.XXX	
871503-10-8	SYMANTEC CORP.		08/15/2006	LEHMAN BROTHERS	25,000	448		451	0	0	0	0	0	451	0	(3)	(3)	0	.XXX	
871508-10-7	SYMBOL TECHNOLOGIES INC.		08/15/2006	LEHMAN BROTHERS	1,000	11		13	0	0	0	0	0	13	0	(3)	(3)	0	.XXX	
871829-10-7	SYSCO CORP.		08/15/2006	LEHMAN BROTHERS	3,000	86		93	0	0	0	0	0	93	0	(8)	(8)	1	.XXX	
87612E-1																				

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										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 (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
880336-10-0	TENET HEALTHCARE CORP		08/15/2006	LEHMAN BROTHERS	2,000	.15		.16	.0	.0	.0	.0	.0	.0	.16	.0	(1)	(.1)	.0	.XXX
880770-10-2	TERADINE INC		08/15/2006	LEHMAN BROTHERS	1,000	.13		.15	.0	.0	.0	.0	.0	.0	.15	.0	(2)	(.2)	.0	.XXX
882508-10-4	TEXAS INSTRUMENTS INC		08/15/2006	LEHMAN BROTHERS	32,000	1,025		1,074	.0	.0	.0	.0	.0	.0	1,074	.0	(49)	(49)	.3	.XXX
883203-10-1	TEXTRON INC		08/15/2006	LEHMAN BROTHERS	1,000	.90		.78	.0	.0	.0	.0	.0	.0	.78	.0	12	.12	.1	.XXX
886547-10-8	TIFFANY & CO		08/15/2006	LEHMAN BROTHERS	1,000	.31		.38	.0	.0	.0	.0	.0	.0	.38	.0	(7)	(.7)	.0	.XXX
88706M-10-3	TIM HORTONS INC		10/05/2006	CASH IN LIEU	.068	.2		.1	.0	.0	.0	.0	.0	.0	.1	.0	.0	.0	.0	.XXX
887317-10-5	TIME WARNER INC		08/15/2006	LEHMAN BROTHERS	276,000	4,433		4,901	.0	.0	.0	.0	.0	.0	4,901	.0	(468)	(468)	.28	.XXX
872540-10-9	TJX COMPANIES INC		08/15/2006	LEHMAN BROTHERS	3,000	.81		.73	.0	.0	.0	.0	.0	.0	.73	.0	.8	.8	.1	.XXX
890078-10-9	TRANSOCEAN INC		08/15/2006	LEHMAN BROTHERS	3,000	.199		.222	.0	.0	.0	.0	.0	.0	.222	.0	(23)	(.23)	.0	.XXX
896047-10-7	TRIBUNE CO		08/15/2006	LEHMAN BROTHERS	19,000	.593		.589	.0	.0	.0	.0	.0	.0	.589	.0	.4	.4	.7	.XXX
902494-10-3	TYSON FOODS INC-CL A		08/15/2006	LEHMAN BROTHERS	1,000	.14		.17	.0	.0	.0	.0	.0	.0	.17	.0	(3)	(.3)	.0	.XXX
909214-10-8	UNISYS CORP		08/15/2006	LEHMAN BROTHERS	1,000	.6		.6	.0	.0	.0	.0	.0	.0	.6	.0	(1)	(.1)	.0	.XXX
911312-10-6	UNITED PARCEL SERVICE-CL B		08/15/2006	LEHMAN BROTHERS	12,000	.828		.908	.0	.0	.0	.0	.0	.0	.908	.0	(80)	(.80)	.9	.XXX
