

**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.)	
)	
)	Objection Deadline: October 17, 2013 at 4:00 p.m. (ET)

**NOTICE OF FIRST MONTHLY APPLICATION OF MORRISON & FOERSTER LLP
AS SPECIAL COUNSEL FOR THE DEBTOR FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE
PERIOD JUNE 3, 2013 THROUGH JUNE 30, 2013**

PLEASE TAKE NOTICE that on September 27, 2013, Morrison & Foerster LLP (“Morrison & Foerster”), special counsel for Triad Guaranty Inc., the debtor and debtor-in-possession (the “Debtor”) in the above-captioned case, filed the attached **First Monthly Application of Morrison & Foerster LLP as Special Counsel for the Debtor for Allowance of Compensation and Reimbursement of Expenses Incurred for the Period June 3, 2013 through June 30, 2013** (the “Application”) with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 (the “Court”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Court’s Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and Official Committee Members, entered July 8, 2013 (the “Interim Compensation Order”), objections, if any, to the Application must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801, and be served

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.

upon: (i) Triad Guaranty Inc., 1900 Crestwood Blvd., Birmingham, AL 35210, Attn.: William T. Ratliff, III; (ii) special counsel for the Debtor, Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10140, Attn.: Anthony Princi; and (iii) The Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Wilmington, Delaware 19801, Attn.: Jane M. Leamy (collectively, the “Notice Parties”) so as to be *actually received* no later than **4:00 p.m. (ET) on October 17, 2013** (the “Objection Deadline”).

PLEASE TAKE FURTHER NOTICE that if any responses or objections to the Application are timely filed, served and received, and the parties are unable to reach a resolution of such objections, Morrison & Foerster may either (i) file with the Court a response to the Objection, together with a request for payment of the difference, if any, between the Maximum Monthly Payment and the Actual Monthly Payment to the affected Professional (the “Incremental Amount”); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time the Court will consider the Objection if requested by the parties. Only those objections made in writing and timely filed and received in accordance with the Interim Compensation Order and the procedures described herein will be considered by the Court at such hearing.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Compensation Order, if no objection to the Application is timely filed, served, and received by the Objection Deadline, Morrison & Foerster may file a certificate of no objection (a “CNO”) with the Court with respect to the fees and expenses requested in the Application. Upon filing of a CNO, the Debtor will be authorized and directed to pay Morrison & Foerster an amount equal to (i) 80% of the fees and 100% of expenses requested in the Application or (ii) 80% of the fees and 100% of the

expenses in the Application not subject to an objection without need for further order of the Court.

Dated: September 27, 2013

**WOMBLE CARLYLE SANDRIDGE
& RICE, LLP**

/s/Francis A. Monaco, Jr.

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