

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

In re:

TRIAD GUARANTY INC.,¹

Debtor.

Chapter 11

Case No. 13-11452 (MFW)

Obj. Deadline: June 13, 2014 at 4:00 p.m. (ET)

**NOTICE OF SECOND MONTHLY FEE APPLICATION OF KPMG LLP FOR
COMPENSATION AS TAX COMPLIANCE AND TAX CONSULTING SERVICES
PROVIDER TO THE DEBTOR AND DEBTOR IN POSSESSION FOR THE PERIOD
FROM FEBRUARY 1, 2014 THROUGH APRIL 30, 2014**

PLEASE TAKE NOTICE that on May 23, 2014, KPMG LLP (“KPMG”), tax compliance and tax consulting services provider for Triad Guaranty Inc., the debtor and debtor-in-possession (the “Debtor”) in the above-captioned case, filed the attached **Second Monthly Fee Application of KPMG LLP for Compensation as Tax Compliance and Tax Consulting Services Provider to the Debtor and Debtor in Possession for the Period from February 1, 2014 through April 30, 2014** (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 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, 250 W. 55th Street, New York, NY 10019, Attn.: Anthony Princi; and (iii) The Office of the United States Trustee

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.

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 June 13, 2014** (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, KPMG 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, KPMG 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 KPMG 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: May 23, 2014

**WOMBLE CARLYLE SANDRIDGE
& RICE, LLP**

/s/ Thomas M. Horan

Francis A. Monaco, Jr. (DE Bar No. 2078)

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