

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

)	
In re:)	Chapter 11
)	
TRIAD GUARANTY INC., ¹)	Case No. 13-11452 (MFW)
)	
Debtor.)	
)	
)	

**DECLARATION OF ANTHONY PRINCI IN SUPPORT OF
DEBTOR’S APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING EMPLOYMENT AND RETENTION OF
MORRISON & FOERSTER LLP AS SPECIAL COUNSEL TO
DEBTOR PURSUANT TO 11 U.S.C. §§ 327(e) AND 329(a)**

I, Anthony Princi, being duly sworn, state the following under penalty of perjury:

1. I am a partner in the law firm of Morrison & Foerster LLP (“Morrison & Foerster” or the “Firm”), with offices at 1290 Avenue of the Americas, New York, New York 10104-0050, and other locations, and I am duly authorized to make this declaration (the “Declaration”) on behalf of Morrison & Foerster. I am an attorney duly admitted and in good standing to practice before the Courts of the States of New York and Florida, the United States District Courts for the Eastern, Northern and Southern Districts of New York, the United States Courts of Appeal for the Second and Ninth Circuits, and am a registered foreign lawyer in England and Wales.

2. I submit this Declaration in support of the Debtor’s Application for Entry of an Order Authorizing Employment and Retention of Morrison & Foerster

¹ The last four digits of the Debtor’s federal taxpayer identification number are 8519. The location of the Debtor’s headquarters and the Debtor’s service address is 1900 Crestwood Blvd., Birmingham, AL 35210.

LLP as Special Counsel to Debtor Pursuant to 11 U.S.C. §§ 327(e) and 329(a) (the “Application”). Except as otherwise indicated, the facts set forth in this Declaration are personally known to me and, if called as a witness, I could and would testify thereto.

3. Neither I, Morrison & Foerster, nor any counsel or associate thereof, insofar as I have been able to ascertain, (a) have any interest adverse to the Debtor’s estate or its creditors in the matters upon which Morrison & Foerster is to be engaged, or (b) represents any other entity having an adverse interest in connection with this case, in each case except as noted herein.

Disinterestedness and Disclosure of Connections

4. In order to ascertain Morrison & Foerster’s “connections” (as that term is used in Bankruptcy Rule 2014) with the Debtor, the Debtor’s creditors, and other parties-in-interest in this chapter 11 case, Morrison & Foerster’s new business department, under the supervision of attorneys in the Business Restructuring and Insolvency Department, conducted an internal search to identify any “connections” with any creditors and parties-in-interest as of June 3, 2013 (the “Petition Date”), as set forth on Exhibit 1 hereto (collectively, the “Interested Parties”). This internal inquiry regarding the Interested Parties was performed by Morrison and Foerster’s new business department consistent with its normal and customary practices using Morrison & Foerster’s conflict database to determine if Morrison & Foerster currently represents or formerly represented any of the Interested Parties. As set

forth on Exhibit 1, the following is a list of the categories of Interested Parties that Morrison & Foerster has searched to date:

- (a) the Debtor;
- (b) non-Debtor affiliates;
- (c) current and recent former directors and officers of the Debtor;
- (d) insurers;
- (e) landlord;
- (f) the Debtor's bank;
- (g) litigation parties;
- (h) equity security holders;
- (i) professionals;
- (j) United States Trustee and Court personnel;
- (k) taxing authorities; and
- (l) certain other governmental entities.

A list of the names of each of the entities searched is annexed hereto as Exhibit 1 and incorporated herein.

5. Morrison & Foerster searched the names of the Interested Parties in a computer system containing the names of current and former clients of Morrison & Foerster. This search revealed that certain Interested Parties or affiliates thereof, are or may be current or former Morrison & Foerster clients, as identified on the list attached to this Declaration as Exhibit 2.

6. Based on the results of this search, and through direct inquiries with Morrison & Foerster attorneys as necessary, it was determined that the representation of the Interested Parties disclosed on Exhibit 2 hereto concerned matters wholly unrelated to the Debtor and its estate.

