



**Radian Group Inc.  
Improper Payments and Political Activity**

**Purpose**

This Improper Payments and Political Activity Policy, which is part of Radian’s Code of Conduct and Ethics (the “Code”), is established to further enhance the Code, to protect the assets of the Company, to advise you of your responsibilities concerning improper payments and political activity and to increase overall improper payments and political activity awareness.

**Scope**

This Policy covers to all employees and officers of the Radian Group Inc., its subsidiaries and controlled affiliates (“Radian”, the “Company” or “We”), whether full-time, part-time, temporary or contract and all directors. The obligations of the directors are the same as those of Radian employees under this Policy. (Any reference to “you” in this Policy includes all these individuals.

**Policy**

**Bribery, Gratuities and Improper Payments**

It is a violation of this Policy and the Code for you to offer or receive a bribe, kickback, gratuity or other improper payment in order to achieve a desired business result. Providing or receiving a bribe or other improper payment may constitute an unfair business or insurance practice, and therefore may be illegal. Should you become aware of a request for, or the offering of, any bribe, kickback or other improper payment, whether or not you are personally involved, you are required to immediately report such occurrence to the General Counsel or Chief Compliance Officer.

You are not permitted to offer anything of value to a foreign government official or representative of an instrumentality of a foreign government in an effort to influence such official or to receive preferential treatment for Radian or any of its affiliates. Any questions regarding the application of this portion of the Policy should be directed to the General Counsel or the Chief Compliance Officer.

When contacting representatives of any company (e.g., real estate brokers, vendors, law firms, appraisal companies or customers), you may not extend or receive a gratuity or kickback or other improper payment to influence the placement of business. This prohibition extends to the provision or receipt of free or compensating services for which the recipient would normally incur an expense. Provision or receipt of free services may create an actual conflict of interest and may seem inappropriate, even if completely innocent in nature. Offers of such a gratuity, kickback or free services must be reported to the General Counsel immediately.

In the normal course of conducting routine business activities, many of you entertain (or are entertained by) customers, vendors and others outside of Radian. Any entertainment must be reasonable and not excessive. It is impossible to prescribe a hard-and-fast rule for defining “reasonable” entertainment. A good way to measure the reasonableness of the entertainment is to think how you would explain the entertainment to a regulator or investigator at a later date. If the



entertainment in question is of such magnitude that it could be perceived as a key factor in the business decision that was reached, such entertainment is probably unreasonable and should be avoided. Examples of entertainment that would appear to be reasonable would include a single sporting event or dinner. An example of entertainment that would appear to be unreasonable would be the provision of free season tickets for a professional sports team, and the like.

This is an area where a great deal of caution must be exercised by all of you. You must consult with Radian's Legal department any time you have a question about the propriety of an entertainment expense you are about to incur or for entertainment benefits you have been offered.

### **Proper Accounting Practices**

As a regulated entity and a publicly held company, Radian has a duty to its regulators, policyholders and stockholders to maintain its books and records in a manner so that all financial reports and statements accurately reflect the nature of its business affairs. This Policy cannot outline each and every accounting standard or practice applicable to Radian's business operations. Management must rely on your integrity, truthfulness and honesty to meet its financial reporting and disclosure requirements.

All communications with outside auditors must be true and complete. The auditors have a responsibility to determine whether Radian's financial statements are presented fairly in all material respects. You must cooperate fully with the representatives of the outside auditors by responding promptly, accurately and completely to all inquiries received from such representatives. You may not knowingly or recklessly make any false or misleading statement to any outside auditors.

If you are aware of misstatements or omissions (intentional or otherwise) in Radian's financial statements or other reports, or questionable or fraudulent accounting practices, you should report this information promptly, as described in the Reporting and Investigation section of this Policy.

### **Political Activity**

All companies are precluded by the federal laws (and the laws of many states and jurisdictions in which Radian has operations) from participating in the political process. No contribution of money, property or services may be provided to any state or federal political party or candidate on behalf of Radian. It is a violation of this Policy for you to contribute money or services on behalf of Radian.

**Example:** Purchasing tickets to political fund raisers and then submitting the receipt to Radian for reimbursement.

**Example:** Use of Company supplies or equipment to copy campaign materials.

**Example:** The provision of office space to a candidate or political party at reduced rental rates.

The foregoing is not a complete list of the types of prohibited activities. Engaging in such activities may expose both Radian and you to civil and/or criminal liability.

It is also a violation of this Policy for you to, directly or indirectly, require another employee or director to make personal contributions to any political candidate, party or political action committee.



Radian does encourage you to become involved in the political process and exercise your rights as citizens. However, you must take care that your own personal involvement is not attributed to Radian. This section is not intended to dissuade you from engaging in charitable activities. You should not hesitate to contact the General Counsel or the Chief Compliance Officer with questions regarding campaign contributions or other political activity.

### **Reporting and Investigation**

The laws related to improper payments and political activity are complex and you must refer any such concerns to the Legal Department or the Chief Compliance Officer for further analysis and handling. You may also report such concerns using the Radian “How to Get Help” procedures set forth in the Code and may call the Radian Compliance Hotline at 800-523-1988 x 1700. Radian’s commitment to non-retaliation set forth in the Code applies to any report made under this Improper Payments and Political Activity Policy.