

Ibrahim Sanford A  
 Form 4  
 December 28, 2012

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Ibrahim Sanford A

2. Issuer Name and Ticker or Trading Symbol  
 RADIAN GROUP INC [RDN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 RADIAN GROUP INC., 1601  
 MARKET ST

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 12/26/2012

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Chief Executive Officer

(Street)  
 PHILADELPHIA, PA 19103

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/26/2012		G		500,000 <sup>(1)</sup>	D	\$ 0
Common Stock	12/26/2012		G		500,000	I	\$ 0
Common Stock					12,095	I	

By Trust (for the benefit of Reporting Person's son)  
 401K stock fund

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Stock Option - Performance Award	\$ 2.45					06/06/2015 <sup>(3)</sup>	06/06/2022	Common Stock	320,000 <sup>(3)</sup>
Restricted Stock Units -Performance Award	\$ 0					<sup>(4)</sup>	<sup>(4)</sup>	Common Stock	581,800 <sup>(5) (6)</sup>
Stock Option - Performance Award	\$ 3.58					06/09/2014 <sup>(7)</sup>	06/09/2018	Common Stock	269,700 <sup>(7)</sup>
Restricted Stock Units -Performance Award	\$ 0					<sup>(4)</sup>	<sup>(4)</sup>	Common Stock	658,000 <sup>(8) (1)</sup>
Stock Option	\$ 10.42					05/12/2013 <sup>(9)</sup>	05/12/2017	Common Stock	87,900 <sup>(9)</sup>
Restricted Stock Units -Performance Award	\$ 0					<sup>(4)</sup>	<sup>(4)</sup>	Common Stock	72,800 <sup>(10) (1)</sup>
Stock Appreciation Right	\$ 2.68					05/13/2012	05/13/2014	Common Stock	269,000
Stock Option	\$ 2.48					08/07/2011	08/07/2015	Common Stock	253,000

Stock Option \$ 56.03

02/07/2007 05/05/2013

Common  
Stock 35,800

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ibrahim Sanford A RADIAN GROUP INC. 1601 MARKET ST PHILADELPHIA, PA 19103		X	Chief Executive Officer	

## Signatures

Edward J. Hoffman /s/, Edward J. Hoffman as Power of Attorney

12/28/2012

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Transaction involved a gift of shares to a trust for the benefit of a member of the Reporting Person's family. The Reporting Person retains voting and investment control over the gifted shares and therefore, the 500,000 shares remain beneficially owned by the Reporting Person.

(2) Total includes 76,547 shares owned outright and 69,762 shares of unvested restricted stock.

(3) Non-Qualified Stock Option: Vesting is 50% on or after the third anniversary of the grant and 50% on or after the fourth anniversary of the grant, provided that Radian's common stock has closed at 100% above the exercise price of the option for 10 consecutive trading days ending at any point on or after the third anniversary of the grant.

(4) Not Applicable.

(5) Performance Based Restricted Stock Units ("RSUs"): Vesting is 100% at the end of the three year performance period, with a potential payout ranging from 0% to 200% (\*\*subject to limitations discussed in Footnote 6 below) of the target award based on Radian's absolute and relative total stockholder return ("TSR") over the three year performance period. Radian's relative TSR will be measured against the median TSR of a peer group consisting mainly of the companies listed on the NASDAQ Financial Index. Radian's absolute TSR will be applied to determine the maximum number of RSUs that may be awarded, with the grantee being eligible to receive a 100% payout only if Radian achieves a 150% absolute TSR. TSR is measured generally as the change in market value of common stock during the performance period, plus dividends, as measured by comparing (x) the 20 day average trading price preceding and including the the last day of the performance period. The RSUs have no voting or dividend rights.

(6) The number of RSUs reported (581,870) represents the target award. \*\*As discussed in Footnote 5 above, at the end of the performance period, the grantee may earn up to 200% of the target award, subject to a maximum award limitation of one million (1,000,000) shares that may be issued to any individual in a calendar year under the Radian Group Inc. Amended and Restated 2008 Equity Compensation Plan. The maximum number of RSUs that can be earned under this individual award is 679,940 units. The payout is determined based on the relative and absolute performance of Radian's TSR.

(7) Non-Qualified Stock Option: Vesting is 50% on or after the third anniversary of the grant and 50% on or after the fourth anniversary of the grant, provided that Radian's common stock has closed at 25% above the exercise price of the option for 10 consecutive trading days ending at any point on or after the third anniversary of the grant.

(8) Performance Based Restricted Stock Units ("RSUs"): Vesting is 100% at the end of the three year performance period, with a potential payout ranging from 0% to 200% (\*\*subject to limitations discussed in Footnote 11 below) of the target award based on Radian's total stockholder return ("TSR") over the three year performance period relative to the median TSR of Radian's primary competitors and the companies listed on the NASDAQ Financial Index. TSR is measured generally as the change in market value of common stock during the performance period, plus dividends, as measured by comparing (x) the 20 day average trading price preceding and including the RSU date of grant, to (y) the 20 day average trading price preceding and including the last day of the performance period. The RSUs

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have no voting or dividend rights and will be settled in cash.

- (9) Non-Qualified Stock Option: Vesting is 50% on the third anniversary of the grant and 50% on the fourth anniversary of the grant.

Performance Based RSUs: Vesting is 100% at the end of year three, with settlement in common shares based on the achievement of total shareholder return ("TSR") performance goals as follows: 50% of the award is eligible for a payment (between 0% and 100%, up to 36,400 shares) based on the Company's relative TSR compared to its peers; and 50% of the award is eligible for a payment (between 0% and 150%, up to 54,600 shares) based on the Company's relative TSR compared to the TSR's of companies included in the S&P 400 index. Upon the occurrence of certain corporate events involving one or more companies included in the Company's peer group, the performance goals for the entire award (between 0% and 150%, up to 109,200 shares) would then be based on the Company's relative TSR compared to the TSR's of companies included in the S&P 400 index.

- (11) The number of RSUs reported (658,080) represents the target award. \*\*As discussed in Footnote 8 above, at the end of the performance period, the participant may earn up to 200% of the target award, subject to a maximum award limitation of one million (1,000,000) shares that may be issued to any individual in a calendar year under the Radian Group Inc. Amended and Restated 2008 Equity Compensation Plan.

- (12) The number of RSUs reported (72,800) represents the target award. As discussed in Footnote 10 above, the number of shares that may be issued upon vesting ranges from 0 shares to 91,000 shares (109,200 shares in the event TSR performance is measured solely against the companies included in the S&P 400 index).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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