

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

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934**

Filed by the Registrant X
Filed by a Party other than the Registrant O

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

NMI Holdings, Inc.

(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - 1) Title of each class of securities to which transaction applies:
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- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - 1) Amount previously paid:
 - 2) Form, Schedule, or Registration Statement No.:
 - 3) Date Filed:

A photograph of a family of four walking up a set of stairs. The father is on the left, the mother on the right, and two children in the middle. They are all holding hands. The scene is set outdoors with trees and a house in the background. The entire image is overlaid with a dark blue color and a white geometric grid pattern.

2023

NOTICE OF
ANNUAL MEETING

OF STOCKHOLDERS
AND PROXY STATEMENT

NMI HOLDINGS, INC.



March 31, 2023

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of NMI Holdings, Inc. (NMI or the Company). The meeting will be held as a virtual meeting on Thursday, May 11, 2023 at 8:30 a.m. Eastern Time. We will provide a live audio webcast of the annual meeting at www.virtualshareholdermeeting.com/NMIH2023.

At this year's meeting, we will vote on the election of directors and the ratification of the selection of BDO USA, LLP as NMI's independent auditors. We will also conduct a nonbinding advisory vote to approve the compensation of NMI's named executive officers. Finally, we will transact such other business as may properly come before the meeting, and stockholders will have an opportunity to ask questions. Prior to and during the meeting you may vote on the proposals described in this proxy statement.

Your vote is important. Whether or not you plan to participate in the meeting, we encourage you to vote as soon as possible over the Internet or, if you requested printed copies of the proxy materials to be mailed to you, by telephone or by mailing a completed proxy card or voting instruction form. Your vote by proxy will ensure your representation at the annual meeting regardless of whether you participate in the meeting. You may also vote online during the meeting until voting is closed. Details regarding the annual meeting and the business to be conducted are described in the accompanying Notice of 2023 Annual Meeting of Stockholders and Proxy Statement.

Thank you for your trust and ongoing support in NMI.

Sincerely,

A handwritten signature in black ink, appearing to read "B. M. Shuster".



Bradley M. Shuster
Executive Chairman and Chairman of the Board
March 31, 2023

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Notice of 2023 Annual Meeting of Stockholders

To the Stockholders of NMI Holdings, Inc.:

The 2023 Annual Meeting of Stockholders (Annual Meeting) of NMI Holdings, Inc. (NMI or the Company) will be held as a virtual meeting.

MEETING INFORMATION



DATE AND TIME:

Thursday, May 11, 2023
8:30 a.m. Eastern Time.



LOCATION:

www.virtualshareholdermeeting.com/NMIH2023



RECORD DATE:

March 15, 2023

PROPOSALS

1

Election of nine directors;

2

Advisory approval of our executive compensation;
and

3

Ratification of the appointment of BDO USA, LLP as NMI's independent auditor.

The foregoing items are more fully described in this Proxy Statement accompanying this Notice. We also will transact any other business that may properly come before the Annual Meeting. At this time, we are not aware of any such additional matters.

Only stockholders of record at the close of business on March 15, 2023, and their proxies, are entitled to notice and to vote at the Annual Meeting as well as any and all adjournments, continuations or postponements thereof. Each stockholder of record and their proxies will be entitled to one vote for each share held on the record date.

This Notice, the Notice of Internet Availability of Proxy Materials, the Proxy Statement and the 2022 Annual Report are first being sent or made available to our stockholders of record on or about March 31, 2023. The Notice of Internet Availability of Proxy Materials also contains instructions on how you can receive a paper copy of our proxy materials free of charge.

By Order of the Board of Directors



Bradley M. Shuster

Executive Chairman and Chairman of the Board

March 31, 2023

Whether or not you expect to participate in the virtual annual meeting, please vote as promptly as possible in order to ensure your representation at the annual meeting.

Proxy Statement Summary

This Proxy Statement Summary highlights information contained elsewhere in this Proxy Statement. *This summary does not contain all of the information you should consider, so please read the entire proxy statement carefully before voting.*

MATTERS TO BE VOTED UPON

PROPOSAL	VOTES REQUIRED FOR APPROVAL	EFFECT OF ABSTENTION ¹	SHARES/EFFECT OF BROKER NON-VOTES ²	SIGNED BUT UNMARKED PROXY CARDS	BOARD RECOMMENDATION	PAGE REFERENCE
1 Election of directors	Plurality of Votes Cast	No effect	Not voted/No effect	Voted "For" each nominee	FOR each nominee	10
2 Advisory, non-binding vote to approve executive compensation	Majority of shares present or represented by proxy and entitled to vote	Same effect as a vote "Against"	Not voted/No effect	Voted "For"	FOR	56
3 Ratification of the appointment of BDO USA, LLP as NMI's independent registered public accounting firm	Majority of shares present or represented by proxy and entitled to vote	Same effect as a vote "Against"	Discretionary Vote ³	Voted "For"	FOR	57

1. Abstentions and broker non-votes are included for purposes of determining whether a quorum is present; however, abstentions are considered "entitled to vote" whereas broker non-votes are not.
2. If you complete and return your proxy card properly, but do not provide instructions on your proxy card as to how to vote your shares, your shares will be voted in accordance with the judgement of the individuals named as proxies on the proxy card as to any other matter properly brought before the Annual Meeting.
3. The bank, broker or other holder of record is permitted to vote in its discretion with respect to Proposal 3 despite not having received instructions from the beneficial owner.

A quorum is necessary for us to conduct the business of our Annual Meeting. A quorum means that holders of at least a majority of the shares entitled to vote must be present at the meeting, either in person or represented by proxy. Your shares are counted as present at the Annual Meeting if (i) you attend our Annual Meeting, or (ii) if you properly complete and return a proxy card or follow the voting instructions provided by your bank, broker or other holder of record, as applicable.

The table above summarizes the required vote for each proposal at the Annual Meeting. The table also shows the effect on the outcome of the vote in the following cases: (i) abstentions; (ii) uninstructed shares held by brokers (which result in broker non-votes when a beneficial owner of shares held in "street name" does not provide voting instructions and, as a result, the bank, broker or other holder of record is prohibited from voting those shares on certain proposals); and (iii) signed but unmarked proxy cards.

VIRTUAL ANNUAL MEETING DETAIL



DATE AND TIME:
Thursday, May 11, 2023
8:30 a.m. Eastern Time.



LOCATION:
www.virtualshareholdermeeting.com/NMIH2023



RECORD DATE:
March 15, 2023

HOW TO VOTE IN ADVANCE OF THE ANNUAL MEETING

If you are a stockholder of record, you may cast your vote in advance of the meeting in any of the following ways:



ONLINE:

Visit www.proxyvote.com and follow the voting instructions on the website.



PHONE:

Call **1-800-690-6903** and follow the voting instructions provided in the recorded message.



MAIL

Return your completed and signed proxy card if you request a printed set of the proxy materials.

If you were a stockholder on the record date, you may vote your shares by visiting the online voting website at www.proxyvote.com and following the voting instructions there. You may also vote your shares by calling **1-800-690-6903** and following the voting instructions read to you by the automated operator. Upon visiting the meeting website or calling the call-in telephone line, you will be prompted to enter your 16-digit Control Number provided to you on your Notice of Internet Availability of Proxy Materials (Availability Notice) or on your proxy card if you requested to receive materials by mail. Your unique Control Number allows us to identify you as a stockholder and will enable you to securely cast votes. Internet and telephone voting facilities for stockholders of record will be available 24 hours a day beginning at 12:01 a.m. Eastern Time on March 31, 2023. Internet and telephone voting will close promptly at 11:59 p.m. Eastern Time, on Wednesday, May 10, 2023. After this, you will only be able to vote by attending the Annual Meeting via live audio webcast, as described in "How to Participate and Vote in the Annual Meeting" below. After voting is closed during the Annual Meeting, you will no longer have the ability to vote your shares.

You will not receive a printed copy of the proxy materials in the mail unless you request a copy. All stockholders of record will have the ability to access the proxy materials on a website referred to in the Availability Notice and may request a printed set of the proxy materials free of charge by mail or electronically from such website. If you would like to receive a printed or electronic copy of our proxy materials, you should follow the instructions for requesting such materials included in the Availability Notice. If you received your proxy materials by mail or if you request paper copies of the proxy materials, you can vote by mail by marking, dating, signing and returning the proxy card in the postage-paid envelope. Further instructions on how to vote by mail are included on the proxy card.

HOW TO PARTICIPATE AND VOTE IN THE ANNUAL MEETING

If you were a stockholder on the record date or hold a valid proxy for the Annual Meeting, in addition to being able to cast your vote in advance of the Annual Meeting (as described above in "How to Vote in Advance of the Annual Meeting"), you may also attend the Annual Meeting via live audio webcast and vote your shares in person.

As permitted by Delaware law and our Fourth Amended and Restated Bylaws (the Bylaws), our Annual Meeting will be held solely as a virtual meeting live via the internet, and not at any physical location. You will be able to attend the Annual Meeting via live audio webcast by visiting the Company's virtual meeting website at www.virtualshareholdermeeting.com/NMIH2023 on Thursday, May 11, 2023, at 8:30 a.m. Eastern Time, with online check-in beginning approximately 15 minutes before then. Upon visiting the meeting website, you will be prompted to enter your 16-digit Control Number provided to you on your Availability Notice or on your proxy card if you receive proxy materials by mail. Your unique Control Number allows us to identify you as a stockholder and will enable you to securely log on, vote and submit questions during the Annual Meeting on the meeting website. If your shares are held in street name and your voting instruction form or Availability Notice indicates that you may vote those shares through www.proxyvote.com, then you may access, participate in and vote at the Annual Meeting with the 16-digit access code indicated on that voting instruction form or Availability Notice. Otherwise, stockholders who hold their shares in street name should contact their bank, broker or other nominee (preferably at least five days before the Annual Meeting) and obtain a "legal proxy" in order to be able to attend, participate in or vote at the Annual Meeting.

Additional information regarding the rules and procedures for participating in the Annual Meeting will be set forth in our Annual Meeting rules of conduct, which stockholders can view during the meeting at www.virtualshareholdermeeting.com/NMIH2023.

DIRECTOR NOMINEES

Please see below a summary chart of our director nominees. You can also find more information about each of our nine director nominees and their experiences on page [13](#).

NAME & EXPERIENCE	AGE	DIRECTOR SINCE	INDEPENDENT	AC	GNC	RC	CC	OTHER PUBLIC COMPANY BOARDS
Bradley M. Shuster Executive Chairman and Chairman of the Board, NMI Holdings, Inc.	68	2012	No					2
Adam S. Pollitzer President and Chief Executive Officer, NMI Holdings, Inc.	44	2022	No					—
Steven L. Scheid † Former Partner, Strategic Execution Group Former Chairman and Chief Executive Officer, Janus Capital Group Inc.	69	2012	Yes					—
Michael Emblar Former Chief Investment Officer, Franklin Mutual Advisers LLC	58	2012	Yes	n				2
Priya Huskins Partner, Senior Vice President and Board Member, Woodruff Sawyer	51	2021	Yes					2
James G. Jones Former Chairman and Chief Executive Officer, AccountNow, Inc.	74	2012	Yes				n	—
Lynn S. McCreary Chief Legal Officer, Sportradar Group AG	63	2019	Yes		n			—
Michael Montgomery Former Chief Compliance Officer, Glendon Capital Management Former Chief Executive Officer, Barclays Group US, Inc.	67	2012	Yes					—
Regina Muehlhauser Former President, Bank of America, San Francisco	74	2017	Yes			n		—

n = Chair | = Member † = Lead Independent Director

AC = Audit Committee; GNC = Governance and Nominating Committee; RC = Risk Committee; CC = Compensation Committee

PERFORMANCE HIGHLIGHTS AND STRATEGY

The year 2022 marked National MI's ten-year anniversary. We founded the company in 2012 with a goal to provide a differentiated commitment and standard of service, and a clear vision as to how we should engage in the market to drive value for borrowers, our lender customers, our employees, our stockholders and other important stakeholders. Since 2012, we have focused on building National MI in a sustainable, risk-responsible manner, positioning our business to perform across all market cycles. This approach has served us well and we closed 2022 in a position of strength.

In 2022, the Company delivered strong operating performance, significant growth in our insured portfolio and standout financial results – capping a year of success. We closed 2022 with \$59 billion of total NIW volume and a record \$184 billion of high-quality, high-performing primary insurance in-force (IIF). We delivered broad success in customer development, continued to innovate in the reinsurance market, and once again achieved industry-leading credit performance. We generated a record \$293 million of GAAP net income in 2022, up 27% compared to 2021, and delivered an 18.4% return-on-equity for the year.

We believe our broad success stems from our commitment to our core founding principles – supporting our lender customers and their borrowers in a sustainable and risk-responsible way, and in doing so helping to support access and affordability of housing for all communities. We have established a differentiated risk management approach that includes Rate GPS[®], our proprietary pricing platform, which allows us to dynamically evaluate, select and price the risk that goes into our portfolio, individual risk underwriting, and comprehensive reinsurance. We believe our success to date and customer and credit risk strategies will allow us to continue to achieve our goals of growing our customer base and delivering strong returns to our stockholders in a manner that is balanced, profitable, and broadly sustainable.

CORPORATE GOVERNANCE

Our Board of Directors (Board) oversees the development and execution of our strategy. We are committed to corporate governance practices that promote long-term value and strengthen Board and management accountability to our stockholders. Our Board has implemented a number of measures to enrich Board composition, enhance independent oversight and increase Board effectiveness. These measures align our corporate governance structure with achieving our strategic objectives, and enable our Board to effectively communicate and oversee our culture of compliance, risk management, customer and stakeholder satisfaction, and robust, sustainable growth.

Our Board believes that strong, independent board leadership is a critical aspect of effective corporate governance, and established the position of Lead Director. The Lead Director is an independent director (Lead Independent Director) selected by the other independent directors. Mr. Scheid has served as the Lead Independent Director since the position was established in May 2012.

Our Board also believes that communication with stockholders and openness to investor feedback are crucial to the long-term success of the company. We have an active investor relations program and our management regularly meets with investors, prospective investors and investment analysts to discuss our business and strategy. Stockholders may communicate with the members of the Board, the Lead Director or the non-management members of the Board as a group, by sending a written communication to NMI Holdings, Inc., Attention: Corporate Secretary, 2100 Powell Street, 12th Floor, Emeryville, CA 94608.

GOVERNANCE HIGHLIGHTS

Important components of our overall governance profile include:

- Unclassified Board and annual election of directors
- 80% (7 out of 9) of current directors are independent
- Separation of Executive Chairman and Chief Executive Officer roles
- Robust Lead Independent Director duties
- Independent Chairs of the Audit, Governance and Nominating, Risk and Compensation Committees
- Demonstrated commitment to Board refreshment
- Demonstrated commitment to committee chair change
- 33% (3 out of 9) of current directors are women
- 50% (2 out of 4) of committee chair positions are held by women
- 44% (4 out of 9) of current director are from diverse demographic backgrounds
- Annual Board and Committee evaluations

- Regular executive sessions of independent directors
- Comprehensive risk oversight by Board and its Committees
- Stockholder outreach/engagement
- Mandatory stock ownership requirements for directors and executive officers
- Board continuing education policies and related activities

See page [19](#) for additional information regarding our governance profile.