7. The status of entities listed as Interested Parties on Exhibit 1 may have changed or could change during the pendency of this chapter 11 case without our knowledge. Morrison & Foerster will periodically review its files during the pendency of this chapter 11 case to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, Morrison & Foerster will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

Specific Disclosures

8. Morrison & Foerster does not hold or represent any interest adverse to the Debtor and, except as disclosed in Exhibit 2 or in instances where Morrison & Foerster represented a client that was adverse to a party-in-interest, does not have any “connections” to the Debtor’s creditors, affiliates, other parties-in-interest and potential parties-in-interest, the Office of the United States Trustee for the District of Delaware, or the United States Bankruptcy Judge assigned to the Debtor’s case.

9. As specifically set forth in Exhibit 2 hereto, Morrison & Foerster also represents or has represented certain of the Debtor’s creditors or other parties-in-interest in matters unrelated to the Debtor and this chapter 11 case. None of the

representations described herein is materially adverse to the interests of the Debtor or its estate.

10. Morrison & Foerster does not believe that its representation of the entities set forth in Exhibit 2 and herein creates a conflict that disqualifies Morrison & Foerster from representing the Debtor. Morrison & Foerster has not been retained to assist any entity or person on matters related to, or in connection with, this chapter 11 case, and will not accept any engagement or perform any additional services related to this chapter 11 case for any entity or person.

11. As part of its customary practice, Morrison & Foerster is retained in cases, proceedings and transactions involving many different parties throughout the United States and worldwide, some of whom may represent or be employed by the Debtor, claimants and parties-in-interest in this chapter 11 case.

12. I have reviewed the entities listed as Interested Parties on Exhibit 1, and have ascertained, to the best of my knowledge, that neither I nor any member or associate of Morrison & Foerster represents professionally, or is associated with, the Debtor, its creditors or any other Interested Parties, except to the extent disclosed herein and set forth in Exhibit 2. In addition, although Morrison & Foerster may have worked in other cases with professionals (*e.g.*, as co-counsel or adversaries) that represent Interested Parties in this case, and although Morrison & Foerster represents and from time to time has represented and may in the future represent: (a) entities that are secured creditors, unsecured creditors or equity holders of the Debtor; (b) entities that serve on official or informal committees in cases in which

Morrison & Foerster is involved; (c) entities that are affiliated with entities that otherwise had or have an interest in these proceedings; or (d) entities that otherwise had or have an interest in these proceedings in matters unrelated to these proceedings, Morrison & Foerster has not and will not represent those creditors or parties in connection with this chapter 11 case.

13. The Debtor is seeking to retain Womble Carlyle Sandridge & Rice, LLP as its general bankruptcy counsel (“General Bankruptcy Counsel”). Morrison & Foerster will not initiate any litigation or other action against its current clients on behalf of the Debtor unless Morrison & Foerster has received a waiver from the current client and the Debtor allowing Morrison & Foerster to commence such an action.

14. Morrison & Foerster will make all reasonable efforts to avoid duplicating the services rendered by Womble Carlyle.

Professional Compensation

15. Subject to the approval of this Court, Morrison & Foerster will charge the Debtor for its legal services on an hourly basis in accordance with its ordinary and customary rates, which are in effect on the date the services are rendered, subject to periodic adjustment. The Morrison & Foerster attorneys and legal staff who are likely to perform the significant services in the above-captioned case and the hourly

rates² attributable to their work, effective as of the date of this Declaration, are as follows:

Thomas A. Humphreys	Tax Partner	\$1,200
Anthony Princi	Bankruptcy Partner	\$1,025
Remmelt A. Reigersman	Tax Partner	\$775
Kathleen E. Schaaf	Bankruptcy/Insurance Senior Of Counsel	\$815
Jordan A. Wishnew	Bankruptcy Of Counsel	\$720
Meimay L. Law	Tax Associate	\$530
James A. Newton	Bankruptcy Associate	\$530
Laura Guido	Paraprofessional	\$280

16. In addition to the hourly rates above, Morrison & Foerster’s engagement agreement with the Debtor (the “Engagement Agreement”), attached as Exhibit 3 hereto, contained a provision entitling Morrison & Foerster to a success fee of 2.5% of the gross proceeds of certain transactions involving the creation and realization of value for some or all of the Debtor’s intangible assets. Subject to the Court’s approval of this Application, the Debtor and Morrison & Foerster have agreed to terms for postpetition services similar to those contained in the Engagement Agreement. In particular, Morrison & Foerster and the Debtor have agreed that Morrison & Foerster will be entitled to a success fee equal 2.5% of the gross proceeds of any one or more postpetition transactions involving the creation and realization of value to the estate for the Debtor’s intangible assets (the “Success

² These figures represent Morrison & Foerster’s rates for the year 2013.

