

## **QUARTERLY STATEMENT**

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

### TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

NAIC Group Code	0421 (Current Period)	, <u>0421</u> (Prior Period)	NAIC Company Code	10217	Employer's ID N	lumber	56-1905825
Organized under the I	,	Illinois	C+	ata of Dominilo or Bo	art of Entry		Illinois
· ·		IIIIIIOIS	, St		on or Entry		IIIIIIOIS
Country of Domicile	-		UII	ited States			
Incorporated/Organize	ed	12/23/1994	Cor	nmenced Business		02/15/19	95
Statutory Home Office	е	111 South Wad	cker Street		Chicago, II	_, US 6060	6
		(Street and N			(City or Town, State,		
Main Administrative C	Office	101 South Stratford F		Winston-Salem, NC			336-723-1282
Mail Address	D <sub>0</sub>	(Street and Number) ost Office Box 2300	1	City or Town, State, Count	ry and Zip Code) inston-Salem, NC		ode) (Telephone Number)
		et and Number or P.O. Box)	· _		or Town, State, Count		
Primary Location of B			Stratford Road	, ,	NC, US 27104		6-723-1282-1155
•		(Street ar	nd Number)	(City or Town, State, C	Country and Zip Code)	(Area (	Code) (Telephone Number
Internet Web Site Add	dress		WWW.	triadguaranty.com			
Statutory Statement C	Contact	Randal	l Keith Shields		336-723-	1282-1155	
,			(Name)		(Area Code) (Telephor		xtension)
	rshields@tgio (E-Mail Addre				336-761-5174 (Fax Number)		
	(E-Mail Addit	288)			(Fax Number)		
			OFFICERS				
Name		Title		Name			Title
	,				,		
			<b>OTHER OFFIC</b>	FRS			
			OTHER OTTIO				
		DIRI	ECTORS OR TR	RUSTEES			
County of		SS					
above, all of the herein of that this statement, toge liabilities and of the conc and have been complete law may differ; or, (2) t information, knowledge a	described assets were ther with related extendition and affairs of the ed in accordance with that state rules or re and belief, respective the that is an exact co	re the absolute property hibits, schedules and exide reporting entity at his the NAIC Annual State egulations require differ by. Furthermore, the scopy (except for formatting)	nd say that they are the desort the said reporting entity, eplanations therein containe as of the reporting period stement Instructions and Accences in reporting not relape of this attestation by the guifferences due to electron	free and clear from an ed, annexed or referred ated above, and of its ibuning Practices and lotted to accounting pradescribed officers also	ny liens or claims the doto, is a full and to income and deduction or constant of the control of the control of the control of the claim of the clai	rereon, excepture statement ions therefro except to the trues, according to corresponding the statement in the statement is statement.	pt as herein stated, an nt of all the assets an m for the period ender ne extent that: (1) state ing to the best of the ding electronic filing with
Subscribed and sworr	a to hofore me this			a. Is this	an original filing?		Yes [X] No [ ]
	day of	,		1. Stat 2. Date	e the amendment ne filed		

### **ASSETS**

			Current Statement Date		4
		1	2	3 Net Admitted Assets	December 31 Prior Year Net
		Assets	Nonadmitted Assets	(Cols. 1 - 2)	Admitted Assets
1.	Bonds	11,910,904		11,910,904	12,549,196
2.	Stocks:				
	2.1 Preferred stocks				
	2.2 Common stocks				
3.	Mortgage loans on real estate:				
	3.1 First liens	i		i	
	3.2 Other than first liens				
4.	Real estate:				
	4.1 Properties occupied by the company (less				
	\$ encumbrances)				
	4.2 Properties held for the production of income				
	(less \$ encumbrances)				
	4.3 Properties held for sale (less				
	\$encumbrances)				
5.	Cash (\$243,208 ),				
	cash equivalents (\$)				
	and short-term investments (\$	1,972,525		1,972,525	1,296,573
6.	Contract loans (including \$premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.					
10	Securities lending reinvested collateral assets				
	Aggregate write-ins for invested assets				
	Subtotals, cash and invested assets (Lines 1 to 11)				
	Title plants less \$	10,000,120		10,000,120	
10.	only)				
14	Investment income due and accrued				145 193
	Premiums and considerations:	100,042		100,042	140, 100
10.	15.1 Uncollected premiums and agents' balances in the course of				
	collection	16/1 0/13		16/1 0/13	170 015
	15.2 Deferred premiums, agents' balances and installments booked but	104,340		104,340	179,910
	deferred and not yet due (including \$earned				
	but unbilled premiums)				
16	15.3 Accrued retrospective premiums.				
10.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers				
	16.2 Funds held by or deposited with reinsured companies	i		i	
47	16.3 Other amounts receivable under reinsurance contracts				
	Amounts receivable relating to uninsured plans				
	Current federal and foreign income tax recoverable and interest thereon				
	Net deferred tax asset.				
	Guaranty funds receivable or on deposit	i			
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets				
	(\$				
	Net adjustment in assets and liabilities due to foreign exchange rates				
	Receivables from parent, subsidiaries and affiliates				
	Health care (\$				
	Aggregate write-ins for other-than-invested assets				
26.	Total assets excluding Separate Accounts, Segregated Accounts and	44 450 444		44 450 444	44 470 077
	Protected Cell Accounts (Lines 12 to 25)	14,156,414		14,156,414	14,170,877
27.	From Separate Accounts, Segregated Accounts and Protected				
	Cell Accounts.	44.450.441		44.450.441	44.470.0==
28.	Total (Lines 26 and 27)	14,156,414		14,156,414	14,170,877
	DETAILS OF WRITE-INS				
		i		i	
	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.					
2502.					
	Summary of remaining write-ins for Line 25 from overflow page				
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

## LIABILITIES, SURPLUS AND OTHER FUNDS

		1	2
		Current	December 31,
		Statement Date	Prior Year
1	Losses (current accident year \$256,845 )		
2.	Reinsurance payable on paid losses and loss adjustment expenses	120,846	215,654
3.	Loss adjustment expenses		
4.	Commissions payable, contingent commissions and other similar charges	49,483	53,975
5.	Other expenses (excluding taxes, licenses and fees)		
1	Taxes, licenses and fees (excluding federal and foreign income taxes)		
İ	Current federal and foreign income taxes (including \$		
1	2 Net deferred tax liability		
8.	Borrowed money \$ and interest thereon \$		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and		
	including warranty reserves of \$ and accrued accident and health experience rating refunds		
	including \$ for medical loss ratio rebate per the Public Health Service Act)	13,535	16,282
10.	Advance premium		
	Dividends declared and unpaid:		
''-	·		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)		
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others		
15.	Remittances and items not allocated		
i	Provision for reinsurance (including \$ certified)		
	Net adjustments in assets and liabilities due to foreign exchange rates		
	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	25,514	23,655
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
1	Liability for amounts held under uninsured plans.		
	Capital notes \$and interest thereon \$		
i		228,112	
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	5,974,340	5,966,477
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	5,974,340	5,966,477
29.	Aggregate write-ins for special surplus funds		
1	Common capital stock		
	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus	2,535,982	2,535,982
35.	Unassigned funds (surplus)	3,146,092	3,168,418
36.	Less treasury stock, at cost:		
	36.1 shares common (value included in Line 30 \$		
	36.2 shares preferred (value included in Line 31 \$		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	8,182,074	8,204,400
38.	Totals (Page 2, Line 28, Col. 3)	14,156,414	14,170,877
	DETAILS OF WRITE-INS		
2501.	Contingency Reserve	228,112	
2502.			
i			
	Summary of remaining write-ins for Line 25 from overflow page		
	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	228,112	
2901.			
2902.			
2903.			
	Summary of remaining write-ins for Line 29 from overflow page		
	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
			ı