COMPENSATION PRACTICES

We design our executive compensation program to drive the creation of long-term stockholder value. Through our compensation program, we seek to attract, retain and motivate talented and qualified executives from a diverse candidate pool, while maximizing stockholder value creation over the long-term by targeting compensation levels that are competitive when measured against other companies within our industry and geographic location. The Compensation Committee and management believe our executive compensation program must be flexible, with annual incentive and equity awards that consider corporate performance, while rewarding individual efforts advancing our corporate goals and performance objectives that align with our strategic plans, which in turn contributes to the successful development and long-term growth of the Company. We focus on performance-based compensation, as emphasized through annual cash-based awards and grants of service-based and performance-based restricted stock units (RSUs) that appropriately motivate executives and reward them for delivering results over the short and long-term when measured against Compensation Committee-approved objectives.

Proxy Statement

This proxy statement is delivered in connection with the solicitation of proxies by the Board for use at our 2022 Annual Meeting to be held as a virtual meeting on Thursday, May 11, 2023, at 8:30 a.m. Eastern Time, and any postponement or adjournment of the meeting. You will be able to attend the Annual Meeting via live audio webcast and vote and submit questions during the meeting by visiting www.virtualshareholdermeeting.com/NMIH2023 when you enter your 16-digit Control Number provided to you on your Availability Notice or on your proxy card if you receive materials by mail. We encourage you to vote prior to the meeting on the proposals described below in this proxy statement. In this proxy statement we refer to NMI Holdings, Inc. as NMI, the Company, we, our, or us.

This proxy statement and form of proxy card are first being sent to stockholders on March 31, 2023 in order to furnish information relating to the business to be transacted at the meeting. A copy of the Notice of 2023 Annual Meeting of Stockholders (Notice of Meeting) accompanies this proxy statement. These materials are also available on the internet at www.proxyvote.com.

ABOUT THE ANNUAL MEETING

What is the purpose of the Annual Meeting?

At the Annual Meeting, stockholders will act on the matters listed in our Notice of Meeting, including the election of the nine directors named in this proxy statement, an advisory vote on our executive compensation, and the ratification of the appointment of BDO USA, LLP (BDO) as our independent registered public accounting firm for the year ending December 31, 2023.

Who is entitled to notice of and to vote at the Annual Meeting?

Only stockholders of record at the close of business on March 15, 2023, the record date for the Annual Meeting, are entitled to receive notice and to vote. For each share of Class A common stock that you held on that date, you are entitled to one vote on each matter considered at the meeting. On the record date, 83,498,234 shares of Class A common stock were outstanding and entitled to vote.

Why did I receive a notice regarding internet availability of proxy materials instead of a paper copy of printed materials?

Pursuant to rules adopted by the U.S. Securities and Exchange Commission (SEC), we are permitted to furnish proxy materials, including this proxy statement, to our stockholders by providing access to such documents on the internet instead of mailing printed copies. Beginning on or about March 31, 2023, we will send to our stockholders of record the Availability Notice containing instructions on how to access this proxy statement and our Annual Report via the internet and how to vote online. As a result, you will not receive a printed copy of the proxy materials in the mail unless you request a copy.

All stockholders of record will have the ability to access the proxy materials on a website referred to in the Availability Notice and may request a printed set of the proxy materials free of charge by mail or electronically from such website. If you would like to receive a printed or electronic copy of our proxy materials, you should follow the instructions for requesting such materials included in the Availability Notice. By participating in the e-proxy process, we save printing and mailing expenses and reduce the environmental impact of our Annual Meeting.

I share an address with another stockholder, and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?

SEC rules allow us to deliver a single copy of an annual report and proxy statement to any household not participating in electronic proxy material delivery at which two or more stockholders reside, if we believe the stockholders are members of the same family (a practice called "householding"). We believe that householding benefits both you and the Company by eliminating duplicate mailings to stockholders living at the same address and by reducing our printing and mailing costs. Each stockholder will continue to receive a separate proxy card or voting instruction card.

Your household may have received a single set of proxy materials this year. If you prefer to receive your own copy now or in future years, please request a duplicate set by going to www.proxyvote.com, by e-mailing sendmaterial@proxyvote.com, or by written communication to NMI Holdings, Inc., Attention: Corporate Secretary, 2100 Powell Street, 12th Floor, Emeryville, CA 94608. Alternatively, if your household received multiple sets of proxy materials last year, and members of your household who are entitled to receive proxy materials would all prefer to receive only a single set of proxy materials, you may submit such a request as specified in the preceding sentences in this paragraph.

If a broker, bank or other nominee holds your shares, you may continue to receive some duplicate mailings. Certain brokers will eliminate duplicate account mailings by allowing stockholders to consent to such elimination, or through implied consent if a stockholder does not request continuation of duplicate mailings. Since not all brokers and nominees may offer stockholders the opportunity this year to eliminate duplicate mailings, you may need to contact your broker or other nominee directly to discontinue duplicate mailings to your household.

How do I vote my shares?

If you were a registered stockholder on the record date (that is, you hold an NMI stock certificate or hold your NMI shares in an account with our transfer agent, American Stock Transfer & Trust Company, LLC), you may vote your shares of Class A common stock in advance of the Annual Meeting by visiting the Company's online voting website at www.proxyvote.com or by calling 1-800-690-6903. For additional information, please see "*How to Vote In Advance of the Annual Meeting*" on page 3.

If you were a stockholder on the record date or hold a valid proxy for the Annual Meeting, in addition to being able to cast your vote in advance of the Annual Meeting, you may also attend the Annual Meeting via live audio webcast and vote your shares in person. For additional information, please see "*How to Participate and Vote In the Annual Meeting*" on page 3.

If you hold your shares in more than one account, you will receive separate voting credentials for each such account. Please be sure to vote separately for each account in order to cast all votes that you are entitled to cast at the Annual Meeting.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and internet voting also will be offered to stockholders of record owning shares through certain banks and brokers.

How are votes counted?

A quorum is necessary for us to conduct the business of the Annual Meeting. This means that holders of at least a majority of the shares of Class A common stock entitled to vote must be present at the meeting. Your shares are counted as present at the Annual Meeting if they are voted. Shares that "ABSTAIN" and broker non-votes (shares held by a broker or nominee that has not received voting instructions from its client and does not have discretionary authority to vote) on any matter will be counted to determine the presence of a quorum, but will not be counted as votes for or against any matter.

Under our Bylaws, directors are elected by a plurality of the votes cast. Accordingly, the nine director nominees that receive the greatest number of votes at the Annual Meeting will be elected. In an uncontested election of directors, a director will be elected if he or she receives at least one vote.

Under our Bylaws, the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote at the Annual Meeting is required for the advisory approval of our executive compensation and the ratification of the appointment of BDO USA, LLP as our independent auditors.

How may I access the stockholder list?

Under our Bylaws, stockholders are permitted to access a list showing the name, registered address and number of registered shares for each registered stockholder of the Company entitled to vote at the Annual Meeting. The list is open to the examination of any stockholder at our executive offices, for any purpose germane to the Annual Meeting, during ordinary business hours for 10 days prior to the Annual Meeting. During the Annual Meeting, you may access the list by visiting www.virtualshareholdermeeting.com/NMIH2023 when you enter your 16-digit Control Number provided to you on your Availability Notice or on your proxy card if you receive materials by mail.

May I change my vote?

You may revoke your proxy and change your vote at any time before the proxy is exercised at the Annual Meeting. You may change your vote by submitting another proxy on a later date on the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the meeting will be counted), or by signing and returning a new proxy card with a later date, or by attending the Annual Meeting and voting during the meeting. Your attendance at the Annual Meeting will not automatically revoke your proxy unless you vote again at the meeting or specifically request in writing that your prior proxy be revoked by providing a written notice of revocation to the Company's Corporate Secretary at our executive offices (NMI Holdings, Inc., Attention: Corporate Secretary, 2100 Powell Street, 12th Floor, Emeryville, CA 94608).

What if I experience technical difficulties during the check-in process or during the meeting?

If you experience technical difficulties during the check-in process or during the meeting, the information for live technical support can be found at the meeting website at www.virtualshareholdermeeting.com/NMIH2023.

How does the Board recommend that I vote?

The Board unanimously recommends that you vote:

- "FOR" each of the nominees for director (Item 1);
- "FOR" the advisory approval of our executive compensation (Item 2); and
- "FOR" the ratification of the appointment of BDO USA, LLP as NMI's independent auditors (Item 3).

How do I find out the voting results?

Preliminary voting results will be announced at the Annual Meeting, and final voting results will be filed with the SEC within 4 business days following the Annual Meeting.

Will any other items be acted upon at the Annual Meeting?

As of the date of this proxy statement, the Board does not know of any other business to be presented at the Annual Meeting. If other business is properly brought before the Annual Meeting, your proxy will be voted in the discretion of the proxies with respect to such other business unless you earlier revoke your proxy.

What is the deadline for submission of stockholder proposals and Director nominees for the next Annual Meeting?

Stockholder proposals submitted pursuant to SEC Rule 14a-8 for inclusion in our 2024 proxy statement (other than nominations for candidates for election as directors) and to be acted upon at our 2024 annual meeting of stockholders must be received by us, attention: Corporate Secretary, at our executive offices on or prior to December 1, 2023. If, however, the 2024 annual meeting is more than 30 days before or after the anniversary date of the 2023 Annual Meeting, then the deadline for stockholder proposals submitted pursuant to SEC Rule 14a-8 for inclusion in our 2024 proxy statement and to be acted upon at our 2024 annual meeting will be a date that we determine to be a reasonable time before we begin to print and send our proxy materials. In this event, we will disclose this deadline in a public filing with the SEC.

Under our Bylaws, a stockholder who wishes to submit a proposal for consideration at the 2023 annual meeting not pursuant to SEC Rule 14a-8, including nominations of candidates for election as directors, must give timely written notice of the proposal to the Corporate Secretary at our executive offices in accordance with the procedures set forth in our Bylaws, which are available on our website at ir.nationalmi.com/governance.cfm. Such notice must be delivered to the Corporate Secretary no earlier than the close of business on January 12, 2023 and no later than the close of business on February 11, 2023. If, however, the date of the 2023 annual meeting is more than 30 days before or more than 60 days after the anniversary date of the 2022 Annual Meeting, notice must be delivered by the stockholder between the close of business on the 120th day before and the close of business on the 90th day before the date of the 2023 annual meeting or, if the first public announcement of the date of the 2023 annual meeting is less than 100 days before the date of such meeting, then the notice by the stockholder must be delivered by the 10th day after such public announcement. The notice must comply with the disclosure requirements set forth in our Bylaws.

On November 10, 2022, our Board approved amendments to our Bylaws to revise and enhance, in light of the universal proxy rules adopted by the SEC, procedural mechanics and disclosure requirements in connection with shareholder nominations of directors and submission of proposals regarding other business at stockholder meetings, and to make other administrative, clarifying and conforming changes. The full text of our amended and restated bylaws is filed as Exhibit 3.2 to our Current Report on Form 8-K filed with the SEC on November 10, 2022 and can be viewed at sec.gov.

Who bears the cost of this solicitation?

The Company bears the costs of preparing, assembling and delivering these proxy-soliciting materials and all costs of solicitation of proxies from our stockholders.

How do I access the Company's proxy materials and Annual Report?

The proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2022 are available on our website at ir.nationalmi.com/financials.cfm and can also be viewed at sec.gov.

In addition, we will provide, without charge, our proxy statement or Annual Report on Form 10-K for the year ended December 31, 2022 (including the financial statements and the financial statement schedules but excluding the exhibits thereto) to any stockholder of record or beneficial owner of our common stock. Requests can be made by writing to *NMI Holdings, Inc., Attention: Corporate Secretary, 2100 Powell Street, 12th Floor, Emeryville, CA 94608*.

Whom should I contact with additional questions?

If you have any questions about the proxy voting process, please contact the bank, broker or other nominee through which you hold your shares. Additionally, if you have any questions unrelated to voting your shares, please contact our head of Investor Relations (**John Swenson** at **(510) 788-8417** or by email at john.swenson@nationalmi.com).

Item 1

Election of Directors

Our Bylaws provide that our Board size will be determined by resolution of the Board, which currently consists of nine members. Upon election at our annual stockholder's meeting, each of our directors serves a one-year term until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

The Board, upon the recommendation of the Governance and Nominating Committee, has nominated Bradley M. Shuster, Adam S. Pollitzer, Steven L. Scheid, Michael Embler, Priya Huskins, James G. Jones, Lynn S. McCreary, Michael Montgomery, and Regina Muehlhauser for election to the Board to serve for one year, until our 2024 Annual Meeting of Stockholders.

DIRECTOR CRITERIA, QUALIFICATIONS, EXPERIENCE AND TENURE

The Governance and Nominating Committee is responsible for recommending to the Board a slate of nominees for election as directors at the Company's annual meeting of stockholders and may obtain recommendations from director search firms engaged for the purpose of recruiting new directors. When using such search firms, we generally pay them a retainer to identify and screen candidates meeting specifications established by the Governance and Nominating Committee. The Board believes that the members of the Board, as a whole, should possess a diverse combination of skills, professional experience and backgrounds necessary to oversee our business. Accordingly, the Board and the Governance and Nominating Committee consider the qualifications of director candidates individually and in the broader context of the Board's overall composition and the Company's current and future needs. The Governance and Nominating Committee seeks a variety of occupational and personal backgrounds on the Board to obtain a range of viewpoints and perspectives and to enable the Board to have access to a diverse body of talent and expertise relevant to the Company's activities. Of the director nominees for our 2023 Annual Meeting, one-third are women and four of nine are from diverse demographic backgrounds.