Fee”), payable upon the closing of any such transaction. The Debtor will be entitled to offset all fees in excess of \$150,000 paid on account of postpetition services against the Success Fee (the “Credit Amount”).

17. As described further below, Morrison & Foerster has agreed to a retainer in the amount of \$50,000. This retainer is much lower than the amount Morrison & Foerster would typically insist upon in connection with engagements of this nature. In connection with its agreement to accept a reduced retainer, and as a result of the risk attendant with that concession, Morrison & Foerster negotiated with the Debtor for the receipt of the Success Fee. I believe the Success Fee arrangement is reasonable under the facts and circumstances of this case.

18. Morrison & Foerster also customarily charges clients for actual and necessary costs of support services the firm provides in connection with a representation, including, without limitation, court reporters, transcripts, computerized research, filing fees, photocopying charges, long distance telephone calls, facsimile transmissions, messengers, courier mail, travel, lodging and catering for meetings. Some of these services are provided by Morrison & Foerster in which case the charges are set by Morrison & Foerster, and others are provided by third-party service providers, in which case the charges are set by the providers. Morrison & Foerster will charge the cost of these expenses in a manner and at rates consistent with charges generally made to the firm’s other clients, as required by the U.S. Trustee Fee Guidelines. I recognize that all such charges for which Morrison &

Foerster seeks payment are subject to Court approval and/or will be paid pursuant to any administrative procedures established by Order of the Court.

19. Prior to the Petition Date, the Debtor paid Morrison & Foerster \$208,376.96 for services rendered, including \$58,376.96 within the ninety days prior to the Petition Date, in contemplation of or in connection with the filing of the Bankruptcy Case. Prior to the Petition Date, Morrison & Foerster applied \$158,376.96 against this amount for fees and expenses incurred prepetition in contemplation of or in connection with the filing of the Bankruptcy Case. The remaining \$50,000 was provided to Morrison & Foerster as a retainer, which, pursuant to the Engagement Agreement was earned upon receipt. Subsequent to the Petition Date, Morrison & Foerster applied \$2,052 of the prepetition retainer to satisfy fees that were incurred prior to the Petition Date, but that had not been invoiced as of the Petition Date. Morrison & Foerster seeks to hold the balance of \$47,948.00 as a retainer (the "Retainer") for postpetition work. The Debtor has agreed that the Retainer may be held by Morrison Foerster as security during the pendency of this case, and is not intended to be applied until all alternative sources of payment have been applied.

20. Morrison & Foerster has advised the Debtor that the Firm will use every effort to staff the engagement in a cost-effective manner, including utilizing the firm's legal assistants to handle those aspects of the case that can best be managed by a legal assistant.

21. Morrison & Foerster intends to apply to this Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the local rules of this Court, and pursuant to any additional procedures that may be established by the Court in this case.

22. Other than as set forth above, there is no proposed arrangement between Morrison & Foerster and the Debtor or any other entity for compensation to be paid in this case. Morrison & Foerster has no agreement with any other entity to share any compensation received, nor will any be made, except as permitted under section 504(b)(1) of the Bankruptcy Code.

23. The proposed employment of Morrison & Foerster is not prohibited by or improper under Rule 5002 of the Bankruptcy Rules. I am not related, and to the best of my knowledge, no attorney at this firm is related, to the United States Bankruptcy Judge assigned to the Debtor's case.

[signature page follows]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: June 20, 2013



Anthony Princi

EXHIBIT 1

TRIAD GUARANTY INC.

