

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.)	Re: D.I. 97

ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
ERNST & YOUNG LLP AS TAX SERVICES PROVIDER FOR THE
DEBTOR AND DEBTOR IN POSSESSION PURSUANT TO 11 U.S.C. §
327(a), NUNC PRO TUNC TO JULY 23, 2013

Upon the Application² of the above-captioned debtor and debtor-in-possession (the “Debtor”) for an order authorizing the employment and retention of Ernst & Young LLP (“EY LLP”) as tax services provider to the Debtor pursuant to pursuant to section 327(a) of title 11 of the United States Code, 11 U.S.C. §§101 et seq. (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Rules”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (“Local Rules”), nunc pro tunc to July 23, 2013, and upon consideration of the Application and all pleadings related thereto, including the Minor Declaration; and the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this matter is a core proceeding within the meaning

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.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

of 28 U.S.C. § 157(b)(2), and (c) notice of the Application was due and proper under the circumstances; and it appearing that EY LLP neither holds nor represents any interest adverse to the Debtor's estate; and this Court finding that EY LLP is a "disinterested person" as that term is defined in Bankruptcy Code section 101(14) and otherwise meets the standards for retention under the Bankruptcy Code and applicable rules; and it appearing that the relief requested in the Application is in the best interests of the Debtor, its estate and its creditors; and after due deliberation, and good and sufficient cause appearing therefor, it is hereby ORDERED, ADJUDGED, AND DECREED that:

1. The Application is GRANTED.
2. In accordance with Bankruptcy Code section 327(a), the Debtor is authorized to employ, compensate, and reimburse EY LLP on the terms set forth in the Engagement Letter, which is hereby approved, nunc pro tunc to July 23, 2013.
3. EY LLP shall be compensated in accordance with, and will file interim and final fee applications for the allowance of compensation for services rendered and reimbursement of expenses incurred in accordance with Bankruptcy Code sections 330 and 331, the applicable Rules, the Local Rules, the U.S. Trustee Guidelines, this Court's Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members [D.I. 57], and any other applicable order of this Court.

4. To the extent of any conflict between the terms of the Application or the Engagement Letter and the terms of this Order, the terms of this Order shall govern.

5. Paragraphs 16–19 of the terms and conditions attached to the MSA are deemed removed and of no force or effect.


6. Notwithstanding anything to the contrary in the Engagement Letter, the Debtor shall have no obligation to indemnify EY LLP, or provide contribution or reimbursement to EY LLP, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from EY LLP's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtor alleges the breach of EY LLP's contractual obligations if the Court determines that indemnification, contribution or reimbursement would not be permissible pursuant to In re United Artists Theatre Co., 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which EY LLP should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Letter.

7. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Order.

8. Notwithstanding the possible applicability of Rules 6004, 7062, and 9014 of the Bankruptcy Rules, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: August 19, 2013



The Honorable Mary F. Walrath
United States Bankruptcy Judge