## **STATEMENT OF INCOME**

Cutrent Year   Chicago		STATEMENT OF INC	1	2	3
1. Principlina samed. 1.1 Direct (prints) \$ .05 (ft )			Current Year to Date	Prior Year to Date	Prior Year Ended December 31
1.1 Drost parties 3					
1.2 Accounted nations \$ .455,67 \ 1. Accounter nations \$ .455,67 \	1.				
1. Net lowntons 3 455,647   2,165,135   2,		1.2 Assumed (written \$	468,395		
DEDUCTIONS   2 Losses Incurred current coolest year \$				561 189	2 166 135
2.1 Direct 2.2 Actuards 2.3 Cedent 3.7 Cedent 4.1 Time Code 3.1 Cedent 4.1 Time Code 3.2 Cedent 4.1 Time Code 3.3 Cedent 4.1 Time Code 4.2 Cedent 4.1 Time Code 4.2 Cedent 4.1 Time Code 4.1 Time Code 4.2 Cedent 4.1 Time Code 4.2 Cedent 4.2 Cedent 4.1 Time Code 4.2 Cedent 4.2 Cedent 4.2 Cedent 4.2 Cedent 4.3 Cedent 4.1 Time Code 4.1 Time Code 5.2 Cedent 5.2 Cedent 5.3 Cedent 5.4 Cedent 5.4 Cedent 5.5 Ceden		DEDUCTIONS:			2,100,100
2.3 Coded 2.3 Coded 2.4 New Teaching Reporting in Secretary 1.5 (200 1984, 814 1 1, 1802, 205 12.4 New Teaching Reporting in Secretary 1.5 (200 1984, 814 1 1, 1802, 205 12.4 New Teaching Reporting in Computer (1984, 814 1 1, 1802, 205 12.4 New Teaching Reporting Incident (1984, 814 1 1, 1802, 205 12.4 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987, 715 12.5 New Teaching Reporting Incident (1984, 814 1 1, 1987,	2.				
2.2 Ciceled					1,862,036
3. Loss adjustment expenses incurred. 6. Appragate withe test for underwriting deductions. 6. Appragate with early conderwriting deductions. 6. Total underwriting pathodises, incurred. 6. Total underwriting pathodises, incurred. 6. Total underwriting pathodises, incurred. 7. Total underwriting general (ose) (Line 1 minus Line 4 - Line 7). 7. Net underwriting gan (ose) (Line 1 minus Line 4 - Line 7). 7. Net underwriting gan (ose) (Line 1 minus Line 6 - Line 7). 7. Net underwriting gan (ose) (Line 1 minus Line 6 - Line 7). 7. Net underwriting gan (ose) (Line 1 minus Line 6 - Line 7). 7. Net underwriting gan (ose) (Line 1 minus Line 10). 7. Net underwriting gan (ose) (Line 1 minus Line 10). 7. Net underwriting gan (ose) (Line 1 minus Line 10). 7. Net underwriting (Line 1). 7. Net underwriting (Line 1). 7. Appragative with soft or inscollarous income. 7. Total other income (Line 1). 7. Net underwriting fam (volum) (Line 2). 7. Net underwriting (Line 1). 7. Net underwriting (Line 2). 7. Net underwriting (Line 2). 7. Net underwriting (Line 3). 7. Net underwriting (Line		2.3 Ceded			
4. Other underwriting openeses incurred 5. Aggregate write less for underwriting glateluctions 6. Total underwriting destuctions (in line 2 through 6) 6. Total underwriting destuctions (in line 2 through 6) 6. Net underwriting glate (lose) (line 1 through 6) 6. Net underwriting glate (lose) (line 1 through 6) 6. Net underwriting glate (lose) (line 1 through 6) 6. Net underwriting glate (lose) (line 1 through 6) 6. Net routiled capital glains (loses) (lose capital glains tax of \$ 6. 300 70. 822 71. Net investment income earmod 70. Sez 127 429 70. 820 71. Net investment glain (lose) (lines 9 + 10) 71. Sez 127 429 71.	3.		, , , , , , , , , , , , , , , , , , ,	· · · · · · · · · · · · · · · · · · ·	′ ′ ′
6. Total underwriting dealectoris (Lines 2 through 5)	4.	Other underwriting expenses incurred.	170,387	231,962	
7. Net income of protected cells  Net underwring gain (loss) (Line 1 minus Line 6 + Line 7)  NVESTMENT INCOME  10. Net required regain (pass) (Line 1 minus Line 6 + Line 7)  NVESTMENT INCOME  11. Net investment income earnet  11. Net investment gain (loss) (Line 9 + 0 minus Line 6 + Line 7)  NTHER INCOME  12. Net gain or (loss) from agents' or premium balances charged off (arount recovered 5 minus Line 10	5.	Aggregate write-ins for underwriting deductions	3/0 /11		
Net investment income earned   70, 622   727 429   532, 578   731, 500   30					2,000,070
9. Not investment income seared. 170, 527 177, 428 30.3 53.6 130.1 10. Not investment gain (loss) (Lines 9 + 10)	8.	Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	127 ,984	(555,587)	(513,943)
10. Net realized capital gains (losse) (esc capital gains tax of \$ 77,802   127,429   330,506     11. Net investment gain (loss) (Lines 9 + 10)   77,802   127,429   337,094     12. Net gain or (loss) from agents for promisim balances charged off { camount recovered \$		INVESTMENT INCOME			
11. Net investment gain (loss) (Lines 9 + 10)   177,802   127,429   837,084		Net investment income earned		127 , 429	
### OTHER INCOME  12. Net gain or (loss) from agents' or premium balances charged off {	10.	Net realized capital gains (losses) less capital gains tax of \$	6,980	127 420	
12. Net gain or (loss) from agents' or premium balances charged off \$	11.	Net investment gain (loss) (Lines 9 + 10)		127 ,429	837 ,084
(amount recovered \$					
13. Finance and service charges not included in premiums	12.				
14. Aggregate write-ins for miscellaneous income	13.	· ·			
16. Net Income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 + 11 + 15)	14.	Aggregate write-ins for miscellaneous income			
and foreign income taxes (Lines 8 + 11 + 15)					
17. Dividends to policyholders   Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)   205,785	16.	and foreign income taxes (Lines 8 + 11 + 15)	205,786	(428, 159)	323 , 141
and foreign income taxes (Line 15 minus Line 17)	1	Dividends to policyholders			
19. Federal and foreign income taxes incurred	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)	205,786	(428 , 159)	323 , 141
CAPITAL AND SURPLUS ACCOUNT	19.				
2.1 Surplus as regards policyholders. December 31 prior year   8. 204 400   7, 881, 259   7, 881, 259   7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 7, 881, 259   20, 20, 7, 881, 259   20, 20, 20, 20, 20, 20, 20, 20, 20, 20,	20.	Net income (Line 18 minus Line 19)(to Line 22)	205,786	(428, 159)	323,141
22. Net income (from Line 20)		CAPITAL AND SURPLUS ACCOUNT			
23. Net transfers (to) from Protected Cell accounts. 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 25. Change in net unrealized foreign exchange capital gain (loss) 26. Change in not deferred income tax 27. Change in nonadmitted assets 28. Change in provision for reinsurance 29. Change in surplus notes 30. Surplus Contributed to) withdrawn from protected cells 31. Cumulative effect of changes in accounting principles 32. Capital changes: 32.1 Paid in 32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred from surplus (Stock Dividend) 32.3 Transferred to capital (Stock Dividend) 33.3 Transferred to capital (Stock Dividend) 33.3 Transferred to capital (Stock Dividend) 33.4 Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate wither ins for gains and losses in surplus 38. Change in treasury stock 39. Change in surplus as regards policyholders (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. DETAILS OF WRITE-INS 30. Dividends write-ins for Line 5 from overflow page 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Transferred from capital 30. Transferred from capital 30. Transferred from capital 31. Transferred from capital 32. Transferred from capital 33. Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate wither ins for gains and losses in surplus 38. Change in treasury stock 39. Surplus as regards policyholders, Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Statement date (Lines 21 pl	21.	Surplus as regards policyholders, December 31 prior year	8,204,400	7,881,259	7,881,259
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$  25. Change in net unrealized foreign exchange capital gain (loss)  26. Change in net deferred income tax  27. Change in nonadmitted assets  28. Change in provision for reinsurance  29. Change in surplus notes  30. Surplus (contributed to) withdrawn from protected cells  31. Cumulative effect of changes in accounting principles  32. Tanisferred from surplus (Stock Dividend)  32. Transferred from surplus (Stock Dividend)  32. Transferred from surplus (Stock Dividend)  33. Surplus adjustments:  33.1 Paid in  33.2 Transferred from capital  34. Net remittances from or (by Home Office  35. Dividends to stockholders  36. Change in revesury stock  37. Aggregate write-ins for gains and losses in surplus  38. Change in surplus as regards policyholders (Lines 22 through 37)  39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Change in usurplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Dividends to stockholders  80. Dividends to stockholders  80. Change in usurplus as regards policyholders (Lines 22 through 37)  80. Change in surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Change in surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  80. Surplus as regards policyholders, as of statement date (Lines 21 plus 3				` '	323 , 141
25. Change in net unrealized foreign exchange capital gain (loss) 26. Change in net deferred income tax 27. Change in nonadmitted assets 28. Change in provision for reinsurance 29. Change in surplus notes 30. Surplus (contributed to) withdrawn from protected cells 31. Cumulative effect of changes in accounting principles 32. Capital changes: 32.1 Paid in 32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred to surplus 33. Surplus adjustments: 33.1 Paid in 33.2 Transferred to capital (Stock Dividend) 33.3 Transferred to capital (Stock Dividend) 33.3 Transferred to capital (Stock Dividend) 33.3 Transferred from capital 33.2 Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders (Lines 22 through 37). 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. DETAILS OF WRITE-INS 30. 30. TOTALS (Lines 10501 through 0503 plus 0598) (Line 5 above) 30. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) 30. TOTALS (Lines 1501 through 1403 plus 1498) (Line 14 above) 30. TOTALS (Lines 1501 through 1403 plus 1498) (Line 14 above) 30. Decrease in cont ingency reserve. 30. (24, 197) (28, 0595) 30. Surplus as regards in cont ingency reserve. 30. (24, 197) (28, 0595) 30. Surplus of remaining write-ins for Line 37 from overflow page. 30. Decrease in cont ingency reserve. 40. (24, 197) (28, 0595) 30. Surplus of remaining write-ins for Line 37 from overflow page. 40. Control of remaining write-ins for Line 37 from overflow page. 40. Control of remaining write-ins for Line 37 from overflow page. 40. Control of remaining write-ins for Line 37 from overflow page. 40. Control of remaining write-ins for Line 37 from overflow page.	1	( )			