LIST OF PARTIES IN INTEREST SEARCHED

**Current and Recent Former Entities
Affiliated with the Debtor**

Triad Guaranty Inc.
Triad Guaranty Insurance Corporation
Triad Guaranty Assurance Corporation

**Current and Recent Former Directors
and Officers of the Debtor**

William T. Ratliff, III
David Whitehurst

Bank

National Bank of Commerce

Insurers

Aon Risk Services, Inc. of Colorado
National Union Fire Insurance Company of
Pittsburgh PA
XL Specialty Insurance Company
XL Professional Insurance Company

Landlord

Collateral Holdings Ltd.

Litigation Parties

James L. Phillips
Western Pennsylvania Electrical Employees
Pension Fund
Mark K. Tonnesen
Kenneth W. Jones

Equity Security Holders

A C Morgan & Florence W. Morgan
Adrienne W. Schuette (Winston-Salem, NC)
Alden G. Dull (Winston-Salem, NC)
Alethea P. Cole-Tyson (Leeds, AL)
Allen B. Jones (Northpoint, AL)

Alma J. Oneal (Huntsville, AL)
Ameriprise Financial
Amsouth Bank
Catherine L. Ratliff
Preston Ratliff
Kimble V. Ratliff
Joyce A. Ratliff
Joyce C. Ratliff
Lillian S. Ratliff
Thornton H. Ratliff
William T. Ratliff
Amy M. Olson (Winston-Salem, NC)
Amy W. Tew
Charles L. Tew
Angela M. Fulton (Clemmons, NC)
Anna M. Corbett (Plano, TX)
Anne L. Taylor (Winston-Salem, NC)
Antonette D. Matera (Anaheim, CA)
Apex Clearing Corporation
Archie M. Bird (Demopolis, AL)
B. Bryan Ratliff
Bank of America
BB&T Trust Securities, LLC
Becky McDermott (Houston, TX)
R. Bryan Ratliff
Becky Moore (Winston-Salem, NC)
Bernard J. Gusefski (Mocksville, NC)
Beth H. Wallace
David S. Wallace
Betty J. Parrish (Blountsville, AL)
Billy C. Daniels (Mobile, AL)
BMO Nesbitt Burns Inc.
BNP Paribas Securities Corp.
BNY Convergenx
BNY Mellon
Bradford Barton (Colfax, NC)
Breakage Control Account
Computershare
Brown Brothers Harriman & Co.
Bruce A. Bucklinger
Sheila L. Bucklinger
C. David Larkin (Lingston, AL)
Capital One Sharebuilder, Inc.
Carlton McCoy Ray
Amelie E. Ray

