

# Origination & Servicing Guide

For Radian Master Policies #RAF483 and #RAF700

Effective October 27, 2025

The Radian logo consists of the word "radian" in a dark blue, lowercase, sans-serif font. A small teal-colored triangle is positioned above the letter 'i'.

# Revision highlights

## Revisions for October 27, 2025

| Page | Section | Title                                                      | Update Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------|---------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8    | 3.2     | Order MI                                                   | This section has been updated to refer users to Radian's Eligibility Matrices & Underwriting Guidelines for MI ordering information.                                                                                                                                                                                                                                                                                                                                                                                                 |
| 8-9  | 3.3     | Activate MI coverage and Premium remittance                | <ul style="list-style-type: none"> <li>This section has been retitled from "Activate MI coverage" to "Activate MI coverage and Premium remittance".</li> <li>Information previously located in Section 3.4 "Remit renewal Premiums" and Section 3.7 "Submit a remittance file" has been consolidated within this section.</li> <li>Premium remittance information for wire or ACH payments has been updated.</li> <li>The Deferred Activation Upload Template and the Payment Remittance Upload Template have been added.</li> </ul> |
| 9    | 3.5     | Perform Certificate Maintenance                            | <ul style="list-style-type: none"> <li>Information previously located in Section 3.6 A-C on 1) how to submit an assumption request, 2) notify Radian of a loan sale or servicing transfer, or 3) request MI cancellation has been consolidated into a table.</li> <li>The Bulk Loan Sale and Servicing Transfer Template and the Bulk Certificate or Commitment Cancellation Template have been added.</li> </ul>                                                                                                                    |
| 10   | 3.8     | Loan Reporting                                             | <ul style="list-style-type: none"> <li>This section has been retitled from "Report on performing and non-performing Loans" to "Loan Reporting" and information previously located in Section 3.10 A-D has been restructured into a table.</li> <li>The link to a new version of the Notification of Mortgage Insurance Modification Excel form has been updated.</li> </ul>                                                                                                                                                          |
| 10   | 3.9     | Request pre-Claim approval of a short sale or deed-in-lieu | The requirements table for requesting a pre-Claim approval on a short sale or deed-in-lieu has been restructured.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 12   | 3.15    | File and/or check the status of a Claim appeal             | This section has been retitled from "File a Claim appeal" to "File and/or check the status of a Claim appeal" and the information previously located in Section 3.19 has been relocated to this section.                                                                                                                                                                                                                                                                                                                             |
| 16   | 5.2 A   | Refinance modifications for performing Loans               | This section has been removed as the GSE refinance programs have been suspended since 2021.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 18   | 5.6     | Partial Release                                            | A new Partial Release Request Form has been added, and additional information related to each documentation requirement has been added.                                                                                                                                                                                                                                                                                                                                                                                              |
| 36   | 13.3 C  | Foreclosure bidding instructions                           | This section has been updated with guidance on how to determine the foreclosure bid price and bidding instructions.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 38   | 14.2 D  | Payment deferral plans                                     | This section has been updated with guidance on how to submit payment deferral plans to Radian. The table within this section has been updated with information on how the new UPB + deferred balance may affect the MI Premium and coverage.                                                                                                                                                                                                                                                                                         |
| 38   | 14.3    | Loan modifications                                         | This section has been reorganized, and a new table has been added with information on how the new modified UPB may affect the MI Premium and coverage.                                                                                                                                                                                                                                                                                                                                                                               |
| 43   | 15.2    | Claim filing                                               | This section has been updated with Master Policy specific requirements related to Claim filing timelines.                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 44   | 16      | Perfecting a Claim                                         | <ul style="list-style-type: none"> <li>This section has been updated to reflect a change in the timing of when the initial document request is sent after a Claim is submitted.</li> <li>The frequency of subsequent document requests and document submission deadlines has been added.</li> </ul>                                                                                                                                                                                                                                  |
| 8-12 | 3       | Become a Radian Customer                                   | Various sub-sections have been renumbered and/or renamed due to consolidation and restructuring of information located within neighboring sections.                                                                                                                                                                                                                                                                                                                                                                                  |

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# 1. Introduction

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This Origination & Servicing Guide (Guide) is intended to provide Loan originators, investors, and Servicers with helpful information for meeting Radian's expectations as it pertains to originating and servicing Loans with active Radian mortgage insurance (MI) coverage under Master Policies #RAF483 and #RAF700.

In addition to the information contained within this Guide, please consult the applicable Radian Master Policy, including any endorsements, to identify specific terms and conditions under which Radian MI is issued. Capitalized terms used herein shall have the meanings as set forth in the applicable Master Policy or in this Guide.

Radian's [Master Policy #RAF700](#) applies to MI Applications submitted on or after March 1, 2020.

Radian's [Master Policy #RAF483](#) applies to MI Applications submitted between October 1, 2014 and February 29, 2020.

Radian's [Master Policy #RAF1040](#), Legacy Origination & Servicing Guide, and Legacy Default and Claims Servicing Guide apply to MI Applications submitted prior to October 1, 2014.

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This Guide, as well as our Legacy Origination & Servicing Guide and our Legacy Default and Claims Servicing Guide are reviewed and updated on a regular basis. In the event a policy or process change is implemented the details will be posted on our [Servicer Alerts](#) page located on our website.

Sign up to receive alerts on the [Let's Connect](#) page of our website.

## 2. Radian products and resources

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### 2.1 Radian's commitment to you and your customers

Our MI products and coverage options enable many consumers the ability to expedite their path to homeownership while helping lenders and investors reduce risk and protect against losses.

### 2.2 Radian products

See more about our [MI products](#).

### 2.3 Contact Radian

| Contact                | Telephone                                 | Email                                                                  | Hours                                  |
|------------------------|-------------------------------------------|------------------------------------------------------------------------|----------------------------------------|
| Customer Care          | 877.RADIAN1<br>877.723.4261               | <a href="mailto:customercare@radian.com">customercare@radian.com</a>   | Monday - Friday<br>8 a.m. - 8 p.m., ET |
| Customer Help          | 800.926.1621 ext. 7099                    | <a href="mailto:customer.help@radian.com">customer.help@radian.com</a> |                                        |
| Service Center         | 800.926.1621                              |                                                                        |                                        |
| Radian Account Manager | <a href="#">Find Your Account Manager</a> |                                                                        |                                        |

## 3. Become a Radian customer

Complete Radian's Master Policy [application](#) in order to submit loans to Radian for mortgage insurance.

### 3.1 Establish connectivity

#### A. MI Online

MI Online is our web-based platform offering a secure environment that facilitates MI origination, servicing, and Claims management tasks.

1. Establish MI Online access
  - Go to [MI Online](#). Enter your login credentials or if a new user, click request an ID and password.
  - Click on the [Knowledge Center](#) link to access information on how to complete tasks in MI Online.

#### B. EDI and LOS connectivity

Consult the Radian [Technology Integrations](#) listing where you'll find information about our integrations. Contact our [Customer Care](#) team with questions or to coordinate your integration setup. Once the integration connectivity request is submitted, the connection is typically in place within 48 hours.

### 3.2 Order MI

MI Applications must be submitted no later than the end of the month in which the first Mortgage payment is scheduled. Information regarding non-delegated and delegated submission requirements can be found in our [Eligibility Matrices & Underwriting Guidelines](#).

### 3.3 Activate MI coverage and Premium remittance

Coverage may be activated via E-Bill, EDI, email, or mail, provided that all conditions are satisfied. Bulk requests to activate coverage for certificates with a deferred payment may be submitted via email to [customercare@radian.com](mailto:customercare@radian.com) with a completed [Deferred Activation Upload Template](#).

| Activation Requirements                                                                       |                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Deferred                                                                                      | Non-Deferred                                                                                                                                                                                                   |
| Provide the Loan closing date to activate coverage. Premium is not due at time of activation. | Provide the Loan closing date and remit Premium to activate coverage. The initial Premium is due within 10 days after the Loan closing date and must be received no later than the Commitment expiration date. |

Initial or renewal Premiums may be remitted via check, wire, or ACH.

| Premium remittance methods |                                                                                                                                                                                   |                                                                                                                                                |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Check                      | Send a check via regular mail or overnight delivery and include the Certificate number, Borrower name, Unpaid Principal Balance (UPB), Loan number, Premium due, and Premium tax. |                                                                                                                                                |
|                            | <b>Regular mail:</b><br>Radian Guaranty Inc.<br>Attn: Premium Processing<br>P.O. Box 713225<br>Philadelphia, PA 19171-3225                                                        | <b>Overnight delivery:</b><br>Lockbox Services #823225<br>Radian Guaranty Inc.<br>2005 Market Street, 5th Floor<br>Philadelphia, PA 19103-7042 |

| Premium remittance methods |                                                                                                                                                                                                                                      |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Wire or ACH                | Initiate Wire or ACH payment as listed on the Activation Notice (page 2 of the Commitment & Certificate of Insurance form RAF701) and include the Certificate number, Borrower name, UPB, Loan number, Premium due, and Premium tax. |

For files with more than 40 Certificates, regardless of remittance method, please email the Certificate-level details using the [Payment Remittance Upload Template](#) to [Radian.PremiumProcessingInbox@radian.com](mailto:Radian.PremiumProcessingInbox@radian.com).

### 3.4 Submit a Loan for Early Validation Confident Coverage

Lenders opted into **Early Validation Confident Coverage** may submit a Loan by initiating an SFTP or EDI submission, by email to [ccddocuments@radian.com](mailto:ccddocuments@radian.com), or through MI Online.

For MI Online submissions, refer to the Confident Coverage Guide in the [Knowledge Center](#).

### 3.5 Perform Certificate Maintenance

| Notify Radian of:                             | EDI                 | MI Online                                                   | Email                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------|---------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>Assumption</u></b>                      | Not applicable      |                                                             | Complete the <a href="#">Assumption Request form</a> and send necessary documentation to satisfy our Assumption requirements to <a href="mailto:customer.help@radian.com">customer.help@radian.com</a> .                                                                                                                                                                                                                                    |
| <b><u>Loan sale or Servicing Transfer</u></b> | Initiate submission | Make the appropriate selections under <i>Loan Servicing</i> | For individual Loans, complete the Activation Notice (page 2 of the Commitment & Certificate of Insurance form RAF701) or <a href="#">Radian's Notice of Loan Sale and/or Request for Transfer of Servicing form</a> .<br>For multiple Loans, complete the <a href="#">Bulk Loan Sale and Servicing Transfer Template</a> .<br>Send the applicable completed form to <a href="mailto:customercare@radian.com">customercare@radian.com</a> . |
| <b><u>Cancellation</u></b>                    |                     |                                                             | For individual Loans, complete the <a href="#">Cancellation Request form</a> (or any format that provides the same information).<br>For multiple Loans, complete the <a href="#">Bulk Certificate or Commitment Cancellation Template</a> .<br>Send the applicable completed form to <a href="mailto:customercare@radian.com">customercare@radian.com</a> .                                                                                 |

### 3.6 Request a reinstatement of coverage

Send the required documentation as per the [Reinstatement Eligibility table](#) in an email to [Customer Care](#) with the subject line of *Requesting Reinstatement*.

We typically review and provide a decision within four business days, but in some cases, we may ask for additional documentation.

If approved, a memo bill will be sent, requesting payment of Premiums due which must be received within the time specified to complete the reinstatement.

### 3.7 Request electronic servicing notices

As permitted by applicable state law, Radian offers the Servicer the option to receive certain servicing notices electronically in lieu of receiving paper notices. To opt-in to receive electronic servicing notices, contact [Customer Care](#).

If you receive electronic servicing notices, the contacts delegated by you will receive a secure email, on the 4th day of each month, containing Excel reports for Cancelled Commitments, Expired Commitments, Lapsed Certificates, Cancelled Certificates for non-payment, and Cancelled Certificates per lender request.

### 3.8 Loan Reporting

| Report Type                                                                  | Complete the following:                                                                                                                                                                                                         | Submit:                                                                                                 |
|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| Mortgage Insurance Loan Activity Report (MILAR)                              | <a href="#">Mortgage Insurance Loan Activity Report (MILAR) servicing template</a>                                                                                                                                              | SFTP (preferred) or Email to <a href="mailto:servicingreport@radian.com">servicingreport@radian.com</a> |
| Performing non-GSE rate and term modification                                | <a href="#">Notification of Mortgage Insurance Modification Form</a> for Pre-Closing Notification, Pre-Closing Update/Change Notification, and Post-Closing Modification Order requests                                         | Email to <a href="mailto:certmods@radian.com">certmods@radian.com</a>                                   |
| Loan modification                                                            | <a href="#">Notification of Mortgage Insurance Modification Form</a>                                                                                                                                                            |                                                                                                         |
| Monthly Default Report                                                       | Automated Default Report (ADR): Preferred method. Contact <b>Customer Care</b> for setup, production, and submission guidance as you will need to establish technical connectivity before submitting your monthly Default data. | EDI or SFTP                                                                                             |
|                                                                              | <a href="#">Manual Default Report (MDR)</a>                                                                                                                                                                                     | Email to <a href="mailto:nodreport@radian.com">nodreport@radian.com</a>                                 |
| Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity | <a href="#">Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity Form</a> (or any format that provides the same information as this form)                                                               | Email to <a href="mailto:UQA.MailList@radian.com">UQA.MailList@radian.com</a>                           |
| Payment Deferral Plan                                                        | <a href="#">Payment Deferral Template</a>                                                                                                                                                                                       | Email to <a href="mailto:servicingreport@radian.com">servicingreport@radian.com</a>                     |
| Workout                                                                      | <a href="#">Workout Reporting Template</a>                                                                                                                                                                                      |                                                                                                         |

### 3.9 Request pre-Claim approval of a short sale or deed-in-lieu

Email the required information to [Customer Care](#).

|                          | Required Information                                                                                               |
|--------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>All requests</b>      | Your Loan number                                                                                                   |
|                          | Radian Certificate Number                                                                                          |
|                          | Borrower(s) last name                                                                                              |
|                          | Next Payment due date                                                                                              |
|                          | Unpaid Principal Balance (UPB)                                                                                     |
|                          | Estimated total Mortgage debt (UPB, past due interest, costs, Advances, etc.)                                      |
|                          | Property value, value date, and value type (Interior BPO, Appraisal, etc.)                                         |
|                          | Reason for Default, if known                                                                                       |
|                          | Any information pertinent to facilitate a decision (e.g. junior lien holder requiring payment to release its lien) |
|                          | Name and phone number of submitter                                                                                 |
|                          |                                                                                                                    |
| <b>Short sales only</b>  | Foreclosure sale date, if applicable, for redemption states                                                        |
|                          | Purchase amount                                                                                                    |
|                          | Estimated Net Proceeds                                                                                             |
|                          | Anticipated closing date, if known                                                                                 |
| <b>Deed-in-lieu only</b> | Property listing/price, if applicable                                                                              |

*Additional information or documentation beyond the criteria listed above may be required.*

### 3.10 Notice of intent to restore

Under Master Policy #RAF700, after receiving a notice of intent to deny a Claim where the principal cause of Default was due to Physical Damage, Servicers intending to restore a Property should direct correspondence to [disputeresolution@radian.com](mailto:disputeresolution@radian.com). Restoration of the Property must be completed within the timelines outlined in Master Policy #RAF700, section 31(c).

### 3.11 Initiate a Claim

Radian's Master Policies provide timelines for Claims to be filed. Claims can be filed via EDI or MI Online, but a Notice of Default must be submitted prior to the initial Claim filing.

#### A. EDI Submission

Once submitted, the Servicer will receive notification confirming receipt of the Claim filing. It does not confirm acceptance or approval of the Claim.

#### B. MI Online Submission

When completing a submission, refer to the *Claims Guide* in MI Online. Once submitted, a Claim cannot be amended without contacting Radian [Customer Care](#).

### 3.12 Check the status of Claims and Claim documents in MI Online

| Go to           | To view                                                                                           |
|-----------------|---------------------------------------------------------------------------------------------------|
| Claims Inquiry  | The Claim in the summary of your Claim submissions.                                               |
| Claims          | The Claim status.                                                                                 |
| Document Status | The outstanding document requests or the status of any documents that have already been provided. |

### 3.13 Perfect a Claim

To perfect a Claim, you must grant access to the Property, if necessary, and provide Claim-related documentation, using one of the methods described in the table below.

- For MI Applications submitted between October 1, 2014 and February 29, 2020, see Master Policy #RAF483, section 9.
- For MI Applications submitted March 1, 2020 or later, see Master Policy #RAF700, sections 64-71.

| Submission method | Do this:                                                                                                                                                                                                                         |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SFTP              | Initiate SFTP and reference the relevant Certificate number(s) in your file.                                                                                                                                                     |
| MI Online         | Refer to the <i>Upload Document Quick Reference</i> for instructions.                                                                                                                                                            |
| Email             | Send a secure email to: <a href="mailto:claimsdocumentrequest@radian.com">claimsdocumentrequest@radian.com</a> and reference the relevant Certificate number(s) in the subject line of your email as well as in each attachment. |

We will send a Claim perfection letter to you via email to confirm that we have received your information for perfecting the Claim.

### 3.14 Review an Explanation of Benefits (EOB) and/or Supplemental Explanation of Benefits (Supplemental EOB)

The EOB or Supplemental EOB will be available for review after the Claim has been settled.

Within the *EOB* tab of MI Online, you will have the ability to view and/or print the applicable documents.

### 3.15 File and/or check the status of a Claim appeal

| To file a Claim appeal                         |                          |                                                |                                                                                                                     |
|------------------------------------------------|--------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Type of appeal                                 | Submit within 90 days of | What to submit                                 | Where to submit                                                                                                     |
| Supplemental Claim                             | Original Claim payment   | MI Claim for loss and supporting documentation | <a href="#">MI Online</a>                                                                                           |
| Servicing Performance Review (SPR) curtailment |                          | Supporting documentation                       | <a href="mailto:disputeresolution@radian.com">disputeresolution@radian.com</a>                                      |
|                                                |                          |                                                | Initiate Supplemental Claim EDI                                                                                     |
| Rescission                                     | Rescission notice        | Appeal and supporting documentation            | <a href="mailto:disputeresolution@radian.com">disputeresolution@radian.com</a>                                      |
| Denial appeal: Policy Violation                | Denial notice            |                                                |                                                                                                                     |
| Denial appeal: Missing document                |                          | Necessary documents                            | <a href="mailto:claimsdocumentrequest@radian.com">claimsdocumentrequest@radian.com</a><br><a href="#">MI Online</a> |
| Cancellation                                   | Cancellation notice      | Appeal and supporting documentation            | <a href="mailto:disputeresolution@radian.com">disputeresolution@radian.com</a>                                      |

To inquire about the status or get any other information related to a specific Claim appeal, email [disputeresolution@radian.com](mailto:disputeresolution@radian.com) and include the appeal type and Radian Certificate number in the subject line.