913017-10-9	UNITED TECHNOLOGIES CORP		08/15/2006	LEHMAN BROTHERS	7,000	.427		.393	.0	.0	.0	.0	.0	.0	.393	.0	.34	.34	.3	.XXX
91324P-10-2	UNITEDHEALTH GROUP INC		12/01/2006	VARIOUS	12,000	.577		.743	.0	.0	.0	.0	.0	.0	.743	.0	(165)	(.165)	.0	.XXX
914906-10-2	UNIVISION COMMUNICATIONS-A		08/15/2006	LEHMAN BROTHERS	2,000	.67		.61	.0	.0	.0	.0	.0	.0	.61	.0	.6	.6	.0	.XXX
902911-10-6	UST INC		08/15/2006	LEHMAN BROTHERS	2,000	.102		.84	.0	.0	.0	.0	.0	.0	.84	.0	.18	.18	.2	.XXX
91913V-10-0	VALERO ENERGY CORP		09/14/2006	VARIOUS	3,000	.189		.165	.0	.0	.0	.0	.0	.0	.165	.0	.24	.24	.1	.XXX
Y93691-10-6	VERIGY LTD		11/06/2006	CASH IN LIEU	.528	.8		.8	.0	.0	.0	.0	.0	.0	.8	.0	.0	.0	.0	.XXX
92343V-10-4	VERIZON COMMUNICATIONS INC		11/20/2006	RETURN OF CAPITAL	.000	1,456		1,456	.0	.0	.0	.0	.0	.0	1,456	.0	.0	.0	.0	.XXX
918204-10-8	VF CORP		08/15/2006	LEHMAN BROTHERS	1,000	.69		.55	.0	.0	.0	.0	.0	.0	.55	.0	.15	.15	.1	.XXX
929160-10-9	VULCAN MATERIALS CO		08/15/2006	LEHMAN BROTHERS	1,000	.74		.68	.0	.0	.0	.0	.0	.0	.68	.0	.6	.6	.1	.XXX
931142-10-3	WAL-MART STORES INC		08/15/2006	LEHMAN BROTHERS	8,000	.356		.371	.0	.0	.0	.0	.0	.0	.371	.0	(14)	(.14)	.3	.XXX
931422-10-9	WALGREEN CO		08/15/2006	LEHMAN BROTHERS	4,000	.199		.176	.0	.0	.0	.0	.0	.0	.176	.0	.23	.23	.1	.XXX
94106L-10-9	WASTE MANAGEMENT INC		08/15/2006	LEHMAN BROTHERS	5,000	.174		.151	.0	.0	.0	.0	.0	.0	.151	.0	.23	.23	.2	.XXX
941848-10-3	WATERS CORP		08/15/2006	LEHMAN BROTHERS	3,000	.125		.114	.0	.0	.0	.0	.0	.0	.114	.0	.11	.11	.0	.XXX
695089-10-1	WEATHERFORD INTL LTD		08/15/2006	LEHMAN BROTHERS	1,000	.45		.39	.0	.0	.0	.0	.0	.0	.39	.0	.6	.6	.0	.XXX
94973V-10-7	WELLPOINT INC		08/15/2006	LEHMAN BROTHERS	12,000	.903		.954	.0	.0	.0	.0	.0	.0	.954	.0	(51)	(.51)	.0	.XXX
950590-10-9	WENDYS INTERNATIONAL INC		10/02/2006	RETURN OF CAPITAL	.000	1,458		1,458	.0	.0	.0	.0	.0	.0	1,458	.0	.0	.0	.0	.XXX
963320-10-6	WHIRLPOOL CORP		08/01/2006	DIRECT	.0	.0		.12	.0	.0	.0	.0	.0	.0	.12	.0	(12)	(.12)	.0	.XXX