The Board and the Governance and Nominating Committee consider a variety of factors when reviewing the qualifications of each director nominee, which are set forth in our Corporate Governance Guidelines, posted on our website at <https://ir.nationalmi.com/corporate-governance/board-documents>. The Company believes that each director nominee should generally:

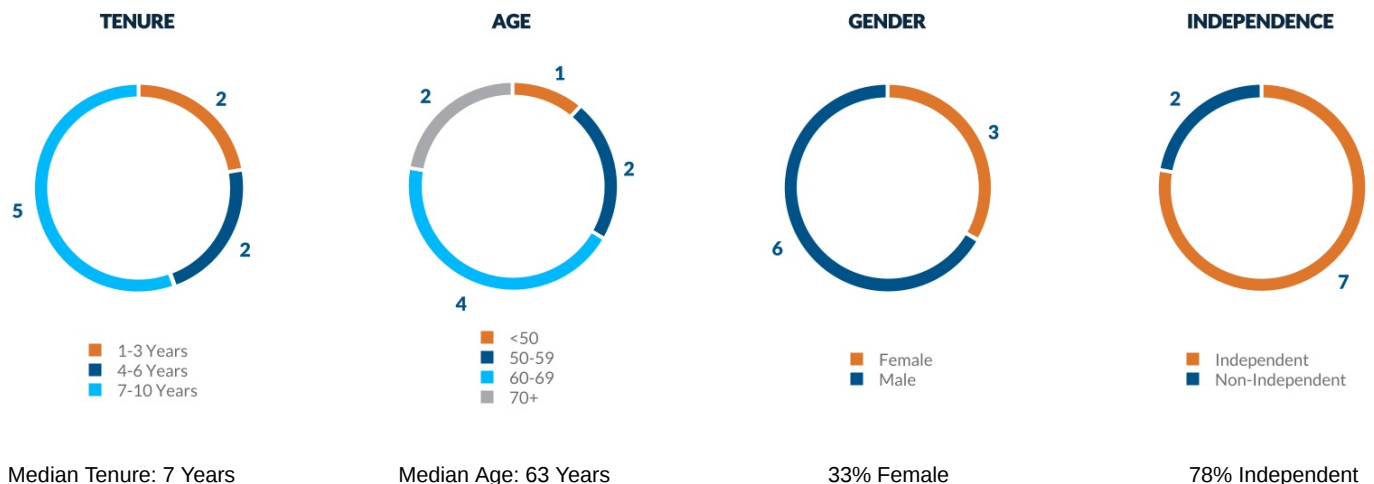
- ✓ possess fundamental qualities of intelligence, honesty, perceptiveness, good judgment, maturity, high ethics and standards, integrity, fairness and responsibility;
- ✓ have financial services or other relevant industry experience gained through senior management or board of director service;
- ✓ have prior board experience, either as a director of a public company or as an executive officer of a public company and/or a director of a privately held company;
- ✓ maintain a genuine interest in the Company and recognize that as a member of the Board he or she is accountable to the stockholders of the Company and not to any particular interest group;
- ✓ be compatible and able to work well with other directors and executives in a team effort with a view to a long-term relationship with the Company as a director; and
- ✓ possess independent opinions and be willing to express them in a constructive manner.
- ✓ have the ability and be willing to spend the time required to function effectively as a director;
- ✓ not serve on more than three other boards of directors of public companies;
- ✓ meet the independence requirements under NASDAQ listing requirements and the SEC (other than any management directors);

OUR BOARD MEMBERS

Our Governance and Nominating Committee believes it is critical to nominate a Board that is diverse in tenure, age, gender, skills, experiences, demographic, and backgrounds. We believe a diverse board enables the Board to effectively oversee our business while driving long-term value through various economic and operating environments.

Our Board tenure of the nominees for election reflects an appropriate balance between engaging new talent and maintaining institutional knowledge of our business and the private mortgage insurance market. Our Corporate Governance Guidelines provide that a majority of our directors must be independent. Seven out of our nine director nominees qualify as independent directors within the meanings of the standards established by Nasdaq and the SEC.

NAME	AGE	DIRECTOR SINCE	CURRENT POSITION	INDEPENDENT
Bradley M. Shuster	68	2012	Executive Chairman and Chairman of the Board	No
Adam S. Pollitzer	44	2022	President and Chief Executive Officer	No
Steven L. Scheid	69	2012	Lead Independent Director	Yes
Michael Emblar	58	2012	Director	Yes
Priya Huskins	51	2021	Director	Yes
James G. Jones	74	2012	Director	Yes
Lynn S. McCreary	63	2019	Director	Yes
Michael Montgomery	67	2012	Director	Yes
Regina Muehlhauser	74	2017	Director	Yes





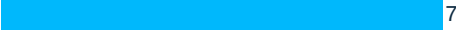








Total Number of Directors: 9

BOARD DIVERSITY MATRIX (AS OF MARCH 31, 2023)

	FEMALE	MALE
PART I: GENDER IDENTITY		
Directors	3	6
PART II: DEMOGRAPHIC BACKGROUND		
Asian	2	0
White	1	6
LGBTQ+	0	1
Did Not Disclose Demographic Background	0	0

PERSONAL ATTRIBUTES AND SKILLS OF THE DIRECTOR NOMINEES

The Board considers a wide range of attributes when selecting and recruiting candidates. Our nominees have executive experience and skills that are aligned with our business and strategy as follows:

SKILL/EXPERIENCE	NUMBER OF DIRECTORS (OUT OF 9)
 <p>SENIOR EXECUTIVE AND CORPORATE GOVERNANCE: Directors bring valuable senior executive experience on matters relating to corporate governance, management, operations and compensation.</p>	 9
 <p>PUBLIC COMPANY AND FINANCIAL REPORTING: Directors bring extensive knowledge of or experience in accounting, financial reporting, auditing processes and standards and public company reporting.</p>	 7
 <p>FINANCIAL SERVICES: Directors possess in-depth knowledge of the financial services industry, providing valuable expertise on issues facing the Company and its industry.</p>	 9
 <p>RISK MANAGEMENT AND COMPLIANCE: Directors have experience in risk management and compliance oversight relevant to exercising corporate and fiduciary responsibilities.</p>	 8
 <p>TECHNOLOGY: Directors possess experience in the development and adoption of new technology as well as leading innovation initiatives at companies.</p>	 5
 <p>REGULATED INDUSTRIES: Directors bring valuable experience with regulated businesses, regulatory requirements and relationships with regulatory agencies.</p>	 9

The following provides information about each of our nine director nominees. Please also see page 4 for a summary chart of the nominees. In reaching its determination to recommend each of the director nominees for election at this Annual Meeting, the Board and the Governance and Nominating Committee considered the qualifications of these nominees and determined that each nominee meets the criteria listed on page 12 and is highly skilled and qualified to serve as a member of the Board and to work with management to guide and develop the Company as an industry leader in the private mortgage insurance industry.



Bradley M. Shuster

Mr. Shuster has served as Executive Chairman of our Board since January 2019. Mr. Shuster served as Chairman of the Board and Chief Executive Officer from 2012 to 2018. From 2012 to 2014, Mr. Shuster also served as our President. From 2008 to 2011, Mr. Shuster held various consulting positions assisting private investors with evaluating opportunities in the insurance industry. Mr. Shuster was an executive of The PMI Group, Inc. (PMI) from 2003 to 2008, where he served as president of International and Strategic Investments and chief executive officer of PMI Capital Corporation. Prior to that, he served as PMI's executive vice president of Corporate Development and senior vice president, treasurer and chief investment officer. Before joining PMI in 1995, Mr. Shuster was a partner at Deloitte LLP, where he served as partner-in-charge of Deloitte's Northern California Insurance Practice and Mortgage Banking Practice. He holds a B.S. from the University of California, Berkeley and an M.B.A. from the University of California, Los Angeles. He is an independent director of McGrath RentCorp (since 2017) and of Luther Burbank Corporation (since 1999). Mr. Shuster completed the National Association of Corporate Directors Cyber-Risk Oversight Program, earning the CERT Certificate in Cybersecurity Oversight.

Mr. Shuster's vision and status as our founder, as well as his previous tenure as our Chief Executive Officer and Chair of the Board, bring unique and invaluable experience to our Board. Further, his extensive experience developing and operating mortgage insurance companies and insurance industry background, as well as his service on the boards of other publicly held companies, supports our conclusion he has the necessary and desired skills, experience and perspectives to serve on our Board, and to serve as the Chairman of our Board.

EXECUTIVE CHAIRMAN AND CHAIRMAN
OF THE BOARD (EXECUTIVE
CHAIRMAN)

AGE: 68

DIRECTOR SINCE: 2012



Adam S. Pollitzer

Mr. Pollitzer serves as our President and Chief Executive Officer (CEO). As President and CEO, Mr. Pollitzer is responsible for the company's day-to-day management, financial performance, and long-term growth strategy. Mr. Pollitzer joined NMI in May 2017 and served as our Executive Vice President and Chief Financial Officer from 2017 to 2021. Before joining the Company in 2017, Mr. Pollitzer was a Managing Director in the corporate and investment banking division of J.P. Morgan Securities, LLC, where he led advisory and capital raising efforts on behalf of North American insurance companies. Before serving as a Managing Director, Mr. Pollitzer held other senior leadership positions with J.P. Morgan. He holds a bachelor's degree in business administration from the Stephen M. Ross School of Business at the University of Michigan.

A seasoned mortgage industry and finance executive, Mr. Pollitzer draws on over 20 years of broad mortgage insurance and industry knowledge, business development and financial expertise, and as our CEO, a day-to-day perspective on our Company's strategy and operations. Mr. Pollitzer's extensive background, in addition to his experience in other senior positions, supports our conclusion Mr. Pollitzer has the necessary and desired skills, experience and perspective to serve on our Board.

PRESIDENT AND CHIEF
EXECUTIVE OFFICER

AGE: 44

DIRECTOR SINCE: 2022



Steven L. Scheid

Mr. Scheid served on the boards of Blue Nile Company, an online retailer of diamonds and fine jewelry (2007-2015); Janus Capital Group Inc., a global investment firm (2002-2012); and The PMI Group, Inc. (2002-2009). Mr. Scheid was previously a partner at Strategic Execution Group, a consulting firm, from 2007 to 2012. He served as the chairman of Janus Capital Group Inc. until 2012 and also served as the company's chief executive officer from 2004 to 2006. Mr. Scheid was an operating partner at Thoma Bravo, LLC, a private equity firm from 2008 to 2011. From 1996 to 2002, Mr. Scheid served in multiple senior executive positions for Charles Schwab Corporation. He was vice chairman of the Charles Schwab Corporation and president of the Schwab Retail Group. Prior to these roles, Mr. Scheid served as Schwab's chief financial officer and was the chief executive officer of Charles Schwab Investment Management. He served as the Federal Reserve Bank of San Francisco's representative on the Federal Advisory Council in Washington, D.C. from September 2000 to February 2002. Mr. Scheid is a certified public accountant and holds a B.S. in accounting from Michigan State University.

A veteran financial industry executive with over 40 years of experience, Mr. Scheid's extensive and deep background in finance, retail strategies, risk management and investment services, supports our conclusion Mr. Scheid has the necessary and desired skills, experience and perspective to serve on our Board.

LEAD DIRECTOR

AGE: 69

DIRECTOR SINCE: 2012

COMMITTEE(S): Governance and Nominating; Compensation



Michael Embler

Mr. Embler has over 25 years of experience in investments and financial markets. Mr. Embler also serves on the board of American Airlines Group (from 2013) and the board of Ventas, Inc. (from 2022). Previously, he was on the boards of Taubman Centers (2018-2020), Abovenet, Inc. (2003-2012), Dynegy Inc. (2011-2012), CIT Group (2009-2016), Kindred Healthcare (2001-2008) and Grand Union Company (1999-2000). Mr. Embler served as the chief investment officer of Franklin Mutual Advisers LLC, an asset management subsidiary of Franklin Resources, Inc., overseeing approximately \$60 billion in assets and 25 investment professionals. He joined Franklin in 2001 and retired in 2009. Prior to serving as chief investment officer, he managed the firm's distressed investing strategy. Previously, from 1992 to 2001, he held various positions at Nomura Holdings America, culminating in a position as the managing director overseeing a team which invested a proprietary fund focused on distressed and other event-driven corporate investments. Mr. Embler received a B.S. in economics from the State University of New York at Albany and earned an M.B.A. in finance from George Washington University. Mr. Embler has also earned the CERT Certificate in Cybersecurity Oversight from the National Association of Corporate Directors Cyber-Risk Oversight Program, and a certificate in Environmental Conservation and Sustainability from The Earth Institute, Center for Environmental Research and Conservation at Columbia University.

Mr. Embler's extensive financial industry background and commitment to board-level cyber-risk oversight and sound conservation and sustainability practices, as well as his service on the boards of other publicly held companies, supports our conclusion he has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 58

DIRECTOR SINCE: 2012

COMMITTEE(S): Audit (Chair); Compensation



Priya Huskins

Ms. Huskins has been an executive at Woodruff Sawyer & Co. (Woodruff Sawyer), a commercial insurance brokerage and consulting firm since 2003, serving as a partner and senior vice president since 2005 and a member of its board since 2016. Prior to joining Woodruff Sawyer, Ms. Huskins served as a corporate and securities attorney at the law firm of Wilson Sonsini Goodrich & Rosati from 1997 until 2003. Since 2007, Ms. Huskins has served as a director of the board of Realty Income Corporation, a publicly traded REIT, currently serving as chair of its Compensation Committee and as a member of its Nominating and Corporate Governance Committee. Since 2021, Ms. Huskins has served as a director of the board of Anzu Special Acquisition Corp I, a publicly traded special purpose acquisition corporation. Since 2022, Ms. Huskins has served as a director of the board of Long-Term Stock Exchange, an SEC-registered national securities exchange built to serve companies and investors who share a long-term vision. She has served on the advisory board of the Stanford Rock Center for Corporate Governance since 2012. Ms. Huskins earned her undergraduate degree from Harvard College and J.D. from the University of Chicago Law School.

Ms. Huskins' extensive financial, legal and insurance industry background, as well as her service on the boards of other publicly held companies, supports our conclusion she has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 51

DIRECTOR SINCE: 2021

COMMITTEE(S): Governance and Nominating; Compensation



James G. Jones

Mr. Jones has previously served on the boards of Community Lend, Visa USA, E- Loan, Inc., BA Merchant Services, DebtMarket, Residential Capital, LLC and Bank of America, NA. Previously in his career, he held senior executive positions for major banks and financial services companies. From May 1992 to September 2000, Mr. Jones served as the group executive vice president for consumer credit and subsequently as president of direct banking at Bank of America. He was a vice chairman at Provident Financial Services from September 2000 to June 2003. He was a senior executive vice president with Universal Savings Bank from November 2004 to March 2006. He subsequently served as chief executive officer of Aegis Mortgage from October 2006 to February 2007, after which he served as the chief executive officer at GMAC Residential Capital, a major participant in US residential finance, from February 2007 to August 2008. From January 2010 to January 2015, Mr. Jones served as the chairman and chief executive officer of AccountNow, Inc., a leading internet prepaid card issuer. Mr. Jones also directed consumer finance business lines at Citicorp (1974-1978), Crocker National Bank (1978-1983) (including mortgage servicing) and Wells Fargo (1983-1992) (including residential finance). Mr. Jones holds a B.A. in psychology from Washburn University, an M.A. in industrial psychology from the University of Nebraska at Omaha and an M.B.A. from the University of Kansas.

Mr. Jones' more than 40 years of executive experience in commercial banking, consumer lending, payment processing and related financial services, supports our conclusion he has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 74

DIRECTOR SINCE: 2012

COMMITTEE(S): Governance and Nominating; Risk; Compensation (Chair)



Lynn S. McCreary

Ms. McCreary is a seasoned executive with over 35 years of experience in business and management. She is the chief legal officer, corporate secretary and member of the management team of Sportradar Group AG, a multinational company that aggregates and analyzes sports data and provides services to a wide range of constituents in the sports and media worlds. Prior to joining Sportradar in June 2021, Ms. McCreary served as the chief legal officer, corporate secretary and a member of the executive committee of Fiserv, Inc., a fortune 500 global leader in payment and fintech where, from 2013-2021, she advised the CEO, board and business leaders on a broad array of business and legal matters. From 2010-2013, Ms. McCreary served as Fiserv's deputy general counsel. Prior to joining Fiserv, Ms. McCreary was a partner at Bryan Cave LLP where she represented commercial, retail, financial and insurance companies. She began her career in financial services in 1982, holding positions at Citicorp Person to Person and Metmor Financial, then a subsidiary of Metropolitan Life Insurance Company. Ms. McCreary earned a bachelor's degree from Western New England College and a J.D. from Washburn University School of Law.

