

Participant

Policy issued to:

Name

Attached to and forming part of:

Master Policy number

Effective date of Endorsement:

The following shall apply if the principal place of business of the Initial Insured, as designated on the Declaration Page to the above-captioned Master Policy, is located in Montana. Capitalized terms not otherwise defined herein shall have the meaning set forth in such Master Policy.

Section 3

A new condition of the above captioned Master Policy is hereby added as follows:

3.7 Cancellation of Policy or Certificate of Insurance by Company

Subject to *Section 3.6 (Cancellation of Policy)*, the Company shall have the right to cancel a Certificate of Insurance before either the expiration of the agreed term or one (1) year from the effective date of the policy or renewal date, whichever is less where:

- a. The Certificate was issued on grounds of material misrepresentation or omission, or;
- b. There was a substantial change in the risk assumed, except to the extent that the Company should reasonably have foreseen the change or contemplated the risk when the Contract was written, or;
- c. There were substantial breaches of the Insured’s contractual duties, conditions or warranties.

Further to the above, pursuant to the terms of the Policy, the Company:

- i. Provides 60 days notice prior to the cancellation of a Certificate of Insurance for non-payment of premium;
- ii. Provides 30 days notice prior to the cancellation of a Certificate of Insurance for fraud and misrepresentation and the Insured has another 60 days to appeal the cancellation.

Section 15

Section 15.1 Arbitration and *Section 15.2 Application to GSE Beneficiary of the Policy* are hereby amended by deleting such sections in their entirety.

Section 18

Section 18 of the of the above-captioned Master Policy is hereby amended and restated as follows:

Section 18 – Governing Law; Conformity to Statute

All matters arising under or relating to this Policy will be determined exclusively in accordance with the laws of the State of Montana, without regard to any other choice of law provisions.

Any provision of this Policy which is in conflict with law that governs this Policy is hereby amended to conform to the minimum requirements of that law, it being the intention of the Initial Insured and us that the specific provisions of this Policy will be controlling whenever possible.

Section 19

Section 19 of the of the of the Policy is deleted and restated as follows:

Section 19 – Interpretation

Unless otherwise indicated, any reference to a Section, a clause or a paragraph of this Policy means that the reference is to this Master Policy. The table of contents and headings contained herein are for reference purposes only and will not in any way affect the meaning or interpretation of this Policy, including when such headings are set forth as part of cross references. Any reference to the Eligibility Criteria, Servicing Guide or Underwriting Requirements will be to the version in effect at the time specified in this Policy or if no time is specified, to the version in effect at the time when an action is taken in accordance with the Eligibility Criteria, Servicing Guide or Underwriting Requirements. Whenever a provision of this Policy requires that approval be requested or given, such request or approval shall be made in any form of written communication and may be requested or given in any manner and format approved for such communication in our Servicing Guide. If the Policy provides for an exception to an Exclusion, by satisfaction of a condition or otherwise, the Insured will be responsible to demonstrate all circumstances necessary to establish such exception actually exists.

When the words “include,” “includes” or “including” are used in this Policy, they will be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words. The words “hereof,” “herein” and “hereunder” used in this Policy shall refer to this Policy as a whole and not to any particular provision of this Policy. The words “shall” and “will” as used in this Policy have the same meaning, which is to create an obligation, requirement or rule. Wherever the singular is used herein, the same will include the plural, and where the plural is used herein, the same will include the singular, where appropriate. Any reference to “days” means calendar days unless Business Days are specified. If any action under this Policy is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken on the first succeeding Business Day thereafter. Unless otherwise specified, references from or through any date mean from and including or through and including, respectively. References to any statute, rule, standard, regulation or other law will be deemed to include a reference to the corresponding rules and regulations, if any, and each of them as amended from time to time. References to any section of any statute, rule, standard, regulation or other law will be deemed to include any successor to such section. By obtaining insurance for any Loan under this Policy, the Initial Insured agrees, and by becoming a Beneficiary, any Beneficiary agrees, that no provision of this Policy will be used to seek to establish any proposition about the meaning of any other insurance policy of the Company.

Corporate Seal

In witness whereof, the Company has caused its Corporate Seal to be hereto affixed and these presents to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding on the Company.



Radian Guaranty Inc.

John Byr Bazemore

President

M. W. [Signature]

Secretary

To be countersigned by the Company’s duly authorized agent to the extent required by applicable state law or regulation.

Authorized Company representative