## 4. MI origination

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Lenders can order MI on a delegated or non-delegated basis, but MI must be ordered no later than the end of the month in which the first Mortgage payment is scheduled.

### 4.1 Non-delegated MI Applications

- Lenders do the following:
  - Underwrite the Loan.
  - Submit the MI Application and the Loan Origination File to the Radian Service Center.
    - For the list of documents we require to perform our non-delegated review, see [Appendix B: Document requirements](#).
- Radian underwriters do the following:
  - Perform the MI eligibility underwriting.
  - Ensure that the Loan meets our Underwriting Guidelines.
  - Communicate decision back to lender.

### 4.2 Delegated Program Guide

- For delegated MI Applications, lenders are required to:
  - Underwrite the Loan.
  - Determine whether the Loan meets Radian's Underwriting Guidelines.
  - Submit the MI Application including Loan, Borrower, and Property information through MI Online.
  - Represent to Radian that the information is true and accurate.
  - Need not submit the Loan Origination File at the time of MI Application.
- For terms and conditions associated with participating in our delegated underwriting program:
  - For MI Applications dated between October 1, 2014 and February 29, 2020, refer to the Delegated Underwriting Endorsement #RAF484.
  - For MI Applications dated on or after March 1, 2020, refer to Master Policy #RAF700, sections 9–15.

### 4.3 MI Commitments



**For instructions on how to activate a Commitment, see [Activate MI Coverage and Premium remittance](#).**

When an MI Application has been underwritten to the eligibility requirements and Underwriting Guidelines, we issue a Commitment. To review the Underwriting Guidelines, see [Radian products and resources](#).

The Commitment states the quoted Premium, other terms and conditions that apply to the insurance coverage we are offering for the associated Loan, and reflects if the associated Loan was submitted through our delegated underwriting program.

## A. The Commitment term

- We issue Commitments for a term of 120 calendar days, unless the Loan qualifies for our Construction-to-Permanent 12-month Commitment term. Consult our *Underwriting Guidelines* (see [Radian products and resources](#)) for Commitment term details.
- You must activate insurance coverage before the Commitment expires.

You will have to order a new Commitment if the Loan closing extends beyond the Commitment expiration date.

## B. Post-Commitment data changes

A Loan must re-qualify for a Commitment if there are any changes prior to closing that are beyond the tolerance defined in our *Underwriting Guidelines*. This includes, but is not limited to, changes to information that may impact any of the following:

- The Loan's eligibility for MI,
- MI Premium rate, or
- The terms under which the Commitment was originally issued.

Subsequent qualification is based on current published *Underwriting Guidelines* at the time of re-qualification. It is not based on the *Underwriting Guidelines* published at the time of the original MI Application or Commitment.

A Commitment will be rendered null and void if changes to the Loan information produce an ineligible transaction.

MI Commitment changes may be completed in MI Online, or submitted to our [Customer Care](#) team and should include documentation to support the change(s) as applicable. There may be instances in which the change(s) requested cannot be accepted.

## C. Resubmission tolerance

Acceptable tolerances are detailed in the *Underwriting Guidelines* (see [Radian products and resources](#)). Refer to that document for specific limitations. In all cases, any changes to the Loan File must be documented on a revised Form 1003 that you submit before MI certification, which is when Radian activates a Certificate in reliance upon the Insured's satisfaction of all requirements in the Master Policy, *Underwriting Guidelines*, and Commitment.

## D. Insurance coverage activation

The requirements for activating MI coverage vary, depending on whether the chosen Premium payment option is non-deferred or deferred. The activation of coverage must be completed before the Borrower's first payment is due in order to create the Certificate of insurance. Once activated, the coverage becomes effective as of the Loan's closing date or such later date requested by or on behalf of the Initial Insured and approved by Radian, and in both cases as reflected in Radian's books and records.



**For instructions,** see [Activate MI Coverage and Premium remittance](#) in this Guide.

For more help with activating coverage, contact [Customer Care](#).

To activate non-deferred MI coverage, we must receive the Loan closing date and initial Premium. For Borrowers, the deferred payment option makes the initial phase of home ownership more affordable by postponing the payment of their first Premium until a later date.

To activate deferred coverage, you send us only a Loan closing date; we will issue an invoice for the first Premium payment a short time after that. Renewal billing begins as of the next billing cycle after we receive the Loan's closing date. We collect the deferred month's Premium after the MI is cancelled. The effective date of the MI is generally the Loan closing date, or such later date requested on behalf of the Initial Insured and approved by Radian, and in both cases as reflected in Radian's books and records.

## 5. Changes to Certificates

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Occasionally, changes to the terms of a Certificate are necessary. The submitter, originator, Insured, Servicer, Subservicer or Beneficiary per Radian's records, should email our [Customer Care](#) team and include documentation to support the change(s) if applicable. If the requestor is not the Servicer, we ask you notify the Servicer of the change(s). There may be instances in which the change(s) requested cannot be accepted.

### 5.1 Loan assumptions



**For instructions, see [Perform Certificate maintenance](#) in this Guide.**

A Loan assumption results in a change in both Property ownership and a change in the obligated mortgagor.

In a Loan assumption, the assuming Borrower accepts liability for paying the existing Mortgage and thus becomes the obligated mortgagor. The assumed LTV may not exceed the initial LTV at the time of certification.

There are two kinds of Loan assumptions:

- **Assumptions with release of liability**, in which the existing obligated mortgagor is released from liability.
- **Assumptions without release of liability**, in which the existing obligated mortgagor remains liable for repayment.

Radian's approval is required prior to completion of a Loan assumption. The following documentation must be provided as part of the assumption request:

- Fully executed Loan Application (1003) required, if applicable
- Recent credit report for assuming / remaining borrower(s)
- Satisfactory housing payment history to support assuming borrower's ability to repay
  - Current housing history 0x30 in last 12 months; and
  - Subject property loan must be current or must be brought current at closing
- AUS findings, if applicable
- Income documentation (e.g., most recent paystubs, W2s, or tax return)
- Purchase agreement, if applicable
- Asset documentation if funds are required (e.g., bank statements, 401k statements)
- Legal documentation, if applicable (e.g., divorce decree, death certificate)

Radian will review the assumption request against our current published [Eligibility Matrices and Underwriting Guidelines](#) and reserves the right to request additional documentation.

## 5.2 Modification programs



For instructions, see [Loan Reporting](#) in this Guide.

### A. Rate and Term modifications for performing non-GSE Loans

Performing non-GSE rate and term modifications that conform to the Eligibility Criteria as outlined under [Performing non-GSE rate and term modifications](#) are considered delegated and do not require Radian's approval, but you must complete and submit the [Notification of Mortgage Insurance Modification](#) to Radian.

### B. Loan modifications for GSE and non-GSE Loans

To review the Loan modification options available for GSE and non-GSE Loans, see the table in [GSE and non-GSE Loan modifications](#). Loan modifications that do not conform to a delegated program option require Radian's approval and must be submitted to our Customer Care team for consideration.

## 5.3 Loan sales/transfer of servicing



For instructions, see [Perform Certificate maintenance](#) in this Guide.

### A. Assignability of insurance

Radian insurance coverage may be assigned to a Radian-approved Servicer. A transfer of servicing to a non-Radian approved Servicer may put the MI coverage of that Loan at risk.

#### 1) Confirm or request our Servicer approval

To confirm or become a Radian-approved Servicer, contact our [Customer Care](#) team.

#### 2) Notifying Radian about Loan sales and servicing transfers

Please notify us within 30 days of a completed Loan sale or transfer of servicing.

### B. Endorsement of the Certificate

At your request, we provide an endorsement of the Certificate to the buyer of the Loan. The endorsement serves as proof of a Loan sale or to acknowledge the transfer of coverage (with or without a Loan sale). It also serves to document that coverage is in force on the assigned Loan.

In the case of a servicing transfer only, Radian issues an endorsement that stipulates an acknowledgment of Servicer change only.

## 5.4 Post-activation changes

There may be times after activation where it is necessary for a lender to request a change in terms of coverage, payment plan, or Loan characteristics. Any changes to Loan characteristics, including but not limited to Loan amount, closing date, appraised value, or LTV, should be reported immediately.

Certain changes may require further review and/or a request for supporting documentation to confirm eligibility and/or impact to pricing. We review all requests and communicate the decision to the requestor. It is Radian's sole discretion to approve post-activation change requests.

If a change results in a decrease in Premium, then any refund due will be issued to the Servicer or Subservicer, if applicable.

- If approved less than 180 days from the Certificate Effective Date and results in a refund due, the Servicer or Subservicer, if applicable, is eligible to receive a refund of any differential in Premium paid.
- If approved on or after 180 days of the Certificate Effective Date, the Servicer or Subservicer, as applicable, is eligible to receive a refund of only the two most recent months of any differential in Premium paid.

If a change results in an increase in Premium, then you may request to buy down the Premium back to the original rate:

| Payment Plan:     | Buydown Requests:                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Monthly or Annual | When applicable, Radian evaluates the difference in pricing between the current Premium and the disclosed Premium, the age of the Certificate, and the Loan amortization to determine the amount owed in order to buy down the Premium.<br>If approved and if it is necessary, you will receive a disclosure quote to buy down the Premium. This amount, if applicable, is due within 30 days of the disclosure issuance in order for the update to be made. |
| Single            | If approved and if it is necessary, any additional Premium due must be remitted to Radian before the change can be finalized.                                                                                                                                                                                                                                                                                                                                |

To request or report a post-activation change, contact our [Customer Care](#) team.

## 5.5 Changes to tax rate (where applicable)

### A. State Insurance Premium tax & surcharge

Taxes and surcharges are applicable to Certificates in Kentucky and West Virginia. Currently, West Virginia assesses a single state tax/surcharge, while Kentucky may assess taxes/surcharges at a state, municipality and/or county level. These taxes/surcharges apply to both initial and renewal Premiums. Rates are subject to change and may increase or decrease during the life of the MI Policy.

Commitments will contain the tax/surcharge in effect as of the date of the Commitment issuance. Radian provides details of the state, municipal and/or county rates being assessed on the Commitment/Certificate. It is the lender's responsibility to adjust the tax/surcharge for any increase or decrease imposed by state and local authorities prior to certification. For Commitments/Certificates impacted by a tax/surcharge rate change, lenders can obtain an updated Commitment/Certificate via MI Online, through their LOS (if integrated with Radian) or by contacting our [Customer Care](#) team.

| Location      | State tax/surcharge rate | Municipality and County tax/surcharge                                     | Change frequency                  |
|---------------|--------------------------|---------------------------------------------------------------------------|-----------------------------------|
| Kentucky      | 1.8%                     | Municipality and/or County rates may apply and vary by local authorities. | Annually during the month of July |
| West Virginia | 0.55%                    | Not applicable                                                            | Not applicable                    |

Please consult the Kentucky and West Virginia Department of Insurance for additional information.

### B. Existing Certificates with renewals

It is Radian's responsibility to collect taxes/surcharges and remit these fees to the state and local authorities. Radian's monthly invoice will contain the tax/surcharge rates in effect during the month the invoice was generated.

In the event of a post-activation change, referenced in [Post-activation changes](#), in which the Premium due is impacted, Radian will use the tax/surcharge in effect as of the change date to recalculate invoices. Should the tax/surcharge increase or decrease from the tax/surcharge in effect at activation, the post-activation change may result in additional funds due or a refund.

## 5.6 Partial release

Radian's approval for a partial release is required before any portion of the collateral securing the loan may be released. To submit a request, submit the completed [Partial Release Request Form](#) and the following required documents via email to [customer.help@radian.com](mailto:customer.help@radian.com).

- Copy of the original appraisal
- Current appraisal to document the following:
  - Value of collateral, including the parcel to be released
  - Value of the parcel to be released
  - Value of remaining collateral after parcel is released
- Survey of the subject property, notating the parcel to be released
- Mortgage payment history with current unpaid principal balance reflected
- Documentation providing the specifics of the partial release (e.g., eminent domain compensation terms, sales contract)

Upon approval, if a payment toward principal is required for partial release, evidence of the updated unpaid principal balance is required and must be submitted to Radian.

## 6. Rescission relief

Radian insured Loans are eligible for limitations on our right to rescind if they meet the criteria in the applicable Radian Master Policy.

- When assessing the rescission relief payment history requirements, for Loans that entered into a COVID-19 forbearance plan on or after March 1, 2020 through October 31, 2023, missed payments during forbearance are not counted towards or against the payment history test, and payments that were due during the forbearance plan, are excluded from consideration if the forbearance plan resulted in the Loan being brought current through a reinstatement, repayment plan, deferment, or Loan modification.
- Radian accepts the DU Validation Service calculation at the time of origination but does not extend Rescission Relief to include protection for the Borrower being employed at closing.
- Certificates with an Approve/Eligible response and a Collateral Underwriter® risk score of  $\leq 2.5$  may qualify for property valuation defect rescission relief subject to Fannie Mae's guidelines.

### 6.1 Confident Coverage®



**For instructions on how to opt in to Early Validation Confident Coverage, see: [Become a Radian customer](#)**

Radian's early rescission relief program, Confident Coverage, and the options available to our Lenders within this program depending upon the MI Application submission date are described below.

| Confident Coverage             |                                                                                                                                       |                                                                                                                  |                                                                                                                   |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| MI Application submission date | On or after March 1, 2020<br>#RAF700                                                                                                  |                                                                                                                  | October 1, 2014 to<br>February 29, 2020<br>#RAF483                                                                |
| Option                         | 12-month<br>Confident Coverage                                                                                                        | Early Validation<br>Confident Coverage                                                                           | 12-month<br>Confident Coverage                                                                                    |
| General description            | Rescission relief available after 12 months subject to our validation of the Origination File without submission of the Closing File. | Rescission relief available after our validation of the Origination and Closing Files.                           | Rescission relief available after 12 months, subject to our validation of the Loan Origination and Closing Files. |
| Payment history                | First 12 months' timely payments from Borrower's Own Funds. 12th month must be 0x30.                                                  | N/A                                                                                                              | First 12 months' timely payments from Borrower's Own Funds. 12th month must be 0x30.                              |
| Lender opt-in and performance  | No opt-in required. Lenders must maintain performance satisfactory to us in order to maintain eligibility to participate.             | Lenders must opt-in and maintain performance satisfactory to us in order to maintain eligibility to participate. |                                                                                                                   |

| Confident Coverage                                               |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                           |
|------------------------------------------------------------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Document requirements<br>(See Appendix B: Document requirements) | Delegated     | N/A – This option applies to non-delegated submissions only.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Loan Origination and Closing Files                                                                                                                                                                        |
|                                                                  | Non-delegated | We validate the Origination File submitted with the non-delegated MI Application.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | We validate the Loan Origination File submitted with the non-delegated MI Application. You must submit the Closing File to us for validation.                                                             |
| Submission requirements                                          |               | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Complete Loan Origination and Closing Files within 180 days of Loan closing. Incomplete Loan Origination and Closing Files will not be reviewed until all required documents are received.                |
| Missing documentation                                            |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | If all documentation has not been received by the 180th day, Loan will default to potential 36-month rescission relief as per the applicable Master Policy.                                               |
| Radian review                                                    | Delegated     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Re-underwrite of the Loan Origination and Closing Files to ensure Loan meets eligibility requirements and there is no evidence of misrepresentation discovered during the Independent Validation process. |
|                                                                  | Non-delegated |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Verification that Loan closed appropriately, and nothing has changed since we originally reviewed the Loan Origination File.                                                                              |
| Review timing                                                    |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | We will render a decision within 180 days of receiving complete Loan Origination and Closing Files.                                                                                                       |
| Early Validation Confident Coverage review outcome               |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                           |
| Confident Coverage Certified                                     |               | If a Loan qualifies for Early Validation Confident Coverage, the Commitment/Certificate will include a condition stating that the Loan is Confident Coverage certified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                           |
| Proposed resolution                                              |               | If a Loan characteristic that affects MI pricing (FICO, Loan limit, occupancy, etc.) has changed from the original submission, but the Loan still meets Radian eligibility requirements and is insurable, we will maintain coverage and bill for the owed Premium difference. Premium due must be paid within 60 days to maintain MI coverage and to certify the Loan for early validation of Confident Coverage.                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                           |
| Detailed findings/rescission                                     |               | If we discover material issues that could have altered our decision to insure a Loan, we will provide detailed findings and allow 30 days for cure where we determine the issues are curable. If the issues noted are incurable, we may issue a rescission of coverage on the respective Certificate.                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                           |
| Radian's QC Review                                               |               | Radian conducts random and discretionary Independent Valuation to ensure Loan quality regardless of whether the lender has opted into the Early Validation Confident Coverage option. The Quality Control (QC) team re-underwrites the Loan Origination and/or Closing Files to ensure the Loan meets eligibility requirements, was closed as presented and there is no evidence of misrepresentation discovered during the Independent Validation process. If there are no material issues, the Loan is certified for Early Validation Confident Coverage. If we discover material issues that cannot be cured, we may issue a rescission of coverage on the respective Certificate. |                                                                                                                                                                                                           |

## 7. Reinstatement of insurance coverage

We trust that our clients routinely follow all of the procedures that are necessary to properly manage the status of Commitments and Certificates. We understand that on rare occasions a Commitment may expire or a Commitment or Certificate may be unintentionally cancelled. Contact [Customer Care](#) to submit a reinstatement request. Upon receipt of a request, we will then consider reinstatement of a Commitment or Certificate as per the requirements outlined in the Reinstatement Eligibility table below.



**For instructions, see [Request a reinstatement of coverage](#) in this Guide.**

| Reinstatement Eligibility |                                                                                                                                                                                        |                                                                                                                                              |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Request Type              | Requirements                                                                                                                                                                           |                                                                                                                                              |
| All                       | Automated payment history through the current month (if payment history is less than 12 months) OR the last 12 months reflecting all payments have been received within the month due* |                                                                                                                                              |
|                           | Written statement confirming that no other MI company has insured the Loan                                                                                                             |                                                                                                                                              |
| Commitments               | Expired                                                                                                                                                                                | Confirmation the closing date occurred prior to the Commitment expiration date (i.e. Closing Disclosure)                                     |
|                           |                                                                                                                                                                                        | Radian is notified within 180 days of the closing date                                                                                       |
|                           |                                                                                                                                                                                        | All Certificates previously issued in the name of the Borrower are in good standing                                                          |
|                           | Cancelled                                                                                                                                                                              | Expiration date of the original Commitment is still valid                                                                                    |
| Certificates              | Non-payment                                                                                                                                                                            | All Certificates previously issued in the name of the Borrower are in good standing                                                          |
|                           |                                                                                                                                                                                        | For monthly renewal plans, the request with monthly Premium due must be received within 180 days of the cancellation coverage effective date |
|                           |                                                                                                                                                                                        | For annual renewal plans, the request with annual Premium due must be received within 365 days of the cancellation coverage effective date   |
|                           | Servicing transfer error                                                                                                                                                               | Request must be received within 60 days of the date on which coverage was cancelled                                                          |
|                           |                                                                                                                                                                                        | The servicing transfer date must be provided                                                                                                 |
|                           |                                                                                                                                                                                        | Written attestation that the reinstatement request was due to a servicing transfer error                                                     |

\* Radian reserves the right to request an automated payment history up to and including 36 months.