26. Change in net deferred income tax 27. Change in provision for reinsurance 28. Change in surplus notes 30. Surplus (contributed to) withdrawn from protected cells 31. Cumulative effect of changes in accounting principles 32. Capital changes: 32.1 Paid in 32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred from surplus (Stock Dividend) 32.3 Transferred to surplus 33. Surplus adjustments: 33.1 Paid in 33.2 Transferred to apital (Stock Dividend) 33.3 Transferred to apital (Stock Dividend) 33.3 Transferred to apital (Stock Dividend) 33.3 Transferred from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in treasury stock 39. Surplus as regards policyholders (Lines 22 through 37) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. DETAILS OF WRITE-INS 31. DETAILS OF WRITE-INS 32. Transferred from cyming write-ins for Line 5 from overflow page 39. Surplus as regards policyholders (Lines 24 plus 38) 30. Surplus as regards policyholders (Lines 25 above) 31. Transferred from surplus (Lines 1401 through 1403 plus 1498) (Line 15 above) 32. Transferred from overflow page 33. Surplus as in cont ingency reserve. 34. (234, 197) 35. Surplus as contributed in the form overflow page 36. Change in surplus as regards policyholders (Lines 24 plus 38) 39. Surplus as regards policyholders (Lines 24 plus 38) 30. Surplus as regards policyholders (Lines 25 through 37) 30. Surplus as regards policyholders (Lines 26 through 37) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyholders (Lines 27 plus 38) 30. Surplus as regards policyhold	0.5				
27. Change in nonadmitted assets 28. Change in provision for reinsurance 29. Change in surplus notes 30. Surplus (contributed to) withdrawn from protected cells 31. Cumulative effect of changes in accounting principles 32. Capital changes: 32.1 Paid in 32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred to surplus 33. Surplus adjustments: 33.1 Paid in 33.2 Transferred to capital (Stock Dividend) 33.3 Transferred to capital (Stock Dividend) 33.3 Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Transferred to surplus as regards policyholders, as of statement date (Lines 21 plus 38) 32. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 33. Transferred to surplus as regards policyholders, as of statement date (Lines 21 plus 38) 34. Transferred from surplus as regards policyholders, as of statement date (Lines 22 plus 38) 35. Surplus durants as rega					
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31. Cumulative effect of changes in accounting principles 32. Capital changes: 32.1 Paid in 32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred to surplus 33. Surplus adjustments: 33.1 Paid in 33.2 Transferred to capital (Stock Dividend) 33.3 Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders (Lines 22 through 37) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred from capital 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred for orgains and losses in surplus 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred for orgains and losses in surplus 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred from capital 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred from capital 30. Aggregate write-ins for Line 5 from overflow page 31. Transferred from capital 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Transferred from capital 30. Transferred from capital 31. Transferred from capital 32. Transferred from capital 33. Transferred from capital 34. Net remittances from organic and losses in surplus 35. Transferred from capital 36. Change in transfer organic and losses in surplus 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 14 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins for Line 5 from overflow page 37. Aggregate write-ins	30.	Surplus (contributed to) withdrawn from protected cells			
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32.2 Transferred from surplus (Stock Dividend) 32.3 Transferred to surplus 33.5 Surplus adjustments: 33.1 Paid in 33.2 Transferred to capital (Stock Dividend) 33.3 Transferred from capital 33.4 Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders (Lines 22 through 37) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 31. Paid in 32. Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus	32.	•			
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33.1 Paid in 33.2 Transferred to capital (Stock Dividend) 33.3 Transferred from capital  34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders (Lines 22 through 37). 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  30. DETAILS OF WRITE-INS  5001.  5002.  5009.	22				
33.2 Transferred to capital (Stock Dividend) 33.3 Transferred from capital 34. Net remittances from or (to) Home Office 35. Dividends to stockholders 36. Change in treasury stock 37. Aggregate write-ins for gains and losses in surplus 38. Change in surplus as regards policyholders (Lines 22 through 37). 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 30. DETAILS OF WRITE-INS 30. DETAILS OF WRITE-INS 30. Summary of remaining write-ins for Line 5 from overflow page 30. Summary of remaining write-ins for Line 5 from overflow page 30. Summary of remaining write-ins for Line 5 above) 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 14 from overflow page 30. Summary of remaining write-ins for Line 37 from overflow page 30. Summary of remaining write-ins for Line 37 from overflow page	33.	· · · ·			
34. Net remittances from or (to) Home Office       35. Dividends to stockholders         35. Change in treasury stock       (228,112)         37. Aggregate write-ins for gains and losses in surplus       (22,326)       (428,159)       323,141         39. Surplus as regards policyholders (Lines 22 through 37)       (22,326)       (428,159)       323,141         39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)       8,182,074       7,453,100       8,204,400         DETAILS OF WRITE-INS         0501.       0502         0503.       0503       0504       0504       0504       0505       0506       0506       0506       0507       0		33.2 Transferred to capital (Stock Dividend)			
35. Dividends to stockholders 36. Change in treasury stock. 37. Aggregate write-ins for gains and losses in surplus	34		i		
37. Aggregate write-ins for gains and losses in surplus       (228,112)         38. Change in surplus as regards policyholders (Lines 22 through 37)       (22,326)       (428,159)       323,141         39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)       8,182,074       7,453,100       8,204,400         DETAILS OF WRITE-INS         0501.       0502.       0503.       0503.       0503.       0504.       0509.       0					
38. Change in surplus as regards policyholders (Lines 22 through 37) (22,326) (428,159) 323,141 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) 8,182,074 7,453,100 8,204,400  DETAILS OF WRITE-INS  0501.  0502.  0503.  0509. Summary of remaining write-ins for Line 5 from overflow page 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)  1401.  1402.  1403. Summary of remaining write-ins for Line 14 from overflow page 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)  3701. Increase in cont ingency reserve. 3702. Decrease in cont ingency reserve. 3703.  3798. Summary of remaining write-ins for Line 37 from overflow page	1	= -			
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)  DETAILS OF WRITE-INS  0501. 0502. 0503. 0509. Summary of remaining write-ins for Line 5 from overflow page. 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)  1401. 1402. 1403. 1498. Summary of remaining write-ins for Line 14 from overflow page. 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)  3701. Increase in cont ingency reserve. 3702. Decrease in cont ingency reserve. 3703. 3798. Summary of remaining write-ins for Line 37 from overflow page.	1	· · · · · · · · · · · · · · · · ·		(428 159)	323 141
0501.	1				, , , , , , , , , , , , , , , , , , , ,
0502.       0503.         0598.       Summary of remaining write-ins for Line 5 from overflow page         0599.       TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)         1401.       0.00         1402.       0.00         1403.       0.00         1499.       TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)         3701.       Increase in contingency reserve.         3702.       Decrease in contingency reserve.         3703.       0.00         3798.       Summary of remaining write-ins for Line 37 from overflow page	0501				
0503.					
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)         1401.         1402.         1403.         1498. Summary of remaining write-ins for Line 14 from overflow page         1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)         3701. Increase in contingency reserve.       (234,197)       (280,595)         3702. Decrease in contingency reserve.       6,085       280,595         3703.         3798. Summary of remaining write-ins for Line 37 from overflow page	1				
1401.       1402.         1403.       1408.         1498. Summary of remaining write-ins for Line 14 from overflow page       1409.         1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)       (234,197)       (280,595)         3701. Increase in contingency reserve.       6,085       280,595         3703.       3708. Summary of remaining write-ins for Line 37 from overflow page       1400.000	1	, , ,			
1402.       1403.         1498. Summary of remaining write-ins for Line 14 from overflow page       1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)         3701. Increase in contingency reserve.       (234,197)       (280,595)         3702. Decrease in contingency reserve.       6,085       280,595         3703.       3798. Summary of remaining write-ins for Line 37 from overflow page       37 from overflow page					
1498. Summary of remaining write-ins for Line 14 from overflow page	1402.				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)       (234,197)       (280,595)         3701. Increase in contingency reserve.       6,085       280,595         3702. Decrease in contingency reserve.       6,085       280,595         3703.       3798. Summary of remaining write-ins for Line 37 from overflow page       3798.					
3701. Increase in contingency reserve.       (234,197)       (280,595)         3702. Decrease in contingency reserve.       6,085       280,595         3703.       3798. Summary of remaining write-ins for Line 37 from overflow page					
3703	3701.	Increase in contingency reserve.			
3798. Summary of remaining write-ins for Line 37 from overflow page	1				
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) (228,112)	1				i
	3799.	TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(228,112)		