Ms. McCreary's extensive experience and background business, management, law and financial services supports our conclusion she has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 63

DIRECTOR SINCE: 2019

COMMITTEE(S): Governance and Nominating (Chair); Risk



Michael Montgomery

Mr. Montgomery has served on the boards of directors for numerous regulated entities, including FDIC-insured banks, mortgage origination companies, mortgage servicing companies, broker dealers and investment advisers. Mr. Montgomery was a member of the boards of directors of Barclays Bank Delaware from 2005 until 2012 and of Barclays Capital Inc. and Barclays Group US, Inc. from 2002 to 2012. From 2013 to 2018, Mr. Montgomery served as Glendon Capital Management's chief compliance officer. From 2010 to 2013, Mr. Montgomery served as chief compliance officer of Barclays Asset Management Group LLC (Barclays). Previously, Mr. Montgomery served as chief executive officer of Barclays Group US, Inc., the top-tier U.S. holding company for Barclays from 2003 to 2010, and he has significant experience as an audit committee member. From 2006 to 2010, he served as chief administrative officer of Mortgage Origination and Servicing at Barclays Capital, a position in which he managed mortgage origination and servicing activities and coordinated the underwriting, production, warehousing and servicing functions with its New York-based asset securitization business. From 1998 to 2000, Mr. Montgomery served as chief financial officer for Deutsche Bank Securities Inc. He served in various positions at Goldman Sachs & Co. (Goldman Sachs) from 1987 to 1998, including as vice-president of UK Regulatory Reporting, vice-president of Subsidiary Accounting, vice-president and director of Regulatory Reporting and chief financial officer of Goldman Sachs Canada. Mr. Montgomery has also previously held operating roles as chief financial officer and chief administrative officer and has served on several industry-wide committees for the Securities Industry Association, the Bond Market Association and the Public Securities Association. Mr. Montgomery earned a B.A. in economics and French literature from the University of Virginia and a J.D. from Georgetown University Law Center.

Mr. Montgomery's extensive experience in financial services and the mortgage industry supports our conclusion he has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 67

DIRECTOR SINCE: 2012

COMMITTEE(S): Audit; Risk



Regina Muehlhauser

Ms. Muehlhauser retired as president of Bank of America, San Francisco, a subsidiary of Bank of America Corporation (BAC), in 2004. Ms. Muehlhauser was a member of BAC's Global Management Operating Committee and was global treasury management executive, responsible for the sales and delivery of treasury management services to large corporations in 35 countries and approximately two million commercial and small business companies in the United States. From 1997 to 2004, Ms. Muehlhauser reported to the chairman & CEO as executive vice president, overseeing BAC's Client Focus Initiative, having joined Bank of America in 1991 as senior vice president. Ms. Muehlhauser began her career at Wells Fargo Bank where she held a variety of client management and organizational leadership responsibilities within the real estate industries group, rising to senior-vice president. In 2003, Treasury & Risk Management Magazine named her among the "100 Most Influential People in Finance" in the United States. In 2002, 2003 and 2004, Ms. Muehlhauser was named as one of the most influential women in the San Francisco Bay Area by the San Francisco Business Times. In 2002, she received the Woman of Honor award by the Chinese Historical Society of America for her impact on society as a business leader and was named 2006 Board Leader Volunteer of the Year for the San Francisco and San Mateo, California counties. Ms. Muehlhauser earned a bachelor's degree in political science from American University.

Ms. Muehlhauser's extensive experience in the financial services industry supports our conclusion she has the necessary and desired skills, experience and perspectives to serve on our Board.

DIRECTOR

AGE: 74

DIRECTOR SINCE: 2017

COMMITTEE(S): Audit; Risk (Chair)

2022 DIRECTOR COMPENSATION

The Board determines the compensation of the non-employee directors after its review of the Compensation Committee's recommendations, which take into account advice received from the Compensation Committee's independent compensation consultant. The annual compensation package of each non-employee director includes cash retainer and equity award, which makes up a substantial portion of each non-employee director's annual compensation.

ANNUAL COMPENSATION PACKAGE	NON-EMPLOYEE DIRECTORS (\$)	AUDIT COMMITTEE CHAIR (\$)	OTHER COMMITTEE CHAIR (\$)	LEAD INDEPENDENT DIRECTOR (\$)
Cash Retainer	100,000	25,000	15,000	40,000
RSU Award	120,000	N/A	N/A	N/A

In addition to granting annual restrictive stock unit (RSU) awards for board service, we grant any new director an additional RSU award with a target grant date fair value equal to the then applicable RSU annual retainer, which additional grant is eligible to vest equally on the second and third anniversaries of the grant date. We designed the three-year RSU award for our non-employee director compensation package to strengthen the alignment between director pay and the long-term interest of our stockholders. We do not pay our directors additional monetary compensation for attending our Board or committee meetings. We do, however, pay or reimburse travel and other expenses incurred by our non-employee directors when they attend our Board meetings and/or directorship-related continuing education training. In 2022, Mr. Shuster and Mr. Pollitzer were named executive officers (NEOs) of the Company in addition to serving as directors. Both Mr. Shuster and Mr. Pollitzer receive compensation as our NEOs rather than as directors, as described below in "Compensation of Named Executive Officers."

Compensation for our non-employee directors during 2022 was as follows:

NAME	FEES EARNED OR PAID IN CASH ⁽¹⁾ (\$)	RSU AWARDS ⁽²⁾ (\$)	TOTAL COMPENSATION (\$)
Michael Embler ³	125,000	119,993	244,993
Priya Huskins	100,000	119,993	219,993
James G. Jones ⁴	115,000	119,993	234,993
Lynn S. McCreary ⁵	115,000	119,993	234,993
Michael Montgomery	100,000	119,993	219,993
Regina Muehlhauser ⁶	115,000	119,993	234,993
Steven L. Scheid ⁷	140,000	119,993	259,993

1. Amounts reflect the cash retainers we paid to our non-employee directors in 2022.

2. Amounts in this column represent the grant date fair value of the RSUs granted to our non-employee directors in fiscal year 2022, calculated in accordance with FASB ASC Topic 718 Compensation-Stock Compensation (ASC Topic 718). See Note 10, "Share-Based Compensation" of our consolidated financial statements filed with the SEC on Form 10-K for the fiscal year ended December 31, 2022 for an explanation of the assumptions made in valuing these awards. As of December 31, 2022, each of Mses. Muehlhauser and McCreary and Messrs. Scheid, Embler, Jones and Montgomery held 6,940 unvested RSUs, and Ms. Huskins held 9,505 unvested RSUs (inclusive of her new director RSU award).

3. Fees earned includes additional cash retainer (in the amount of \$25,000) Mr. Embler earned in 2022 as chair of Audit Committee.

4. Fees earned includes additional cash retainer (in the amount of \$15,000) Mr. Jones earned in 2022 as chair of Compensation Committee.

5. Fees earned includes additional cash retainer (in the amount of \$15,000) Ms. McCreary earned in 2022 as chair of Governance and Nominating Committee.

6. Fees earned includes additional cash retainer (in the amount of \$15,000) Ms. Muehlhauser earned in 2022 as chair of Risk Committee.

7. Fees earned includes additional cash retainer (in the amount of \$40,000) Mr. Scheid earned in 2022 as the Lead Independent Director.

STOCKHOLDER VOTE REQUIRED

Directors are elected by a plurality of the votes cast. Accordingly, the nine director nominees that receive the greatest number of votes at the Annual Meeting will be elected. In an uncontested election of directors, a director will be elected if he or she receives at least one vote.

BOARD RECOMMENDATION

The Board unanimously recommends that you vote **FOR** each of the director nominees.

CORPORATE GOVERNANCE AND BOARD MATTERS

The Board, led by our Executive Chairman (whose role is separate from our CEO and Lead Independent Director, oversees the management of the Company and our business. The Board selects our CEO and, in conjunction with our CEO, selects the rest of our senior management team, which is responsible for operating our business.

The Board met seven times during 2022. In 2022, all of our directors serving in 2022 attended 100% of the meetings of the Board, except one who attended six of the seven meetings of the Board. All of our directors serving in 2022 attended 100% of the meetings of committees of the Board on which they served during 2022. Our policy is that all of our directors are expected to attend our annual stockholder meeting, which each of our directors attended in 2022.

BOARD LEADERSHIP

The Board believes that at the current time, having a separate Executive Chairman, CEO, and engaged Lead Director allows for the most effective alignment of corporate governance with stockholder interests.

[Our Executive Chairman and Our CEO Roles Are Separated](#)

As part of our ongoing commitment to corporate governance best practices, the Board periodically considers the Company's leadership structure and adapts the Company's leadership structure as circumstances warrant. We believe that separating the roles of CEO and Chairman of the Board is appropriate and in the best interests of the Company and its stockholders at this time.

Under this structure, Mr. Shuster is our Executive Chairman and Chairman of the Board. The Executive Chairman's responsibilities include:

- managing the overall Board function;
- leading the Board in setting and implementing company strategy and direction;
- assisting in the development of strategic plans; and
- chairing Board meetings and serving as a mentor to the CEO.

Mr. Pollitzer is our President and CEO, and a director. The CEO's responsibilities include:

- maintaining operational responsibilities for the Company; and
- collaborating on the Company's strategic direction with the Board and executing strategic initiatives.

The Board believes having a structure where our Executive Chairman role and our CEO roles are separated:

- allows our CEO to focus more of his time and energy on operations and management; and
- leverages the Executive Chairman's leadership, financial, governance and regulatory experience.

[We Have a Lead Independent Director](#)

Our Board believes that strong, independent board leadership is a critical aspect of effective corporate governance. Our Board established the position of Lead Director to provide independent leadership. The Lead Director is an independent director selected by the independent directors. Mr. Scheid has served as the Lead Director since the position was established in May 2012. The Lead Director's responsibilities include:

- acting as the primary contact between the Company and the independent directors, such as undertaking to meet or confer periodically with members of the Company's executive team regarding matters related to the business of the Company;
- assisting the Chairman of the Board, as necessary, with conducting Board meetings;
- assisting with preparation of agenda items for meetings of the Board and its Committees; and
- such other duties as the Board may from time to time assign to the Lead Director.

BOARD COMMITTEES

The Board has four committees: Audit, Governance and Nominating, Risk and Compensation. Information on these committees, including their purposes, responsibilities and authorities, is provided below. Each of these committees is governed by a written charter available on our website at ir.nationalmi.com/governance.cfm, and we will send copies to any stockholder who submits a written request to our Corporate Secretary.

The current composition of the Board's four committees is as follows:

Director Name	Audit Committee	Governance And Nominating Committee	Risk Committee	Compensation Committee
Bradley M. Shuster				
Priya Huskins*		n		n
Adam S. Pollitzer				
Steven L. Scheid*		n		n
Michael Embler*	n			n
James G. Jones*		n	n	n
Lynn S. McCreary*		n	n	
Michael Montgomery*	n		n	
Regina Muehlhauser*	n		n	

* Independent Director

n = Chair n = Member

Audit Committee

MEMBERS:

Michael Embler (Chair)
Michael Montgomery
Regina Muehlhauser

MEETINGS IN 2022: 9

Each member qualifies as an "independent" director as defined under the applicable rules and regulations of NASDAQ and the SEC, and serves as an "audit committee financial expert" as that term is defined in SEC rules.

The Audit Committee is responsible for, among other things, monitoring:

- the integrity of the financial statements of the Company;
- the independent auditor's qualifications and independence;
- the performance of the Company's internal audit function and independent auditors;
- the Company's system of disclosure controls and system of internal controls over financial reporting;
- the Company's information technology and cybersecurity risk; and
- the Company's compliance with legal and regulatory requirements.

AUDIT COMMITTEE REPORT

Before we filed our Annual Report on Form 10-K for the year ended December 31, 2022 with the SEC, the Audit Committee reviewed and discussed with management our audited Consolidated Financial Statements for the year ended December 31, 2022, and the notes thereto and other financial information included in the report, including the section of the report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" (collectively, the 2022 10-K). The Audit Committee also discussed with BDO, our independent registered public accounting firm for 2022, the matters required to be discussed by Public Company Accounting Oversight Board (PCAOB) Auditing Standard 1301 including, among other things, matters related to the conduct of the audit of our financial statements. The Audit Committee has received the written disclosures and the letter from BDO required by applicable requirements of the PCAOB regarding BDO's communications with the Audit Committee concerning independence and has discussed with BDO their independence from the Company.

Based on its reviews and discussions described above, the Audit Committee recommended to our Board that our audited financial statements be included in our 2022 10-K, which we filed with the SEC.

Governance and Nominating Committee

MEMBERS:

Lynn S. McCreary (Chair)
Priya Huskins
James G. Jones
Steven L. Scheid

MEETINGS IN 2022: 4

Each director qualifies as an "independent" director under the applicable rules and regulations of NASDAQ and the SEC.

The Governance and Nominating Committee is responsible for, among other things:

- identifying individuals qualified to become Board members and recommending to the Board nominees for election for the next annual meeting of stockholders;
- reviewing the qualifications and independence of the members of the Board and its committees on a regular basis;
- recommending to the Board corporate governance guidelines and reviewing such guidelines, as well as the Governance and Nominating Committee charter, to confirm that they remain consistent with sound corporate governance practices and with any legal requirements;
- overseeing our environmental (including climate), social and governance (ESG) efforts and initiatives;
- leading the Board in its annual review of the Board's and its committees' performance; and
- recommending committee assignments for members of the Board.

The Governance and Nominating Committee evaluates director candidates for the Company's nominees for the Board under the criteria described above under "*Election of Directors - Director Criteria, Qualifications, Experience and Tenure.*" The Governance and Nominating Committee will consider recommendations from stockholders of record regarding director candidates, provided that the stockholder satisfied the requirements set forth in the Company's Bylaws and these nominations are received in writing and accompanied by sufficient information to enable the Governance and Nominating Committee to assess the candidate's qualifications, along with the candidate's consent to serve as a director if elected. Any recommendation received from a stockholder after January 1 of any year is not assured of being considered for nomination in that year. The Governance and Nominating Committee will evaluate any director candidates recommended by stockholders using the same process and criteria that apply to candidates recommended by other sources.

Risk Committee

MEMBERS:

Regina Muehlhauser (Chair)
James G. Jones
Michael Montgomery
Lynn S. McCreary

MEETINGS IN 2022: 4

Each director qualifies as an "independent" director under the applicable rules and regulations of NASDAQ and the SEC.

The Risk Committee is responsible for the oversight of the Company's management of key risks and exposures that could materially impact the Company and management's operation of the Company's mortgage insurance business and the management of the Company's investment portfolio, including, among other things:

- monitoring the performance of the Company's insured books of business and the principal factors affecting performance;
- discussing, reviewing and monitoring the Company's mortgage insurance products, including premium rates, underwriting guidelines and returns;
- reviewing and approving the Company's investment policy and reviewing the performance of the investment portfolio;
- reviewing the mortgage insurance operating environment, including the state of local and regional housing markets, competitive forces affecting the Company and the Company's relationships with residential mortgage lenders and investors;
- assisting the Board in its oversight of the Company's enterprise risk management approach, including the significant risk management policies, procedures and processes; and
- reviewing and approving the Company's directors and officers liability coverage for adequacy and scope.