## 8. Renewal Premium billing and payment



For instructions, see [Activate MI coverage and Premium remittance](#) in this Guide.

### 8.1 Radian's billing methods

The following table presents the standard range of options we offer for paying your renewal Premiums. The questions in the left hand column help to compare the various plans.

Summary of plan types & features

| Pay Plan                                          | Monthly                                                                                          |                                                                     |                                                                                                                                                                                   |                                                                                                                                                                                   | Annual                                                                                           |                                                              | Single                                                                            |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Renewal Type                                      | Constant                                                                                         | Declining                                                           | Constant w/upfront                                                                                                                                                                | Declining w/upfront                                                                                                                                                               | Constant                                                                                         | Declining                                                    | N/A                                                                               |
| 1. Does Premium decline? If so, at what interval? | N/A                                                                                              | Yes, annually, on anniversary of Certificate Effective Date.        | N/A                                                                                                                                                                               | Yes, annually, on anniversary of Certificate Effective Date.                                                                                                                      | N/A                                                                                              | Yes, annually, on anniversary of Certificate Effective Date. | N/A                                                                               |
| 2. What is the billing frequency?                 | Monthly                                                                                          | Monthly                                                             | Monthly<br>Deferred – You pay the upfront Premium* to activate coverage.<br>Non-deferred – You pay the upfront Premium* and initial monthly Premium payment to activate coverage. | Monthly<br>Deferred – You pay the upfront Premium* to activate coverage.<br>Non-deferred – You pay the upfront Premium* and initial monthly Premium payment to activate coverage. | Annually, on the anniversary of Certificate Effective Date.                                      | Annually, on the anniversary of Certificate Effective Date.  | N/A<br>You pay the upfront Premium quoted in the Commitment to activate coverage. |
| 3. How long does the rate apply?                  | Years 1–10.<br>On 11th anniversary, steps down, then stays at that rate through Certificate end. | The rate remains the same through life of the Certificate.          | Years 1–10.<br>On 11th anniversary, steps down, then stays at that rate through Certificate end.                                                                                  | The rate remains the same through life of the Certificate.                                                                                                                        | Years 1–10.<br>On 11th anniversary, steps down, then stays at that rate through Certificate end. | The rate remains the same through life of the Certificate.   | The rate is applied only once.                                                    |
| 4. How is the Premium calculated?                 | Initial Loan amount x rate ÷ 12 months                                                           | UPB at anniversary of Certificate Effective Date x rate ÷ 12 months | Initial Loan amount x rate ÷ 12 months                                                                                                                                            | UPB at anniversary of Certificate Effective Date x rate ÷ 12 months                                                                                                               | Initial Loan amount x rate                                                                       | UPB at anniversary of Certificate date x rate                | N/A                                                                               |

## Summary of plan types & features (cont'd)

| Pay Plan                            | Monthly  |           |                                                             |                                                             | Annual   |           | Single |
|-------------------------------------|----------|-----------|-------------------------------------------------------------|-------------------------------------------------------------|----------|-----------|--------|
| Renewal Type                        | Constant | Declining | Constant w/upfront                                          | Declining w/upfront                                         | Constant | Declining | N/A    |
| 5. Is there a Lender-Paid option?   | Yes      | Yes       | No                                                          | No                                                          | Yes      | Yes       | Yes    |
| 6. Is there a Borrower-Paid option? | Yes      | Yes       | Yes                                                         | Yes                                                         | Yes      | Yes       | Yes    |
| 7. Is there a deferred option?      | Yes      | Yes       | Yes – Only the initial monthly Premium payment is deferred. | Yes – Only the initial monthly Premium payment is deferred. | No       | No        | No     |

\* Upfront Premium is a Premium requirement that is part of Radian's Borrower-Paid Customized SplitEdge® product. It is a single Premium used to buy down the cost of the MI Premium paid monthly.

## 8.2 The monthly deferred Premium

The first month's Premium is not due upon activation. Instead, we postpone your payment of the Premium for the first month and collect it at the end of the life of the Certificate or deduct it from the Claim payment.

## 8.3 Tips for ensuring a more accurate MI bill

By applying the following tips, you can exert a degree of control over how accurately your bill reflects the current state of your MI responsibility.

- 
- Tip 1** Send us your Premium payment (including Premium tax, if levied in the Property state) and remittance file as soon as possible after receipt of your renewal bill, but no later than five Business Days before month-end.
- Tip 2** Ensure that the dollar amount of the payment you remit equals the exact total dollar amount due as reflected in the remittance file.
- Tip 3** Pay your bill via E-Bill.
- Tip 4** In your remittance, for each Certificate covered by your payment, include
- the current Loan balance, with forbearance;
  - the total Premium due, with tax; and
  - the Certificate number.
- 

## 8.4 Billing exceptions

To assist in identifying exceptions, we can perform a portfolio reconciliation in which we compare your data and ours for all in force Certificates. To report any billing exceptions or to request a portfolio reconciliation, contact our Customer Care team or your Radian representative.

Please note that it remains your responsibility to remit Premium for all Radian insured Loans in your servicing portfolio, whether or not a Certificate is listed on your renewal bill. MI coverage will be canceled if we do not receive the Premium due within the grace period.

## A. Key ways to avoid billing exceptions

Ensure that the total dollar amount of your payment matches the Premium due as reflected on your monthly remittance file. If these two amounts do not match, a billing exception may occur.

To avoid the Premium due for the prior month appearing on the current month's bill, be sure to send your payment and remittance files no later than five Business Days before the end of the month. This will ensure Premium payments are posted prior to the next month's billing cycle.

## B. Handling of service transfers and cancellations

To ensure accurate billing for all Certificates in your servicing portfolio, we recommend completing all Certificate changes prior to the start of a new month. By doing so, Certificates transferred in will be reflected on your next month's bill. Certificates transferred out or cancelled would not appear on your next month's bill.

## 8.5 Methods for paying renewal Premiums

| Summary of billing methods                                |                                                           |                                              |                                              |
|-----------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| Billing Method                                            | E-Bill                                                    | EDI                                          | Excel bill electronically delivered          |
| When do you receive your bill?                            | 1st Business Day of each month                            | In most cases, within 1st week of each month | In most cases, within 1st week of each month |
| How do you receive your bill?                             | Email notification directs you to E-Bill tab of MI Online | EDI                                          | Email via Radian's Secure Sender             |
| What billing contact information must you give to Radian? | An E-Bill contact name and email address                  | Contact <a href="#">Customer Care</a>        | Your email address                           |
| Do you need an MI Online account?                         | Yes                                                       | No                                           |                                              |

- Radian uses E-Bill as the default billing method if you do not specify a preference for EDI or Excel.
- All bills are sent to the Servicer and include all current renewal monthly Premiums plus past due Premiums.
- You can remit Premium to Radian via Automated Clearing House (ACH), wire, or check. If paying by check, please use the following P.O. Box for regular mail delivery:  
Radian Guaranty Inc.  
Attn: Premium Processing  
P.O. Box 713225  
Philadelphia, PA 19171-3225
- Contact [Customer Care](#) if you wish to change anything pertaining to your billing method.

## 8.6 Methods for remittance file delivery

| Billing, payment and remittance file combinations |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                            |                                                                                                                                                                        |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Billing options                                   | E-Bill                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | EDI bill                                                                                                                                                   | Excel bill                                                                                                                                                             |
| EDI remittance file                               | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ol style="list-style-type: none"> <li>1. Transfer funds via wire, or mail check to Radian Lockbox.</li> <li>2. Submit remittance file via EDI.</li> </ol> | N/A                                                                                                                                                                    |
| EXCEL remittance file                             | <ol style="list-style-type: none"> <li>1. Transfer funds via wire, or mail check to Radian Lockbox. <ul style="list-style-type: none"> <li>◦ Use the following P.O. box for regular mail delivery:<br/>Radian Guaranty Inc.<br/>Attn: Premium Processing<br/>P.O. Box 713225<br/>Philadelphia, PA 19171-3225</li> <li>◦ Use the following address for overnight delivery:<br/>Lockbox Services #823225<br/>Radian Guaranty Inc.<br/>2005 Market Street, 5th Floor<br/>Philadelphia, PA 19103-7042</li> </ul> </li> <li>2. Download E-Bill data into Excel.</li> <li>3. Send Excel file to Radian via secure email or submit via MI Online.</li> </ol> | N/A                                                                                                                                                        | <ol style="list-style-type: none"> <li>1. Transfer funds via wire, or mail check to Radian Lockbox.</li> <li>2. Send Excel file to Radian via secure email.</li> </ol> |
| MAIL remittance file                              | <ol style="list-style-type: none"> <li>1. Print .pdf version of E-Bill.</li> <li>2. Attach check to printed E-Bill.</li> <li>3. Mail to Radian Lockbox.</li> </ol> <p>If required, indicate new and/or changed data by neatly marking up printed E-Bill; mail with adjusted payment to our Lockbox.</p>                                                                                                                                                                                                                                                                                                                                               | N/A                                                                                                                                                        | N/A                                                                                                                                                                    |

## 8.7 Monthly renewal cycle timing & cancellation risk

Continuation of coverage depends on regular payment of renewal Premiums.

| Failure to pay a renewal Premium for: | Results in this outcome:           |
|---------------------------------------|------------------------------------|
| Two consecutive cycles                | Lapsed coverage on the Certificate |
| Three consecutive cycles              | Cancelled coverage                 |

## 8.8 Short payments and overpayments

We have a standard response to discrepancies between the monthly Premium amounts you owe and actually pay, as the following table explains.

Payment from Premium remitter or trustee (not the Servicer):

- We must receive authorization and indemnification from the Servicer to deal directly with the trustee or Premium remitter.
- Contact [Customer Care](#) to make the necessary arrangements.

### Handling short payments & overpayments

| If your Premium payment is:     | Radian's response is as follows:                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LESS</b> than the amount due | We do not apply the payment.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                 | We put the full amount into an unapplied state called <i>Held Premium</i> .                                                                                                                                                                                                                                                                                                                                                                                                |
|                                 | The account is considered past due; you must pay the remaining balance owed to advance coverage.                                                                                                                                                                                                                                                                                                                                                                           |
|                                 | When you send your next payment, we use the aggregate of the total Premium remitted to pay the oldest open billing record.                                                                                                                                                                                                                                                                                                                                                 |
|                                 | Any remainder stays in <i>Held Premium</i> .                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                 | <b>If the remainder of your payment is</b> <ul style="list-style-type: none"> <li>• Sufficient to pay a full month's Premium, we apply it to the next open billing record.</li> <li>• Not sufficient to pay a full month's Premium, the cycle restarts: We put the remainder into <i>Held Premium</i> and the account is again past due.</li> </ul>                                                                                                                        |
| <b>MORE</b> than the amount due | We extract the current amount due from the payment and apply it.                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                 | <b>If the remainder of your payment is</b> <ul style="list-style-type: none"> <li>• Sufficient to cover a full month's Premium, we advance coverage to the next open billing record.</li> <li>• Not sufficient to cover a full month's Premium, AND YOUR CERTIFICATE IS CURRENT, we refund the excess payment.</li> <li>• Not sufficient to cover a full month's Premium, BUT YOUR CERTIFICATE IS PAST DUE, we put the excess payment into <i>Held Premium</i>.</li> </ul> |
|                                 | We will advance up to a maximum of one month of coverage.                                                                                                                                                                                                                                                                                                                                                                                                                  |

## 8.9 Renewal Premiums after a Loan sale or servicing transfer

We send the renewal Premium notices for active Certificates to the Servicer indicated on the Loan sale or servicing transfer notice. If the renewal Premium payment is past due when we receive notice, the bill will indicate the total amount of Premium owed.

## 8.10 Termination of coverage for non-payment

### A. Failure to remit Premium within the grace period

Failure to remit the Premium due within the applicable grace periods may result in cancellation of coverage. For Servicers that have agreed to receive notices electronically, we send each cancellation notice to the Servicer via electronic delivery. Otherwise, we send each cancellation notice to the Servicer via regular mail.

### B. Non-payment as a result of a service transfer

If a Certificate is unintentionally cancelled for non-payment as a result of a service transfer, and if the Servicer provides proof to Radian of this condition, we may allow the Servicer a grace period of 60 days from the cancellation effective date to remit all of the back Premium owed to us. To restore payment for coverage to a current state, the amount paid must include all Premiums due while the Certificate was cancelled.

If this is the case, contact [Customer Care](#) to learn what proof you must provide to reinstate coverage. After you provide the necessary documentation, we send you a memo bill that includes instructions on where to remit the Premium due.

## 8.11 Lapsed coverage notifications

To maintain coverage, you must remit renewal monthly Premiums within 30 days of the expiration of the coverage period or your coverage will lapse. If we do not receive the full Premium payment within 60 days, we issue a Notification of Lapsed Coverage to the Servicer. Unless otherwise instructed, we send notices via regular mail. To maintain coverage, Premiums must be received within the grace period referenced on the Notification of Lapsed Coverage.

## 8.12 Payment file discrepancies

To ensure accuracy on the next month's bill, payment file discrepancies must be resolved within 15 days from the date the payment file is received.

## 8.13 Premium forgiveness vs. Premium forbearance

The following table outlines differences between Premium forgiveness and Premium forbearance.

| Type               | UPB                                              | Servicer Responsibility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Forbearance</b> | Temporarily reduced (postponed until later date) | <ul style="list-style-type: none"><li>Remittance file must stipulate gross UPB, including forbearance amount, for each Loan that has received forbearance or report net UPB and forbearance values if unable to provide gross UPB.</li><li>Pay full Premium due on gross UPB, including forbearance amount, subject to coverage terms outlined in <a href="#">Loan modifications</a>.</li></ul>                                                                                                                                                     |
| <b>Forgiveness</b> | Permanently reduced as forgiveness is earned     | <ul style="list-style-type: none"><li>Remittance file must stipulate net UPB (original UPB after subtracting the forgiven amount) provided Certificate continues in good standing to the end of its life.</li><li>If a Claim is submitted and settled, Premium is due on forgiven part of original UPB from Loan modification effective date to Certificate's paid to date. The Claim payment will be reduced by the amount of Premium owed on the cumulative forgiven principal and will be itemized on the EOB and/or Supplemental EOB.</li></ul> |

Refer to [Radian's billing methods](#) for additional information on Premium payments.

## 9. Renewal Premium refunds

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All refunds will be remitted to the Servicer via check unless otherwise directed by the Servicer to issue to another participating institution such as the Investor or Master Servicer.

To enhance the ease of doing business with Radian, we offer the option of issuing Premium refunds via aggregate wire transfer. To be set up to receive aggregate refunds via wire, contact [Customer Care](#).

### 9.1 Refunds of duplicate single Premium payments

Typically, if two different Servicers send us single Premium payments for the same Certificate, the payments' arrival dates and/or times determine how we respond. Our practice is as follows:

- We keep and apply the payment that arrives first.
- We refund the payment that arrives later. That payment, time stamped after the first payment, is considered a duplicate. We refund the duplicate payment to the entity that remitted it.

### 9.2 Refunds after cancellation

After we cancel MI in response to your request, we generate a cancellation refund; going forward from that point, and if applicable, we refund all subsequent Premium remittances.

We collect the deferred month (if applicable), renewal Premium and Premium tax/assessment at time of cancellation. Cancellation of a Certificate can result from non-payment of Premium, a Loan paying in full, your instruction to cancel coverage, submission of a Claim that we settle (or deny), or other action by Radian or the Insured under the Master Policy. The Servicer is responsible for all outstanding Premiums and will be billed for any amounts due.

If, at the time of the Claim, you have not paid the deferred Premium, renewal Premium and/or Premium tax/assessment, all such amounts (or the appropriate combination) will be netted from the Claim payment.

If you submit a cancellation request in error, you may request reinstatement of coverage. You, the Servicer, are required to return all refunded Premium payments to Radian.

### 9.3 Refundable payment plans

**Annual payment plans:** Refunds are calculated based on our *Short Rate Cancellation Schedule: Refund Schedule – Annual Premium Plans*.

**Monthly payment plans:** When we receive a notice of cancellation for a Certificate with refundable rates, a 30-day calendar month is used for the prorated calculation.

**Single and the upfront portion of CustomIze SplitEdge® payment plans:** Refunds are calculated based on the 3-year refund schedule located on our *Refund Schedule – Single and CustomIze SplitEdge® Upfront Premiums*.

### 9.4 Non-refundable payment plans

For Borrower-Paid (BPML), we will issue a refund of unearned Premium (if applicable) if the cancellation meets LTV ratio, occupancy, Property, payment history, and any other requirements of the Homeowners Protection Act of 1998 (HPA). Servicers must indicate the cancellation reason when submitting the cancellation request.

**Annual payment plans:** Unearned Premiums for these plans may be refundable when BPMI coverage is cancelled under HPA. Our calculation utilizes our *Short Rate Cancellation Schedule: Refund Schedule – Annual Premium Plans*.

**Monthly payment plans:** In some cases, a Premium may still be due when we receive a request for cancellation of coverage on a Loan insured by our monthly non-refundable plan. The Servicer is responsible for any outstanding Premiums plus the Premium for the month in which the payoff/waiver occurs. We will bill the Servicer for outstanding payments.

**Single and upfront portion of CustomIze SplitEdge® payment plans:** Unearned Premiums can be refunded only when BPMI coverage is cancelled under the HPA. Refunds will be calculated using the *Refund Schedule – Single and CustomIze SplitEdge® Upfront Premiums*.

Our *Short Rate Cancellation Schedule: Refund Schedule – Annual Premium Plans* and *Refund Schedule – Single and CustomIze SplitEdge® Upfront Premiums* are provided in [Appendix A](#).

| Refund Summary                                     |                |                                                                                                          |                                                                                                                                                         |
|----------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Borrower-Paid Premium plans                        |                | Non-HPA                                                                                                  | HPA*                                                                                                                                                    |
| Monthly                                            | Refundable     | Pro-rated                                                                                                | Pro-rated                                                                                                                                               |
|                                                    | Non-refundable | N/A                                                                                                      |                                                                                                                                                         |
| Annual                                             | Refundable     | Short Rate Cancellation Schedule – Annual Premium Plans                                                  | Short Rate Cancellation Schedule – Annual Premium Plans                                                                                                 |
|                                                    | Non-refundable | N/A                                                                                                      |                                                                                                                                                         |
| Single and upfront portion of CustomIze SplitEdge® | Refundable     | 3-year refund schedule located on the Refund Schedule – Single and CustomIze SplitEdge® Upfront Premiums | Based on the original LTV and Loan term, use the corresponding column located on the Refund Schedule – Single and CustomIze SplitEdge® Upfront Premiums |
|                                                    | Non-refundable | N/A                                                                                                      |                                                                                                                                                         |

\* Refund calculations for HPA cancellations are not affected by the refundable/non-refundable option of a plan.