97381W-10-4	WINDSTREAM CORP		07/26/2006	DIRECT	.665	.8		.7	.0	.0	.0	.0	.0	.0	.7	.0	.0	.0	.0	.XXX
982526-10-5	WRIGLEY WM JR CO		05/01/2006	RETURN OF CAPITAL	.000	1,061		1,061	.0	.0	.0	.0	.0	.0	1,061	.0	.0	.0	.0	.XXX
983024-10-0	WYETH		09/01/2006	VARIOUS	4,000	.190		.186	.0	.0	.0	.0	.0	.0	.186	.0	.4	.4	.3	.XXX
98310W-10-8	WYNDHAM WORLDWIDE CORP		08/07/2006	DIRECT	.600	.15		.21	.0	.0	.0	.0	.0	.0	.21	.0	(6)	(.6)	.0	.XXX
983919-10-1	XILINX INC		09/06/2006	VARIOUS	4,000	.83		.108	.0	.0	.0	.0	.0	.0	.108	.0	(25)	(.25)	.1	.XXX
98385X-10-6	XTO ENERGY INC		08/15/2006	VARIOUS	1,000	.314		.312	.0	.0	.0	.0	.0	.0	.312	.0	.2	.2	.0	.XXX
984332-10-6	YAHOO! INC		12/01/2006	VARIOUS	9,000	.253		.369	.0	.0	.0	.0	.0	.0	.369	.0	(116)	(.116)	.0	.XXX
988498-10-1	YUM! BRANDS INC		08/15/2006	LEHMAN BROTHERS	6,000	.287		.283	.0	.0	.0	.0	.0	.0	.283	.0	.4	.4	.2	.XXX
013904-30-5	ALCATEL-LUCENT-SPONSORED ADR		12/01/2006	DIRECT	.883	.12		.12	.0	.0	.0	.0	.0	.0	.12	.0	(1)	(.1)	.0	.XXX
143658-30-0	CARNIVAL CORP		08/15/2006	LEHMAN BROTHERS	1,000	.37		.54	.0	.0	.0	.0	.0	.0	.54	.0	(17)	(.17)	.1	.XXX
647766-10-1	INGERSOLL-RAND CO LTD-CL A		09/01/2006	VARIOUS	.300	.111		.124	.0	.0	.0	.0	.0	.0	.124	.0	(13)	(.13)	.2	.XXX
6899999	- Common Stocks - Industrial and Miscel laneous					2,005,646	XXX	1,399,521	1,859,517	(556,760)	0	0	(556,760)	0	1,399,521	0	606,125	606,125	2,045	XXX
7299997	- Common Stocks - Part 4					3,060,954	XXX	1,998,405	2,893,432	(1,000,264)	0	0	(1,000,264)	0	1,998,405	0	1,062,548	1,062,548	6,507	XXX
7299998	- Common Stocks - Part 5					121,682	XXX	116,261	116,261	0	0	0	0	0	116,261	0	5,420	5,420	597	XXX
7299999	- Total - Common Stocks					3,182,636	XXX	2,114,667	3,009,694	(1,000,264)	0	0	(1,000,264)	0	2,114,667	0	1,067,969	1,067,969	7,104	XXX
7399999	- Total - Preferred and Common Stocks					3,182,636	XXX	2,114,667	3,009,694	(1,000,264)	0	0	(1,000,264)	0	2,114,667	0	1,067,969	1,067,969	7,104	XXX
7499999	Totals					116,800,801	XXX	113,839,755	115,533,439	(927,618)	80,876	50,000	(896,743)	0	114,686,160	0	2,114,641	2,114,640	1,271,739	XXX