Compensation Committee

MEMBERS:

James G. Jones (Chair)
 Michael Embler
 Priya Huskins
 Steven L. Scheid

MEETINGS IN 2022: 6

Each director qualifies as an "independent" director under the applicable rules and regulations of NASDAQ and the SEC.

The Compensation Committee is responsible for, among other things:

- overseeing our executive compensation program, including approving corporate objectives relating to compensation for our President and CEO, Executive Chairman and other senior executives and determining the annual compensation of our CEO, Executive Chairman and other senior executives;
- reviewing and approving the compensation policy recommended by management with respect to other employees;
- determining, subject to ratification by our independent directors, the compensation of our independent directors;
- evaluating the relationship between our risk management practices and our compensation policies and practices applicable to all employees, including our President and CEO, Executive Chairman and other senior executives, to consider whether they encourage risk-taking that would be reasonably likely to have a material adverse effect on the Company;
- reviewing and approving incentive and equity-based compensation plans and grants;
- reviewing transition and succession planning for senior executives; and
- preparing the Compensation Committee Report and reviewing any Compensation Discussion and Analysis included in our proxy statements.

The Compensation Committee has the authority to secure the services of independent, external advisers to be used by the Compensation Committee in the exercise of its responsibilities, including review of executive compensation, Board compensation and to perform any other analysis that the Compensation Committee deems appropriate. The Compensation Committee engaged Semler Brossy Consulting Group, LLC (Semler Brossy or the Compensation Consultant), an independent compensation consultant, to assist it in evaluating executive and director compensation programs and levels. See "*Compensation of Named Executive Officers — Compensation Discussion and Analysis — Our Process For Executive Compensation — Role of the Compensation Consultant*" for more information about Semler Brossy and the services it provides to the Compensation Committee. The Compensation Committee has the authority to delegate any of its responsibilities to one or more subcommittees of the Compensation Committee as it may deem appropriate.

BOARD OVERSIGHT OF RISK

Our management is charged with identifying and managing the risks facing our business and operations. The Board is responsible for overseeing how our senior management addresses these business and operational risks to the extent they are material. Accordingly, the Board, assisted by the Board-level Risk Committee, oversees and considers risk throughout the year on a company-wide and individual action basis.

The Board also implements its risk oversight function through delegation to each of our Audit, Compensation, Governance and Nominating and Risk Committees. These committees meet regularly and report back to our board. Our Board-level committees play significant roles in carrying out our risk oversight function.

- The Risk Committee assists the Board in its oversight and review of information regarding our enterprise risk management approach and oversees risks related to our mortgage insurance business and investment portfolio.
- The Audit Committee oversees and reviews risks associated with financial accounting and reporting, including our system of internal controls, as well as fraud risk, information technology and cybersecurity risk, and major legislative and regulatory developments which could result in material financial risk exposures. In performing this function, the Audit Committee considers information from our independent and internal auditors and discusses relevant issues with management and the independent auditors. The Audit Committee also reviews any proposed related person transactions to ensure that we do not engage in transactions that would create a conflict of interest that could result in harm to us.
- The Compensation Committee evaluates the risks and rewards associated with our compensation philosophy and programs and succession planning.

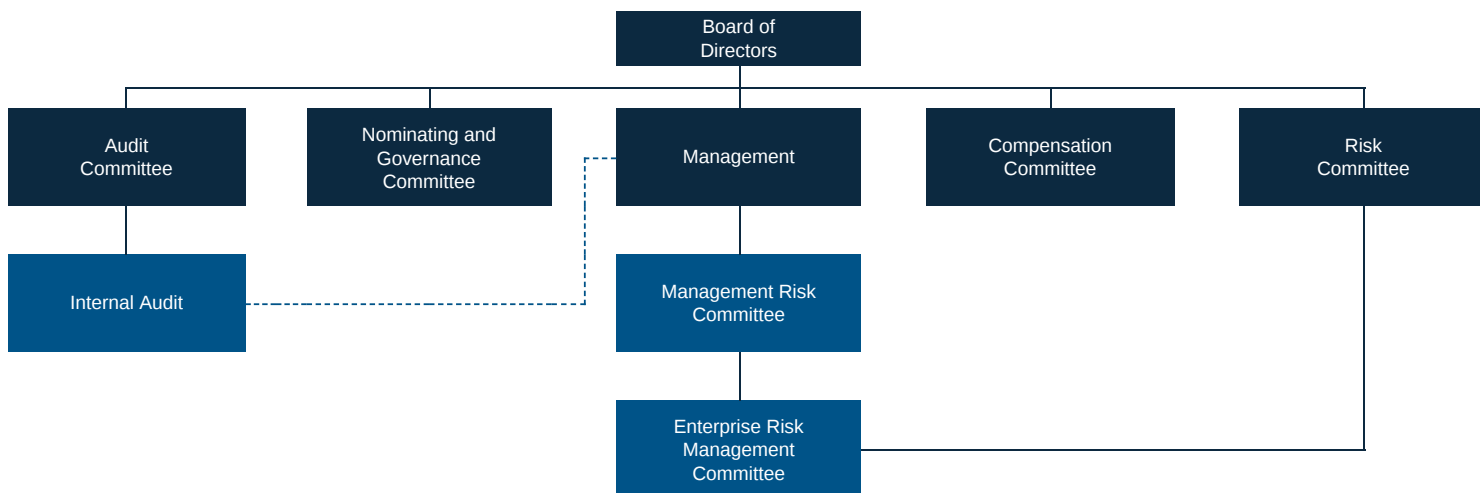
- The Governance and Nominating Committee oversees our implementation of sound corporate governance principles and practices (including our ESG efforts and initiatives). In performing this function, the Governance and Nominating Committee periodically reviews and recommends changes to the Company's Corporate Governance Guidelines and recommends any additional actions related to governance matters that it may deem necessary or advisable from time to time.

Our management also implements its risk oversight function through the Management Risk Committee, which is responsible for overseeing the company's insurance liability risk, and whose membership includes our CEO, Chief Financial Officer, Chief Risk Officer, Executive Vice President of Operations and IT, General Counsel, and Vice President of Credit Policy.

We manage enterprise risks through the coordinated efforts of our board-level Risk Committee, management-level Enterprise Risk Management Committee (ERMC) and our internal audit department.

- ERMC is a cross-disciplinary management level enterprise risk committee that (i) facilitates risk discussions and monitors the implementation of effective risk management practices and (ii) assists risk owners with identifying, defining and monitoring risk exposures. ERMC documents the key risks we face, and how we monitor and manage those risks. Its membership includes our CEO, Chief Risk Officer, General Counsel, Chief Financial Officer, Executive Vice President of Operations and IT, Chief Sales Officer, Chief Compliance Officer, and Head of Internal Audit. The chair of ERMC provides updates to the board-level Risk Committee, the CEO and the Executive Chairman.
- Internal audit was established by the Audit Committee to review and assess the activities of the Company in all functional areas and reports to the Chair of Audit Committee. Internal audit provides management and the Audit Committee with reasonable assurance that the risk management and internal control systems throughout the Company are adequate and operating effectively. We require that internal audit remain at all times independent of any activity it reviews in order to provide objective and credible assessments on behalf of the Company.

We believe that our leadership structure, discussed in "*— Board Leadership*" above, reinforces the Board's risk oversight function. Independent directors chair and make up the entire membership of the committees involved in risk oversight, and we have established a system of open communication among senior management and directors, with our Executive Chairman and CEO routinely keeping the Board informed of material risks.



CORPORATE GOVERNANCE

We are committed to corporate governance practices that promote long-term value and strengthen board and management accountability to our stockholders. Our Board has implemented a number of measures to enrich board composition and diversity, enhance independent oversight and increase the effectiveness of the Board. These measures align our corporate governance structure with achieving our strategic objectives, and enable our Board to effectively communicate and oversee our culture of compliance, risk management, customer and stakeholder satisfaction and robust, sustainable growth.

BOARD OVERSIGHT OF OUR VALUES AND PEOPLE

We believe we play a critical role in the housing market and serve an important social purpose – helping borrowers gain access to housing and supporting them as they build value and community for themselves and their families. In 2022, we helped more than 200,000 borrowers to obtain homeownership. Access to home ownership is central to the communities we serve. Our business puts us at the intersection of home access and home affordability whereby we help our lender customers help borrowers to overcome the down payment hurdle of buying homes. We also provide private capital to take on first loss risk exposure ahead of taxpayers.

Throughout the year, the Board and its committees review and discuss with management the progress our Company has made in helping our lender customers help borrowers gain access to housing and supporting them as they build value and community for themselves and their families. The Board and its committees also review and discuss with management matters related to our people, including our progress towards inclusive and diverse representation among our employees, employee engagement, compensation and benefits, business conduct and compliance, and executive succession planning.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Board, including through its Governance and Nominating Committee which oversees our ESG efforts, reviews and discusses with management our ESG initiatives and progress. We focus on minimizing the environmental impact of our operations and furthering social objectives through our business and relationships with our communities and employees. The diversity of our employees is a tremendous asset. We value diversity as a company and believe that diverse perspectives promote innovation and are crucial to the long-term success of our business.

Sustainability Report:

We publicly disclose information about our business across a number of topics on our website. Our Sustainability Report is regularly updated and provides a broad view of our ESG efforts across the Company. The Sustainability Report includes an index that maps our ESG disclosures (ESG Index) across metrics outlined in the Sustainability Accounting Standards Board's voluntary disclosure framework. We also reference the United Nations Sustainable Development Goals (UN Goals) in our Sustainability Report and have aligned our business activities and programs with the five UN Goals where we believe we can make the greatest impact. The Sustainability Report and ESG Index are available on our website at <https://www.nationalmi.com/sustainability-report/>.

Environmental Impact:

As a financial services company in the mortgage insurance space, we have a limited environmental footprint, and we strive to minimize the impact of our operations on the environment. We have reduced travel by integrating video and audio conferencing and virtual meetings into our business practices. We outsource our production data center to a 100% green energy data center provider, decreasing our overall carbon footprint by leveraging the economies-of-scale and environmental efficiencies of our third-party, cloud-based data center provider.

Our headquarters (and only office location) is leased and in a LEED Gold-certified building that includes eco-friendly features such as LED lighting, motion-sensor lighting, Energy Star appliances, temperature-controlled air and water heating, water efficient plumbing fixtures and electric car charging stations. The building also received the Institute of Real Estate Management Certified Sustainable Property designation by following stringent requirements to conserve electricity, water and gas.

We have adopted sustainable practices to support recycling and composting. Our use of paper has been decreased through a combination of reducing our printing requirements and lowering our kitchen paper product needs through initiatives such as providing employees with reusable cups. We have increased the use of recycled and recyclable materials in our operations and have regular e-waste pickup and responsible disposal from a third-party vendor as well as routine office furniture donations. We continue to evaluate other enterprise-wide changes to further decrease the environmental impact of our operations.

Social Responsibility: Communities, Human Capital and Diversity

Communities

We believe our business serves an important social function at its core: we assist first-time and low down-payment borrowers in achieving their home ownership goals through support of our lender customers. Access to home ownership for borrowers is central to our customers and the communities we serve. Our mortgage insurance products provide individual borrowers with the assistance they need to secure affordable mortgage loans and, in doing so, we help open the door to sustainable homeownership in communities across the country. Our products also facilitate secondary market sales of

residential mortgages, primarily to Fannie Mae and Freddie Mac (the government-sponsored enterprises (GSEs)), and provide lenders and investors a means to diversify and mitigate their exposure to mortgage credit risk. With our private capital standing in a first loss position, we play a crucial role in protecting U.S. taxpayers from exposure to credit losses experienced by the GSEs, which are effectively guaranteed by the government.

As part of our community initiatives, we have been in partnership with Mortgage Bankers Association (MBA) Opens Doors Foundation. MBA Opens Doors was formed in 2011 with the mission of helping vulnerable families with critically ill or injured children to stay in their homes while a child is in treatment. Since 2020, we have donated to the MBA Opens Doors Foundation a portion of the premium payments we receive on every new policy we originate. Since 2020, we are pleased to have donated over \$127,000 to the MBA Opens Doors Foundation.

Human Capital

We are a company of approximately 242 full-time and part-time employees. We also engage third-party vendors to provide additional IT, underwriting and other support services. Our ability to operate efficiently and profitably, to offer products and services that meet the expectations of our customers, and to maintain an effective risk management framework is highly dependent on the competence and integrity of our employees, as well as the employees of the third-party service providers, vendors and others whom we engage.

We prioritize our employees with the goal of attracting, retaining and developing a high-quality, diverse talent base and aim to foster an employee-driven, collaborative and productive work environment that emphasizes balance between organizational, community and personal goals. We offer competitive salaries and a comprehensive benefits package that includes annual cash bonuses and equity grants, life, health and supplemental insurance coverage, paid time off, paid caregiver leave, emergency backup child and elder care, a 401(k) Savings Plan (401(k) Plan) with employer matching contributions, and programs to support employee mental, physical and financial well-being. We grant equity to every one of our employees annually and offer mortgage assistance to support our employees who are first-time homebuyers. We encourage our employees to continue their educational and professional development, and support those who do with tuition reimbursement and student loan payback programs, as well as ongoing firm wide training initiatives and access to third-party course materials.

In 2022, we were recognized as a Great Place to Work[®] for the seventh consecutive year. Great Place to Work[®] is a global authority on workplace culture, employee experience and leadership, and partners with FORTUNE magazine to produce the annual FORTUNE "100 Best Companies to Work For" list.

Diversity

We value diversity as a company and believe that diverse perspectives promote innovation and are crucial to the long-term success of our business. We are committed to supporting diversity, equity and inclusion in our workplace, and have aimed to create an environment that welcomes and supports differences and encourages input and ideas from all. Approximately 74% of our employee population identified as members of a diverse group, including 58% as women and 33% as racial/ethnic minorities. We continue to focus on taking action to: (i) enhance cultural awareness throughout the organization by creating substantive learning opportunities for all employees; (ii) broaden our leadership pipeline by creating and supporting programs and policies that foster leadership development; (iii) seek and support diverse backgrounds on our Board and amongst our management team; (iv) address potential bias during our hiring, evaluation and promotion processes; (v) support an inclusive corporate culture; and (vi) engage in initiatives that foster economic mobility, community development and financial education. We require our third-party recruiting firms to seek and source diverse candidates and have established an employee inclusion committee to further diversity, equity and inclusion initiatives across our company. Inclusion committee members reflect a cross-functional and diverse employee mix by gender, ethnicity, race, age and tenure, and work to address diversity topics in areas such as employee and leadership composition, employee education and cultural community outreach.

Governance:

Corporate governance is foundational to our ESG efforts and we work actively with our Board on our initiatives. Our Governance and Nominating Committee oversees our ESG efforts generally as set forth in its charter. The success of our employees, customers and stockholders depends on our ability to manage our business ethically, transparently and responsibly. Our Business Conduct and Ethics Policy (as further described below) are both publicly available and, in conjunction with other internal policies, communicate our values and expectations for employees and other stakeholders. Our Corporate Governance Guidelines (as further described below), which detail our corporate governance practices with respect to our Board and its committees, are reviewed periodically by our Governance Committee and are also publicly available. Additional information regarding our board can also be found under "Corporate Governance and Board Matters" on page [21](#).