## 9.5 Refund of Premium paid after date of Default

Following is an outline of the sequence of events that may occur after a Borrower Defaults on a Loan:

- You submit a Notice of Default to us that includes the date of Default.
- We do not automatically cancel coverage if a Loan is removed from a pool.
- We continue to bill you for the Premium after the date of Default to ensure that you maintain coverage.
- Possible outcomes after a Default include the following:
  - The Default cures.
    - **If you continued paying the Premium after the Default, then:**
      - The coverage remains in active status.
    - **If you stopped paying the Premium after the Default, then:**
      - To retain coverage after the cure, we give you a 60-day grace period in which to bring Premium payments current.
      - You must pay all of the accrued unpaid Premium within the 60-day grace period.
      - The accrued unpaid Premium equals the total Premium (including renewal Premium) due through the current date.

- The Default results in a Claim and a Claim payment.
  - Items that are deducted from the Calculated Loss/Claim Amount include, but are not limited to:
    - Any accrued unpaid Premium due as of the date of Default.
    - Taxes, as applicable, by state.
    - First month's deferred Premium, if applicable.
    - Premium due on principal forgiveness.
  - Deductions are itemized in the EOB or Supplemental EOB we send to you.

#### A. Refunds after a Perfected Claim is submitted and settled

After settlement of any Perfected Claim submitted, we will refund Premium paid for the associated Loan, if any, after the date of Default. Refunds of Premium paid after date of Default will be remitted separately from the Claim payment. Refunds of BPMI Premium plans will be remitted to the Government Sponsored Enterprise (GSE) Beneficiary, and if none, to the Servicer. Refunds of Lender-Paid (LPMI) Premium plans will be remitted to the Servicer.

If a Claim is denied, and contingent upon the denial reason, Premium received after the date of Policy non-compliance may be refunded. For additional details on refund scenarios, please reference the chart on [page 29](#).

| MI Product    | GSE Beneficiary (Y/N) | Refund Recipient |
|---------------|-----------------------|------------------|
| Borrower-Paid | No                    | Servicer         |
| Borrower-Paid | Yes                   | GSE              |
| Lender-Paid   | No                    | Servicer         |
| Lender-Paid   | Yes                   | Servicer         |

## 10. Coverage cancellation

---

When a Loan has been paid off or the LTV ratio has decreased to a point where insurance is no longer required, you may instruct us to cancel the MI coverage.

You can use any of the following methods to submit a cancellation request:

- EDI
- MI Online
- Email
- Regular mail



**For instructions,** see [Perform Certificate Maintenance](#), in this Guide.

### 10.1 Requesting a cancellation

To expedite the process of cancelling MI coverage, send all cancellation requests to Radian upon the associated event. MI coverage may be cancelled for reasons such as Loan payoff, MI coverage is no longer required per the Servicer, another MI provider was used, the Loan terms changed and MI coverage is no longer required, or the Loan reaches or is scheduled to reach, as applicable, an acceptable LTV ratio and meets all other requirements of the HPA, including that the Borrower is current on Mortgage payments.

Radian's obligations under the HPA begin when the lender or designated Servicer contacts the insurer to cancel BPML on an associated Loan qualifying for coverage under the HPA.

Once a Loan meets all HPA requirements, the lender can no longer require the Borrower to pay for MI Premiums. The lender or designated Servicer is responsible for verifying HPA qualifications and instructing Radian to cancel coverage.

Refunds, when applicable, are calculated using the cancellation effective date. Cancellation requests received within two months of the Loan payoff date or the cancellation date will be processed using the requested cancellation effective date. For those cancellation requests received more than two months after the Loan payoff date or cancellation date, Radian will use a cancellation effective date of two months from the date the cancellation request is submitted to calculate the applicable Premium refund due.

Contact our [Customer Care](#) team if you need assistance with a cancellation.

## 11. Radian reports



**For instructions,** see the table information for [Loan Reporting](#) in this Guide.

We look for four primary types of reports from our customers:

- The monthly Servicing Report (officially called the Mortgage Insurance Loan Activity Report, or MILAR)
- The Loan modification report (reporting Loan modifications, forbearance plans, payment plans)
- The Monthly Default Report
- Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity

### 11.1 Deadlines for submitting reports to Radian

| Type of report                                                               | Report deadline                                                                                                                                                  |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Servicing Report (MILAR)                                                     | On or before the 25th Business Day of each month                                                                                                                 |
| Loan modification report                                                     | (Recommended) Mid-month to month end                                                                                                                             |
| Monthly Default Report                                                       | On or before the 25th Business Day of each month                                                                                                                 |
| Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity | Within 30 days of discovery of a Significant Defect, Single Loan Fraud, Pattern Activity, or receipt of a repurchase demand or request for a Radian insured Loan |

### 11.2 Servicing Reports

Pursuant to applicable Master Policy, #RAF483, section 5.1 or #RAF700, section 47, you are required to submit a monthly Servicer report to Radian that contains information on all active Loans. This provision can be satisfied by delivering the MILAR, which was developed by a group of MI companies to ensure consistency in the report template and data definitions.

This report includes all in force Loans insured by Radian and contains data for both performing and non-performing Loans. For more information about the MILAR, contact our [Customer Care](#) team.

### 11.3 Loan modification reports

In October 2011, Radian and an MI industry trade group adopted a new standardized template for Servicers to report Loan Workouts.

Workout types include forbearance, trial modification forbearance, payment plan, Loan modification, short sale, and deed-in-lieu of foreclosure.

### 11.4 Monthly Default Report

In addition to submitting your monthly Servicing Report, you are required to submit a report each month that details your Default(s). Default reporting requirements are as follows:

- **Notice of Default**
  - Required if a Borrower fails to make two consecutive Loan Payments
  - Must be provided prior to the due date of the next scheduled Loan Payment
  - Failure to notify Radian for 12 or more months after the deadline to provide us with a Notice of Default may result in a cancellation of MI coverage on the Loan.

- **Monthly Default Report**

After the deadline for providing the Notice of Default, we require you to do one of the following:

- Provide monthly updates on the status of the Loan and efforts to remedy the Default, OR
- Pursue Appropriate Proceedings through the month after any of the following events occurs:
  - The Borrower resumes making Loan Payments and no Loan Payment is Delinquent by 30 days or more.
  - A Claim is submitted.
  - The Loan is paid in full.
  - The servicing is transferred.
  - The Borrower completes the modification trial period and brings the Loan current.
  - Applicable bankruptcy or foreclosure proceedings are concluded.
  - The Claim is paid.
  - A charge-off occurs.

## 11.5 Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity

Pursuant to the applicable Master Policy, #RAF483 section 16.2 and #RAF700 sections 15(d) and 47, you are required to notify Radian within 30 days of discovery if any of the following are identified or received:

- Any misstatement, misrepresentation, omission, or data inaccuracy in connection with the origination or closing of a Loan or Application that is in any respect material to our acceptance of the risk or the hazard assumed under our Underwriting Guidelines in effect on the Application date including, without limitation, any Significant Defect(s) as defined under Master Policy #RAF700.
- Any knowing misstatement, misrepresentation, or omission in connection with the origination or closing of a Loan or Application that was intended to defraud any party to the transaction or fraudulently obtain, among other things, any insurance, money, or other property, including, without limitation, any Single Loan Fraud as defined under Master Policy #RAF700.
- Pattern Activity as defined under the applicable Master Policy, #RAF483 or #RAF700.
- Repurchase demands or requests (GSE or any other investor).

Failure to notify Radian may result in cancellation or rescission of coverage. Should a Claim on any such Loan be submitted, Radian may deny the Claim.

## 12. Servicing Standards

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Radian MI is issued under the terms and conditions of the applicable Master Policy requiring those responsible for servicing Loans adhere to the highest standard of servicing performance. The following guidance is intended to ensure that Radian's servicing performance expectations are met.

### 12.1 Highest standard of servicing performance

Radian defines the term “highest standard of servicing performance” as:

- Utilize industry best practices. Implement and maintain proven processes and procedures used to minimize losses and maximize opportunities for Borrowers to retain their homes.
- Adhere to applicable requirements of the Federal Housing Finance Authority's Servicing Alignment Initiative, as they become effective.
- Adhere to all rules and regulations specific to Loan servicing imposed by the Consumer Financial Protection Bureau (CFPB).

Implied and expressed within, is the Servicer obligation to:

- Comply with the terms and requirements of the applicable Purchase and Sale, Master Servicer, Servicer or Subservicer contracts under which Loan servicing is performed; and
- Comply with all settlements and agreements between the Servicer and any federal or state Attorney General.

Radian's servicing performance expectations align with requirements published by the GSEs Fannie Mae and Freddie Mac and with other related government mandates including adequate controls for the documentation, maintenance and quality of its Mortgage payment records.

In the event Fannie Mae/Freddie Mac requirements differ, applicable GSE guidelines apply. Loans not purchased or securitized by either Fannie Mae or Freddie Mac, may follow the requirements of either GSE, so long as they are consistently followed. GSE published servicing policy is readily available and is incorporated herein by reference without duplicating information. However GSE policy highlights are provided for subject matter reference.

### 12.2 Servicer's basic duties and responsibilities

It is Radian's expectation that all Servicers, with respect to insured Loans, will:

- Employ properly trained and knowledgeable staff.
- Fully document current servicing policies and procedures.
- Establish and maintain adequate internal audit and management control systems to ensure that Loans are serviced in accordance with established procedures and with sound mortgage banking and accounting principles.
- Establish and maintain adequate controls for the documentation, maintenance, and quality of the Mortgage payment record.
- Establish and maintain policies and procedures to guard against dishonest, fraudulent, or negligent acts.
- Establish and maintain policies, procedures and insurance coverage to guard against errors and omissions by officers, employees, or others.
- Adhere to the legal requirements of each jurisdiction in which it operates.
- Use prudent professional judgment in the performance of servicing duties.
- Perform all professional functions and take all necessary steps to protect the collateral securing the Loan insured by Radian.
- Implement and maintain a viable business continuity and disaster plan.

## 13. Default servicing requirements

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Efficient, conscientious servicing of a Delinquent or Defaulted Loan can minimize the potential loss.

The applicable Master Policy and GSE guidelines define the controls, procedures, and timelines related to Default servicing. They are the primary sources of the information in this Guide.

### 13.1 Collection procedures

At a minimum, your efforts must align with practices detailed by the GSE servicing guides and the CFPB.

### 13.2 Bankruptcy proceedings

You must inform us if you learn that a Borrower has filed for bankruptcy protection on a Radian-insured Loan, even if that Loan is paid current. You must take all necessary steps to protect the interests of the Insured and continue to do so throughout the course of the bankruptcy proceedings.

#### A. Bankruptcy management process

You must have GSE-compliant procedures in place to manage bankruptcies in a timely and appropriate manner.

### 13.3 Foreclosure proceedings/Appropriate Proceedings

You are required to initiate foreclosure proceedings if Loan retention or other liquidation Workout options are not appropriate. We require that you initiate foreclosure proceedings within 30 days after a Loan has been in Default for six consecutive months, unless you are prevented from doing so by Applicable Law.

If you fail to commence Appropriate Proceedings in a timely manner, we may reduce or deny your Claim or cancel coverage.

#### A. Radian's foreclosure expectations

##### 1) Prompt communication with Radian

We expect you to pursue Appropriate Proceedings as outlined by state law and GSE guidelines. If the Borrower contests the foreclosure or files suit, notify us in your regular Default report as described in [Loan Reporting](#) / [Monthly Default Report](#).

We also expect that you will

- Consult the GSE servicing guides and associated bulletin updates regarding the allowable time frames for completing foreclosure, and
- Maintain a sustained and reasonable effort to complete the foreclosure according to state requirements, and
- Notify us of any extenuating circumstances beyond the control of the Insured or Servicer that prevent completion of a foreclosure action within the required time frame.

##### 2) Documented mitigation efforts

It is important to consider foreclosure alternatives throughout the entire process. If appropriate, we will authorize postponement or cancellation of foreclosure sales to mitigate losses. We are flexible in our time frames for completing foreclosure proceedings, provided the Insured/Servicer does the following:

- Complies with the Fannie Mae Compensatory Fees Allowable Delays, [Allowable Time Frames for Completing Foreclosure](#)
- Pursues sustained Loss mitigation efforts
- Documents how these Loss mitigation efforts resulted in the foreclosure delay

Remember to properly document Loss mitigation efforts in order to avoid denial of a Claim or curtailment.

### 3) End-to-end documentation

End-to-end documentation is a key part of our analysis of both your Loss mitigation efforts and the delays those efforts may bring about. The following items are among the most important:

- Pre-foreclosure title search
- Foreclosure deed, which need not reflect recordation as long as the deed is complete in every aspect, including the notarized signature of a representative of the lien holder, attorney, or officer of the company.
- Foreclosure complaints
- Other notices and decrees

We may also request information on whether the foreclosure was judicial or non-judicial and the names of all parties involved in the foreclosure.

Send foreclosure sales results via email to our [Customer Care](#) team within 48 hours after the foreclosure sale is held. You must include the following information in that email:

- Radian Certificate number
- Bid amount
- Foreclosure sale date
- Name of the successful bidder

## B. Preservation of the right to pursue the foreclosure deficiency

Upon payment of a Claim, Radian may subrogate to the Insured lender's right to pursue the Borrower for reimbursement of its loss. Provided applicable state law allows recovery, and provided that the funds and time needed to do so are reasonable, Radian requires that you instruct your foreclosure attorney to preserve the right to pursue a deficiency.

## C. Foreclosure bidding instructions

For GSE Loans, Servicers must follow the respective agency's foreclosure bidding instructions.

For all other Loans, unless specific foreclosure bidding instructions from Radian have been provided, Servicers must follow applicable state laws to determine if the foreclosure bid price should be based on the Total Debt or Fair Market Value (FMV).

If **Total Debt**, bid the Total Debt, which is the sum of the unpaid principal balance + accumulated interest + Advances (including attorney's fees and costs).

If **FMV** (determined by a Broker Price Opinion (or an appraisal if required by state law) dated within 120 days of the foreclosure sale date), calculate the uninsured loan amount (ULA) and refer to the table below to determine the minimum bid price. The maximum bid price cannot exceed the Total Debt.

- The ULA is determined by taking the Total Debt – (Total Debt x MI Percentage (%) of Coverage).

| If FMV: | And investor guidelines indicate bid: | Then bid:               |
|---------|---------------------------------------|-------------------------|
| > ULA   | > FMV                                 | Per investor guidelines |
|         | ≤ FMV                                 | FMV                     |
| ≤ ULA   | > ULA                                 | Per investor guidelines |
|         | ULA                                   | ULA                     |
|         | ≤ FMV                                 | FMV                     |

For properties located in Kansas and South Dakota, the bid must be 100% of the Total Debt to avoid any post foreclosure sale statutory redemption period.

Failure to follow proper bidding instructions as outlined above or to follow your obligation to mitigate loss under the applicable Master Policy may result in an adjustment to the Claim amount or denial of the Claim.

## 14. Loss mitigation

As soon as you recognize that a Default has occurred or is imminent, evaluate all appropriate foreclosure prevention alternatives. You must exhaust all retention Workout options before pursuing a liquidation Workout. Liquidation is the strategy of last resort.

The following structure represents Radian's preferred hierarchy for Loss mitigation, which aligns with the GSE hierarchy with the exception of a charge-off. To determine which of these Workouts is most suitable, you must obtain relevant Borrower personal and financial information.

Radian delegates to GSE guidelines for Loss mitigation programs for GSE-owned Loans.

|                      |                                                                                                                                                                                  |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retention Workouts   | <ol style="list-style-type: none"><li>1. Reinstatements</li><li>2. Repayment plans</li><li>3. Forbearance plans</li><li>4. Loan modifications</li><li>5. Claim Advance</li></ol> |
| Liquidation Workouts | <ol style="list-style-type: none"><li>1. Short sale (pre-foreclosure sale)</li><li>2. Deed-in-lieu of foreclosure</li></ol>                                                      |
| Workout not possible | If neither type of Workout category offers a viable solution, see <a href="#">Foreclosure proceedings</a> .                                                                      |

### 14.1 Pre-foreclosure Loss mitigation methods and strategies

Radian expects that you, as the Servicer, will do the following:

- Before commencing foreclosure proceedings, thoroughly review the circumstances surrounding the current Default and all related servicing activities.
- Encourage Delinquent or Defaulted Borrowers to seek consumer credit counseling.
- Establish a business process to ensure that the following occurs:
  - All cases are reviewed before they are referred to foreclosure.
  - All reasonable steps are diligently pursued to avoid the need for referral to foreclosure.
- Comply with all federal, state and local laws that apply to any of your origination, selling, servicing, or other business practices (including the use of technology) that may have a material effect on the results of servicing activities. This requirement includes compliance with:
  - Statutes; regulations; ordinances; administrative rules and orders; and judicial rulings and opinions that have the effect of law.
  - Any Applicable Law that addresses fair housing and equal credit laws.
- Fulfill conflict of interest and confidentiality responsibilities.

To assist in these efforts, Radian extends specific delegated authority to facilitate your execution of the Workout options below that meet investor/Insured guidelines and provide Borrower assistance to resolve a Default situation.

### 14.2 Retention activities

The following activities, intended to reinstate and bring the Loan in Default current, are fully delegated to the Servicer unless otherwise noted.

#### A. Forbearance plans

In order to support a Borrower who is temporarily unable to remit all or a portion of the past due amounts during an eligible hardship period, the Servicer may offer a forbearance plan which allows for reduced or suspended Mortgage payments for a designated period of time per GSE guidance.

#### B. Reinstatements

If the Borrower is able to resume making their regular monthly payments following a delinquency (or forbearance plan), and can repay the past due amounts all at once, the Loan can be reinstated.

### C. Repayment plans

For Default situations where the Borrower is not able to fully reinstate the Loan to a current status, the Servicer may determine that the Borrower has the ability to pay portions of the past due amounts over time in addition to the contractual payment. A repayment plan may be an informal (verbal) agreement or a formal, written plan.

### D. Payment deferral plans

The Servicer may offer a payment deferral plan, in which the Loan is returned to a current status and the past due amount (including principal and interest, escrow Advances, and fees) is moved into a non-interest bearing balance that becomes due and payable in its entirety at maturity of the Loan or payoff, whichever occurs first. All other terms of the Loan remain unchanged.

