Radian Group Inc.



1601 Market Street Philadelphia, Pennsylvania 19103-2337 800 523.1988 215 564.6600

December 2, 2009

Mr. Robert H. Herz, Chairman Financial Accounting Standards Board 401 Merritt 7 - P.O. Box 5116 Norwalk, CT 06856-5116

Re: Accounting for Financial Guarantee Insurance Contracts and Amendments to FASB Interpretation No. 46 (R) – FASB Agenda Request

Dear Mr. Herz,

On behalf of Radian Group Inc., we would like to take this opportunity to express our concern regarding Statement 167, Amendments to FASB Interpretation 46 (R), and its interaction with the standard regarding Accounting for Financial Guarantee Insurance Contracts (ASC Topic 944). We believe the current accounting and presentation requirements, which the financial guaranty industry implemented in the first quarter of 2009, provide an appropriate level of understanding to the users and readers of our financial statements with regards to potential losses, premiums and risk profile of our insured financial guaranty portfolio. The requirements of FAS 167, in our view, would add a level of complexity that would be confusing to the users of our financial statements, especially after having recently implemented an accounting standard that was meant to provide transparency specific to the financial guaranty industry. As such, we respectfully request that the FASB either exclude from the scope of FAS 167 those contracts that are accounted for under the current model for accounting for financial guaranty insurance contracts or defer the effective date of FAS 167 for financial guarantee insurance contracts to allow more time to study the interaction of these two standards.

We believe the requirements under ASC Topic 944 provide an appropriate framework for financial guarantee contracts because it requires that a claim liability be recorded whenever expected losses exceed the remaining unearned premium for an individual contract. For performing transactions, current guidance requires us to recognize premium income and amortize the unearned premium reserve.

Conversely, under the FAS 167 model, if we are determined to be the primary beneficiary of a VIE for which we issued a financial guaranty, we would be required to consolidate that entity's assets and liabilities under an accounting model that is inconsistent with, and less transparent than, the accounting model for financial guaranty insurance contracts.

We believe the current requirements under ASC Topic 944 provide the most meaningful information to users of our financial statements. Therefore, we urge you to consider the above request to either exclude from the scope of FAS 167 contracts that are accounted for under the current accounting model for financial guaranty insurance or defer the effective date of FAS 167 for financial guarantee insurance contracts, in order for us to evaluate the relationship between the recently issued accounting model for financial guaranty insurance contracts and FAS 167.

Thank you for your consideration of this matter. Should you have any questions about our letter please do not hesitate to contact Cathy Jackson, Corporate Controller at 215-231-1286 or at cathy.jackson@radian.biz.

Sincerely,

C. Bob Quint

Chief Financial Officer

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Radian Group Inc.

Cathy Jackson

Corporate Controller

Radian Group Inc.