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) or Number of Shares (Stocks)	9 Actual Cost	10 Consideration	11 Book/ Adjusted Carrying Value at Disposal Date	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends	
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change In B./A. C.V. (12 + 13 - 14)	16 Total Foreign Exchange Change in B./A. C.V.						
207757-5C-5	CT ST TAX-VAR-REF-2 02/01/2022 3.670		04/17/2006	LEHMAN BROTHERS	06/13/2006	LEHMAN BROTHERS	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	0	0	0	29,048	6,164	
277695-DX-7	EASTON SD-VAR-2005 04/01/2021 3.670		04/27/2006	DAIN RAUSCHER	06/21/2006	DAIN RAUSCHER	4,000,000	4,000,000	4,000,000	4,000,000	0	0	0	0	0	0	0	0	21,062	8,935	
708840-HA-4	PA INTERGOVTL-RF-PHIL 06/15/2022 3.580		09/28/2006	RAYMOND JAMES	11/02/2006	RAYMOND JAMES	3,500,000	3,500,000	3,500,000	3,500,000	0	0	0	0	0	0	0	0	16,547	4,565	
2499999	Bonds - Political Subdivisions						12,500,000	12,500,000	12,500,000	12,500,000	0	0	0	0	0	0	0	0	66,656	19,665	
13033K-2G-3	CA HFA VAR-AMT-SER D 02/01/2040 3.640		02/15/2006	MERRILL LYNCH	04/07/2006	MERRILL LYNCH	2,000,000	2,000,000	2,000,000	2,000,000	0	0	0	0	0	0	0	0	11,215	2,378	
13033K-C5-6	CA HFA VAR-MFH-SER C 08/01/2037 3.560		09/29/2006	LEHMAN BROTHERS	11/02/2006	LEHMAN BROTHERS	2,000,000	2,000,000	2,000,000	2,000,000	0	0	0	0	0	0	0	0	17,744	11,264	
13033K-TA-7	CA HFA VAR-F-HM MTG 02/01/2032 3.650		04/24/2006	LEHMAN BROTHERS	05/19/2006	LEHMAN BROTHERS	4,000,000	4,000,000	4,000,000	4,000,000	0	0	0	0	0	0	0	0	38,942	28,900	
13033K-F6-1	CA HFA VAR-SER Q 08/01/2033 3.580		06/29/2006	LEHMAN BROTHERS	08/10/2006	LEHMAN BROTHERS	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	0	0	0	87,203	68,856	
196479-HP-7	CO HSG-ADJ-AMT-SFM-B3 11/01/2026 3.580		09/21/2006	LEHMAN BROTHERS	11/02/2006	LEHMAN BROTHERS	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	55,237	42,707	
20774W-LK-5	CT HFA VAR-SUBSER B-2 11/15/2038 3.580		09/26/2006	MERRILL LYNCH	11/09/2006	VARIOUS	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	48,768	39,708	
251255-T7-0	DETROIT WTR-VAR-SR-B 07/01/2035 3.600		11/16/2006	LEHMAN BROTHERS	12/07/2006	LEHMAN BROTHERS	1,900,000	1,900,000	1,900,000	1,900,000	0	0	0	0	0	0	0	0	6,831	2,714	
49130P-QU-1	KY HSG CORP VAR-SER I 07/01/2035 3.580		06/30/2006	MERRILL LYNCH	08/10/2006	MERRILL LYNCH	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	61,521	49,273	
49130P-XQ-2	KY HSG VAR-AMT-SER F 07/01/2029 3.500		11/17/2006	MERRILL LYNCH	12/07/2006	MERRILL LYNCH	3,500,000	3,500,000	3,500,000	3,500,000	0	0	0	0	0	0	0	0	56,095	47,838	
49130P-ZV-9	KY HSG VAR-AMT-SER I 01/01/2032 3.500		08/29/2006	MERRILL LYNCH	11/02/2006	MERRILL LYNCH	4,000,000	4,000,000	4,000,000	4,000,000	0	0	0	0	0	0	0	0	45,198	23,398	
59466M-KZ-7	MI HSG VAR-AMT-SER A 10/01/2039 3.500		11/17/2006	MERRILL LYNCH	12/07/2006	MERRILL LYNCH	8,000,000	8,000,000	8,000,000	8,000,000	0	0	0	0	0	0	0	0	39,948	16,939	
649716-2Z-9	NY CITY TRANS-FLT-L11 11/01/2028 3.280		02/28/2006	LEHMAN BROTHERS	03/21/2006	LEHMAN BROTHERS	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	0	0	0	11,718	9,948	
64970V-DC-4	ORANGE MFH ADJ-A-NORT 09/15/2036 3.750		04/13/2006	CITIGROUP	05/19/2006	CITIGROUP	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	0	0	0	21,677	4,311	