Radian extends its payment deferral plan delegation to non-GSE Loans only when they meet GSE program eligibility and follow GSE guidelines. A completed payment deferral plan must be reported to Radian via MILAR, the [Workout Reporting Template](#), or the [Payment Deferral Template](#) within 30 days. Upon receipt, we will evaluate the Loan for potential adjustments to the MI Premium and MI coverage as summarized in the following table:

| UPB + deferred balance | MI Premium                                                                                                                                                                                     | MI coverage                                                                                                                                                                                 |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| > original Loan amount | For MI coverage based on the UPB + deferred balance, additional MI Premium is required for the balance, as of the payment deferral plan effective date, that exceeds the original Loan amount. | If additional MI Premium is paid, then the MI coverage is based on the UPB + deferred balance. If additional MI Premium is not paid, then MI coverage is based on the original Loan amount. |
| ≤ original Loan amount | There is no change to the MI Premium calculation. See <a href="#">Radian's billing methods</a> for more information.                                                                           | MI coverage is based on the original Loan amount.                                                                                                                                           |

## 14.3 Loan modifications

All completed Loan modifications must be reported to Radian as per [Modification programs](#).

### A. Performing non-GSE rate and term modifications

Radian gives you full delegated authority to complete rate and term modifications, for performing non-GSE Loans, that have a tangible net benefit to the Borrower and meet the Eligibility Criteria outlined below:

| Performing non-GSE rate and term modification requirements                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Reduction to the Loan interest rate and/or Loan term only</li><li>• Must not result in an increase to the Borrower's monthly principal and interest payment</li><li>• No changes to the Borrowers on the Loan (no additions or removals permitted)</li><li>• Monthly MI Premium plans only</li><li>• Payment history 0x30 in last 12 months</li></ul> |

### B. GSE and non-GSE Loan modifications

Radian supports modification activities if the Servicer acquires hardship and financial data sufficient to confirm that the Borrower wants to retain ownership of the Property but cannot afford the current Mortgage terms.

Radian grants the Servicer full delegated authority to complete modifications for GSE and non-GSE Loans that meet GSE program eligibility, follow GSE guidelines, and result in a payment the Borrower can afford and does not release any portion of the collateral.

Upon receipt, we will evaluate the Loan for potential adjustments to the MI Premium and MI coverage as summarized in the following table:

| Modified UPB           | MI Premium                                                                                                                                                                       | MI coverage                                                                                                                                                                       |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| > original Loan amount | For MI coverage based on the modified UPB, additional MI Premium is required for the balance, as of the Loan modification effective date, that exceeds the original Loan amount. | If additional MI Premium is paid, then the MI coverage is based on the modified UPB. If additional MI Premium is not paid, then MI coverage is based on the original Loan amount. |
| ≤ original Loan amount | There is no change to the MI Premium calculation. See <a href="#">Radian's billing methods</a> for more information.                                                             | MI coverage is based on the original Loan amount.                                                                                                                                 |

#### 1) Principal forgiveness

When part of the outstanding principal balance of the Loan is forgiven by the Servicer, Insured or Beneficiary, please keep in mind that:

- Coverage does not extend to any portion of the principal balance of the Loan that is forgiven when such principal forgiveness is: court-ordered, part of settlement of litigation, discharged through bankruptcy, or part of any other government administrative action involving the Insured, Beneficiary, and/or Servicer.
- Please inform us of all Workout plans involving principal forgiveness within 30 days of the date the Borrower will execute the modification agreement.

### C. Pre-Claim Advance

In some circumstances, Radian may be able to offer a Pre-Claim Advance as a means to participate in a modification Workout. Contact [Customer Care](#) for more information.

## 14.4 Liquidation Workouts (short sale & deed-in-lieu)



**For instructions,** see [Request pre-Claim approval of a short sale or deed-in-lieu](#) in this Guide.

It is Radian's general policy to not pursue the deficiency after completion of a short sale or deed-in-lieu of foreclosure.

We reserve all rights and defenses under the applicable Policy of insurance not explicitly waived by our approval of a liquidating Workout, including reserving the rights to rescind coverage, and deny or curtail Claims.

### A. Summary of liquidation Workout types

The two main types of liquidation Workouts, short sale and deed-in-lieu of foreclosure, also break down further into categories largely determined by the characteristics of the Loan. The same categories apply to both types of Workouts, as illustrated in the following table, but the terms and conditions for delegated transactions differ for GSE-owned and non-GSE owned Loans and are described in more detail later within this section.

| Short sale Workouts for:                                                                                                                          | Deed-in-lieu Workouts for:                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Delegated, non-GSE-owned Loans</li> <li>• Delegated, GSE-owned Loans</li> <li>• Non-delegated</li> </ul> | <ul style="list-style-type: none"> <li>• Delegated, non-GSE-owned Loans</li> <li>• Delegated, GSE-owned Loans</li> <li>• Non-delegated</li> </ul> |

For approved short sales and deeds-in-lieu, Radian waives the following conditions of coverage under the applicable Master Policy, #RAF483 or #RAF700:

- The requirement that the Insured must obtain good and merchantable title to the Property
- The right of subrogation with respect to deficiencies
- The right to acquire title to the Property
- (For deed-in-lieu, only) The requirement that the Insured must not release the Borrower(s) from Mortgage liability

## B. Short sale & deed-in-lieu: Guidelines for DELEGATED NON-GSE Workouts

Radian may grant Servicers delegated authority to facilitate the resolution of certain Default situations. Terms and conditions vary by type of Workout and depend on whether the Loan is GSE-owned.

To be granted delegated authority for liquidation Workout submissions, you must meet the appropriate terms and conditions for the particular type of Workout you are requesting. See the following table for details of our requirements.

| Guidelines for DELEGATED NON-GSE Workouts                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Short sale guidelines                                                                                                                                                                                                                                                                                                                                                                                               | Deed-in-lieu guidelines                                                                                                                                                                                                                                                                                                                                       |
| <b>Loan Status:</b> <ul style="list-style-type: none"><li>Loan is at least 60 days past due as of the date of the short sale written approval.</li><li>Completed short sale must be reported to the major credit repositories.</li></ul>                                                                                                                                                                            | <b>Loan Status:</b> <ul style="list-style-type: none"><li>Loan is at least 60 days or more past due at the time deed-in-lieu of foreclosure document is executed by Borrower.</li><li>Loan Originated as owner-occupied/primary residence.</li><li>Completed deed-in-lieu of foreclosure must be reported to the major credit repositories.</li></ul>         |
| <b>Borrower:</b> <ul style="list-style-type: none"><li>FICO of each Borrower on the Loan is 600 or lower.</li></ul>                                                                                                                                                                                                                                                                                                 | <b>Borrower:</b> <ul style="list-style-type: none"><li>FICO of each Borrower on the Loan is 600 or lower.</li></ul>                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Property:</b> <ul style="list-style-type: none"><li>Property must be listed at fair market value for at least 90 days unless primary Borrower is deceased or Borrower has obtained a Chapter 7 bankruptcy discharge of Mortgage liability.</li><li>Prior to conveyance, Property title must be free and clear of all liens and encumbrances.</li></ul>     |
| <b>Claim:</b> <ul style="list-style-type: none"><li>Radian's estimated Claim payment does not exceed \$30,000.</li><li>Restoration adjustment is waived if repair costs less than \$7,500.</li><li>If estimated loss from sale transaction does not exceed Radian's primary coverage Claim payment, the Net-Proceeds to Property-value ratio must be 82% or more.</li></ul>                                         | <b>Claim:</b> <ul style="list-style-type: none"><li>Radian's estimated Claim payment does not exceed \$30,000.</li><li>Funds disbursed to a junior lien holder to facilitate clear title are not claimable unless approved in writing by Radian Loss Mitigation.</li></ul>                                                                                    |
| <b>Documentation:</b> <ul style="list-style-type: none"><li>Copy of complete credit report(s) displaying FICO and current/past due tradelines of all Borrower(s).</li><li>Interior BPO/appraisal dated no more than 90 days before short sale written approval date.</li><li>Copy of signed final Closing Disclosure.</li><li>Copy of your short sale approval letter.</li><li>Copy of listing agreement.</li></ul> | <b>Documentation:</b> <ul style="list-style-type: none"><li>Copy of complete credit report(s) displaying FICO and current/past due tradelines of all Borrower(s).</li><li>Interior BPO/appraisal dated no more than 90 days before the Servicer's deed-in-lieu approval date.</li><li>Executed deed (deed conveying title from Borrower to lender).</li></ul> |

### 1) Exceptions to 60-days past-due requirement

The following conditions, if properly documented, may support our authorization for an exception to the 60-day requirement.

| Short sale & deed-in-lieu: Exceptions to 60-days past-due requirement                                                                 |                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| This exception condition:                                                                                                             | Requires this documentation:                                                                                                                                                                         |
| <ul style="list-style-type: none"><li>The Borrower has been discharged from Mortgage liability through Chapter 7 bankruptcy</li></ul> | <ul style="list-style-type: none"><li>A recent credit report or a copy of bankruptcy document as proof of the Chapter 7 discharge</li></ul>                                                          |
| <ul style="list-style-type: none"><li>The Borrower is deceased</li></ul>                                                              | <ul style="list-style-type: none"><li>A copy of the death certificate</li></ul>                                                                                                                      |
| <ul style="list-style-type: none"><li>The Borrower is subject to involuntary employment relocation</li></ul>                          | <ul style="list-style-type: none"><li>Supporting documentation such as a signed, dated letter from prior and/or current employer verifying that a job change or layoff required relocation</li></ul> |

### C. Short sale & deed-in-lieu: DELEGATED GSE Workouts

Radian has provided delegated authority for certain GSE short sale and deed-in-lieu programs involving GSE-owned Loans. Non-compliance with the established GSE guidelines and procedures may result in a curtailment of the Claim.

#### 1) Short sales



For instructions on how to submit a Workout request, see [Request pre-Claim approval of a short sale or deed-in-lieu](#).

We understand that time is critical when pursuing and evaluating Loss mitigation opportunities. To help expedite your liquidating Workout activities, we will accept certain streamlined information, however, it is important that some key information be included in all requests. See the table in [Short sale & deed-in-lieu: Guidelines for DELEGATED NON-GSE Workouts](#) for a list of this required information.

Omitting any item in the required information list may delay processing of a short sale request.

### D. Short sale & deed-in-lieu: NON-DELEGATED Workout requests

Radian considers the following important factors in evaluating non-delegated Workout requests:

| Factors in Radian's evaluation of requests for short sale and deed-in-lieu Workouts                        |                         |                           |
|------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------|
| Document or information                                                                                    | Required for short sale | Required for deed-in-lieu |
| • Whether the Borrower has the ability to pay all or a portion of the amount owed                          | Yes                     | Yes                       |
| • The Borrower's original occupancy intent and current occupancy status                                    | Yes                     | Yes                       |
| • The estimated proceeds from the short sale relative to the Property's fair market value and seller costs | Yes                     | N/A                       |
| • You have exhausted all retention Workout options before pursuing a short sale                            | Yes                     | Yes                       |
| • The short sale is an arm's-length transaction                                                            | Yes                     | N/A                       |
| • The degree to which the Default appears strategic in nature                                              | Yes                     | Yes                       |
| • Any other factor bearing on the propriety of the proposed Workout                                        | Yes                     | Yes                       |
| • Whether the Borrower attempted to sell before the deed-in-lieu was finalized                             | N/A                     | Yes                       |

### E. Short sale & deed-in-lieu: Results of Radian's Workout request evaluation

Radian generally responds to Workout requests within 10 Business Days.

- **Non-delegated Servicers:** If you do not receive a response from us within 10 Business Days, you *may assume* that we have approved your Workout request.
- **Delegated Servicers:** If you do not receive a response from us within 10 Business Days, you cannot assume that we approve your Workout request. Our lack of response does not indicate our approval or disapproval because we have delegated that determination in an agreement with the Insured or the GSE. As stipulated in the applicable Master Policy, #RAF483, section 5.2 (a) or #RAF700, section 51, the terms of your delegation agreement with Radian supersede any other provision.

#### 1) If the non-delegated Workout is not approved

If we determine that a non-delegated Workout is not warranted, we do one of the following:

- Decline the request.
- Communicate a conditional approval with a proposed Claim payment adjustment — that is, a reduction — along with the reason(s) for our decision and any other appropriate terms and conditions.

- If you determine a different Workout approach is in the best interests of the Borrower, and move forward without specific authorization, we may consider a reasonable, good faith settlement and accept a Claim.

Radian's proposed Claim payment adjustments for short sale and deed-in-lieu of foreclosure Workouts vary on a case-by-case basis relative to the facts surrounding the request. Any exception must be agreed upon in writing by the Servicer, Radian, and the investor as applicable. For additional information, contact a Radian Loan Workout Specialist at [workoutrequest@radian.com](mailto:workoutrequest@radian.com).

## **F. Charge-offs**

You must notify us when you have charged off a Loan.

## **14.5 Deficiency Judgments**

Upon payment of a Claim, we subrogate to the Beneficiary's rights to pursue a deficiency. On Radian-insured Loans, we reserve the right to pursue the Borrowers for a deficiency where permitted by state law. Such pursuit can either occur solely by Radian, jointly with the Beneficiary, or solely by the Beneficiary.

Any deficiency pursued by Radian or the Beneficiary will be determined with the participation of other parties with an interest in the loss. To discuss a deficiency pursuit, email [workoutrequest@radian.com](mailto:workoutrequest@radian.com).

Any settlement must be agreed upon in writing by you (the Servicer), Radian, and the GSEs. Contact a Radian Loan Workout Specialist at [workoutrequest@radian.com](mailto:workoutrequest@radian.com) to discuss this alternative.

## 15. Initiating a Claim

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### For instructions

- See [Initiate a Claim](#) in this Guide.
- See [Check the status of Claims and Claim documents in MI Online](#) in this Guide.

### 15.1 Claimable events

Claims are filed after one of the following happens:

- Foreclosure sale
- Third-party foreclosure sale
- Approved short sale
- Approved deed-in-lieu of foreclosure
- Radian-directed notification to file an Accelerated Claim

### 15.2 Claim filing

The Servicer must satisfy the required conditions as per the applicable Master Policy prior to filing a Claim. Timely, accurate Claim filing protects the Servicer's ability to file and expedites the Claim settlement process. Failure to file in a timely manner may result in a benefit reduction or Claim denial.

#### A. When to file

For Loans under Master Policy #RAF483, the initial Claim should be filed within 60 days of completion of the foreclosure sale, the Borrower signing of the deed for a voluntary conveyance, or settlement of a short sale. For states with redemption rights, the initial Claim may be filed any time after the foreclosure sale date, but no later than 60 days after the redemption expiration date. For more information, see Master Policy #RAF483, section 9.1 (a).

For Loans under Master Policy #RAF700, the initial Claim should be filed within 60 days of completion of the foreclosure sale, regardless of whether certification, confirmation, or ratification has occurred, the Borrower signing of the deed for a voluntary conveyance, or settlement of a short sale. For more information, see Master Policy #RAF700, sections 64-65.

## 16. Perfecting a Claim

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To expedite the Claim settlement process, include all documents used during the approval, closing, and servicing of a Loan with the Claim submission. Within five (5) days of the submission, Radian will send a request, if applicable, for additional [documents](#) needed to perfect the Claim. A follow up request will be sent every 30 days until either the documents are received or the document submission deadline below has been reached. Notification of intent to deny the Claim will be provided with the final request. Claim calculations may be impacted if requested documents are not provided. In some circumstances Radian may also require access and title to the Property to perfect the Claim. For more information, refer to [Claim payment options](#).

The document submission deadline is:

- 120 days from Claim filing for Claims submitted  $\leq$  60 days of the Claim event; or
- 180 days from the Claim event for Claims submitted  $>$  60 days after the Claim event

If the Claim is not perfected by the document submission deadline, we will provide notice of denial of the Claim.

If the delay in document submission is due to reasons beyond the Servicer's control due to redemption, ratification, or confirmation timeframes, Radian may re-evaluate a Claim denial due to missing documents within 90 days of the date the documents first become available to the Servicer.

## 17. Audits and reviews

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The reviews described in this section are a necessary component of Radian's standard protocol to monitor its risk and ensure timely payment of Claims.

### A. Pre-Claim audits

Radian performs post-closing Loan reviews on an ongoing basis. This ensures that our clients understand and comply with Radian's published Underwriting Guidelines when delegating MI or certifying Commitments.

We request Loan documentation on a regular basis, and ask that you send it to us within 30 days of our request. Documents may be provided via select LOS integrations, [MI Online](#) or secure email to [RadianUQA@radian.com](mailto:RadianUQA@radian.com).

Our quality control (QC) program includes the following:

- Routine audits (random selection)
- Targeted audits
- Early payment default (EPD) audits.
- Confident Coverage reviews

The documents we need to perform all of these reviews are listed in [Appendix B: Document requirements](#).

### B. Post-Claim reviews

- Servicing Performance Review (SPR): See [Appendix B: Document requirements](#) for the documents required to perform this review.
- REO review (to assess if Radian would/should acquire Property): See [Method #2: Acquisition Option](#) for a list of the typical documents required to perform this review.

## 17.1 Reviews of short sales and deeds-in-lieu (Workouts)

We review all short sale and deed-in-lieu of foreclosure transactions to confirm compliance with either our delegated agreements or our approval conditions, for non-delegated transactions.

We reserve the right to deny or exclude a Claim resulting from a short sale or DIL transaction that fails to

- comply with delegated guidelines,
- have Radian approval (non-delegated), or
- meet the approval conditions set by Radian (non-delegated).

## 17.2 Results of origination Loan audit

Radian monitors its portfolio of insured Loans on a regular basis. The outcome of an audit may result in the following actions regarding an insured Loan:

- The MI coverage remains in effect.
- The MI coverage remains in effect but due to the increased risk discovered by the audit, it becomes necessary to re-price the MI coverage.
- We may request additional information.
- We rescind MI coverage:
  - If an investigation reveals material inaccuracies in the MI Application, an Eligibility Criteria Violation, or Defect, including Significant Defects and Valuation Defects, or other deficiencies in the underwriting process, we may decide that rescission of MI coverage is warranted.
  - We will send the Insured a notice of intent to rescind.

The Insured has 90 days from the date of our decision to appeal, as stated in the applicable Master Policy, #RAF483, section 4.4 (a) or #RAF700, sections 91-92.

For more information, see [Supplemental Claims and appeals](#).

## A. Factors in rescissions; samples of standards resulting in adverse action

Under the applicable Master Policy, in general practice, the following list provides examples of Credible Evidence supporting a decision to rescind coverage.

- Any statement by the Borrower, along with corroborating evidence, that a party to the Loan participated in, or was aware of, a misrepresentation
- Any reverifications (spoken or written), which include, but are not limited to bank statements, VOD, VOE, VVOE, gift letter, earnest money deposit, employment letter, tax returns (via 4506-T or 4506-C), W2s, paystubs, other income documents, rent, or Mortgage
- A review appraisal evidencing more than a 15% value variance, or Incomplete Construction
- Bankruptcy documents
- Public record searches
- Collection and servicing notes
- QC credit reports
- Hardship letters or Workout documents
- Documentation from the original Loan Origination or Closing Files
- Information contained in the Monthly Report of Significant Defects, Single Loan Fraud or Pattern Activity
- Identification of a common pattern or practice of fraud or irregularities in data across multiple Loans

## 17.3 The Servicing Performance Review (curtailment methodology)

Radian's Master Policies require our Servicers to service Radian-insured Loans in a reasonable, prudent manner and apply the highest standards of servicing. The failure to do so can subject Radian to increased actual loss or risk of loss. See [Highest standard of servicing performance](#) for a brief discussion.