Corporate Governance Guidelines

Our Corporate Governance Guidelines set forth a framework for our governance. The Guidelines cover the Board's membership criteria, director independence, director compensation, board meeting process, committee structure and succession planning. Among other things, the Board meets in executive sessions at which only independent directors are present at least twice annually, and the Lead Director presides over these sessions (unless the Lead Director delegates such responsibility to another independent director). The Governance and Nominating Committee and the Board consider the need for amendments or enhancements to our Corporate Governance Guidelines at least annually. See "— Board Leadership" above, for information regarding the Lead Director's responsibilities and authority.

The Corporate Governance Guidelines also require a director who, during their tenure as a director (i) joins the board of directors of another company or (ii) experiences a change in their business or commercial activity, to notify the Governance and Nominating Committee, which will then review the circumstances to determine if such director's continued service is appropriate and make a recommendation to the Board, after which the remaining Board members will make their determination of whether that director's continued service is appropriate.

Business Conduct and Ethics Policy

Our Board has adopted a code of business conduct and ethics (the Business Conduct & Ethics Policy) that applies to all of our employees, officers, external directors and contractors (full-time, part-time or temporary) of the Company and its subsidiaries. We review and update our Business Conduct & Ethics Policy periodically and regularly. If we amend or grant any waiver from a provision of our Business Conduct & Ethics Policy that applies to our executive officers, we will publicly disclose such amendment or waiver on our website as required by applicable law. The Business Conduct & Ethics Policy is publicly available on our website at <https://ir.nationalmi.com/corporate-governance/board-documents>.

Minimum Stock Ownership and Holding Period (Directors)

The Board has adopted a written Stock Ownership Policy applicable to the Company's executive officers and directors (other than any non-employee director who serves on the Board in fulfillment of his or her employment obligations to a non-affiliate of the Company and is required to transfer all or a portion of their equity awards granted by the Company to their employer). None of our directors is currently under any such obligation.

Title	Stock Ownership Guidelines
Non-Employee directors	5.0 x annual cash retainer

Each director is required to hold 50% of shares delivered by the Company upon vesting or exercise of equity awards granted under the Company's equity plans until the applicable stock ownership threshold has been met. As of December 31, 2022, each of our directors, other than Ms. Huskins (who joined the Board in February 2021), met the stock ownership requirement, and Ms. Huskins will have until February 2026 to meet the requirement.

Director Independence

Our Corporate Governance Guidelines regarding director independence are consistent with the applicable rules and regulations of NASDAQ and the SEC. A director is independent under our Corporate Governance Guidelines if the Board has made an affirmative determination that the director has no material relationship with the Company that would impair his or her independent judgment (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company, or if an immediate family member has such a relationship). In the process of making such determinations, the Board will consider the nature, extent and materiality of the director's relationships with the Company and the Board will apply the NASDAQ and SEC independence requirements.

In accordance with our Corporate Governance Guidelines, our Board has determined that all of the current members of the Board, except Mr. Shuster, our Executive Chairman, and Mr. Pollitzer, our President and CEO, are "independent" under the applicable rules and regulations of NASDAQ and the SEC.

Certain Relationships and Related Party Transactions

We have adopted a written Related Party Transaction Approval Policy. Pursuant to this policy, our directors and director nominees, executive officers and holders of more than five percent of our common stock, including their immediate family members, (each, a related party) will not be permitted to enter into a transaction with us where the amount involved exceeds or is reasonably expected to exceed \$120,000 without the review and consent of our Audit Committee, or in certain circumstances, the Chair of the Audit Committee (Audit Chair). Any request for us to enter into such a transaction, where any such related party has a direct or indirect material interest, subject to certain exceptions, will be required to be presented by management to our Audit Committee or Audit Chair, which will review and approve or disapprove such proposed transaction. In determining whether to approve a related party transaction, the Audit Committee or Audit Chair, as applicable, shall consider:

- i whether the transaction is on terms that are fair and reasonable to the Company and substantially the same as would apply if the other party was not a related party;
- ii the size of the transaction and the amount payable to the related party;
- iii the nature of the interest of the related party in the transaction;
- iv whether the transaction is in the business interests of the Company and in the interests of the Company's stockholders;
- v whether the transaction may involve a conflict of interest or otherwise interfere with the objectivity and independence of the related party; and
- vi any other facts and circumstances that the members of the Audit Committee or Audit Chair, as applicable, deem relevant.

Other than compensation agreements and other arrangements which are described in the "Election of Directors — 2022 Director Compensation" and "Compensation Discussion and Analysis" sections of this proxy statement, during the year ended December 31, 2022 there was not, and there is not currently proposed, any transaction or series of transactions to which we were or will be a party in which the amount involved exceeded or will exceed \$120,000 and in which a related party had or will have a direct or indirect material interest.

STOCKHOLDER ENGAGEMENT

We proactively engage with stockholders and other stakeholders throughout the year to learn their perspectives on significant issues, including company performance and strategy, corporate governance, and environmental, social, and governance topics, including through:

- Quarterly earnings conference calls
- Analyst meetings and conference calls
- Investor meetings and conference calls
- Annual investor day presentations
- Annual shareholders meeting
- Non-deal roadshows
- Investor conferences

Such engagement helps us better understand stockholder priorities and perspectives, gives us an opportunity to elaborate upon our initiatives with relevant experts, and fosters constructive dialogue. We take feedback and insights from our engagement with stockholders and other stakeholders into consideration as we review and evolve our practices and disclosures, and further share the feedback and insights with our Board as appropriate.

INFORMATION ONLINE

The Corporate Governance section of our website (<https://ir.nationalmi.com/corporate-governance>) includes the following corporate governance documents:

- Amended and Restated Certificate of Corporation
- Amended and Restated Bylaws
- Board Committee Charters: Each of the committees of our Board operates under a written charter adopted by the full Board upon the recommendation of the Governance and Nominating Committee. Each committee considers the need for amendments or enhancements to its charter at least annually and more frequently as necessary.
- Corporate Governance Guidelines. See "*— Corporate Governance Guidelines*" above for more detailed description.

- Business Conduct and Ethics Policy. See "*Business Conduct and Ethics Policy*" above for more detailed description.

Any updated or amended versions of the items listed above will be posted to our website promptly after adoption. Any of the items listed above are also available in print and free of charge upon written request to our Corporate Secretary. The information contained on our website is not deemed to be incorporated by reference into this proxy statement.

This proxy statement and our 2022 Annual Report to Stockholders are available at <https://ir.nationalmi.com/financial-information/sec-filings> or www.sec.gov.

BOARD COMMUNICATION

Stockholders may communicate with the members of the Board, the Lead Director or the non-management members of the Board as a group, by sending a written communication to **NMI Holdings, Inc., Attention: Corporate Secretary, 2100 Powell Street, 12th Floor, Emeryville, CA 94608**.

EXECUTIVE OFFICERS

The following information is provided with respect to each of our executive officers. Our executive officers are appointed by the Board to serve in their respective capacities until their successors are duly elected and qualified or until their earlier death, resignation or removal.

Bradley M. Shuster

Executive Chairman and Chairman of the Board

Information about Mr. Shuster is provided above in "*Election of Directors — Director Criteria, Qualifications, Experience and Tenure*."

Adam S. Pollitzer

President and Chief Executive Officer, and Director

Information about Mr. Pollitzer is provided above in "*Election of Directors — Director Criteria, Qualifications, Experience and Tenure*."

Norman P. Fitzgerald

Executive Vice President and Chief Sales Officer

Mr. Fitzgerald, 56, has served as our Executive Vice President and Chief Sales Officer since January 2022 and is responsible for overseeing the sales and marketing departments and serves on our Executive Committee. He joined the Company in 2014 and served as Senior Vice President and Chief Sales Officer from 2020 to 2021 and as Senior Vice President, Field Sales from 2014 to 2019. Prior to joining the Company, Mr. Fitzgerald served as Senior Vice President, Head of Correspondent Lending at Mr. Cooper (formerly Nationstar Mortgage), and held senior leadership positions with PHH Mortgage and CitiMortgage Inc. Mr. Fitzgerald holds a B.A. from the University of Massachusetts in Boston.

William J. Leatherberry

Executive Vice President, Chief Legal Officer, General Counsel and Secretary

Mr. Leatherberry, 52, has served as our Chief Legal Officer and Secretary since 2014, is responsible for overseeing the Company's legal, compliance and government relations functions and serves on our Executive Committee. Prior to NMI in 2014, he served in various executive positions from 2005 to 2013 at Century Aluminum Company, a global producer of primary aluminum, including as executive vice president, chief legal officer, general counsel and corporate secretary from 2010 to 2013, and was responsible for compliance, human resources, government relations and the legal affairs of the organization, including mergers, acquisitions and divestitures, employment matters, securities, intellectual property and litigation. Mr. Leatherberry started his legal career at the Jones Day law firm, with a focus on public company, securities law, merger and acquisition and private equity practices. Mr. Leatherberry holds both a B.A. in business management and an M.B.A. from the University of Texas and a J.D. from Southern Methodist University.

Ravi Mallela

Executive Vice President and Chief Financial Officer

Mr. Mallela, age 53, has served as our Chief Financial Officer since January 2022 and serves on our Executive Committee. Mr. Mallela previously served as Executive Vice President and Chief Financial Officer, Finance Group, of First Hawaiian, Inc. and First Hawaiian Bank, which he had joined in September 2018. He was also a member of the First Hawaiian Bank Senior Management Committee. Prior to joining First Hawaiian, Mr. Mallela served as Senior Vice President, Head of Finance and Treasury of First Republic Bank from 2013 to 2018, where he managed the functions of Corporate Treasury, Financial Planning and Analysis, Investment Operations and Monitoring, Cash Management, and Capital and Liquidity Stress Testing. He earned a Bachelor of Science degree in Economics from the University of San Francisco and an MBA from UCLA Anderson School of Management.

Robert Smith

Executive Vice President and Chief Risk Officer

Mr. Smith, 53, has served as our Chief Risk Officer since May 2018, overseeing and managing credit risk and internal audit for NMI and serves on our Executive Committee. Mr. Smith joined the Company in 2012 as Vice President of Pricing and Portfolio Analytics and served in that capacity until May 2018. He has more than 19 years of experience in the mortgage and financial services industry, including previous roles at Washington Mutual and PMIC. Mr. Smith is a Chartered Financial Analyst and holds a master's degree in Engineering and an MBA from Stanford's Graduate School of Business.

Mohammad Yousaf

Executive Vice President, Operations and Information Technology

Mr. Yousaf, 47, has served as our Executive Vice President, Operations and Information Technology since January 2022 and is responsible for overseeing the Operations and Information Technology departments and serves on our Executive Committee. Mr. Yousaf joined the Company in 2018 as the Business Transformation Officer and VP, Business Development & Technology Partnerships. He has over 21 years of mortgage lending experience and has bridged business needs with mortgage technology advancements. Prior to joining the Company in 2018, Mr. Yousaf was a senior managing director of Home Point Financial Corporation from March 2018 until Nov 2018, and SVP, Origination Operations of Home Point Financial Corporation from October 2012 until March 2015 and led the servicing operations. His prior experience includes operations and technology leadership roles at Wells Fargo. He attended Technical University of Budapest, Hungary and holds a bachelor's degree in computer science from the Metropolitan State University in St. Paul, Minneapolis.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth information about the beneficial ownership of our common stock as of March 15, 2023 for:

- each person known to us to be the beneficial owner of more than five percent of our Class A common stock;
- each NEO;
- each director and nominee; and
- all of our current executive officers, identified above under the caption "*Executive Officers*," and directors as a group.

Unless otherwise noted below, the address of each beneficial owner listed on the table is c/o NMI Holdings, Inc., 2100 Powell Street, 12th Floor, Emeryville, California 94608. We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the tables below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws. We have based our calculation of the percentage of beneficial ownership on 83,498,234 shares of our Class A common stock outstanding as of March 15, 2023. There are currently no shares of our Class B common stock issued and outstanding.

In computing the number of shares of common stock beneficially owned by a person and such person's percentage of ownership of all outstanding shares, we deemed as owned and outstanding for such person those shares of common stock subject to options or warrants that are currently exercisable or exercisable within 60 days of March 15, 2023 and RSUs held by that person that will vest within 60 days of March 15, 2023. We, however, did not deem such shares as outstanding for the purpose of computing the percentage ownership of any other person.

NAMED EXECUTIVE OFFICERS AND DIRECTORS:	SHARES OF CLASS A COMMON STOCK BENEFICIALLY OWNED	
	NUMBER	%
Bradley M. Shuster ⁽¹⁾	1,340,652	1.6%
Adam S. Pollitzer ⁽²⁾	155,469	*
Ravi Mallela ⁽³⁾	20,551	*
William J. Leatherberry ⁽⁴⁾	163,412	*
Robert Smith ⁽⁵⁾	77,736	*
Steven L. Scheid ⁽⁶⁾	84,707	*
Michael Embler ⁽⁷⁾	86,633	*
James G. Jones ⁽⁸⁾	173,633	*
Michael Montgomery ⁽⁹⁾	58,607	*
Regina Muehlhauser ⁽¹⁰⁾	54,840	*
Lynn S. McCreary ⁽¹¹⁾	29,793	*
Priya Huskins ⁽¹²⁾	14,635	*
All executive officers and directors as a group (14 persons)	2,287,425	2.7%

*Represents less than 1% of beneficial ownership.

1. Represents 347,640 shares held directly, 47,150 shares held indirectly in the Shuster Family Trust, of which Mr. Shuster and his wife are co-trustees and beneficiaries, and 945,862 vested stock options.
2. Represents 94,344 shares held directly and 61,125 vested stock options.
3. Represents 20,551 shares held directly.
4. Represents 107,820 shares held directly and 55,592 vested stock options.
5. Represents 37,338 shares held directly and 40,398 vested stock options.
6. Represents 77,767 shares held in the Scheid Family Trust, of which Mr. Scheid and his wife are co-trustees and beneficiaries, and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
7. Represents 79,693 shares held directly and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
8. Represents 109,693 shares held directly, 57,000 shares held in the James G. Jones and Maria F. Jones Revocable Trust, and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
9. Represents 51,667 shares held directly, and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
10. Represents 47,900 shares held directly and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
11. Represents 22,853 shares held directly and 6,940 RSUs expected to vest within 60 days of March 15, 2023.
12. Represents 5,130 shares held directly and 9,505 RSUs expected to vest within 60 days of March 15, 2023.