### **CASH FLOW**

		1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
	Cash from Operations			
1.			581,017	2,173,351
2.	Net investment income	126,502	148,306	430,082
3.	Miscellaneous income			
4.	Total (Lines 1 to 3)	607,122	729,323	2,603,433
5.	Benefit and loss related payments	384,893	922,739	3,059,503
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	173,020	244,548	805, 294
9.	Federal and foreign income taxes paid (recovered) net of \$			
10.	Total (Lines 5 through 9)	557,913	1,167,288	3,864,797
	Net cash from operations (Line 4 minus Line 10)	49.209	(437.965)	(1,261,364)
	Cash from Investments	,=	(101,000)	(1,=01,001,
12.	Proceeds from investments sold, matured or repaid:	2,445,236	016 916	5 ,807 ,849
	12.2 Stocks			
	12.3 Mortgage loans			
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
				107
	12.7 Miscellaneous proceeds	2,445,236	016 016	
10	'	2,440,230	910,010	5,807,956
13.	Cost of investments acquired (long-term only): 13.1 Bonds	1 919 403		3,810,012
		1,010,493		
	13.2 Stocks			
	13.5 Other invested assets			
	13.6 Miscellaneous applications			
	··· • • • • • • • • • • • • • • • • • •	1,818,493		3,810,012
11	13.7 Total investments acquired (Lines 13.1 to 13.6)	1,010,433		3,010,012
	Net increase (or decrease) in contract loans and premium notes	COC 740	040 040	1 007 044
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	626,743	916,816	1,997,944
40	Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):			
	, , ,			
	16.2 Capital and paid in surplus, less treasury stock.			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
			35,503	(25,395)
17.	16.6 Other cash provided (applied)		35,503	(25,395)
	plus Line 16.6)  RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		55,505	(20,000)
10	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	675 052	E11 2EE	711 101
	Cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)			111,104
19.	19.1 Beginning of year	1 206 572		585 , 389
	19.2 End of period (Line 18 plus Line 19.1)	1,972,525	1,099,743	1,296,573
	13.2 Litu di period (Line 10 pius Line 13.1)	1,312,323	1,055,743	1,280,373

## **NOTES TO FINANCIAL STATEMENTS**

### **GENERAL INTERROGATORIES**

# PART 1 - COMMON INTERROGATORIES GENERAL

1.1			ansactions requiring the filing of Disclosure					Yes	s [ ]	No [X]
1.2	If yes, has the report to	been filed with the domiciliary	y state?					Yes	s [ ]	No [ ]
2.1	, ,	0 ,	s statement in the charter, by-laws, articles					Yes	s [ ]	No [X]
2.2	If yes, date of change	:								
3.1			Holding Company System consisting of two					Yes	s [X]	No [ ]
	If yes, complete Sche	dule Y, Parts 1 and 1A.								
3.2	Have there been any	substantial changes in the o	rganizational chart since the prior quarter of	end?				Yes	s [ ]	No [X]
3.3	If the response to 3.2	is yes, provide a brief descri	ption of those changes.							
4.1	Has the reporting entire	ty been a party to a merger o	or consolidation during the period covered	by this s	tatement?			Yes	s [ ]	No [X]
4.2		me of entity, NAIC Company esult of the merger or consol	Code, and state of domicile (use two letter lidation.	r state al	obreviation) fo	r any entity th	at has			
			1 Name of Entity	NAIC C	2 company Code	State of [				
5.		nent, have there been any si	agreement, including third-party administra gnificant changes regarding the terms of th					Yes [ ] No	) []	NA [X]
6.1	State as of what date	the latest financial examinat	ion of the reporting entity was made or is b	eing ma	de				12/3	31/2007
6.2			nation report became available from either ance sheet and not the date the report was							
6.3	or the reporting entity.	. This is the release date or o	ion report became available to other states completion date of the examination report	and not t	he date of the	examination	(balance			
6.4	By what department o	or departments?								
	Illinois Department	of Insurance								
6.5			e latest financial examination report been a					Yes [ ] No	o [ ]	NA [X]
6.6	Have all of the recomm	mendations within the latest	financial examination report been complied	d with?				Yes [X] No	) []	NA [ ]
7.1			uthority, licenses or registrations (including variety during the reporting period?					Yes	s [ ]	No [X]
7.2	If yes, give full informa									
8.1			npany regulated by the Federal Reserve B					Yes	s [ ]	No [X]
8.2	,	•	of the bank holding company.							
8.3			thrifts or securities firms?					Yes	s [ ]	No [X]
8.4	federal regulatory serv	vices agency [i.e. the Federa	e names and location (city and state of the al Reserve Board (FRB), the Office of the Courities Exchange Commission (SEC)] and	Comptrol	ler of the Curre	ency (OCC), t	he Federal			
		1	2 Location		3	4	5	6	]	
	Affil	iate Name	(City, State)		FRB	occ	FDIC	SEC		

## GENERAL INTERROGATORIES

9.1	Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?	Yes [X]	No [ ]
	(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;		
	(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;		
	(c) Compliance with applicable governmental laws, rules and regulations;		
	(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and		
	(e) Accountability for adherence to the code.		
9.11	If the response to 9.1 is No, please explain:		
9.2		Yes []	No [X]
	•	.00 [ ]	[]
9.21			
9.3		Yes [ ]	No [X]
9.31	If the response to 9.3 is Yes, provide the nature of any waiver(s).		
	FINANCIAL		
10.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [ ]	No [X]
10.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$		
	INVESTMENT		
11.1	Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)	Yes [ ]	No [X]
11.2	If yes, give full and complete information relating thereto:		
12.	Amount of real estate and mortgages held in other invested assets in Schedule BA:		
13.	Amount of real estate and mortgages held in short-term investments:		
14.1	Does the reporting entity have any investments in parent, subsidiaries and affiliates?	Yes [ ]	No [X]
14.2	If yes, please complete the following:		
	1 2 Prior Year-End Current Quarter		
	Book/Adjusted Book/Adjusted		
	Carrying Value         Carrying Value           14.21 Bonds         \$		
	14.22 Preferred Stock \$ \$		
	14.23 Common Stock \$		
	14.24 Short-Term Investments\$ \$ \$\$ 14.25 Mortgage Loans on Real Estate \$ \$\$ \$ \$		
	14.26 All Other \$ \$		
	14.27 Total Investment in Parent, Subsidiaries and Affiliates		
	(Subtotal Lines 14.21 to 14.26)\$\$		
	above\$\$		
15.1	Has the reporting entity entered into any hedging transactions reported on Schedule DB?	Yes [ ]	No [X]
15.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?	Yes [ ]	No [ ]

If no, attach a description with this statement.