In a Servicing Performance Review, our purpose is to assess a Loan's history for timely and prudent servicing. We evaluate the servicing notes and related documents you provide at the start of the Claim process to verify that you have attempted to achieve and/or completed the following:

- Complying with the Quality Right Party Contact (QRPC) standards as outlined by the GSEs
- Bringing the Loan current through collection efforts
- Conveying breach letter to the Borrower
- Ordering a Property inspection
- Attempting to mitigate loss through acceptable alternatives to foreclosure
- Responding to Borrower modification requests made through a submitted modification package
- Requesting foreclosure referral including the proper resumption of foreclosure activities when modification efforts are unsuccessful

If the performance of a required servicing activity is not documented, it will be deemed not to have occurred.

If we detect deficient servicing, we examine the Servicer's performance for deviations from standard Loan servicing best practices. Our goal is to learn if Radian was harmed through a real loss, risk of loss, or missed opportunity to mitigate loss.

- If we conclude that Radian has been harmed, we may adjust the loss to reflect the harm to Radian.
- If we find the deficiency caused no harm, we will not initiate a curtailment.

We adjust the benefit only when we can reasonably determine the amount by which the servicing deficiency caused Radian harm. If we cannot reasonably confirm the amount of harm to Radian, the company has the right under the applicable Master Policy, to deny coverage.

Radian makes every effort to accurately estimate the harm it has suffered. On occasion, however, deficiencies are so egregious that they require denial of the entire Claim. In such cases, the deficiencies are then noted on the EOB or Supplemental EOB.

## 18. The Claim liability calculation

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Radian's Claim liability will be calculated as set forth in more detail in the applicable Master Policy by, among other things, determining the sum of the: (a) unpaid principal balance, any unpaid accumulated interest due under the Loan (excluding any late charges and penalties) subject to the Master Policy's interest cap, and any acceptable Advances paid by the Insured in eligible time periods, less (b) disallowed expenses or unacceptable Advances, the Net Proceeds of any Third-Party Sale (Approved Sale or Total Loss) or Workout if we use the Loss on Property Sale/ Third-Party Sale Option, and certain other amounts relating to the Loan or Property that we determine should be applied to reduce the Loss or excluded from the Claim.

For MI Applications submitted between October 1, 2014 and February 29, 2020, see Master Policy #RAF483 section 1 (Advances) and section 9.3 (a)-(m).

For MI Applications submitted on or after March 1, 2020, see Master Policy #RAF700, section 1 (Advances) and sections 69-79.

**Fannie MI Factor Program.** Effective October 1, 2018, Radian is participating in Fannie Mae's MI Factor Program. Under this program, the Servicer will continue to submit Claims in accordance with the applicable Master Policy and Servicing Guide. If Radian approves a Fannie Mae insured Claim for settlement, the MI Factor will be applied to determine the expense portion of the Claim, which includes any Advances payable under the applicable Master Policy. The MI Factor Program is limited to Claims filed on or after October 1, 2018 and to Certificates issued under the applicable Master Policy for which Fannie Mae is the Beneficiary. Claim calculations under the MI Factor Program may differ from the process outlined below for individual Claims but are intended to reach the same result in the aggregate for all Claims processed using the MI Factors.

### Step 1. Determination of Calculated Loss/Claim Amount

- Add the following values, as applicable for a given Claim, to determine the Calculated Loss/Claim Amount:
  - Unpaid principal;
  - Renewal Premium paid after Default;
  - Unpaid interest; and
  - Acceptable Advances/expenses as [Allowable Claim expenses tables](#) below.

### Step 2. Determination of adjusted Claim for loss

- Subtract the following values, as applicable for a given Claim, to determine the adjusted Claim for loss:
  - Premium due on principal forgiveness
  - State taxes on Premium
  - Net Proceeds of an Approved Sale or Workout
  - Other credits (e.g., escrow balances)
- The following values, as applicable for a given Claim, are not permitted:
  - Unacceptable Advances, including but not limited to Attorney fees that exceed the allowable Advance amount as defined in the applicable Master Policy; Property damage expenses; Borrower incentive fees; late charges; technology fees, including connectivity, invoicing, and processing fees; MI Premiums (including deferred Premium from the first month, Premium due on principal forgiveness, and renewal Premium due prior to date of Default); trip charges; penalties and interest owed on past due taxes, condominium fees, or municipal charges;
  - Non-approved changes to the terms on an Approved Sale or Workout resulting in an unreasonable reduction in Net Proceeds.

We may curtail or adjust Claim line item amounts including, but not limited to delays for speed to foreclosure, filing of the Notice of Default, marketing delays, Physical Damage that is not the principal cause of Default, Incomplete Construction that is not the principal cause of Default, and performance on Default servicing.

### Step 3. Determination of Calculated Loss/Claim Amount

If we elect the Percentage Option, we will determine the Calculated Loss/Claim Amount by multiplying the appropriate percentage of coverage value, which can be found on the Certificate or in MI Online, against the adjusted Claim for loss. The Claim liability value equals the Calculated Loss/Claim Amount, which is referred to as the Insurance Benefit.

## A. Allowable Claim expenses

| Interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                              |                                                    |                                                                                                                                                                         |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Accrued and paid within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                              |                                                    |                                                                                                                                                                         |  |
| Claimable event                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Payment type                                 | Start date                                         | End date                                                                                                                                                                |  |
| Short sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Percentage Option                            | Last paid installment                              | Short sale settlement date as shown on final Closing Disclosure                                                                                                         |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    |                                                                                                                                                                         |  |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Percentage Option                            |                                                    | Earlier of the date the Claim was filed or 60 days from the DIL execution date                                                                                          |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    | REO settlement date as shown on final Closing Disclosure                                                                                                                |  |
| Foreclosure sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Percentage Option                            |                                                    | Earlier of the date the Claim was filed or 60 days from the foreclosure sale date                                                                                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    | The earlier date of the third-party bidder check/wire or foreclosure sale date if check/wire is not present or REO settlement date as shown on final Closing Disclosure |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Redemption/ Ratification/ Confirmation (RRC) |                                                    | Earlier of date Claim was filed or 60 days from RRC expiration date                                                                                                     |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                              |                                                    |                                                                                                                                                                         |  |
| Attorney fees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                              |                                                    |                                                                                                                                                                         |  |
| Incurred as part of the Appropriate Proceedings, that are reasonable and necessary, within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted: <ul style="list-style-type: none"><li>• If unpaid principal balance is \$200,000 or greater, permissible attorney fees cannot exceed three percent (3%) of the delinquent principal and interest authorized in the Calculated Loss/Claim Amount on a Loan.</li><li>• If unpaid principal balance is less than \$200,000, the lesser of \$6,000 or five percent (5%) of the unpaid principal balance and interest authorized in the Calculated Loss/Claim Amount on a Loan.</li></ul> |                                              |                                                    |                                                                                                                                                                         |  |
| Claimable event                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Payment type                                 | Start date                                         | End date                                                                                                                                                                |  |
| Short sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Percentage Option                            | Earlier of final reported due date or Default date | All fees paid after Default                                                                                                                                             |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    |                                                                                                                                                                         |  |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Percentage Option                            |                                                    |                                                                                                                                                                         |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    |                                                                                                                                                                         |  |
| Foreclosure sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Percentage Option                            |                                                    |                                                                                                                                                                         |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total Loss                                   |                                                    |                                                                                                                                                                         |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Redemption/ Ratification/ Confirmation (RRC) |                                                    |                                                                                                                                                                         |  |

| Real estate taxes imposed upon the Property                                                                                                                                                       |                                              |                             |                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accrued and paid within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted: |                                              |                             |                                                                                                                                                                                                                                                                                                                                        |
| Claimable event                                                                                                                                                                                   | Payment type                                 | Start date                  | End date                                                                                                                                                                                                                                                                                                                               |
| Short sale                                                                                                                                                                                        | Percentage Option                            | All taxes accrued and paid* | Short sale settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                   | Total Loss                                   |                             |                                                                                                                                                                                                                                                                                                                                        |
| Deed-in-lieu (DIL)                                                                                                                                                                                | Percentage Option                            |                             | Pro-rated 60 days from DIL execution date                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                   | Total Loss                                   |                             | REO settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                                               |
| Foreclosure sale                                                                                                                                                                                  | Percentage Option                            |                             | Prorated 60 days from foreclosure sale date                                                                                                                                                                                                                                                                                            |
|                                                                                                                                                                                                   | Total Loss                                   |                             | The earlier date of the third-party bidder check/wire or foreclosure sale date if check/wire is not present or REO settlement date as shown on final Closing Disclosure                                                                                                                                                                |
|                                                                                                                                                                                                   | Redemption/ Ratification/ Confirmation (RRC) |                             | If Claim filing date is within 60 days of foreclosure sale date, regardless of the RRC expiration, the end date is prorated to 60 days from foreclosure sale date. If Claim filing date is greater than 60 days of foreclosure sale date, the end date is prorated to the earlier of 60 days from RRC expiration or Claim filing date. |

\* We may request additional information on taxes paid prior to Default.

| Hazard insurance, homeowners association, and/or condominium fees                                                                                                                                                                                                                                                                                                                                                                                                                 |                                              |                                                    |                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reasonable and customary <b>hazard insurance</b> paid after Default, with insurance coverage periods; and/or <b>homeowners association fees</b> ; or <b>condominium fees</b> paid after Default to the extent necessary to preserve the lien priority of the Mortgage, with fee coverage periods within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted: |                                              |                                                    |                                                                                                                                                                                                                                                                                                                                        |
| Claimable event                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Payment type                                 | Start date                                         | End date                                                                                                                                                                                                                                                                                                                               |
| Short sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Percentage Option                            | Earlier of final reported due date or Default date | Short sale settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                    |                                                                                                                                                                                                                                                                                                                                        |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Percentage Option                            |                                                    | Pro-rated 60 days from DIL execution date                                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                    | REO settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                                               |
| Foreclosure sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Percentage Option                            |                                                    | Prorated 60 days from foreclosure sale date                                                                                                                                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                    | The earlier date of the third-party bidder check/wire or foreclosure sale date if check/wire is not present or REO settlement date as shown on final Closing Disclosure                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Redemption/ Ratification/ Confirmation (RRC) |                                                    | If Claim filing date is within 60 days of foreclosure sale date, regardless of the RRC expiration, the end date is prorated to 60 days from foreclosure sale date. If Claim filing date is greater than 60 days of foreclosure sale date, the end date is prorated to the earlier of 60 days from RRC expiration or Claim filing date. |

| Property preservation                                                                                                                                                                                                                                                                                                             |                                              |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reasonable, necessary, and customary expenses paid after Default, within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted:                                                                                |                                              |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Claimable event                                                                                                                                                                                                                                                                                                                   | Payment type                                 | Start date                                                                                                                                                                                                                                                                                                                             | End date                                                                                                                                                                             |
| Short sale                                                                                                                                                                                                                                                                                                                        | Percentage Option                            | Earlier of final reported due date or Default date                                                                                                                                                                                                                                                                                     | 60 days from short sale settlement date as shown on final Closing Disclosure                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                                                                                                | Percentage Option                            |                                                                                                                                                                                                                                                                                                                                        | 60 days from DIL execution date                                                                                                                                                      |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        | 60 days from REO settlement date as shown on final Closing Disclosure                                                                                                                |
| Foreclosure sale                                                                                                                                                                                                                                                                                                                  | Percentage Option                            |                                                                                                                                                                                                                                                                                                                                        | 60 days from foreclosure sale date                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        | 60 days from the earlier date of the third-party bidder check/wire or foreclosure sale date if check/wire is not present or REO settlement date as shown on final Closing Disclosure |
|                                                                                                                                                                                                                                                                                                                                   | Redemption/ Ratification/ Confirmation (RRC) | If Claim filing date is within 60 days of foreclosure sale date, regardless of the RRC expiration, the end date is prorated to 60 days from foreclosure sale date. If Claim filing date is greater than 60 days of foreclosure sale date, the end date is prorated to the earlier of 60 days from RRC expiration or Claim filing date. |                                                                                                                                                                                      |
| Statutory costs (customary court costs)                                                                                                                                                                                                                                                                                           |                                              |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Customary, reasonable, and necessary attorney/court costs, including eviction expenses paid after Default, within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted (cash for keys is limited to \$7,500): |                                              |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Claimable event                                                                                                                                                                                                                                                                                                                   | Payment type                                 | Start date                                                                                                                                                                                                                                                                                                                             | End date                                                                                                                                                                             |
| Short sale                                                                                                                                                                                                                                                                                                                        | Percentage Option                            | Earlier of final reported due date or Default date                                                                                                                                                                                                                                                                                     | All costs paid after Default                                                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                                                                                                | Percentage Option                            |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
| Foreclosure sale                                                                                                                                                                                                                                                                                                                  | Percentage Option                            |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
|                                                                                                                                                                                                                                                                                                                                   | Total Loss                                   |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |
|                                                                                                                                                                                                                                                                                                                                   | Redemption/ Ratification/ Confirmation (RRC) |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                      |

| Other Disbursements                                                                                                                                                                                                                                     |                                                    |                                                    |                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customary, reasonable, and necessary disbursements paid after Default, within the start and end dates below, but not to exceed 36 months from the Default date until the earlier of date of Claim submission or date Claim is required to be submitted: |                                                    |                                                    |                                                                                                                                                                                                                                                                                                                                        |
| Claimable event                                                                                                                                                                                                                                         | Payment type                                       | Start date                                         | End date                                                                                                                                                                                                                                                                                                                               |
| Short sale                                                                                                                                                                                                                                              | Percentage Option                                  | Earlier of final reported due date or Default date | 60 days from short sale settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                         | Total Loss                                         |                                                    |                                                                                                                                                                                                                                                                                                                                        |
| Deed-in-lieu (DIL)                                                                                                                                                                                                                                      | Percentage Option                                  |                                                    | 60 days from DIL execution date                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                                         | Total Loss                                         |                                                    | 60 days from REO settlement date as shown on final Closing Disclosure                                                                                                                                                                                                                                                                  |
| Foreclosure sale                                                                                                                                                                                                                                        | Percentage Option                                  |                                                    | 60 days from foreclosure sale date                                                                                                                                                                                                                                                                                                     |
|                                                                                                                                                                                                                                                         | Total Loss                                         |                                                    | 60 days from the earlier date of the third-party bidder check/wire or foreclosure sale date if check/wire is not present or REO settlement date as shown on final Closing Disclosure                                                                                                                                                   |
|                                                                                                                                                                                                                                                         | Redemption/<br>Ratification/<br>Confirmation (RRC) |                                                    | If Claim filing date is within 60 days of foreclosure sale date, regardless of the RRC expiration, the end date is prorated to 60 days from foreclosure sale date. If Claim filing date is greater than 60 days of foreclosure sale date, the end date is prorated to the earlier of 60 days from RRC expiration or Claim filing date. |

# 19. Claim payment options



For instructions, see [Review an Explanation of Benefits \(EOB\) and/or Supplemental Explanation of Benefits \(Supplemental EOB\)](#) in this Guide.

## 19.1 Summary of Claim payment options

We use several methods to calculate our liability and settle Claims, including

- Percentage Option
- Acquisition Option
- Loss on Property Sale or Third-Party Sale Option (Total Loss)
- Anticipated Loss Option

In addition to the information detailed in the sections below:

For MI Applications submitted between October 1, 2014 and February 29, 2020, refer to Master Policy #RAF483, sections 10 and 10.1 as applicable.

For MI Applications submitted on or after March 1, 2020, refer to Master Policy #RAF700, sections 72-76, 79-80, and 89 as applicable.

### A. Method #1: Percentage Option

Radian can settle a Claim based on the calculation of percentage of coverage. This calculation as well as its elements and their relevance to each other are outlined in [The Claim liability calculation](#).

*How it works:* Using this option, we settle a Claim by paying the percentage of the *Calculated Loss/Claim Amount* that is identified as the *coverage percentage* in the Certificate.

### B. Method #2: Acquisition Option

Rather than pay a calculated percentage of coverage, we may exercise the option to acquire a Property. This method depends on our settlement of a Claim by payment of the entire Calculated Loss/Claim Amount and acquisition of Good and Marketable Title to the Property subject to any reductions the applicable Master Policy provides.

To evaluate a potential acquisition, Radian representatives must be able to access the Property to determine its condition and value. Radian will also require evidence of Good and Marketable Title to the Property. If we are evaluating or have elected this option, we will notify you and request the documentation and Property access we need to proceed. In addition to Good and Marketable Title, examples of other documentation we typically require include the following:

- A recordable warranty deed, which contains the normal, customary warranties and covenants in the usual and customary form (a quitclaim deed is not acceptable);
- State and county transfer forms, as appropriate, and executed, if necessary;
- Proof that Property taxes are paid-in-full as of the Insurance Benefit payment date;
- (As needed) A written statement from the condo homeowners association showing that all dues, assessments, penalties and interest are paid current;
- Evidence that all filed liens have been released or satisfied; and
- Title search results including a bring-down title search through the anticipated date of the recording of the deed.

### C. Method #3: Loss on Property Sale or Third-Party Sale Option (Total Loss)

As with Method #1, this method depends on the calculation of Claim liability. Again, this is described in [The Claim liability calculation](#).

Loss on Property Sale or Third-Party Sale means our settlement of a Claim is connected to an Approved Sale (Total Loss) or Workout.

*Before a Claim is settled:*

- You must submit any offer for the sale of the insured Property to Radian's REO Administration Department at [REOPrimaryApprovals@radian.com](mailto:REOPrimaryApprovals@radian.com).
- Radian must receive the REO signed final Closing Disclosure, if the Property is sold.

If the remaining loss—after liquidation of the REO asset—is *less than the calculated Claim liability*, we pay the remaining loss, subject to any adjustments.

We may postpone settlement until after the sale is complete in order to determine the appropriate Claim payment.

#### **D. Method #4: Anticipated Loss Option**

Pursuant to the applicable Master Policy, this method provides for settlement of the Claim where the Insurance Benefit is based upon the amount of our anticipated loss, subject to any applicable reductions.

## **19.2 Suspension of Claim Settlement Period**

We typically pay primary coverage Claims within 60 days of Claim perfection. When additional conditions exist, however, we suspend the Claim payment period until the requirements are cured.

#### **A. Conditions that cause suspension of the Claim payment period**

**1) If additional documentation is required**

Provided that we request documents within 20 days after receiving your Claim, the Claim Settlement Period does not begin until we receive what we need to perfect the Claim. If we ask for additional items after Claim perfection, the clock continues to run on the Claim Settlement Period, except in cases where the subject REO Property has a pending sale or has liquidated, or where we are waiting to gain access to a Property.