GREATER THAN 5% STOCKHOLDERS, AS OF MARCH 15, 2023	NUMBER	%
BlackRock, Inc. ⁽¹⁾	14,867,210	17.8%
Vanguard Group Inc. ⁽²⁾	6,163,709	7.4%
Oaktree Value Equity Holdings, L.P. ⁽³⁾	4,900,000	5.9%

- Based on a Schedule 13G/A filed with the SEC on January 23, 2023. The number of shares reported includes: (a) 14,549,906 shares over which BlackRock, Inc. has sole voting power and (b) 14,867,210 shares over which it has sole dispositive power. Subsidiaries of BlackRock, Inc. reported to have acquired the securities being reported include the following: Aperio Group, LLC, BlackRock Advisors, LLC, BlackRock (Netherlands) B.V., BlackRock Fund Advisors (such entity beneficially owns 5% or greater of the outstanding shares of the Company), BlackRock Institutional Trust Company, National Association, BlackRock Asset Management Ireland Limited, BlackRock Financial Management, Inc. BlackRock Japan Co., Ltd., BlackRock Asset Management Schweiz AG, BlackRock Investment Management, LLC, BlackRock Investment Management (UK) Limited, BlackRock Asset Management Canada Limited, BlackRock Investment Management (Australia) Limited, and BlackRock Fund Managers Ltd. The principal business address of BlackRock, Inc. is 55 East 52nd Street, New York, NY 10055.
- Based on a Schedule 13G/A filed with the SEC on February 9, 2023. The number of shares reported includes: (a) 106,031 shares over which The Vanguard Group has shared voting power; (b) 5,978,829 shares over which The Vanguard Group has sole dispositive power; and (c) 184,880 shares over which The Vanguard Group has shared dispositive power. The reporting person's principal business address is 100 Vanguard Blvd., Malvern, PA 19355.
- Based on a Schedule 13G/A filed with the SEC on February 14, 2023. The number of shares reported includes 4,900,000 shares over which each of the following entities have shared voting and dispositive power: (1) Oaktree Value Equity Holdings, L.P., a Delaware limited partnership (VE Holdings), in its capacity as the direct owner of 4,900,000 outstanding shares of the Company; (2) Oaktree Value Equity Fund GP, L.P., a Cayman Islands exempted limited partnership (VEF GP), in its capacity as the general partner of VE Holdings; (3) Oaktree Value Equity Fund GP Ltd., a Cayman Islands exempted company (VEF Ltd.), in its capacity as the general partner of VEF GP; (4) Oaktree Capital Management, L.P., a Delaware limited partnership (Management), in its capacity as the sole director of VEF Ltd.; (5) Oaktree Capital Management GP, LLC, a Delaware limited liability company (Management GP), in its capacity as the general partner of Management; (6) Atlas OCM Holdings LLC, a Delaware limited liability company (Atlas), in its capacity as the sole managing member of Management GP; (7) Oaktree Fund GP I, L.P., a Delaware limited partnership (GP I), in its capacity as sole shareholder of VEF Ltd.; (8) Oaktree Capital I, L.P., a Delaware limited partnership (Capital I), in its capacity as the general partner of GP I; (9) OCM Holdings I, LLC, a Delaware limited liability company (Holdings I), in its capacity as the general partner of Capital I; (10) Oaktree Holdings, LLC, a Delaware limited liability company (Holdings LLC), in its capacity as the managing member of Holdings I; (11) Oaktree Capital Group, LLC, a Delaware limited liability company (OCG), in its capacity as the managing member of Holdings LLC; (12) Oaktree Capital Group Holdings GP, LLC, a Delaware limited liability company, in its capacity as the indirect owner of the class B units of each of OCG and Atlas; (13) Brookfield Corporation (i/k/a Brookfield Asset Management Inc.), an Ontario corporation (Brookfield), in its capacity as the indirect owner of the class A units of each of OCG and Atlas; (14) Brookfield Asset Management ULC, a British Columbia corporation, in its capacity as the indirect owner of the class A units of Atlas, in its capacity as such; and (15) BAM Partners Trust, a trust formed under the laws of Ontario, in its capacity as the sole owner of Class B Limited Voting Shares of Brookfield. The principal business address of each of the Oaktree Reporting Persons is 333 S. Grand Avenue, 28th Floor, Los Angeles, CA 90071. The principal business address of Brookfield Corporation and BAM Partners Trust is Brookfield Place, Suite 100, 181 Bay Street, PO Box 762, Toronto, Ontario, Canada M5J 2T3. The principal business address of BAM ULC is 1055 West Georgia Street, Suite 1500, Royal Centre, P.O. Box 11117, Vancouver, British Columbia, Canada V6E 4N7.

DELINQUENT SECTION 16(A) REPORTS

SEC rules require our executive officers and directors, and persons who own more than 10% of a registered class of our equity securities, to file initial statements of beneficial ownership (Form 3) and statements of changes in beneficial ownership (Forms 4 and 5) of our common stock with the SEC. Such persons are required to furnish us with copies of all such forms they file. Based solely on a review of the copies of such forms furnished to us and/or written representations that no additional forms were required, we believe that all our officers, directors and greater than 10% beneficial owners complied with their filing requirements for 2022.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

There are no relationships that are required to be disclosed under Item 407(e)(4) of Regulation S-K.

EQUITY COMPENSATION PLANS INFORMATION

The following table sets forth information as of December 31, 2022 with respect to equity compensation plans under which shares of the Company's common stock may be issued:

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS, AND RIGHTS ⁽²⁾	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS, AND RIGHTS ⁽³⁾ (\$)	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS ⁽⁴⁾
Equity compensation plans approved by security holders ⁽¹⁾	2,335,740	\$13.48	3,091,163
Equity compensation plans not approved by security holders	—	—	—
Total	2,335,740	\$13.48	3,091,163

- NMI Holdings, Inc. 2012 Stock Incentive Plan (2012 Plan) and NMI Holdings, Inc. Amended and Restated 2014 Omnibus Incentive Plan (2014 Plan).
- Includes 882,107 and 263,800 shares to be issued upon exercise of outstanding stock options under the 2012 Plan and 2014 Plan, respectively, and 10,780 and 1,179,053 unvested restricted stock units (inclusive of RSUs and PRSUs) granted under the 2012 Plan and 2014 Plan, respectively.
- Weighted-average exercise price is based solely on outstanding options.
- The amount shown includes shares available for use with awards granted under the 2014 Plan.

Compensation of Named Executive Officers

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the objectives and components of our executive compensation program for our named executive officers (NEOs) and how we make compensation decisions. Our NEOs (with Mr. Mallela joining the Company on January 10, 2022 as our Chief Financial Officer) for the year ended December 31, 2022 were as set forth below:

- **Adam S. Pollitzer**, President and Chief Executive Officer
- **Bradley M. Shuster**, Executive Chairman and Chairman of the Board
- **Ravi Mallela**, Chief Financial Officer
- **William J. Leatherberry**, Chief Legal Officer
- **Robert Smith**, Chief Risk Officer

We present the compensation of our NEOs in the Summary Compensation Table and other compensation tables set forth below in this proxy statement.

EXECUTIVE SUMMARY

The following summarizes our Company's pay-for-performance objectives and key compensation-related actions that we took in 2022 and demonstrates the alignment of our executive compensation program with Company performance.

Overview of Our Performance

2022 was a strong financial year for the Company despite the macroeconomic headwinds we faced including rising inflation, interest rates and mortgage rates, and house price declines. The Company continued to embrace its hybrid work environment in 2022 while continuing our support of our employees and customers. We delivered broad success in customer development, continued to innovate in the reinsurance market, and once again achieved industry-leading credit performance.

OVERVIEW OF OUR FINANCIAL PERFORMANCE IN 2022	
\$184 billion IIF	We closed the year with a record of \$184 billion of high-quality, high-performing primary insurance-in-force, up 21% compared to the year ended December 31, 2021.
\$523.3 million Total Revenue	We generated record total revenues of \$523.3 million, up 8% compared to the year ended December 31, 2021.
\$475.3 million Premium Earned	We generated \$475.3 million in premium earned, up 7% compared to the year ended December 31, 2021.
\$292.9 million Net Income	We earned a record net income of \$292.9 million, up 27% compared to the year ended December 31, 2021.
18.3% Adjusted Return-on-Equity ¹	We delivered an 18.3% adjusted return-on-equity for the year, up 14% compared to the year ended December 31, 2021.
\$3.39 Diluted EPS	We grew our Diluted Earnings Per Share (EPS) to \$3.39, up from \$2.65 per EPS, or an increase of 28% compared to the year ended December 31, 2021.
24.7% Expense Ratio	We had a record low expense ratio of 24.7%, down 23% compared to the year ended December 31, 2021.
\$21.76 Book Value Per Share ²	We delivered Book Value Per Share of \$21.76 at December 31, 2022, up 19% compared to the year ended December 31, 2021.

1. Adjusted return on equity is calculated by dividing adjusted net income on an annualized basis by the average shareholders' equity for the period.

2. Book value per share (excluding net unrealized gains and losses) is defined as total shareholder's equity, excluding the after-tax effects of unrealized gains and losses on our investment portfolio, divided by shares outstanding.

Key Matters Addressed by the Compensation Committee

Key matters addressed by the Committee (in consultation with its Compensation Consultant, Semler Brossy) with respect to executive compensation in 2022 included:

- Setting performance objectives for the Company's 2022 bonus plan, including incentives to manage costs, write high-quality business to achieve sustainable revenues, and achieve objectives for adjusted operating income and strong ROE targets;
- Conducting a comprehensive review and evaluation of our NEOs' compensation, including changes to further align our NEOs' compensation with corporate performance objectives;
- Reviewing and evaluating our compensation program to ensure that its policies and practices appropriately safeguard against excessive risk taking; and
- Reviewing the compensation paid to our independent directors.

Executive Compensation Philosophy

We have designed our compensation program to attract, retain and motivate talented and qualified executives, while maximizing stockholder value creation over the long-term by targeting compensation levels that are externally competitive when measured against other companies within our industry and geographic location. We are headquartered in the San Francisco Bay Area near Silicon Valley, and therefore compete for talent with other companies that offer competitive compensation packages. We structure our compensation program to include a balanced portfolio with both cash and equity.

We believe our executive compensation program must be flexible, with annual salaries, incentive and equity awards that measure corporate performance to reward the advancement of our corporate goals and execution against performance objectives that align with our strategic plans, which in turn contributes to the successful development and long-term growth of the Company. In our annual incentive program, we emphasize performance-based compensation through cash-based awards that appropriately motivate executives and reward them for delivering bottom-line financial, operational, strategic and individual results against Committee-approved objectives. Our long-term incentive program is comprised of a mix of RSUs and PRSUs, with the RSUs vesting over three years and the PRSUs vesting after three years based on the Company's meeting of strong cumulative book-value per share performance metrics, which we believe further ties our executive compensation to the Company's long-term performance and further incentivizes our NEOs to achieve sustainable long-term returns. See "*Compensation of Named Executive Officers — Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Long Term Incentive Program & BVPS Growth Targets*" below for additional details for each compensation element.

Stockholder Say-on-Pay Votes

Aligned with our stockholders' preference, we are holding an annual say-on-pay advisory vote in this proxy statement as Proposal 2. Although the say-on-pay vote is advisory, we value stockholder input, and the Committee takes into consideration stockholder input, including the outcome of the say-on-pay vote, when it reviews the Company's compensation philosophy and plan design. At our 2022 Annual Meeting, approximately 64% of the votes cast were in favor of the advisory vote to approve our executive compensation paid to our NEOs in 2021.

After the 2022 Annual Meeting, our Compensation Committee reviewed the vote results and performed a complete review of the underlying executive compensation programs and believe that the 2022 programs and compensation opportunity for the current NEOs are both appropriate and aligned with shareholder interests.

Strong Executive Compensation Policies and Practices

We maintain strong compensation-related governance policies and practices. Our compensation-related governance policies and practices align our executive compensation with long-term stockholder interests, as further described in "*Compensation of Named Executive Officers — Compensation Discussion and Analysis — Elements of Executive Compensation Program — Other Important Governance and Executive Compensation Policies*":

Minimum Stock Ownership and Holding Period Requirements

The Company's Stock Ownership Policy imposes rigorous stock ownership requirements on our NEOs, with our CEO required to hold Company shares valued at five times their base salary, our Executive Chairman required to hold shares valued at 10 times their base salary, and our other NEOs required to hold shares valued at three times their base salary. The Stock Ownership Policy also includes a post-vesting share retention period until such NEO meets the applicable stock ownership threshold. All of our NEOs met our ownership requirements as of December 31, 2022. For more information, please see "*Compensation of Named Executive Officers — Compensation Discussion and Analysis — Elements of Executive Compensation Program — Our Process for Executive Compensation — Other Important Governance and Executive Compensation Policies — Minimum Stock Ownership and Holding Period (Executive Officers)*".

Absolute Prohibition of Hedging and Pledging.

Our policies prohibit our directors and NEOs from engaging in all forms of speculative hedging and pledging transactions involving the Company's equity securities.

Clawback Policy.

Our clawback policy applies to certain cash and equity-based incentive compensation and applies to our NEOs, among others, and allows the Board to recover certain incentive compensation paid based on material accounting restatements.

Compensation Consultant Performs No Additional Services for Us.

The Compensation Consultant is retained by the Committee and performs no other services for the Company.

Compensation Risk Evaluation.

Annually, the Committee performs an executive compensation risk evaluation that is designed to ensure that our compensation program does not motivate excessive risk-taking and is not reasonably likely to cause a material adverse effect on the Company.

Change-in-Control Severance Plan (CIC Severance Plan) Provides Limited Benefits.

A "double-trigger" (meaning both a change in control and severance qualifying termination of employment) is required before any severance benefits may be paid under the CIC Severance Plan.

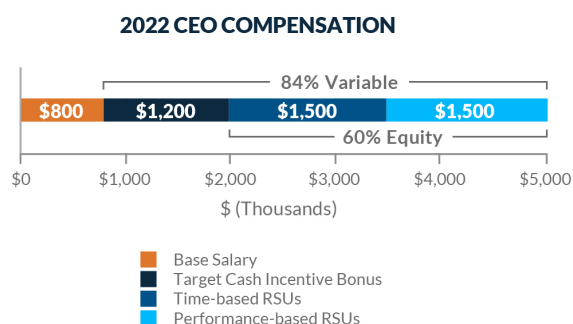
No Tax Gross-Ups.

We do not provide golden parachute excise tax or other income tax gross-ups to any of our NEOs.

Compensation of our CEO and President in 2022

Mr. Pollitzer has served as the Company's President and CEO since January 1, 2022, after serving as the Company's CFO since 2017. Effective January 1, 2022, Mr. Pollitzer's annual base salary was \$800,000, with a target annual bonus opportunity of 150% of his base salary. The Committee granted Mr. Pollitzer an even mix of RSUs and PRSUs with an aggregate grant date value of \$3 million. Mr. Pollitzer's PRSUs are eligible to vest after three years based on meeting cumulative performance metrics set forth in his award agreement. See "Compensation of Named Executive Officers — Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Long Term Incentive Program & BVPS Growth Targets" for a description of the performance metrics for our NEOs' 2022 PRSU grants. Mr. Pollitzer's RSUs are eligible to vest 40% on each of the first and second anniversaries of the grant date, with the remaining 20% eligible to vest on the third anniversary of the grant date.

The chart below illustrates the components of Mr. Pollitzer's total annualized target compensation for fiscal year 2022.



OUR PROCESS FOR EXECUTIVE COMPENSATION

Role of the Compensation Committee

The Committee, which consists solely of independent directors, is responsible for overseeing the development and administration of our executive compensation program. The Committee designs new compensation arrangements for promoted or newly hired executive officers, and oversees retirement and separation arrangements for departing executive officers. The Committee reviews market pay and performance levels, with the help of its Compensation Consultant (as described below), on a regular basis. The Committee evaluates, within the context of the broader economy, Company performance against its operation plans, budgets, pay and performance levels at comparable companies. The Committee retains complete and final discretion in determining annual incentive awards and determines the vesting of our NEOs' performance awards, including any PRSUs. In general, the Committee evaluates the Company's performance in light of pre-established objectives that are subject to adjustment under the annual bonus plan and makes its final determination of annual bonus awards and achievement of awards earned based on long-term performance in the first quarter following the end of each performance period.

