

TRIAD GUARANTY INC
Form 10-K/A
March 21, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K/A
Amendment No. 1

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2005

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

to

Commission file number 0-22342

Triad Guaranty Inc.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

56-1838519

(I.R.S. Employer
Identification No.)

101 South Stratford Road
Winston-Salem, North Carolina

(Address of principal executive offices)

27104

(Zip Code)

Registrant's telephone number, including area code:

(336) 723-1282

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class

Common Stock, par value \$.01 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No R

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No R

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No R

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer R

Non-accelerated filer

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$460,174,380 as of June 30, 2005, which amount excludes the value of all shares beneficially owned (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) by officers and directors of the registrant (however this does not constitute a representation or acknowledgment that any such individual is an affiliate of the registrant).

The number of shares of the registrant's common stock, par value \$0.01 per share, outstanding as of February 28, 2006, was 14,825,642.

Portions of the following documents are incorporated by reference into this Form 10-K:

Triad Guaranty Inc.
Proxy Statement for 2006 Annual Meeting of
Stockholders

Part of this Form 10-K into which the document is incorporated by reference

Part III

EXPLANATORY NOTE

This Form 10-K/A (Amendment No. 1) amends the annual report of Triad Guaranty Inc. on Form 10-K for the fiscal year ended December 31, 2005 (2005 Form 10-K), filed with the Securities and Exchange Commission on March 14, 2006. The purpose of this amendment is to insert a conformed signature that was inadvertently omitted from the Report of Independent Auditors included with the Consolidated Financial Statements.

This revision had no effect on the financial statements previously supplied.

This Amendment No. 1 is limited in scope to the portion of the 2005 Form 10-K set forth above and does not amend, update or change any other items or disclosures contained in the original 2005 Form 10-K. This Amendment No. 1 continues to speak as of the date of the 2005 Form 10-K, and does not reflect events occurring subsequent to the filing of such report or update or modify the disclosures therein in any way, other than as described above.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Triad Guaranty Inc.

We have audited the accompanying consolidated balance sheets of Triad Guaranty Inc. as of December 31, 2005 and 2004, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2005. Our audits also included the financial statement schedules listed in the Index at item 15(a). These financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Triad Guaranty Inc. at December 31, 2005 and 2004, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2005 in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Triad Guaranty Inc.'s internal control over financial reporting as of December 31, 2005, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 8, 2006 expressed an unqualified opinion thereon.

Greensboro, North Carolina
March 8, 2006

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 21st day of March 2006.

By /s/ Mark K. Tonnesen

Mark K. Tonnesen

President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on the 21st day of March, 2006 by the following persons on behalf of the Registrant in the capacities indicated.

Signature	Title
/s/ William T. Ratliff, III	Chairman of the Board
William T. Ratliff, III	
/s/ Mark K. Tonnesen	President, Chief Executive Officer, and Director
Mark K. Tonnesen	
/s/ Eric B. Dana	Senior Vice President, Chief Financial Officer
Eric B. Dana	
/s/ Kenneth S. Dwyer	Vice President, and Chief Accounting Officer
Kenneth S. Dwyer	
/s/ David W. Whitehurst	Director
David W. Whitehurst	
/s/ Robert T. David	Director
Robert T. David	
/s/ Michael A. F. Roberts	Director
Michael A. F. Roberts	
/s/ Richard S. Swanson	Director
Richard S. Swanson	
/s/ Glenn T. Austin, Jr.	Director
Glenn T. Austin, Jr.	

Index To Exhibits
(Item 15(a) 3)

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a)
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a)
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.