**2) If access to the Property is required**

Our representatives must be allowed to enter the Property to assess its condition and value.

- We will notify you that we require access to a Property, either within 40 days of Claim filing, or within 20 days after we receive documents for the perfection of the Claim to the extent we had not already asked for access.
- We suspend the 60-day settlement period until you make access available. If access cannot be granted within 210 days of Claim filing, we may settle the Claim using the Anticipated Loss Option or issue a Claims denial notice as circumstances warrant.
- Within 20 days of being granted access, we will let you know if we want to acquire the Property.

## **19.3 Payment of Claim**



**For instructions,** see [Review an Explanation of Benefits \(EOB\) and/or Supplemental Explanation of Benefits \(Supplemental EOB\)](#) in this Guide.

We make Claim payments either by check or electronic wire transfer of funds. Our schedule is set up in advance and typically allows us to issue Claim payments once per week.

Each Claim we pay has an EOB and/or Supplemental EOB that you can access through MI Online. The EOB or Supplemental EOB breaks the payment into component line items and groups them into categories.

For Claims filed via EDI or MI Online, the EOB and Supplemental EOB are produced in a side-by-side “submitted vs. authorized” format. It lets you easily compare the individual losses you submitted and the payment we authorized for each one.

When any Premium is owed to Radian—including a deferred Premium, a Premium on principal forgiveness, or a Premium sent to Servicers on overturned rescissions—the final Claim payment represents the net of the outstanding Premium amount. Refunds of Premium paid after Default are not included in the Claim payment or itemized on the EOB or Supplemental EOB. For more information, please reference [page 29](#) of this Guide.

## 19.4 Late payment of Claim

If we determine that an Insurance Benefit is due with respect to a Claim and we fail to pay a Claim within the allowable timelines found in the applicable Master Policy, #RAF483, section 9 or #RAF700, sections 64-71, we may pay simple interest at the Mortgage note rate and accrued from the Settlement Due Date through the date the Claim is paid.

See the applicable Master Policy, #RAF483, section 10.2 or #RAF700, section 80, for additional details as to when we pay simple interest.

## 19.5 Return of Claim proceeds

If a Property reverts back to the homeowner after a Claim has been paid—for example, for an invalid foreclosure, or a post-foreclosure Loss mitigation—the Servicer/Insured is obligated to return the Claim funds to us in order to begin the coverage reinstatement process. For more information, see the applicable Master Policy, #RAF483, section 10.3 or #RAF700, section 89.

## 20. Supplemental Claims and appeals

Radian provides Servicers with support for supplemental Claims and appeals from any Claim decision regarding document or Policy denials, rescissions, and Claim payments with adjustments or servicing curtailments. Supplemental Claims will generally be assigned to the initial Claims personnel with familiarity regarding the initial Claim when reasonably practicable. Radian intakes appeals from disputed Claim decisions and assigns them for additional review by Claims personnel to assure our Servicers that Claims are settled in an accurate and prompt manner.



**For instructions** see [File and/or check the status of a Claim appeal](#) in this Guide.

### 20.1 Time frames for submitting supplemental Claims and appeals

| Type                                                   | Time frame                                                                                                                                                               |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Supplemental Claims                                    | Within 90 days of the original Claim payment                                                                                                                             |
| Servicing Performance Review (SPR) curtailment appeals | Within 90 days of the original Claim payment                                                                                                                             |
| Rescission and pricing adjustment appeals              | As appropriate: <ul style="list-style-type: none"><li>• Within 90 days of the Rescission Notice, or</li><li>• Within the time specified in the findings letter</li></ul> |
| Denial appeals                                         | Within 90 days of the Servicer's receipt of the denial notice                                                                                                            |
| Cancellation appeals                                   | Within 90 days of the Servicer's receipt of the cancellation notice                                                                                                      |

For information about limitations of actions, see the applicable Master Policy, #RAF483, section 15.3 or #RAF700, section 94.

### 20.2 Supplemental Claims

We consider supplemental Claims for allowable Advances actually paid by the Servicer or Beneficiary provided the supplemental Claim was received within 90 days of the initial Claim payment and subject to the requirements of the applicable Master Policy including #RAF483 sections 9.1, 9.3(b) & 9.3(c) or #RAF700 sections 85 & 71(b) if such Advances were incurred prior to the date:

- The initial Claim was submitted, but not included in the initial Claim or
- After the date the initial Claim was submitted and during any period for which accrued and unpaid interest would be included pursuant to the applicable Claim settlement option as summarized in the table below, not to exceed 36 months.

| Claim Settlement Option                         | Period for which accrued and unpaid interest is generally included*                                                                      |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Acquisition Option & Anticipated Loss Option    | Through the date we pay the initial Claim, excluding any period during which access or other cooperation was requested but not provided. |
| Percentage Option                               | Through the earlier of the date the Claim is filed or required to be filed.                                                              |
| Loss on Property Sale / Third-Party Sale Option | Through the date the Third-Party Sale / Approved Sale closed.                                                                            |

| Claim Settlement Option                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Period for which accrued and unpaid interest is generally included* (cont'd) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| <p>* Any period during which the Claim Settlement Period is tolled and/or any accrued and unpaid interest and Advances that are disallowed under Master Policy remedies are excluded, including, without limitation:</p> <ul style="list-style-type: none"> <li>• Failure to commence Appropriate Proceedings (Master Policy #RAF483 section 4.1(h) or Master Policy #RAF700 section 23(c)),</li> <li>• Failure to complete restoration (Master Policy #RAF700 section 31(c))</li> <li>• Failure to give Notice of Default (Master Policy #RAF700 section 53)</li> <li>• Late Claim submission (Master Policy #RAF483 section 4.1(n) or Master Policy #RAF700 section 65).</li> </ul> |                                                                              |

This section of the Guide does not apply to supplemental Claims submitted in connection with Accelerated Claims – refer to the applicable Master Policy section regarding Accelerated Claims.

## A. Settlement of supplemental Claims

We respond within 60 days after receiving a supplemental Claim including all required documentation establishing the validity and amount of the supplemental Claim. If we settle the Claim pursuant to the Percentage Option, the coverage percentage will be applied to any supplemental Claim payment. Once settlement is completed, you can view an EOB and/or Supplemental EOB for the Claim decision on the *EOB* tab of MI Online.

## 20.3 Servicing Performance Review (SPR) curtailment appeals

We evaluate curtailment appeals, provided they are received within 90 days of the original Claim payment. You should bring forward information, notes, and other types of documents that show evidence of servicing activity that refutes the items cited as the reason(s) for the initial decision.

### A. Settlement of SPR curtailment appeals

Before sending a payment, we email a letter to you that explains our decision in detail. You can find this letter on the *Correspondence* tab of MI Online.

Once settlement is complete, you can find an EOB and/or Supplemental EOB for the Claim decision on the *EOB* tab of MI Online.

## 20.4 Rescission and pricing adjustment appeals

We ensure that all rescission, intent-to-rescind (ITR), and re-pricing appeal decisions comply with the standard outlined in the applicable Master Policy, #RAF483, section 4.4 or #RAF700, sections 91-92, which include the following:

- Relevant Underwriting Guidelines
- Industry standards

We consider a rescission/re-pricing appeal if it is received within 90 days of the Rescission Notice, or within the time specified in our findings letter.

### A. Settlement of rescission and pricing adjustment appeals

In response to each rescission appeal we receive, we will email a letter to you that explains our decision in detail. Alternatively, you can access our letter on the *Correspondence* tab of MI Online.

Approved rescission appeals are processed to reinstate coverage, as needed. Our response letters indicate whether you must return any Premium to reinstate coverage and include an invoice stating the required payment and due date.

## 20.5 Claim denials and denial appeals

Radian may deny a Claim for reasons that fall into two general categories: Policy violation denials, and missing document denials.

### A. Policy violation denials

Policy violation denials occur when the Servicer or Insured does not follow the Claim instructions outlined in the applicable Master Policy, #RAF483, section 4.1 or #RAF700, sections 16, 18-40, and 65-66.

The following list of reasons for Policy violation denials is not comprehensive; we may deny a Claim for other types of violations, but these are the most common reasons:

- A late or omitted Notice of Default (NOD) filing
- A late Claim filing
- Property destruction or extensive damage
- An unapproved short sale or deed-in-lieu
- The use of incorrect foreclosure bidding instructions

### B. Missing document denials

Missing document denials occur when the Servicer or Insured does not provide the documents we require to perfect a Claim in spite of repeated requests by Radian to do so.

### C. Settlement of denial appeals

In response to each denial appeal we receive, we will email a letter to you that explains our decision in detail.

- Approved denial appeals are processed to reinstate coverage. Radian will issue a Reinstatement letter and the Claim settlement will proceed normal course.
- If a missing document denial is not eligible for reinstatement, and the Claim perfection deadline is not expired, we will issue a New Document Request letter.
- If the denial appeal review results in a Policy violation for exceeding Claim perfection deadline or other reasons listed above, we will issue a letter providing the appropriate reason.

## 20.6 Cancellation appeals

We review cancellation appeals that are related to cancellations initiated by Radian for reasons other than non-payment. When reviewing cancellation appeals we ensure that all cancellation decisions comply with the standards outlined in the applicable Master Policy, #RAF483, section 4.1 or #RAF700, sections 16 and 18-40.

We consider a cancellation appeal if it is received within 90 days of the cancellation notice, or within the time specified in our findings letter.

### A. Settlement of cancellation appeals

In response to each cancellation appeal we receive, we will email a letter to you that explains our decision in detail. Alternatively, you can access our letter on the Correspondence tab of MI Online.

Approved cancellation appeals are processed to reinstate coverage, as needed. Our response letters indicate whether you must return any Premium to reinstate coverage and include an invoice stating the required payment and due date.

# Appendix A: Short Rate Cancellation Schedule

## Refund Schedule Annual Premium Plans

Applicable for refundable plans.

| Days Policy In Force | Percent of Premium Refunded | Days Policy In Force | Percent of Premium Refunded | Days Policy In Force | Percent of Premium Refunded | Days Policy In Force | Percent of Premium Refunded | Days Policy In Force | Percent of Premium Refunded | Days Policy In Force | Percent of Premium Refunded |
|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
| 1                    | 99.73                       | 63                   | 82.74                       | 125                  | 65.75                       | 187                  | 48.77                       | 249                  | 31.78                       | 311                  | 14.79                       |
| 2                    | 99.45                       | 64                   | 82.47                       | 126                  | 65.48                       | 188                  | 48.49                       | 250                  | 31.51                       | 312                  | 14.52                       |
| 3                    | 99.18                       | 65                   | 82.19                       | 127                  | 65.21                       | 189                  | 48.22                       | 251                  | 31.23                       | 313                  | 14.25                       |
| 4                    | 98.90                       | 66                   | 81.92                       | 128                  | 64.93                       | 190                  | 47.95                       | 252                  | 30.96                       | 314                  | 13.97                       |
| 5                    | 98.63                       | 67                   | 81.64                       | 129                  | 64.66                       | 191                  | 47.67                       | 253                  | 30.68                       | 315                  | 13.70                       |
| 6                    | 98.36                       | 68                   | 81.37                       | 130                  | 64.38                       | 192                  | 47.40                       | 254                  | 30.41                       | 316                  | 13.42                       |
| 7                    | 98.08                       | 69                   | 81.10                       | 131                  | 64.11                       | 193                  | 47.12                       | 255                  | 30.14                       | 317                  | 13.15                       |
| 8                    | 97.81                       | 70                   | 80.82                       | 132                  | 63.84                       | 194                  | 46.85                       | 256                  | 29.86                       | 318                  | 12.88                       |
| 9                    | 97.53                       | 71                   | 80.55                       | 133                  | 63.56                       | 195                  | 46.58                       | 257                  | 29.59                       | 319                  | 12.60                       |
| 10                   | 97.26                       | 72                   | 80.27                       | 134                  | 63.29                       | 196                  | 46.30                       | 258                  | 29.32                       | 320                  | 12.33                       |
| 11                   | 96.99                       | 73                   | 80.00                       | 135                  | 63.01                       | 197                  | 46.03                       | 259                  | 29.04                       | 321                  | 12.05                       |
| 12                   | 96.71                       | 74                   | 79.73                       | 136                  | 62.74                       | 198                  | 45.75                       | 260                  | 28.77                       | 322                  | 11.78                       |
| 13                   | 96.44                       | 75                   | 79.45                       | 137                  | 62.47                       | 199                  | 45.48                       | 261                  | 28.49                       | 323                  | 11.51                       |
| 14                   | 96.16                       | 76                   | 79.18                       | 138                  | 62.19                       | 200                  | 45.21                       | 262                  | 28.22                       | 324                  | 11.23                       |
| 15                   | 95.89                       | 77                   | 78.90                       | 139                  | 61.92                       | 201                  | 44.93                       | 263                  | 27.95                       | 325                  | 10.96                       |
| 16                   | 95.62                       | 78                   | 78.63                       | 140                  | 61.64                       | 202                  | 44.66                       | 264                  | 27.67                       | 326                  | 10.68                       |
| 17                   | 95.34                       | 79                   | 78.36                       | 141                  | 61.37                       | 203                  | 44.38                       | 265                  | 27.40                       | 327                  | 10.41                       |
| 18                   | 95.07                       | 80                   | 78.08                       | 142                  | 61.10                       | 204                  | 44.11                       | 266                  | 27.12                       | 328                  | 10.14                       |
| 19                   | 94.79                       | 81                   | 77.81                       | 143                  | 60.82                       | 205                  | 43.84                       | 267                  | 26.85                       | 329                  | 9.86                        |
| 20                   | 94.52                       | 82                   | 77.53                       | 144                  | 60.55                       | 206                  | 43.56                       | 268                  | 26.58                       | 330                  | 9.59                        |
| 21                   | 94.25                       | 83                   | 77.26                       | 145                  | 60.27                       | 207                  | 43.29                       | 269                  | 26.30                       | 331                  | 9.32                        |
| 22                   | 93.97                       | 84                   | 76.99                       | 146                  | 60.00                       | 208                  | 43.01                       | 270                  | 26.03                       | 332                  | 9.04                        |
| 23                   | 93.70                       | 85                   | 76.71                       | 147                  | 59.73                       | 209                  | 42.74                       | 271                  | 25.75                       | 333                  | 8.77                        |
| 24                   | 93.42                       | 86                   | 76.44                       | 148                  | 59.45                       | 210                  | 42.47                       | 272                  | 25.48                       | 334                  | 8.49                        |
| 25                   | 93.15                       | 87                   | 76.16                       | 149                  | 59.18                       | 211                  | 42.19                       | 273                  | 25.21                       | 335                  | 8.22                        |
| 26                   | 92.88                       | 88                   | 75.89                       | 150                  | 58.90                       | 212                  | 41.92                       | 274                  | 24.93                       | 336                  | 7.95                        |
| 27                   | 92.60                       | 89                   | 75.62                       | 151                  | 58.63                       | 213                  | 41.64                       | 275                  | 24.66                       | 337                  | 7.67                        |
| 28                   | 92.33                       | 90                   | 75.34                       | 152                  | 58.36                       | 214                  | 41.37                       | 276                  | 24.38                       | 338                  | 7.40                        |
| 29                   | 92.05                       | 91                   | 75.07                       | 153                  | 58.08                       | 215                  | 41.10                       | 277                  | 24.11                       | 339                  | 7.12                        |
| 30                   | 91.78                       | 92                   | 74.79                       | 154                  | 57.81                       | 216                  | 40.82                       | 278                  | 23.84                       | 340                  | 6.85                        |
| 31                   | 91.51                       | 93                   | 74.52                       | 155                  | 57.53                       | 217                  | 40.55                       | 279                  | 23.56                       | 341                  | 6.58                        |
| 32                   | 91.23                       | 94                   | 74.25                       | 156                  | 57.26                       | 218                  | 40.27                       | 280                  | 23.29                       | 342                  | 6.30                        |
| 33                   | 90.96                       | 95                   | 73.97                       | 157                  | 56.99                       | 219                  | 40.00                       | 281                  | 23.01                       | 343                  | 6.03                        |
| 34                   | 90.68                       | 96                   | 73.70                       | 158                  | 56.71                       | 220                  | 39.73                       | 282                  | 22.74                       | 344                  | 5.75                        |
| 35                   | 90.41                       | 97                   | 73.42                       | 159                  | 56.44                       | 221                  | 39.45                       | 283                  | 22.47                       | 345                  | 5.48                        |
| 36                   | 90.14                       | 98                   | 73.15                       | 160                  | 56.16                       | 222                  | 39.18                       | 284                  | 22.19                       | 346                  | 5.21                        |
| 37                   | 89.86                       | 99                   | 72.88                       | 161                  | 55.89                       | 223                  | 38.90                       | 285                  | 21.92                       | 347                  | 4.93                        |
| 38                   | 89.59                       | 100                  | 72.60                       | 162                  | 55.62                       | 224                  | 38.63                       | 286                  | 21.64                       | 348                  | 4.66                        |
| 39                   | 89.32                       | 101                  | 72.33                       | 163                  | 55.34                       | 225                  | 38.36                       | 287                  | 21.37                       | 349                  | 4.38                        |
| 40                   | 89.04                       | 102                  | 72.05                       | 164                  | 55.07                       | 226                  | 38.08                       | 288                  | 21.10                       | 350                  | 4.11                        |
| 41                   | 88.77                       | 103                  | 71.78                       | 165                  | 54.79                       | 227                  | 37.81                       | 289                  | 20.82                       | 351                  | 3.84                        |
| 42                   | 88.49                       | 104                  | 71.51                       | 166                  | 54.52                       | 228                  | 37.53                       | 290                  | 20.55                       | 352                  | 3.56                        |
| 43                   | 88.22                       | 105                  | 71.23                       | 167                  | 54.25                       | 229                  | 37.26                       | 291                  | 20.27                       | 353                  | 3.29                        |
| 44                   | 87.95                       | 106                  | 70.96                       | 168                  | 53.97                       | 230                  | 36.99                       | 292                  | 20.00                       | 354                  | 3.01                        |
| 45                   | 87.67                       | 107                  | 70.68                       | 169                  | 53.70                       | 231                  | 36.71                       | 293                  | 19.73                       | 355                  | 2.74                        |
| 46                   | 87.40                       | 108                  | 70.41                       | 170                  | 53.42                       | 232                  | 36.44                       | 294                  | 19.45                       | 356                  | 2.47                        |
| 47                   | 87.12                       | 109                  | 70.14                       | 171                  | 53.15                       | 233                  | 36.16                       | 295                  | 19.18                       | 357                  | 2.19                        |
| 48                   | 86.85                       | 110                  | 69.86                       | 172                  | 52.88                       | 234                  | 35.89                       | 296                  | 18.90                       | 358                  | 1.92                        |
| 49                   | 86.58                       | 111                  | 69.59                       | 173                  | 52.60                       | 235                  | 35.62                       | 297                  | 18.63                       | 359                  | 1.64                        |
| 50                   | 86.30                       | 112                  | 69.32                       | 174                  | 52.33                       | 236                  | 35.34                       | 298                  | 18.36                       | 360                  | 1.37                        |
| 51                   | 86.03                       | 113                  | 69.04                       | 175                  | 52.05                       | 237                  | 35.07                       | 299                  | 18.08                       | 361                  | 1.10                        |
| 52                   | 85.75                       | 114                  | 68.77                       | 176                  | 51.78                       | 238                  | 34.79                       | 300                  | 17.81                       | 362                  | 0.82                        |
| 53                   | 85.48                       | 115                  | 68.49                       | 177                  | 51.51                       | 239                  | 34.52                       | 301                  | 17.53                       | 363                  | 0.55                        |
| 54                   | 85.21                       | 116                  | 68.22                       | 178                  | 51.23                       | 240                  | 34.25                       | 302                  | 17.26                       | 364                  | 0.27                        |
| 55                   | 84.93                       | 117                  | 67.95                       | 179                  | 50.96                       | 241                  | 33.97                       | 303                  | 16.99                       | 365                  | 0.00                        |
| 56                   | 84.66                       | 118                  | 67.67                       | 180                  | 50.68                       | 242                  | 33.70                       | 304                  | 16.71                       |                      |                             |
| 57                   | 84.38                       | 119                  | 67.40                       | 181                  | 50.41                       | 243                  | 33.42                       | 305                  | 16.44                       |                      |                             |
| 58                   | 84.11                       | 120                  | 67.12                       | 182                  | 50.14                       | 244                  | 33.15                       | 306                  | 16.16                       |                      |                             |
| 59                   | 83.84                       | 121                  | 66.85                       | 183                  | 49.86                       | 245                  | 32.88                       | 307                  | 15.89                       |                      |                             |
| 60                   | 83.56                       | 122                  | 66.58                       | 184                  | 49.59                       | 246                  | 32.60                       | 308                  | 15.62                       |                      |                             |
| 61                   | 83.29                       | 123                  | 66.30                       | 185                  | 49.32                       | 247                  | 32.33                       | 309                  | 15.34                       |                      |                             |
| 62                   | 83.01                       | 124                  | 66.03                       | 186                  | 49.04                       | 248                  | 32.05                       | 310                  | 15.07                       |                      |                             |

The Refund Schedule is effective for all cancellations processed after the close of business on September 6, 2021, and is subject to change at any time.