Katharine W. Ray	Donald E. Townsley
Montana M. Ray	E. Price Howell
Carol Essick (Lexington, NC)	Cheryle R. Stone
Carol Leigh Johnson (Buies Creek, NC)	E*Trade Securities LLC
Carol S. Trigg (Memphis, TN)	Earl F. Wall (Winston-Salem, NC)
Carolyn Sloss Ratliff (Birmingham, AL)	Edmund Pickett
Cede & Co.	Karen Pickett
Cetera Investment Services, LLC	Scott P. Pickett
Chander M. Anand (Greensboro, NC)	Edward Jones (St. Louis, MO)
Charese Smitson (Norman, OK)	Elizabeth Leath Stigler (Homewood, AL)
Charles D. Tew	Elizabeth W. Ratliff (Birmingham, AL)
Amy W. Tew	Eric T. Ray (Clemmons, NC)
Charles H. McClenaghan (Dublin, OH)	First Clearing, LLC
Charles Schwab & Co., Inc.	First State Bank & Trust
Cherie A. Ratcliffe (Lewisville, NC)	Fred C. Ballard (Anniston, AL)
Chris Stanfield (Clemmons, NC)	Fred S. Jones (Birmingham, AL)
Christian Griffith (Winston-Salem, NC)	Frederich Sheppard Jones
CIBC World Markets	Gary W. Wick
Citigroup Global Markets, Inc.	Peggy A. Wick
Claire Gadban	George Stewart
Coleen Palmisano	Glen Troiano (Winston-Salem, NC)
Collateral Holdings, Ltd.	Glenn T. Austin (Altanta, GA)
Collateral Mortgage Ltd.	Goldman Sachs Execution & Clea
Craig Henderson Welch	Goldman, Sachs & Co.
Katya Welch	Grace Bird Sneed (Tuscaloosa, AL)
Matthew Welch	Grace Williams (Higley, AZ)
Dan Boyd (Clemmons, NC)	Gwen Goodnight (Farmers Branch, TX)
Daniel T. Ratliff	H. Lee Durham (Wilmington, NC)
Jonathan C. Ratliff	Harold G. Faris
Darlene D. Frost (Mobile, AL)	Evelyn D. Faris
Davenport & Company LLC	Heather L. Hughes (Henderson, TX)
David S. Wallace	J.T. Spradling (Camdenton, MO)
Beth H. Wallace	Henry Williams (Winston-Salem, NC)
Deane W. Hall (Jacksonville, FL)	J.J.B. Hilliard (Louisville, KY)
Debbie Steelman (Advance, NC)	W.L. Lyons (Louisville, KY)
Deborah M. Davis	Jacqueline E. Hruby (Greensboro, NC)
Terry M. Davis	Jacqueline H. Fields (Holly Springs, NC)
Dee Ann L. Robbs	Jacquelyn C. Pennington (Madison, GA)
Austin Robbs	James K.V. Ratliff (Birmingham, AL)
Catherine Linville	Preston Ratliff (Birmingham, AL)
Margaret Elizabeth Robbs	Joyce C. Ratliff
Derwood R. Boyles (Jackson, MS)	Thornton Ratliff
Desjardins Securities Inc.	James Preston (Kernersville, NC)
Dewitt E. Rhoades (Winston-Salem, NC)	James W. Bird
Diane A. Hartman (Winston-Salem, NC)	James W. Millegan
Don G. Angell (Clemmons, NC)	James W. Porter (Birmingham, AL)

Janney Montgomery Scott LLC	Lucy O. Blount-MacLeod (Decatur, AL)
Jay Ratcliff Johnson	Lyda Sue Whate-Winegarden
Evan Fowler Johnson	Calvin Ross White
Gunter Ratliff Johnson	Lynn Hardy (Clemmons, NC)
Jean P. Jackson	Mafus R. Bird (Birmingham, AL)
Scott C. Pickett	Malia Young (High Point, NC)
Jennifer A. Donlan (Winston-Salem, NC)	Margaret C. Rocker
Jennifer E. Isenhour (Clemmons, NC)	Margaret J. Trigg (Memphis, TN)
Jenny Day (Irvine, CA)	Marshall T. Tillett (High Point, NC)
Jerry Schwartz (Greensboro, NC)	Marshall Wolf (New York, NY)
Jody S. Young (Winston-Salem, NC)	Mary C. Schambron
John C. Eaton (Winston-Salem, NC)	Mary D. French (Birmingham, AL)
John Kinstle (Chargri Falls, OH)	Mary Johnson-Butterworth (Birmingham, AL)
John W. Clayton (Winston-Salem, NC)	Wright S. Johnson
Jonathan Guy (Clemmons, NC)	Merrill Lynch
JPMorgan	Michael Keyes (Holland, PA)
Judi Perrault (Winston-Salem, NC)	Michele A. McIntrye (Levittown, PA)
Julie A. Hinkle (Shallotte, NC)	Minette Ratliff Jones Loveless
Julie Lee Tascher (Germantown, MD)	(Birmingham, AL)
June Elaine Mangan (Pewaukee, WI)	Mitchell S. Curtis
Katherine G. Delucas	Virginia D. Curtis
John Stephen Delucas	Morgan Keegan & Co., Inc.
Katherine Bonefield Delucas	Morgan Stanley
Kathleen Balaschak (Hawthorne, CA)	Narendra Sagar (Winston-Salem, NC)
Kathleen C. Sexton (Birmingham, AL)	National Bank Financial
Kathleen Fairall (Clemmons, NC)	National Financial Services, Inc.
Kathleen Giardinelli (Sewell, NJ)	Nicholas W. Mitchell (Winston-Salem, NC)
Kathy T. McBride (Winston-Salem, NC)	Olga Csiszar (Marietta, GA)
Katrina T. Kaiser (Alpharetta, GA)	Opal D. Daviss (Dickinson, TX)
Kay M. Timberlake (Lexington, KY)	Oppenheimer & Co. Inc.
Kaye Sain (Statesville, NC)	Oscar M. Stuart
Kelly M. Diaz (Tucson, AZ)	Mary Frances Stuart
Ken Nash (Pfafftown, NC)	Paige Annette Hall (Eden, NC)
Kenneth Dwyer (Greensboro, NC)	Paige M. Phillips (Greensboro, NC)
Kenneth Jones (Winston-Salem, NC)	Pam Morrison (Oak Ridge, NC)
Kiera R. Hensley	Patricia Dwigins (Winston-Salem, NC)
Kris McCarn (Lexington, KY)	Paul E. Crabb (Albuquerque, NM)
Kymme Hoyle (Greensboro, NC)	Paula R. Miller (Greensboro, NC)
Laura L. Powell (Pilot Mountain, NC)	Paula W. Lewis (Mocksville, NC)
Leaih Sitgler Pearce (Waverly Hall, GA)	Peggy P. Ray (Moundville, AL)
Leticia M. Watson	Pershing LLC
Linda Ayers (Westminster, CO)	Peter J. May (Barrington, RI)
Lisa R. Easter (St. Augustine, FL)	Piyush Gupta (Oak Ridge, NC)
Lisa W. Bono (Lexington, NC)	Qtrade
Lori Rhue (Clemmons, NC)	Quentin Ratliff Jones (Birmingham, AL)
LPL Financial	