### **GENERAL INTERROGATORIES**

16	16.1 Total fair value 16.2 Total book adj	y's security lending program, e of reinvested collateral ass usted/carrying value of reinv for securities lending reporte	ets reported on ested collateral	Schedule DL, Parts 1 and assets reported on Schedu	2	\$ \$ \$
17.	entity's offices, vaults pursuant to a custodia Considerations, F. Ou	or safety deposit boxes, wer I agreement with a qualified tsourcing of Critical Function	e all stocks, bon bank or trust co s, Custodial or s	nds and other securities, ow mpany in accordance with Safekeeping Agreements o	nvestments held physically in the reportin rned throughout the current year held Section 1, III – General Examination of the NAIC Financial Condition Examiner	s
17.1	For all agreements that	at comply with the requireme	nts of the NAIC	Financial Condition Exami	ners Handbook, complete the following:	
		1	1 Custodian(s)		2 Custodian Address	
		The Northern Trust Compar	ly	50 South La	a Salle Street Chicago, IL 60603	
17.2	For all agreements that location and a comple	te explanation:	uirements of the		Examiners Handbook, provide the name	,
		1 Name(s)		2 Location(s)	3 Complete Explanation(s)	
	·	changes, including name cha	nereto:		during the current quarter?	Yes [ ] No [X]
		1 Old Custodian	2 New Custo	odian Date of Cha	nge Reason	
17.5					rs that have access to the investment	
	accounts, nandle secu	irities and have authority to r	nake investmen	•		
		1 Central Registration		2 Name(s)	3 Address	
		111135		sirow Financial Investmen nagement, Inc		linois
	Have all the filing requ If no, list exceptions:	irements of the <i>Purposes ar</i>	nd Procedures N	Aanual of the NAIC Securiti	es Valuation Office been followed?	Yes [X] No [

# **GENERAL INTERROGATORIES**PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.	If the reporting ent	tity is a member	r of a pooling ar	rrangement, dic	the agreement	or the reportir	ng entity's partic	ipation change	?	Yes [ ]	No [ ]	NA [X]
	If yes, attach an ex	xplanation.										
2.	Has the reporting from any loss that									Υ	es [ ]	No [X]
	If yes, attach an ex	xplanation.										
3.1	Have any of the re	eporting entity's	primary reinsur	rance contracts	been canceled	?				Υ	es [ ]	No [X]
3.2	If yes, give full and	d complete infor	mation thereto.									
4.1	Are any of the liab Annual Statement greater than zero?	Instructions pe	rtaining to discl	osure of discou	unting for definiti	ion of "tabular	reserves,") disc	counted at a rat	te of interest	Υ	es [ ]	No [X]
4.2	If yes, complete th	e following sch	edule:									
					TOTAL DI	SCOUNT		DIS	COUNT TAKEN	DURING PER	RIOD	
Li	1 ine of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	TO	1 TAL
			TOTAL									
				!			!	!	-			
5.	Operating Percent	•										
		·							•			<u>%</u>
												%
6.1			· ·		rpenses					V	[ ]	% N= [V]
6.1	Do you act as a cu		ū							Y	es []	INO [X]
6.3	•				ine reporting dar	.c			Φ			No IVI
	של ווא פשל של אינו אינו אינו אינו אינו אינו	administrator to	r health savings	s accounts?						Y	es I I	INO INI
6.4	-		_						\$		es [ ]	NO [X]

## **SCHEDULE F - CEDED REINSURANCE**

1       2       3       4       5       6       7         Certified       Effective Date         NAIC       Reinsurer Rating       of Certified	Showing All New Reinsurance Treaties - Current Year to Date											
		2	3	4	5	6 Certified Reinsurer Rating	7 Effective Date					
	Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	(1 through 6)	Reinsurer Rating					
NONE				,		, , ,	<u> </u>					
NONE												
NONE												
NONE		-										
NONE												
NONE						• • • • • • • • • • • • • • • • • • • •						
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9

## **SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

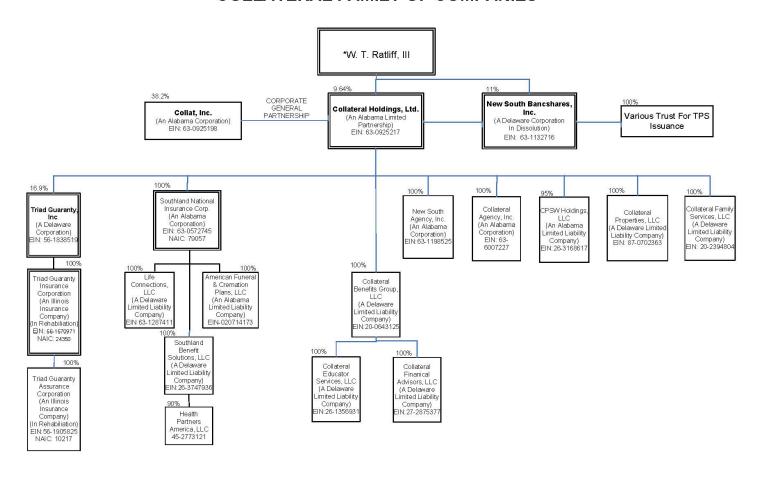
		1			by States and Territo	ories	T	
		1	Direct Premi	iums Written I 3	Direct Losses Paid	(Deducting Salvage) 5	Direct Loss	ses Unpaid T
			_					·
	States, etc.	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1	Alabama AL	Status	10 Date	10 Date	10 Date	10 Date	TO Date	10 Date
1	AlaskaAK							
	Arizona AZ							
1	Arkansas AR							
	California CA							
	Colorado CO							
	Connecticut CT							
	Delaware DE							
	Dist. Columbia DC							
	Florida FL Georgia GA				-			
1	Hawaii HI							
ı	IdahoID			•				
i	Illinois IL	L						
•	Indiana IN							
1	lowaIA							
17.	KansasKS							
	KentuckyKY							
	LouisianaLA							
	Maine ME							
	MarylandMD					<del> </del>	<b></b>	
1	Massachusetts MA							
1	Michigan MI							
	MinnesotaMN				-			
	Mississippi MS							
1	Missouri MO  Montana MT							
1	Nebraska NE							
	Nevada NV							
	New Hampshire NH							
	New Jersey NJ							
	New Mexico NM							
1	New York NY							
34.	No. CarolinaNC							
1	No. Dakota ND							
36.	Ohio OH							
	Oklahoma OK							
	OregonOR							
i	PennsylvaniaPA							
i	Rhode IslandRI							
i	So. Carolina SC So. Dakota SD							
I	So. Dakota SD Tennessee TN							
i	Texas TX			•				
i	Utah UT							
1	VermontVT							
1	VirginiaVA	ļ						
1	Washington WA	ļ						
	West VirginiaWV	ļ						
1	Wisconsin WI					ļ		
51.	Wyoming WY							
1	American Samoa AS	ļ				<del> </del>	<b></b>	
i	Guam GU							i
i	Puerto Rico PR							
i	U.S. Virgin IslandsVI							
l	Northern Mariana Islands MP Canada CAN				1			
i	Aggregate Other Alien OT	XXX						
l	Totals	(a) 1						
J	DETAILS OF WRITE-INS	(~) ·						
58001.		XXX						
58002.		ХХХ			ļ	ļ		
58003.		XXX			ļ	ļ	ļ	
58998.	Summary of remaining write-							
	ins for Line 58 from overflow page	XXX						<u> </u>
58999	TOTALS (Lines 58001 through							
	58003 plus 58998) (Line 58	WW						
	above)	XXX						