684906-ET-3	PA HFA SFM SER 93-B 04/01/2037 3.500		08/22/2006	MERRILL LYNCH	11/02/2006	MERRILL LYNCH	1,400,000	1,400,000	1,400,000	1,400,000	0	0	0	0	0	0	0	0	11,404	1,268	
708796-AE-7	SD HSG-VAR-HMOWNR-C 05/01/2035 3.490		07/05/2006	MERRILL LYNCH	07/19/2006	MERRILL LYNCH	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	0	0	14,043	10,644	
837556-S4-0	STHRN CA SFM VAR-B 02/01/2034 3.510		08/24/2006	MERRILL LYNCH	11/02/2006	MERRILL LYNCH	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	0	0	0	93,349	57,152	
842443-BN-2	STHRN CA SFM VAR-B 02/01/2035 3.530		06/19/2006	MERRILL LYNCH	08/10/2006	MERRILL LYNCH	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	41,418	37,974	
842443-BP-7	STHRN CA SFM VAR-B 02/01/2035 3.530		05/03/2006	MERRILL LYNCH	05/19/2006	MERRILL LYNCH	1,500,000	1,500,000	1,500,000	1,500,000	0	0	0	0	0	0	0	0	14,540	12,200	
917436-VJ-3	UT HSG SFM VAR-E-1 01/01/2038 3.630		10/03/2006	LEHMAN BROTHERS	11/02/2006	LEHMAN BROTHERS	4,500,000	4,500,000	4,500,000	4,500,000	0	0	0	0	0	0	0	0	24,709	11,563	
917436-CN-5	UT SFM VAR-CL I-F1 01/01/2034 3.720		05/10/2006	LEHMAN BROTHERS	08/10/2006	LEHMAN BROTHERS	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	0	0	41,588	28,936	
944314-JP-9	WAYNE CHRTR ARPT-AMT 12/01/2008 3.520		02/28/2006	MERRILL LYNCH	03/21/2006	MERRILL LYNCH	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	0	0	0	9,366	7,587	
97689P-U8-9	WI HSG-VAR-D 09/01/2035 3.680		11/20/2006	MERRILL LYNCH	12/07/2006	MERRILL LYNCH	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	0	0	0	49,581	39,268	
97689P-P7-7	WI HSG/ECON-ADJ-C 09/01/2033 3.510		10/30/2006	MERRILL LYNCH	11/02/2006	MERRILL LYNCH	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	19,366	17,358	
97689P-P8-5	WI HSG/ECON-ADJ-C 03/01/2034 3.950		06/15/2006	MERRILL LYNCH	08/10/2006	MERRILL LYNCH	2,000,000	2,000,000	2,000,000	2,000,000	0	0	0	0	0	0	0	0	33,268	24,910	
98322P-P6-0	WYOMING DEV-ADJ-AMT-7 06/01/2031 3.510		02/28/2006	MERRILL LYNCH	04/07/2006	MERRILL LYNCH	1,000,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	0	0	0	10,898	7,624	
98322P-UR-8	WYOMING DEV-ADJ-AMT-7 06/01/2031 3.520		03/01/2006	MERRILL LYNCH	03/21/2006	MERRILL LYNCH	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	0	5,075	0	
3199999	Bonds - Special Revenue						80,800,000	80,800,000	80,800,000	80,800,000	0	0	0	0	0	0	0	0	870,704	604,720	
98157D-AJ-5	WORLD COM INC 05/15/2011 7.500		11/01/2006	DIRECT	11/01/2006	DIRECT	0	0	4,166	0	0	0	0	0	0	0	0	0	4,166	4,166	
3899999	Bonds - Public Utilities						0	0	4,166	0	0	0	0	0	0	0	0	0	4,166	4,166	
6099998	Subtotal Bonds						93,300,000	93,300,000	93,304,166	93,300,000	0	0	0	0	0	0	0	0	4,166	4,166	
172474-10-8	CJENERGY CORP		01/04/2006	LEHMAN BROTHERS	04/03/2006	EXCHANGE	87,000	3,753	3,753	3,753	0	0	0	0	0	0	0	0	55	0	
6699999	Common Stocks - Public Utilities						0	3,753	3,753	3,753	0	0	0	0	0	0	0	0	0	55	0
381317-10-6	GOLDEN WEST FINANCIAL CORP		01/04/2006	LEHMAN BROTHERS	10/02/2006	VARIOUS	111,000	7,579	7,579	7,579	0	0	0	0	0	0	0	0	0	27	0
475070-10-8	JEFFERSON-PILOT CORP		01/04/2006	LEHMAN BROTHERS	04/17/2006	TENDER OFFER	59,000	3,412	3,302	3,412	0	0	0	0	0	0	0	0	(110)	(110)	