R. Bryan Ratliff (Birmingham, AL)
 C. Hudson Ratliff
 Renny E. Ratliff
 R.L. Easter (Mt. Airy, NC)
 Randall W. Keslar (New Port Richesy, FL)
 Randy A. Dulaney (Kernersville, NC)
 RAS I LTD
 Raymon James & Associates, Inc.
 RBC Capital Markets LLC
 RBC Dominion Securities
 Rebecca A. White (Waleska, GA)
 Ricard Ackley (Advance, NC)
 Richard L. Brown (Clemmons, NC)
 Richard Swanson
 RMIC CORP
 Robbie Earley
 Richard P. Sexton (Birmingham, AL)
 Timothy S. Earley
 Robert A. Beargie
 Robert David (Birmingham, NC)
 Robert E. Timberlake (Lexington, KY)
 Robert L. Dunn
 Christie C. Dunn
 Robert Ogburn (Winston-Salem, NC)
 Robert R. Sexton
 Katherine E. Sexton
 William T. Ratliff
 Robert W. Baird & Co., Inc.
 Roger D. Murphree
 Patricia P. Murphree
 Roland A. Phillips
 Elizabeth H. Phillips
 Roland A. Phillips (Greensboro, NC)
 ROO & CO
 Rosemary T. Distretti
 Cheryl Stone
 Roy F. King
 Mary E. Stark
 Ruth R. Stigler
 Ruthanne Matson (Greensboro, NC)
 ScotiaCapital Inc.
 Scottrade Inc.
 Shirley A. Gaddy (Kernersville, NC)
 SNL Securities LLC
 Southwest Securities, Inc.
 Sterne Agee & Leach Inc.

Steve Haferman (Winston-Salem, NC)
 Sue S. Conrad (Winston-Salem, NC)
 Susan R. Wallace
 David S. Wallace
 Susan Riggs Walker (Shorter, AL)
 Susanne T. Ratliff (Birmingham, AL)
 Susheila Dhillon Burkhardt (Annapolis, MD)
 Suzanne Dellinger (Winston-Salem, NC)
 Tammie Bowman (Yadkinville, NC)
 Tandy B. Nicholson
 William E. Nicholson
 TD Ameritrade Clearing, Inc.
 TD Waterhouse
 Thomas A. Juliano (Forked River, NJ)
 Thomas E. Gester
 Tyler Eastwood Gester
 William Wood Gester
 Thomas E. Hall (Eden, NC)
 Timothy Ayers (Lewisville, NC)
 Timothy Bennett (Greensbor, NC)
 Tradestation Securities, Inc.
 Treva M. Facciolo
 UBS Financial Services, Inc.
 UBS Securities LLC
 USAA Brokerage Services
 Vanguard Brokerage Services
 Vikrant Shah (Denver, CO)
 Virginia D. Curtis
 Scott F. Curtis
 Wedbush Securities Inc.
 William A. Ratliff
 William Bruce Johnson (Decatur, GA)
 William E. Davis
 Judith E. Davis
 William E. Jones (Winston-Salem, NC)
 William M. Degner (Mt. Pleasant, SC)
 William Stephen Stigler (Vestavia, FL)
 Amelie L. Ratliff
 Woody Bostic (King, NC)
 YWCA Boston
 Eleanor Millan
 J.K.V. Ratliff