<sup>(</sup>L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

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

### **COLLATERAL FAMILY OF COMPANIES**



### 7

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

		•			•						1 40			
1	2	3	4	5	6	7 Name of Securities	8	9	10	11	Type of Control (Ownership,	13	14 Ultimate	15
Group		NAIC Company	Federal ID	Federal		Exchange if Publicly Traded (U.S. or	Name of Parent Subsidiaries	Domiciliary	Relationship to Reporting	Directly Controlled by	Board, Management, Attorney-in-Fact,	If Control is Ownership Provide	Controlling Entity(ies)/	
Code	Group Name	Code	Number	RSSD	CIK	International)	or Affiliates	Location	Entity	(Name of Entity/Person)	Influence, Other)	Percentage	Person(s)	*
										Collat general partnership, William T. Ratliff, and			William T. Ratliff, and	
0421	Collateral Holding, Ltd						William T. Ratliff, and family	USA	UDP	family	Ownership		family	
										  William T. Ratliff, and			William T. Ratliff, and	
0421	Collateral Holding, Ltd		63-0925217				Collateral Holdings, Ltd	USA	UDP	family	Ownership	100.0	family	
										William T. Ratliff, and			William T. Ratliff, and	
0421	Collateral Holding, Ltd		. 63-0925198				Collat, Inc	USA	NIA	family	Ownership	100.0	family	ļ
													William T. Ratliff. and	
0421	Collateral Holding, Ltd		. 56 - 1838519		0000911631	OTCBB	Triad Guaranty, Inc	USA	NIA	Collateral Holdings, Ltd	Ownership	16.9	family	1
							Triad Guaranty Insurance						William T. Ratliff. and	
0421	Collateral Holding, Ltd	24350	56 - 1570971				Corporation	USA	IA	Triad Guaranty, Inc	.Ownership	100.0	family William T.	
							Triad Guaranty Assurance			Triad Guaranty Insurance			Ratliff, and	
0421	Collateral Holding, Ltd	10217	56 - 1905825				Corporation	USA	IA	Corporation	Ownership	100.0	family William T.	ļ
							Southland National Insurance						Ratliff, and	
0421	Collateral Holding, Ltd	79057	63-0572745				. Corporation	USA		Collateral Holdings, Ltd	Ownership	100.0	family William T.	
							American Funeral & Cremation			Southland National Insurance			Ratliff, and	
0421	Collateral Holding, Ltd		02-0714173				Plans, LLC	USA	DS	Corporation	Ownership	100.0	family William T.	ł
							Southland Benefits Solutions,			Southland National Insurance			Ratliff, and	
0421	Collateral Holding, Ltd		26-3747936				LLC	USA	DS	Corporation	Ownership		family William T.	
							l <u>.</u>			Southland Benefit Solutions,	<u>.</u>		Ratliff, and	
0421	Collateral Holding, Ltd		45-2773121				Health Partner America, LLC	USA	DS	LLC	Ownership		family William T.	2
0.404	Octobraci Haldina Ital		00 0007007				0-11-4	LIOA	NII A	0.11.4	0		Ratliff, and	
0421	Collateral Holding, Ltd		63-6007227				Collateral Agency, Inc	USA	NIA	Collateral Holdings, Ltd	Ownership		family William T.	
0.404	Octobraci Haldina Ital		00.0004004				0.11.4	LIOA	NII A	0.11.4	0		Ratliff, and	
0421	Collateral Holding, Ltd		20 - 2394804				. Collateral Family Services, LLC.	USA	NIA	Collateral Holdings, Ltd	Ownership		family William T.	1
0424	Callatoral Halding 1td		26-3168617				CDCW Holdings IIC	USA	NII A	Callatoral Haldings 144	Ownership		Ratliff, and	
0421	Collateral Holding, Ltd			-			CPSW Holdings, LLC	05A	NIA	Collateral Holdings, Ltd	Ownership		family William T.	······································
0424	Callatoral Halding 1td		87-0702363				Colleteral Properties 110	USA	NIA	Callatoral Haldings 144	Ownership		Ratliff, and	
0421	Collateral Holding, Ltd			-			Collateral Properties, LLC	USA		Collateral Holdings, Ltd	Ownership		family William T.	
0424	Colleteral Holding 1td		20-0643125				Colleteral Papafita Crays 110	LICA	NII A	Callatoral Haldings 1+d	Ownership		Ratliff, and	
U4Z I	Collateral Holding, Ltd		.120-0043123				Collateral Benefits Group, LLC	USA	N I A	Collateral Holdings, Ltd	Ownership	100.0	family	

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
						Name of					Type of Control			
						Securities Exchange if					(Ownership, Board,	If Control is	Ultimate	
		NAIC	Federal			Publicly	Name of		Relationship to		Management,	Ownership	Controlling	
Group		Company	ID	Federal		Traded (U.S. or	Parent Subsidiaries	Domiciliary	Reporting	Directly Controlled by	Attorney-in-Fact, Influence, Other)	Provide	Entity(ies)/	
Code	Group Name	Code	Number	RSSD	CIK	International)	or Affiliates	Location	Entity	(Name of Entity/Person)	Influence, Other)	Percentage	Person(s)	*
							Callataral Educator Carvinso			Callataral Panafita Craun			William T. Ratliff, and	
0421	Collateral Holding, Ltd		26 - 1356931				Collateral Educator Services, LLC	USA	NIA	Collateral Benefits Group,	Ownership	100 0	family	
0421	oorraterar nording, Etd		. 20-1000001				LLO			LLO		100.0	William T.	
							Collateral Financial Advisors,			Collateral Benefits Group,			Ratliff, and	
0421	Collateral Holding, Ltd		. 27 - 2875377				LLC.	USA	NIA	LLC.	Ownership	100.0	family	

Asterisk	Explanation
1	Triad Guaranty, Inc. 16.9% investment, remaining shares are public.
2	Health Partners America, LLC, 10% remaining is privately held by multiple persons.
3	CPSW Holdings, LLC, 5% remaining is owned by Bryan Ratliff
	o c. 101 ago, 220, 01 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

## **PART 1 - LOSS EXPERIENCE**

			Current Year to Date		4
	Line of Dunings	1 Direct Premiums	2 Direct Losses	3 Direct Loss	Prior Year to Date Direct Loss
	Line of Business	Earned	Incurred	Percentage	Percentage
1. 2.	Fire				
	Allied lines				
3.	Farmowners multiple peril				
4.	Homeowners multiple peril				
5.	Commercial multiple peril	l l			
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine				
10.	Financial guaranty				
11.1	Medical professional liability -occurrence				
11.2	Medical professional liability -claims made				
12.	Earthquake				
13.	Group accident and health				
14.	Credit accident and health				
15.	Other accident and health				
16.	Workers' compensation				
17.1	Other liability occurrence				
17.2	Other liability-claims made				
17.3	Excess Workers' Compensation. Products liability-occurrence. Products liability-claims made.				
18.1	Products liability-occurrence.				
18.2	Products liability-claims made				
19.1,19	.2 Private passenger auto liability				
19.3,19	.4 Commercial auto liability				
21.	Auto physical damage		<u> </u>		
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety				
26.	Burglary and theft				
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty			• • • • • • • • • • • • • • • • • • • •	
31.	Reinsurance - Nonproportional Assumed Property	XXX	ХХХ	XXX	ХХХ
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business				
3 <del>5</del> .	TOTALS				
	ETAILS OF WRITE-INS				
	ETAILS OF WRITE-INS				
			†		
			<b>†</b>		
1400	on of remaining units ins for Line 24 from quarifour page				
	Im. of remaining write-ins for Line 34 from overflow page				
499. IO	tals (Lines 3401 through 3403 plus 3498) (Line 34)				

	Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire			
2.	Allied lines			
3.	Farmowners multiple peril			
4.	Homeowners multiple peril			
5.	Commercial multiple peril			
6.	Mortgage guaranty			
8.	Ocean marine			
9.	Inland marine			
0.	Financial guaranty			
1.1	Medical professional liability-occurrence			
1.2	Medical professional liability-claims made			
2.	Earthquake			
3.	Group accident and health			
4.	Credit accident and health			
5.	Other accident and health			
6.	Workers' compensation			
7.1	Other liability occurrence			
7.2	Other liability-claims made			
7.3	Excess Workers' Compensation		.]	
8.1	Products liability-occurrence.		.]	
8.2	Products liability-claims made.		.]	
19.1,19.2	Products liability-occurrence Products liability-claims made. Private passenger auto liability Commercial auto liability	\ <del></del>		
9.3,19.4	Commercial auto liability	<u> </u>		
21.	Auto physical damage		.]	
22.	Aircraft (all perils)		.]	
23.	Fidelity			
4.	Surety		.]	
6.	Burglary and theft		.]	
7.	Boiler and machinery		.]	
8.	Credit			
9.	International			
0.	Warranty			
1.	Reinsurance - Nonproportional Assumed Property	XXX	.lXXX	XXX
2.	Reinsurance - Nonproportional Assumed Liability	XXX		XXX
3.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
4.	Aggregate write-ins for other lines of business			
5.	TOTALS			
	AILS OF WRITE-INS			
3				
8. Sum	. of remaining write-ins for Line 34 from overflow page		-	
<ol><li>Tota</li></ol>	ls (Lines 3401 through 3403 plus 3498) (Line 34)			

## PART 3 (000 omitted)

### LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

			-	-099 AND I	-000 AD00		U FIACE IVE	CLIVECO					
	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2014 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2011 + Prior	4,375		4,375	171		171	2,982			2,982	(1,222)		(1,222
2. 2012	374	20	394	66		66	842			842	534	(20)	513
3. Subtotals 2012 + prior	4,749	20	4,769	236		236	3,824			3,824	(688)	(20)	(709
4. 2013	704	184	888	54		54	1,441		15	1,456	790	(168)	622
5. Subtotals 2013 + prior	5,453	204	5,657	290		290	5,265		15	5,280	102	(189)	(87
6. 2014	xxx	XXX	xxx	xxx			XXX	119	138	257	xxx	XXX	xxx
7. Totals	5,453	204	5,657	290		290	5,265	119	153	5,537	102	(189)	(87
Prior Year-End 8. Surplus As Regards Policy- holders	8,204										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1.9	2. (92.5)	Col. 13, Line 7

Line 8

### SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

		Response
1.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2.	Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4.	Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
xpla	anation:	
Sar C	Code:	



### **OVERFLOW PAGE FOR WRITE-INS**

### **SCHEDULE A - VERIFICATION**

Real Estate		
	1	2
		Prior Year Ended
	Year To Date	December 31
Book/adjusted carrying value, December 31 of prior year		
Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
Deduct current year's depreciation		
Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		
(	l	

### **SCHEDULE B - VERIFICATION**

	Mortgage Loans		
	• •	1	2 Prior Year Ended
		Year To Date	December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		ļ
3.	Capitalized deferred interest and other.  Accrual of discount.  Unrealized valuation increase (decrease).  Total gain (loss) on disposals.		ļ
4.	Accrual of discount		ļ
5.	Unrealized valuation increase (decrease)		ļ
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		ļ
10.	Deduct current year's other-than-temporary impairment recognized.		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Total valuation allowance		ļ
13.	Subtotal (Line 11 plus Line 12)		<b>1</b>
14.	Deduct total nonadmitted amounts		ļ
15.	Statement value at end of current period (Line 13 minus Line 14)		

### **SCHEDULE BA – VERIFICATION**

	Other Long-Term Invested Assets		
	-	1	2
			Prior Year Ended
		Year To Date	December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition Capitalized deferred interest and other. Accrual of discount.		
3.	Capitalized deferred interest and other		
4.	Accrual of discount.		
5.	Unrealized valuation increase (decrease)		
6.			
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.			
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

### **SCHEDULE D - VERIFICATION**

Bonds and Stocks		
	1	2
		Prior Year Ended
	Year To Date	December 31
Book/adjusted carrying value of bonds and stocks, December 31 of prior year	12,549,196	14,150,321
2. Cost of bonds and stocks acquired	1,818,493	3,810,012
3. Accrual of discount	1,239	22,4/2
Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	6,980	304,506
Deduct consideration for bonds and stocks disposed of	2,445,236	5,807,849
7. Deduct amortization of premium	19,768	
Total foreign exchange change in book/adjusted carrying value		
Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	11,910,904	12,549,196
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	11,910,904	12,549,196

### **SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	11,359,224	3,234,076	3,007,483	1 , 161 , 585	12,747,402			11,359,224
2. NAIC 2 (a)	2,165,186	313,733	405,988	(1,180,113)	892,818			2,165,186
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	13,524,410	3,547,809	3,413,471	(18,528)	13,640,220			13,524,410
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	13,524,410	3,547,809	3,413,471	(18,528)	13,640,220			13,524,410

NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$ .....

### **SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
					Paid for Accrued
	Book/Adjusted			Interest Collected	Interest
	Carrying Value	Par Value	Actual Cost	Year To Date	Year To Date
9199999	1,729,317	XXX	1,729,317	26	

## **SCHEDULE DA - VERIFICATION**

**Short-Term Investments** 

	1 Year To Date	2 Prior Year Ended December 31
Book/adjusted carrying value, December 31 of prior year		
Cost of short-term investments acquired		
Accrual of discount		106
Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
Deduct consideration received on disposals		
7. Deduct amortization of premium		
Total foreign exchange change in book/adjusted carrying value		
Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		975,214
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	1,729,317	975,214

Schedule DB - Part A - Verification NONE

Schedule DB - Part B - Verification NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification NONE

Schedule E - Verification NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

# Schedule BA - Part 3 NONE

### **SCHEDULE D - PART 3**

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

Show All Long-Term Bonds and Stock Acquired During the Current Quarter											
1	2	3	4	5	6	7	8	9	10		
									NAIC		
									Designation or		
CUSIP					Number of	Actual		Paid for Accrued	Market		
Identification	Description	Foreign	Date Acquired	Name of Vendor	Shares of Stock	Cost	Par Value	Interest and Dividends	Indicator (a)		
Bonds - U.S. Govern	nments										
912828-WE-6	UNITED STATES TREAS NTS		03/11/2014	VARIOUS.		698,880	700,000	5,718	11		
0599999 - Bond	s - U.S. Governments					698,880	700,000	5,718	XXX		
Bonds - All Other Go	Bonds - All Other Governments										
Bonds - U.S. States.	. Territories and Possessions										
Bonds - U.S. Politica	al Subdivisions of States, Territories and Possessions										
Bonds - U.S. Specia											
	nd Miscellaneous (Unaffiliated)										
	AMERICREDIT AUTOMOBILE RECEIVABLES TR 20		02/28/2014	DIRECT			75,214		1FE		
	CREDIT SUISSE AG MEDIUM TERM S.	F	01/15/2014	DIRECT		141,928	125,000		2FE		
	GENERAL ELEC CAP CORP MEDIUM T.		03/10/2014	WACHOVIA		144,069	125,000	1,241	1FE		
46625H-JD-3	JPMORGAN CHASE & CO		03/11/2014	DONALDSON LIFKIN JENNERETTE		171,555	160,000	1,000	1FE		
665859-AN-4	NORTHERN TR CORP		01/15/2014	DIRECT		223,651	240,000	2,676	1FE		
	TIME WARNER CABLE INC.		03/10/2014	JPM CHASE.		69,939	68,000	125	2FE		
89236Q-AC-5	TOYOTA AUTO RECEIVABLES 2011-B OWNER TR		02/28/2014	DIRECT		191,394	191 , 145		1FE		
	VERIZON GLOBAL FUNDING CORP.		03/11/2014	WACHOV I A		101,867	79,000	1,752	2FE		
	s - Industrial and Miscellaneous (Unaffiliated)					1,119,612	1,063,359	6,925	XXX		
Bonds - Hybrid Secu											
	sidiaries and Affiliates										
8399997 - Subto	otals - Bonds - Part 3					1,818,493	1,763,359	12,643	XXX		
8399999 - Subto	otals - Bonds					1,818,493	1,763,359	12,643	XXX		
Preferred Stocks - Ir	ndustrial and Miscellaneous (Unaffiliated)										
Preferred Stocks - P	arent, Subsidiaries and Affiliates										
Common Stocks - In	ndustrial and Miscellaneous										
	arent, Subsidiaries and Affiliates										
Common Stocks - M	,										
	Ioney Market Mutual Funds										
CC./IIIIOII Clocks W	isney mande matauri ando										
									1		
									<u> </u>		
9999999 Totals				<u> </u>		1,818,493	XXX	12,643	XXX		