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21	
											12	13	14	15	16						
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal Date	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change In B./A. C.V. (12 + 13 - 14)	Total Foreign Exchange Change in B./A. C.V.	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends	
659424-10-5	NORTH FORK BANCORPORATION		01/04/2006	LEHMAN BROTHERS	12/01/2006	VARIOUS	208,000	5,630	5,633	5,630	0	0	0	0	0	0	0	0	0	0	0
6799999	Common Stocks - Banks, Trust and Insurance Companies							16,621	16,514	16,621	0	0	0	0	0	0	0	(107)	(107)	258	0
013104-10-4	ALBERTSONS INC.		01/04/2006	LEHMAN BROTHERS	06/02/2006	VARIOUS	161,000	3,564	3,564	3,564	0	0	0	0	0	0	0	0	0	61	0
03822W-10-9	APPLIED MICRO CIRCUITS CORP.		01/04/2006	LEHMAN BROTHERS	08/15/2006	LEHMAN BROTHERS	131,000	355	345	355	0	0	0	0	0	0	0	(10)	(10)	0	0
053774-10-5	AVIS BUDGET GROUP INC.		01/04/2006	LEHMAN BROTHERS	08/15/2006	VARIOUS	448,000	7,664	7,263	7,664	0	0	0	0	0	0	0	(401)	(401)	49	0
292845-10-4	BASF CATALYSTS LLC		01/04/2006	LEHMAN BROTHERS	06/12/2006	TENDER OFFER	52,000	1,964	2,028	1,964	0	0	0	0	0	0	0	64	64	0	0
122014-10-3	BURLINGTON RESOURCES INC.		01/04/2006	LEHMAN BROTHERS	04/03/2006	EXCHANGE	165,000	14,424	15,189	14,424	0	0	0	0	0	0	0	765	765	17	0
170040-10-9	CHIRON CORP.		01/04/2006	LEHMAN BROTHERS	04/20/2006	TENDER OFFER	48,000	2,151	2,304	2,151	0	0	0	0	0	0	0	153	153	0	0
171779-30-9	CJENA CORP.		08/15/2006	LEHMAN BROTHERS	09/26/2006	CASH IN LIEU	0	4	4	4	0	0	0	0	0	0	0	0	0	0	0
216831-10-7	COOPER TIRE & RUBBER		01/04/2006	LEHMAN BROTHERS	08/15/2006	LEHMAN BROTHERS	27,000	430	218	430	0	0	0	0	0	0	0	(211)	(211)	6	0
338032-20-4	EJSHER SCIENTIFIC INTL INC.		01/04/2006	LEHMAN BROTHERS	11/10/2006	EXCHANGE	54,000	3,384	3,384	3,384	0	0	0	0	0	0	0	0	0	0	0
35687M-20-6	FREESCALE SEMICONDUCTOR-B		01/04/2006	LEHMAN BROTHERS	12/04/2006	VARIOUS	179,000	4,684	7,117	4,684	0	0	0	0	0	0	0	2,433	2,433	0	0
367626-10-8	GATEWAY INC.		01/04/2006	LEHMAN BROTHERS	08/15/2006	LEHMAN BROTHERS	116,000	308	170	308	0	0	0	0	0	0	0	(139)	(139)	0	0
401698-10-5	GUIDANT CORP.		01/04/2006	LEHMAN BROTHERS	04/21/2006	EXCHANGE	145,000	9,561	11,609	9,561	0	0	0	0	0	0	0	2,048	2,048	15	0
404119-10-9	HCA INC.		01/04/2006	LEHMAN BROTHERS	11/20/2006	VARIOUS	185,000	9,253	9,419	9,253	0	0	0	0	0	0	0	166	166	91	0