Refund Schedule Annual Premium Plans

07022021

# Single and CustoMlze SplitEdge® Upfront Premiums



## Refund Schedule

### Single and CustoMlze SplitEdge® Upfront Premiums

Refund Schedule applies to refundable single Premiums, the upfront portion of refundable CustoMlze SplitEdge® Premiums and cancellations under the Homeowners Protection Act of 1998 (HPA).

**To Calculate the Refund Amount:** Identify the column below which applies to the Loan based on original loan-to-value (LTV) and original loan term. Determine how many months the Certificate has been in force. Use the table to find the value in the Refund Schedule for the number of months in force. Multiply the original Premium paid by the % determined to calculate the amount of the refund.

| Original LTV       | Original Loan Term |           |
|--------------------|--------------------|-----------|
|                    | > 25 year          | ≤ 25 year |
| Greater than 95%   | A                  | D         |
| 95% to 90.01%      | B                  | D         |
| 90% to 85.01%      | C                  | D         |
| 85.00% and under   | D                  | E         |
| Non-HPA Refundable | E                  | E         |

| Months in Force | A      | B      | C      | D      | E      | Months in Force | A      | B      | C      | D      | Months in Force | A      | B      | C     |
|-----------------|--------|--------|--------|--------|--------|-----------------|--------|--------|--------|--------|-----------------|--------|--------|-------|
| 1               | 90.00% | 90.00% | 90.00% | 90.00% | 90.00% | 41              | 52.46% | 51.20% | 45.62% | 30.84% | 81              | 15.60% | 13.10% | 2.03% |
| 2               | 87.95% | 87.88% | 87.57% | 86.76% | 84.26% | 42              | 51.33% | 50.03% | 44.28% | 29.06% | 82              | 15.00% | 12.48% | 1.33% |
| 3               | 87.60% | 87.52% | 87.16% | 86.21% | 83.28% | 43              | 50.20% | 48.86% | 42.95% | 27.28% | 83              | 14.44% | 11.90% | 0.67% |
| 4               | 87.25% | 87.16% | 86.74% | 85.66% | 82.31% | 44              | 49.12% | 47.75% | 41.67% | 25.58% | 84              | 13.88% | 11.32% | 0.00% |
| 5               | 86.80% | 86.69% | 86.21% | 84.95% | 81.05% | 45              | 48.04% | 46.63% | 40.39% | 23.89% | 85              | 13.31% | 10.74% |       |
| 6               | 86.35% | 86.22% | 85.68% | 84.24% | 79.79% | 46              | 46.96% | 45.52% | 39.11% | 22.19% | 86              | 12.70% | 10.11% |       |
| 7               | 85.90% | 85.76% | 85.15% | 83.54% | 78.54% | 47              | 45.91% | 44.43% | 37.87% | 20.53% | 87              | 12.09% | 9.48%  |       |
| 8               | 85.28% | 85.12% | 84.42% | 82.56% | 76.82% | 48              | 44.86% | 43.34% | 36.63% | 18.87% | 88              | 11.48% | 8.84%  |       |
| 9               | 84.66% | 84.48% | 83.69% | 81.59% | 75.09% | 49              | 43.81% | 42.26% | 35.39% | 17.22% | 89              | 10.94% | 8.29%  |       |
| 10              | 84.04% | 83.84% | 82.95% | 80.61% | 73.36% | 50              | 42.81% | 41.23% | 34.22% | 15.65% | 90              | 10.41% | 7.74%  |       |
| 11              | 83.29% | 83.06% | 82.06% | 79.42% | 71.24% | 51              | 41.82% | 40.21% | 33.05% | 14.09% | 91              | 9.88%  | 7.19%  |       |
| 12              | 82.52% | 82.27% | 81.16% | 78.22% | 69.12% | 52              | 40.83% | 39.19% | 31.87% | 12.52% | 92              | 9.39%  | 6.68%  |       |
| 13              | 81.77% | 81.49% | 80.26% | 77.02% | 67.00% | 53              | 39.79% | 38.11% | 30.64% | 10.87% | 93              | 8.89%  | 6.17%  |       |
| 14              | 81.04% | 80.73% | 79.40% | 75.87% | 64.96% | 54              | 38.75% | 37.03% | 29.40% | 9.23%  | 94              | 8.40%  | 5.65%  |       |
| 15              | 80.31% | 79.98% | 78.54% | 74.73% | 62.93% | 55              | 37.70% | 35.95% | 28.17% | 7.59%  | 95              | 7.95%  | 5.19%  |       |
| 16              | 79.58% | 79.23% | 77.68% | 73.58% | 60.90% | 56              | 36.74% | 34.95% | 27.03% | 6.07%  | 96              | 7.50%  | 4.73%  |       |
| 17              | 78.67% | 78.29% | 76.61% | 72.14% | 58.36% | 57              | 35.78% | 33.96% | 25.89% | 4.55%  | 97              | 7.05%  | 4.27%  |       |
| 18              | 77.76% | 77.35% | 75.53% | 70.71% | 55.82% | 58              | 34.81% | 32.96% | 24.75% | 3.03%  | 98              | 6.61%  | 3.81%  |       |
| 19              | 76.85% | 76.41% | 74.46% | 69.28% | 53.28% | 59              | 33.85% | 31.97% | 23.62% | 1.52%  | 99              | 6.17%  | 3.36%  |       |
| 20              | 75.85% | 75.38% | 73.28% | 67.71% | 50.50% | 60              | 32.89% | 30.97% | 22.47% | 0.00%  | 100             | 5.72%  | 2.90%  |       |
| 21              | 74.85% | 74.35% | 72.10% | 66.14% | 47.71% | 61              | 31.92% | 29.97% | 21.34% |        | 101             | 5.36%  | 2.52%  |       |
| 22              | 73.86% | 73.31% | 70.92% | 64.57% | 44.93% | 62              | 30.92% | 28.94% | 20.16% |        | 102             | 4.99%  | 2.13%  |       |
| 23              | 72.75% | 72.17% | 69.61% | 62.81% | 41.82% | 63              | 29.93% | 27.92% | 18.99% |        | 103             | 4.63%  | 1.76%  |       |
| 24              | 71.64% | 71.02% | 68.29% | 61.07% | 38.72% | 64              | 28.94% | 26.89% | 17.81% |        | 104             | 4.27%  | 1.40%  |       |
| 25              | 70.52% | 69.87% | 66.98% | 59.31% | 35.61% | 65              | 27.99% | 25.91% | 16.70% |        | 105             | 3.92%  | 1.03%  |       |
| 26              | 69.45% | 68.76% | 65.71% | 57.62% | 32.61% | 66              | 27.05% | 24.93% | 15.57% |        | 106             | 3.56%  | 0.66%  |       |
| 27              | 68.37% | 67.65% | 64.44% | 55.93% | 29.61% | 67              | 26.10% | 23.96% | 14.45% |        | 107             | 3.24%  | 0.33%  |       |
| 28              | 67.30% | 66.55% | 63.17% | 54.23% | 26.61% | 68              | 25.34% | 23.17% | 13.55% |        | 108             | 2.93%  | 0.00%  |       |
| 29              | 65.98% | 65.18% | 61.61% | 52.16% | 22.93% | 69              | 24.57% | 22.37% | 12.65% |        | 109             | 2.60%  |        |       |
| 30              | 64.67% | 63.81% | 60.05% | 50.08% | 19.24% | 70              | 23.81% | 21.59% | 11.75% |        | 110             | 2.31%  |        |       |
| 31              | 63.34% | 62.45% | 58.48% | 47.99% | 15.55% | 71              | 23.15% | 20.91% | 10.96% |        | 111             | 2.02%  |        |       |
| 32              | 62.23% | 61.29% | 57.16% | 46.22% | 12.43% | 72              | 22.48% | 20.21% | 10.18% |        | 112             | 1.73%  |        |       |
| 33              | 61.10% | 60.13% | 55.84% | 44.46% | 9.30%  | 73              | 21.83% | 19.53% | 9.40%  |        | 113             | 1.49%  |        |       |
| 34              | 59.99% | 58.98% | 54.51% | 42.70% | 6.17%  | 74              | 20.97% | 18.65% | 8.39%  |        | 114             | 1.24%  |        |       |
| 35              | 58.88% | 57.83% | 53.21% | 40.96% | 3.09%  | 75              | 20.12% | 17.77% | 7.38%  |        | 115             | 1.00%  |        |       |
| 36              | 57.77% | 56.69% | 51.90% | 39.21% | 0.00%  | 76              | 19.26% | 16.89% | 6.37%  |        | 116             | 0.79%  |        |       |
| 37              | 56.66% | 55.55% | 50.59% | 37.48% |        | 77              | 18.44% | 16.04% | 5.39%  |        | 117             | 0.59%  |        |       |
| 38              | 55.65% | 54.49% | 49.38% | 35.86% |        | 78              | 17.61% | 15.18% | 4.42%  |        | 118             | 0.38%  |        |       |
| 39              | 54.62% | 53.43% | 48.17% | 34.25% |        | 79              | 16.79% | 14.34% | 3.45%  |        | 119             | 0.19%  |        |       |
| 40              | 53.60% | 52.37% | 46.95% | 32.63% |        | 80              | 16.19% | 13.72% | 2.75%  |        | 120             | 0.00%  |        |       |

The Refund Schedule is effective for all cancellations processed after the close of business on August 16, 2019 and, it is subject to change at any time.

## Appendix B: Document requirements

**Early Validation Confident Coverage:** See the Loan Origination & Closing File documents in the table below.

- For Non-Delegated reviews when Radian has already received the Origination File, submit only the following: Final Closing Disclosure and all addendums, Note, title commitment, and homeowners' insurance policy.

**Claims:** See the Loan Origination & Closing File documents and Servicing File documents listed in the table below for examples of the Core Claim Documents that may be requested as part of a Claim review. As each Claim is unique, Radian will provide a customized list of those documents that are deemed critical and/or required.

| Categories/Documents             |                                                                                                                    |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Loan Origination & Closing Files |                                                                                                                    |
| Application (1003)               | Signed initial application (1003)                                                                                  |
|                                  | Signed final application (1003)                                                                                    |
| Underwriting                     | All letters of explanation                                                                                         |
|                                  | AUS findings (and required supporting documentation)                                                               |
|                                  | Bankruptcy papers                                                                                                  |
|                                  | Credit letter of explanation                                                                                       |
|                                  | Divorce decree and/or separation agreement                                                                         |
|                                  | Final 1008                                                                                                         |
|                                  | Lease agreements (for primary and second subject occupancy)                                                        |
|                                  | Lease with option to purchase agreement                                                                            |
|                                  | Lender Loan approval or underwriting worksheet with conditions (and required supporting documentation)             |
|                                  | Listing agreement and/or Closing Disclosure from sale of home                                                      |
|                                  | Processing and approval notes                                                                                      |
|                                  | Project approval                                                                                                   |
| Assets                           | 401K statements                                                                                                    |
|                                  | Asset validation services may replace any of the above noted documents as permitted on a valid AUS findings report |
|                                  | Bank statements                                                                                                    |
|                                  | Brokerage statements                                                                                               |
|                                  | Gift funds source (gift donor's bank statement or copy of cancelled check)                                         |
|                                  | Gift letter                                                                                                        |
|                                  | Retirement statements                                                                                              |
|                                  | Verification of deposit                                                                                            |

| Categories/Documents                      |                                                                                                                                    |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Loan Origination & Closing Files (cont'd) |                                                                                                                                    |
| Income                                    | 1099s                                                                                                                              |
|                                           | Business license (self-employed Borrowers)                                                                                         |
|                                           | Executed 4506-T or 4506-C or acceptable alternative (i.e., Form 8821)                                                              |
|                                           | Full verification of employment (VOE)                                                                                              |
|                                           | Income calculation                                                                                                                 |
|                                           | Income and Employment validation services may replace any of the above noted documents as permitted on a valid AUS findings report |
|                                           | Other income docs (i.e. retirement, workmen's compensation, alimony, child support, lease agreements)                              |
|                                           | Paystubs                                                                                                                           |
|                                           | Self-employed income analysis worksheet                                                                                            |
|                                           | Tax returns with all schedules (personal and/or business)                                                                          |
|                                           | Verbal verification of employment (VVOE)                                                                                           |
|                                           | W2s                                                                                                                                |
|                                           | W9s                                                                                                                                |
| Credit                                    | Alternative credit references                                                                                                      |
|                                           | Original credit report including supplements                                                                                       |
|                                           | Proof of residency (if not a U.S. citizen)                                                                                         |
|                                           | Verification of Mortgage or rent payments with cancelled checks (if applicable)                                                    |
| Value                                     | Appraisal Update and/or Certificate of Completion                                                                                  |
|                                           | Complete appraisal (including pictures, maps, and addendums) or Valid AUS findings report with Property Inspection Waiver          |
|                                           | Property Data Report (PDR) or Property Data Collection (PDC) (if applicable)                                                       |
| Purchase                                  | Fully executed sales contract and addendums                                                                                        |
| Refinance                                 | Payoff statements                                                                                                                  |
|                                           | Verification of previous Mortgage                                                                                                  |
| Closing                                   | Borrowers certification and authorization (if applicable)                                                                          |
|                                           | Deed                                                                                                                               |
|                                           | Final Closing Disclosure and all addendums                                                                                         |
|                                           | Homeowners insurance policy                                                                                                        |
|                                           | Mortgage/Deed of Trust                                                                                                             |
|                                           | Note                                                                                                                               |
|                                           | Title commitment/final title policy                                                                                                |
| Miscellaneous                             | Fraud detection reports                                                                                                            |
|                                           | Secondary financing/subordination documents                                                                                        |

| Categories/Documents |                                                                                                                                                                                                            |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Servicing File       |                                                                                                                                                                                                            |
| Servicing Records    | All notes related to the servicing of the Loan, from the Borrower's last timely payment through Property liquidation. (Notes may concern customer service, collections, Loss mitigation, bankruptcy, etc.) |
|                      | Any documentation related to attempted or completed Workouts (i.e. modification, short sale, deed-in-lieu of foreclosure, or foreclosure).                                                                 |
|                      | Loan Payment history, from inception through Claim submission, including all receivables and disbursements.                                                                                                |
|                      | Physical Damage records                                                                                                                                                                                    |
|                      | Repurchase or indemnification demand records                                                                                                                                                               |
| Servicing Documents  | BPO or Appraisal(s) used during the Default life cycle                                                                                                                                                     |
|                      | Current hazard insurance (listing valid coverage periods for expenses claimed)                                                                                                                             |
|                      | Current Property tax information (listing valid coverage periods for expenses claimed)                                                                                                                     |
|                      | Condominium and Homeowners Association coverage dates                                                                                                                                                      |
| Expenses             | Attorney expense breakdown                                                                                                                                                                                 |
|                      | Explanation of credits applied to Claim for loss                                                                                                                                                           |
|                      | Invoices (i.e. Property preservation)                                                                                                                                                                      |
|                      | Itemized utility breakdowns                                                                                                                                                                                |
|                      | Restoration documents (i.e. repair bids)                                                                                                                                                                   |
| Loss Mitigation      | Arm's Length Transaction Affidavit (FNMA form 191 / FHLMC form 97)                                                                                                                                         |
|                      | Bidding instructions                                                                                                                                                                                       |
|                      | Borrower asset documentation for evaluating short sale or deed-in-lieu of foreclosure                                                                                                                      |
|                      | Borrower financial analysis for approval of short sale or deed-in-lieu of foreclosure                                                                                                                      |
|                      | Borrower hardship eligibility documentation for evaluating short sale or deed-in-lieu of foreclosure                                                                                                       |
|                      | Borrower income documentation for evaluating short sale or deed-in-lieu of foreclosure                                                                                                                     |
|                      | Credit report used to evaluate before approval of short sale or deed-in-lieu of foreclosure                                                                                                                |
|                      | EOB and Supplemental EOB, as applicable                                                                                                                                                                    |
|                      | Final short sale purchase or deed-in-lieu agreement and resulting approval letter, as applicable                                                                                                           |
|                      | Foreclosure timeline, if applicable                                                                                                                                                                        |
|                      | Foreclosure, Trustee, Short Sale, Warranty, or Quitclaim Deed (or acceptable alternative)                                                                                                                  |
|                      | Marketing package                                                                                                                                                                                          |
|                      | Proof of funds (i.e. wire confirmation or sales proceeds check)                                                                                                                                            |
|                      | Short sale, deed-in-lieu of foreclosure, REO, or post-foreclosure sale signed final Closing Disclosure, as applicable                                                                                      |

Radian Guaranty Inc.

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