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

### **SCHEDULE D - PART 4**

Part   Part				2CUEDOF	- U - F/	4K   4	ı								
Part   Part		Show All Long-	Term Bonds	and Stock Sold, Redeen	ned or Otherwise	Disposed of	f During the Cu	urrent Quarte	er						
Part   Part	1 2 3 4 5 6	7 8	9							17	18	19	20	21	22
Part   Part	F			11	12	13	14	15							NAIC
Special Content   Special Co	r e e Number o	f			Current Year's	Other Than	Total Change in		Adjusted		Realized Gain	Total Gain	Interest/Stock		nation or
Section   1.0   State   1.0	Identi- g Disposal Shares of		Actual Cost	Carrying Increase/	(Amortization)/	Impairment	B./A.C.V.	Change in	at	(Loss) on	(Loss) on	(Loss) on	Received	Maturity	Indicator
Source   States   Territories and Processions   States   Territories and Processions   States   Stat															
Part   Part															
Special Personal and Special Assessment and all Non-Guaranteed Collegations of Agencies and Authorities of Conservers and Teach Special Assessment and all Non-Guaranteed Special Assessment and Assessment and Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guaranteed Special Assessment and all Non-Guarant															
14/29/26   Pike															
319999 - Enotes - U.S. Sproad Revenue and Special Assessment and all Non-Quarameted Chapterises of Agencies and Athorities of Convenues And Therefore (Convenues and Therefore)   5.050					(500)										
Objection of Approximation of Authorities of Governments and Time Political Structure of Control Political Structure of Co			6,641		(503)		(503)		6,138				42	03/01/2029	1
Subdivisions Subdivisions (Indiffillated)    1975   1975   1977   1978															
Bords - Frouterier and Miscellaneous (Unaffillated)  - PRINCIPATION ACTION ACTI		6 120	6 644		(502)		(502)		6 420				40	VVV	vvv
MECHANIC   MECHANIC		6,138 6,138	0,041		(503)		(503)		0,138				42	XXX	1
SIGNIFIA   SECTION   SEC			1												
10/381-Ha	03061U-AB-9 RECEIVABLES TR 20 03/08/2014 VARIOUS	187 722 187 725	187 854	111 027	5		5		187 722				125	12/08/2015	1FF
August August	10138M-AH-8 BOTTLING GROUP LLC 03/15/2014 MATURED	500,000 500,000	539,350	499,805	195		195						17,375	03/15/2014	1FE
14(31) 48-7, 2012-2					2		2								
HYMANA APPLICASE   0.015/2014, 2470.00%	14313J-AB-7 2012-2 01/15/2014 PAYDOWN	6.360 6.360	6.360	6,360			<u> </u>		6,360				3		1FE
## 46928H-#1_ JMRRGAN DAKE & D. G. 9111/2014_ SD0T JAMC. ## 419,564   400,000   400,000   502,560   417,600   1,608   1,1608   41,608   500,000   500,000   500,000   500,000   500,000   502,500   509,900   500,000   500,000   500,000   502,560   509,900   500,000   500,000   502,560	HYUNDAI AUTO LEASE		1		9		9		1				2,409		1 1
TOPICA AUTO RECEIVABLES   CONTINUES   CO					1		1				2 712	2 712	7 200	01/15/2015	1FE
98/38/4-05, 2011-8 (MBER TR   0.9/15/2014, [VARIOR   286, 882   297, 570   286, 865   123   123   287, 10   3.6   3.8   3.8   3.8   3.8   3.8   2.9   5.0   1.0	822582-AF-9. SHELL INTL FIN														1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)   2,439,099   2,410,003   2,504,967   2,326,772   (1,666)   1,666)   2,432,119   6,860   6,980   40,488   XXX   XXX   XXX   Bonds - Hybrid Securities   Securities	89236Q-AC-5. 2011-B OWNER TR										2.000	2.000			1FE
Bonds - Parent, Subsidiaries, and Affiliates   Subsidiaries,															
Bonds - Parent, Subsidiaries, and Affiliates		2,439,099 2,410,033	2,504,967	2,320,772	(1,000)		(1,000)		2,432,119		6,980	6,980	40,488	λλλ	1 333
8399997 - Subtotals - Bonds - Part 4															
8399999 - Subtotals - Bonds			0.544.007		(0.400)		(0. 100)		0 400 050		0.000	0.000	10.500	VVV	VVV
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated) Preferred Stocks - Parent, Subsidiares, and Affiliates Common Stocks - Industrial and Miscellaneous (Unaffiliated) Common Stocks - Parent, Subsidiaries, and Affiliates Common Stocks - Parent, Subsidiaries, and Affiliates Common Stocks - Mutual Funds Common Stock - Mutual Funds Common Stocks - Money Market Mutual Funds		1 11 11							, ,		.,		.,		
Preferred Stocks - Parent, Subsidiaries, and Affiliates Common Stocks - Industrial and Miscellaneous (Unaffiliated) Common Stocks - Parent, Subsidiaries, and Affiliates Common Stocks - Parent, Subsidiaries, and Affiliates Common Stock - Mutual Funds Common Stocks - Money Market Mutual Funds		Z,445,230 Z,410,171	2,511,607	2,320,772	(2,109)		(2,109)		2,438,250		6,980	6,980	40,530	λλλ	1
Common Stocks - Industrial and Miscellaneous (Unaffiliated) Common Stocks - Parent, Subsidiaries, and Affiliates Common Stocks - Mutual Funds Common Stocks - Money Market Mutual Funds															
Common Stocks - Parent, Subsidiaries, and Affiliates Common Stock - Mutual Funds Common Stocks - Money Market Mutual Funds															
Common Stocks - Mutual Funds  Common Stocks - Money Market Mutual Funds    Common Stocks - Money Market Mutual Funds   Common Stocks - Money Mutual Funds															
Common Stocks - Money Market Mutual Funds															
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX	Common Stocks - Motley Market Multual Funds		1						1		1		1		_
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX			-				t		1		<u> </u>		t	t	1
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX													I	I	.]
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX				.			ļ						<b> </b>	ļ	
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX				-			<b> </b>				ļ		<b> </b>	<b></b>	
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX				·			<del> </del>						<del> </del>	<del> </del>	
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX				·			t		†		ļ		t	t	-†
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX														I	. [
999999 Totals 2,445,236 XXX 2,511,607 2,326,772 (2,169) (2,169) 2,438,256 6,980 6,980 40,530 XXX XXX						<u></u>							<u> </u>	<u> </u>	
	9999999 Totals	2,445,236 XXX	2,511,607	2,326,772	(2,169)		(2,169)		2,438,256		6,980	6,980	40,530	XXX	ХХХ

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

Schedule DB - Part A - Section 1

**NONE** 

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

**NONE** 

Schedule DB - Part D - Section 2

**NONE** 

Schedule DL - Part 1

**NONE** 

Schedule DL - Part 2

**NONE** 

# SCHEDULE E - PART 1 - CASH Month End Depository Balances

			pository Balance					
1	2	3	4	5	Book Balance at End of Each			9
		Rate of	Amount of Interest Received During Current	Amount of Interest Accrued at Current Statement	6	During Current Qu 7	8	_
Depository Depository	Code	Interest	Quarter	Date	First Month	Second Month	Third Month	*_
Open Depositories Branch Banking and Trust		ı		I	207 , 113	216,491	243,443	TXXX
					207,110	210, 101	<u>2</u> 10,110	17000
not exceed the allowable limit in any one depository								
(See Instructions) - Open Depositories	XXX	XXX			144	(16)	(235)	
0199999 Total Open Depositories	XXX	XXX			207,257	216,475	243,208	XXX
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0399999 Total Cash on Deposit	XXX	XXX	W		207,257	216,475	243,208	
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	207 257	216 175	243,208	XXX
0599999 Total	XXX	XXX			207,257	216,475	243,208	Ιγγγ

8699999 Total Cash Equivalents

# STATEMENT AS OF MARCH 31, 2014 OF THE TRIAD GUARANTY ASSURANCE CORPORATION, IN REHABILITATION

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

		S	how Investments Owned End of	Current Quarter			
1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
	+			·····			
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