44107P-10-4	HOST HOTELS & RESORTS INC.		04/10/2006	EXCHANGE	08/15/2006	VARIOUS	59,000	1,114	1,247	1,114	0	0	0	0	0	0	0	134	134	10	0
444717-10-2	HUGOTON ROYALTY TRUST		05/11/2006	SPIN OFF NEW SECURITY	10/01/2006	VARIOUS	9,000	268	284	268	0	0	0	0	0	0	0	16	16	5	0
492386-10-7	KERR-MCGEE CORP.		01/04/2006	LEHMAN BROTHERS	08/11/2006	VARIOUS	102,000	4,833	7,364	4,833	0	0	0	0	0	0	0	2,532	2,532	6	0
499040-10-3	KNIGHT RIDDER INC.		01/04/2006	LEHMAN BROTHERS	06/28/2006	VARIOUS	30,000	1,937	1,937	1,937	0	0	0	0	0	0	0	0	0	22	0
549463-10-7	LUCENT TECHNOLOGIES INC.		01/04/2006	LEHMAN BROTHERS	12/01/2006	VARIOUS	1,943,000	5,320	5,319	5,320	0	0	0	0	0	0	0	(1)	(1)	0	0
578592-10-7	MAYTAG CORP.		01/04/2006	LEHMAN BROTHERS	04/03/2006	VARIOUS	35,000	663	663	663	0	0	0	0	0	0	0	0	0	3	0
579489-10-5	MCCLATCHY CO-CLASS A		06/28/2006	EXCHANGE	08/15/2006	VARIOUS	15,000	737	645	737	0	0	0	0	0	0	0	(92)	(92)	0	0
758110-10-0	REEBOK INTERNATIONAL LTD.		01/04/2006	LEHMAN BROTHERS	01/31/2006	TENDER OFFER	23,000	1,341	1,357	1,341	0	0	0	0	0	0	0	16	16	0	0
808655-10-4	SCIENTIFIC-ATLANTA INC.		01/04/2006	LEHMAN BROTHERS	02/27/2006	TENDER OFFER	67,000	2,878	2,881	2,878	0	0	0	0	0	0	0	3	3	0	0
826170-10-2	SJEBEL SYSTEMS INC.		01/04/2006	LEHMAN BROTHERS	02/07/2006	VARIOUS	231,000	2,450	2,450	2,450	0	0	0	0	0	0	0	0	0	0	0
85570G-10-5	STARWOOD HOTELS & RESORTS CL B		04/07/2006	SPIN OFF	04/10/2006	VARIOUS	96,000	1,162	1,162	1,162	0	0	0	0	0	0	0	0	0	0	0
897051-20-7	TRONOX INC-CLASS B		03/31/2006	SPIN OFF	10/01/2006	VARIOUS	10,000	173	122	173	0	0	0	0	0	0	0	(52)	(52)	1	0
92553P-10-2	VIAJCOM INC-CLASS A		01/04/2006	LEHMAN BROTHERS	08/15/2006	LEHMAN BROTHERS	338,000	14,202	12,310	14,202	0	0	0	0	0	0	0	(1,892)	(1,892)	0	0
982526-20-4	WRIGLEY WM JR CO-CL B		05/01/2006	DIVIDEND REINVESTMENT	11/20/2006	VARIOUS	20,000	1,061	1,058	1,061	0	0	0	0	0	0	0	(4)	(4)	0	0
6899999	Common Stocks - Industrial and Miscellaneous							95,888	101,415	95,888	0	0	0	0	0	0	0	5,527	5,527	284	0
7299998	Total - Common Stocks							116,261	121,682	116,261	0	0	0	0	0	0	0	5,420	5,420	597	0
7399999	Subtotal-Stocks							116,261	121,682	116,261	0	0	0	0	0	0	0	5,420	5,420	597	0
7499999	Totals							93,416,261	93,425,848	93,416,261	0	0	0	0	0	0	0	9,586	9,586	937,957	624,384