Professionals

Locke Lord LLP
Paul Weiss Rifkind & Garrison LLP

West, Michael
Wynn, Dion

Brian O'Mara
Coughlin Stoia Geller Rudman & Robbins
LLP
Greenwald Davidson, PLLC
Kessler Topaz Meltzer and Check LLP
McDaniel & Anderson LLP

Taxing Authorities

Delaware Secretary of State
Delaware Division of Revenue
Illinois Department of Revenue
Internal Revenue Service

United States Trustee and Court

Personnel

Buchbinder, David
Carey, Kevin J.
DeAngelis, Roberta A.
Dortch, Shakima L.
Fitzgerald, Judith K.
Giordano, Diane
Green, Christine
Gross, Kevin
Hackman, Benjamin
Heck, Jeffrey
Kenney, Mark
Klauder, David
Leamy, Jane
Murray, Tony
O'Malley, James R.
O'Neal, Lauren
Panacio, Michael
Patton, Tiiara
Sarkessian, Juliet
Schepacarter, Richard
Shannon, Brendan L.
Sontchi, Christopher S.
Tinker, T. Patrick
Vinson, Ramona
Walrath, Mary F.
Walsh, Peter J.

EXHIBIT 2

TRIAD GUARANTY, INC.

**DISCLOSURE OF MORRISON & FOERSTER LLP (“M&F”)
OF RELATIONSHIPS WITH PARTIES LISTED ON EXHIBIT 1**

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
Ameriprise Financial	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Amsouth Bank	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Bank of America	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
BMO Nesbitt Burns Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
BNP Paribas Securities Corp.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
BNY Mellon	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Boyd, Dan	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
Brown, Richard L.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Brown Brothers Harriman & Co.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Charles Schwab & Co., Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
CIBC World Markets	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Citigroup Global Markets, Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Daniels, Billy C.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Davis, Judith E.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
ETrade Securities LLC	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Goldman, Sachs & Co.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Jones, Edward	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Jones, Fred S.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Jones, William E.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
JPMorgan	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Merrill Lynch	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
Morgan Keegan & Co., Inc.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Morgan Stanley	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
National Bank of Commerce	Bank	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Oppenheimer & Co. Inc.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Paul Weiss Rifkind Wharton & Garrison LLP	Professional	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Raymond James & Associates, Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
RBC Capital Markets LLC	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
RBC Dominion Securities	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Robert W. Baird & Co., Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
ScotiaCapital Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Securities & Exchange Commission	Government Entity	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Taylor, Anne L.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
TD Ameritrade Clearing, Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
U.S. Department of Justice	Government Entity	M&F HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE

NAME SEARCHED OR PROVIDED BY CLIENT	CATEGORY OF PARTY IN INTEREST	NOTES
UBS Financial Services, Inc.	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
UBS Securities LLC	Equity Security Holder	M&F CURRENTLY REPRESENTS AND HAS IN THE PAST REPRESENTED THIS ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Wallace, David S.	Equity Security Holder	M&F CURRENTLY REPRESENTS A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
Wedbush Securities Inc.	Equity Security Holder	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED ENTITY IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE
West, Michael	United States Trustee and Court Personnel for the District of Delaware	M&F HAS IN THE PAST REPRESENTED A SIMILARLY-NAMED INDIVIDUAL IN MATTERS WHOLLY UNRELATED TO THE DEBTOR'S CHAPTER 11 CASE