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SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code or Alien Insurer Identification Number	5 NAIC Valuation Method (See SVO Purposes and Procedures Manual)	6 Do Insurer's Admitted Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	7 Total Amount of Such Intangible Assets	8 Book / Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
								9 Number of Shares	10 % of Outstanding
915336-R9-4	Triad Guaranty Assurance Corporation		10217	3iiA	No	12,023,243	250,000,000	100.0	
915356-R9-2	Triad Re Insurance Corporation		11354	3iiA	No	1,265,472	1,000,000,000	100.0	
1199999	Common Stock - U.S. P&C Insurer					13,288,715	XXX	XXX	
1899999	Total Common Stocks					13,288,715	XXX	XXX	
1999999	Totals					13,288,715	XXX	XXX	

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$ 160,379,967
2. Total amount of intangible assets nonadmitted: \$

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	2 Name of Lower-Tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
NONE					
0399999	Total			XXX	XXX

Schedule DA - Part 1

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part A - Section 3

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part B - Section 3

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Part C - Section 3

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DB - Part D - Section 3

NONE

Schedule DB - Part E - Section 1

NONE

ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE E - PART 2 CASH EQUIVALENTS

Showing Investments owned December 31 of current year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
02581S-N4-9	AMERICAN EXPRESS CREDIT		12/20/2006	5.281	01/04/2007	4,997,804		8,783
02665K-N8-6	AMERICAN HONDA FINANCE		12/21/2006	5.273	01/08/2007	2,197,750		3,536
0660P1-N9-8	BANK OF AMERICA CORP		12/27/2006	5.290	01/09/2007	2,996,480		2,200
10060K-N5-6	BOSTON EDISON CO		12/21/2006	5.311	01/05/2007	2,998,233		4,858
1667X1-N8-5	CHEVRON FUNDING CORP		12/20/2006	5.254	01/08/2007	3,496,434		6,113
17307S-N4-0	CITIGROUP FUNDING INC		12/18/2006	5.293	01/04/2007	3,498,460		7,187
30256P-NA-6	FPL FUELS INC		12/13/2006	5.271	01/10/2007	3,495,406		9,698
38142U-NB-4	GOLDMAN SACHS CORP		12/20/2006	5.307	01/11/2007	4,992,653		8,817
89233H-NA-8	TOYOTA MOTOR CREDIT CORP		12/27/2006	5.270	01/10/2007	2,996,055		2,192
90262D-N9-2	UBS FINANCE DELAWARE LLC		12/15/2006	5.294	10/09/2007	3,595,780		8,968
	INCOME EARNED ON DISPOSED							271,319
0199999 Total Cash Equivalents						35,265,056		333,671

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ANNUAL STATEMENT FOR THE YEAR 2006 OF THE TRIAD GUARANTY INSURANCE CORPORATION

SCHEDULE E PART 3 - SPECIAL DEPOSITS

States, Etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits with the State of Domicile For The Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR	B State deposit			370,000	352,541
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL	B State deposit			110,000	111,838
11. Georgia	GA	B State deposit			29,331	30,619
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL	B State deposit	1,599,725	1,578,313		
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA	B State deposit			75,000	81,230
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA	B State deposit			589,978	624,942
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV	B State deposit			246,938	256,478
30. New Hampshire	NH	B State deposit			500,000	490,000
31. New Jersey	NJ					
32. New Mexico	NM	B State deposit			114,971	113,778
33. New York	NY					
34. North Carolina	NC	B State deposit			255,004	260,253
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR	B State deposit			660,555	689,199
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC	B State deposit			225,000	239,207
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA	B State deposit			255,000	249,900
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. US Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CN					
58. Aggregate Other Alien	OT	XXX	XXX	0	0	0
59. Total	XXX	XXX	1,599,725	1,578,313	3,431,777	3,499,985
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	XXX	0	0	0	0
5899. Totals (Lines 5801 through 5803 + 5898)(Line 58 above)	XXX	XXX	0	0	0	0