The Committee maintains an annual agenda to help ensure that it discharges its duties in a thoughtful and timely manner. Each meeting has a primary purpose, and as a general practice, the Committee makes significant decisions over multiple meetings by discussing conceptual matters, reviewing preliminary recommendations, discussing recommendations among the Committee members, and reviewing final recommendations before acting. The Committee also holds special meetings as necessary in order to perform its duties. In 2022, the Committee met six times, devoting significant time and attention to management compensation.

Role of the Compensation Consultant

The Committee used the services of Semler Brossy to assist it in evaluating executive and director compensation programs and levels during 2022. Semler Brossy assisted the Committee with evaluating compensation for non-employee members of our Board and our NEOs including long-term and short-term annual incentive award design; an assessment of the risks associated with the Company's overall compensation policies and practices; and understanding trends in executive and board compensation. In addition, Semler Brossy provided the Committee with data on compensation levels and programs, including at peer companies, to ensure that our executive officers' total compensation opportunities were market competitive. Semler Brossy does not provide any other services directly to the Company. The Committee has assessed Semler Brossy's independence, taking into consideration the factors listed in NASDAQ Listing Rule 5605(d)(3)(D), and has determined that Semler Brossy's work with the Company does not raise any conflicts of interest.

Role of the CEO

As part of its review and determination of the Company's executive compensation objectives, philosophy, programs and decisions, the Committee works with and receives advice and recommendations from our CEO (other than with respect to his own compensation). At the beginning of each year, our CEO oversees the development of corporate and individual objectives for purposes of short- and long-term compensation of each other NEO (other than our Executive Chairman who reports to the Board). These objectives are derived from our corporate business plan and include both quantitative measurements and qualitative considerations selected to reinforce and enhance achievement of our operating and growth objectives. As Executive Chairman, Mr. Shuster remains engaged as a key member of the Company's executive management team, collaborating with our CEO to define the Company's long-term goals and providing oversight and guidance to the CEO, including with respect to executive compensation. At the end of each year, our CEO reviews with the Committee the achievement of objectives and the performance of our other NEOs who report to him and presents recommendations regarding adjustments to those NEOs' compensation to ensure alignment of stockholder interests with our objectives, as well as to reward the executive for performance. The Committee considers our CEO's recommendations, together with review by the Committee's compensation consultant, in making independent determinations regarding executive compensation. Based on our CEO's day-to-day management of our NEOs, the CEO is well-positioned to evaluate the performance of each NEO who reports to him and make recommendations as to each NEO's overall performance and compensation. Our CEO attends all Committee meetings, other than those portions that are held in executive session, and is not present during any deliberations on matters involving CEO compensation.

Benchmarking

Our executive compensation philosophy emphasizes competitive objectives for executive pay. The Committee does not benchmark to a specific percentile and prefers a flexible target range in order to be mindful of individual differences such as tenure and performance. Elements of compensation that are benchmarked, separately and in the aggregate, include base salary, cash-based annual incentive awards and long-term equity incentive awards.

The Compensation Committee considers several factors when reviewing companies for inclusion in the compensation peer group: size (as measured by revenue and market capitalization), as well as IPO date, recent growth patterns, geographical scope, and the companies with which we compete for executive talent.

In addition to the peer group, the Committee also uses the following data elements for benchmarking:

- The Company's direct pure-play competitors within the mortgage insurance industry: Essent Group Ltd., MGIC Investment Corporation, and Radian Group, Inc.
- Relevant survey information from companies of similar size and geographic scope.

These additional data points played a role in the Committee's competitive benchmarking approach given the Company's size and the limited number of direct business comparators within the mortgage insurance industry.

Our peer group for fiscal year 2022 consists of the companies listed below:

NMI 2022 PEER GROUP	MORTGAGE INSURER DIRECT COMPETITOR	CHOSE NMI AS PEER ⁽¹⁾	BROADER EXPOSURE TO INSURANCE AND REAL ESTATE	BUSINESS
Essent Group Ltd.	n	n	n	Mortgage Insurer
MGIC Investment Corporation	n	n	n	Mortgage Insurer
Radian Group Inc.	n	n	n	Mortgage Insurer
Redwood Trust		n	n	Mortgage Banking & Investments
Assured Guaranty			n	Financial Guaranty Insurer
PennyMac Financial Services			n	Mortgage Service & Lending
Flagstar Bancorp			n	Mortgage Originations & Servicing, Banking
James River Group			n	Specialty Insurance & Reinsurance
Kinsale Capital Group			n	Property & Casualty Insurance
Investors Title			n	Property & Casualty Insurance
Kingstone Cos.			n	Property & Casualty Insurance
National Security Group			n	Property & Casualty Insurance; Life Insurance
Unico American			n	Property & Casualty Insurance

1. Based on 2022 proxy statements.

In November 2022, the Compensation Committee approved an updated peer group for 2023 compensation decisions. After careful consideration, the Compensation Committee decided to make the following changes to the compensation benchmarking peer group for the upcoming fiscal year:

- Six companies were added to the peer group for the upcoming fiscal year:
 - Enact Holdings, Inc.;
 - Stewart Information Services Corporation;
 - Mr. Cooper Group,
 - RLI Corp.;
 - Ocwen Financial Corporation; and
 - Ambac Financial Group.
- Five companies were removed from the peer group for the upcoming fiscal year:
 - Flagstar Bancorp;
 - James River Group;
 - Kingstone Cos.;
 - National Security Group; and
 - Unico American

Collectively, these changes were made to ensure that compensation levels and practices are accurately benchmarked against companies of similar scope, complexity, and performance. The six new peers operate across mortgage insurance, property & casualty insurance, and the broader mortgage industry. The five companies removed from the peer group were removed due to M&A activity and limited size comparability.

ELEMENTS OF EXECUTIVE COMPENSATION PROGRAM

Overview of Compensation Elements

The table below describes the principal elements and characteristics of our executive compensation program, which align with our overall executive compensation philosophy.

COMPENSATION ELEMENT	DESCRIPTION	ALIGNMENT WITH COMPENSATION PHILOSOPHY
Annual Compensation:		
Annual Base Salary (p. 38)	<ul style="list-style-type: none"> Fixed component of annual cash compensation that reflects expertise and scope of responsibilities, influenced by market pay levels and trends and individual performance 	<ul style="list-style-type: none"> Attract and retain key talent with market competitive salaries Provide financial certainty and stability Recognize individual performance
Short-Term Incentive Program (p. 39)	<ul style="list-style-type: none"> Cash-based annual bonus plan based 100% on meeting Company objectives Requirement that executive be employed at the time the bonus is paid has a retentive effect 	<ul style="list-style-type: none"> Balance between short- and long-term corporate objectives that aligns with Company's pay-for-performance philosophy and stockholder interests Short-term growth important in mortgage insurance business, with each book year of business supporting the long-term growth of the Company
Long-Term Compensation:		
Long-Term Incentive Program (p. 40)	<ul style="list-style-type: none"> Equity-based, consisting of a 50:50 mix of time-based RSUs and PRSUs RSUs vest over a three-year period PRSUs earned based on achievement of cumulative book value per share (BVPS) growth targets over a three-year performance period 	<ul style="list-style-type: none"> RSUs align management and stockholder interests on increasing share value PRSUs link realized compensation value to the Company's achievement of long-term financial performance
Other Executive Benefits:		
Retirement Program	<ul style="list-style-type: none"> Participation in 401(k) Plan, including a matching contribution by the Company of 100% of the executive's contribution up to 5% of the executive's eligible compensation, which was offered to all eligible employees who participated in the Company's 401(k) Plan in 2022 	<ul style="list-style-type: none"> Attract and retain key talent Provide income security for retirement
Executive Cash Allowance Program	<ul style="list-style-type: none"> Fixed cash amount to be used at the discretion of the executive, in lieu of individualized perquisite programs 	<ul style="list-style-type: none"> Attract and retain key talent Provide total compensation package that is competitive in our market and geographic location

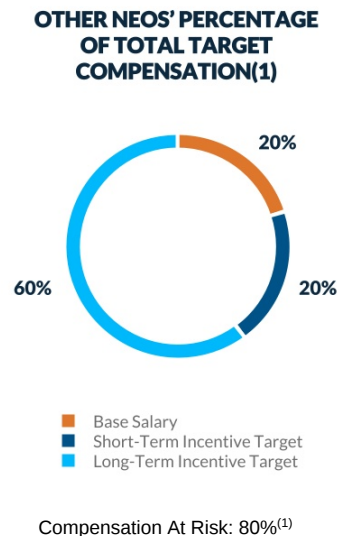
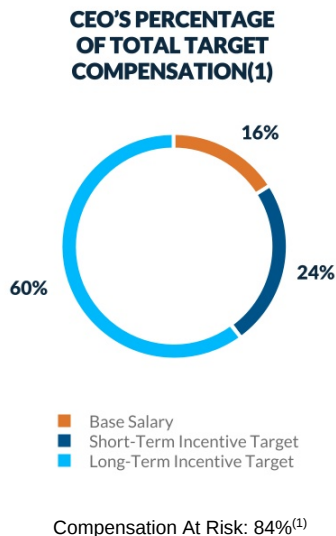
In 2022, the Committee approved equity awards for each NEO, other than Mr. Shuster, consisting of a 50:50 mix of time-based restricted stock units (RSUs) and PRSUs. The PRSUs granted in 2022, similar to prior years, are earned based on achievement of cumulative book value per share (BVPS) growth targets over a three-year performance period. We believe that BVPS is a key measure of our long-term performance and stockholder value creation. As such, our 2022 PRSUs directly link a significant component of our NEOs' realized compensation value to the Company's achievement of long-term financial performance, incentivize the achievement of sustainable long-term returns and further align our long-term equity incentive with that of our peers' and the trends we see in the marketplace.

Compensation of Our CEO and Executive Officers Are Weighted Towards Variable Compensations

Our total annual compensation structure embodies our commitment to align pay with performance. Fixed compensation continues to represent a limited portion of our NEOs' total compensation. Base salary represented 16% of Mr. Pollitzer's 2022 total target compensation and, on average, 20% of the total target compensation of our other NEOs. The remaining target compensation of our NEOs was tied to, and is contingent upon, Company and individual performance. High at-risk incentives align

our executive officer and stockholder interest because a significant portion of each executive's overall compensation is linked to the Company's financial performance.

The following charts highlight, for our CEO and our other NEOs, the components of their average total annualized target compensation for fiscal year 2022. The information presented is based on components of average compensation at target, and therefore, is not directly comparable to amounts set forth in the 2022 Summary Compensation Table on page 44.



1. Percentages used in the charts above have been rounded to the nearest whole percent.

COMPENSATION PROGRAM DETAILS

Base Salary

Base salaries provide our NEOs with fixed cash compensation for service during the year, with consideration given to the scope of each NEO's responsibilities, experience and other qualifications essential to the NEO's role. The following table shows our NEOs' annual base salaries from January 1, 2022 through December 31, 2022.

NEO	2022 ANNUAL BASE SALARY (\$)
Adam S. Pollitzer	800,000
Bradley M. Shuster	650,000
Ravi Mallela	480,000
William J. Leatherberry	545,000
Robert Smith	450,000

In connection with Mr. Pollitzer's promotion to President and CEO effective January 1, 2022 after having served as our CFO since 2017, Mr. Pollitzer's annual base salary was increased from \$591,000 to \$800,000, and his annual bonus target percentage was increased from 100% of his base salary to 150% of his base salary. As President and CEO, Mr. Pollitzer is responsible for the Company's day-to-day management, financial performance and long-term growth strategy.

In connection with Mr. Mallela's appointment as Chief Financial Officer effective January 10, 2022, the Company entered into an offer letter with Mr. Mallela to provide for an annual base salary of \$480,000 to align his compensation with executives holding similar positions within our peer group and to recognize Mr. Mallela's breadth of experience in financial services and proven track record as a senior finance leader.

In addition, the Committee increased each of Messrs. Leatherberry's and Smith's 2022 annual base salaries by 7% and 5%, respectively to: better align their compensation with executives holding similar positions within our peer group; recognize the breadth of management oversight by them in various substantive functional areas of the Company, among them, risk, legal, and government relations, that report to or through them; and reward them of their individual contributions to the Company's growth and successful performance.

Short-Term Incentive Program & Corporate Performance Objectives

In order to appropriately motivate and reward our NEOs, and to further align their pay with Company performance, we offer a discretionary bonus program that provides cash bonus awards based on the Committee's assessment of Company performance within a framework of financial and operational objectives that are set by the Committee at the beginning of each fiscal year. The Committee sets these objectives as reference points to monitor and evaluate our NEOs' progress toward, and alignment with, the Company's short- and long-term priorities. Each NEO's 2022 bonus opportunity was solely based on corporate performance. The 2022 target bonus opportunity for our CEO was set at 150% of his base salary, and for the other NEOs was set at 100% of their respective base salary. Generally, the Committee aims to design and implement our annual incentive plan to reward outstanding performance against our corporate objectives significantly above the targeted benchmark. Conversely, the Committee retains discretion and flexibility, as it determines appropriate, to make its final bonus payment decisions for our NEOs' awards, including to reduce any such amount to zero when individual or corporate performance is below expectations. To be eligible to receive any bonus, each executive must be employed with the Company at the time we pay such bonus.

The following table sets forth the target awards established by the Committee for our NEOs for fiscal year 2022.

NEO	TARGET AWARD (AS PERCENTAGE OF SALARY)	2022 TARGET AWARD (\$)
Adam S. Pollitzer	150%	1,200,000
Bradley M. Shuster	100%	650,000
Ravi Mallela	100%	480,000
William J. Leatherberry	100%	545,000
Robert Smith	100%	450,000

In February 2022, the Committee approved corporate performance objectives for fiscal year 2022, with threshold, target and maximum achievement levels, which were developed by the executive management team consistent with the Company's 2022 operational plan and budget approved by the Board. With respect to our corporate performance objectives, the 2022 bonus plan included three achievement benchmarks: (i) a 75% payout for threshold achievement, (ii) 100% payout for target achievement, and (iii) 180% payout for maximum achievement. Bonus awards are interpolated linearly if actual results fall between the threshold and target measurement points, or between the target and maximum measurement points.

The following table sets forth the corporate performance objectives established by the Committee for our fiscal year 2022 bonus plan, along with the relative weightings, the three achievement benchmarks, and the Company's actual performance with respect to each objective.

2022 PERFORMANCE OBJECTIVES ⁽¹⁾	WEIGHTING	THRESHOLD	TARGET	MAXIMUM	ACTUAL PERFORMANCE
Adjusted Return on Equity	30%	11.0%	14%	17.0%	17.5%
Adjusted Net Operating Income (In Millions)	30%	\$246.5	\$315.9	\$387.4	\$390.9
New Insurance Written (In Billions)	25%	\$60.0	\$72.9	\$85.0	\$58.7
Adjusted Expense Ratio	15%	29.0%	27.0%	25.0%	23.0%

1. Adjusted Return on Equity (ROE), Adjusted Net Operating Income, and Adjusted Expense Ratio are non-GAAP measures. For a description of how we define these measures under the 2022 bonus plan, see [Appendix A](#).

When setting the 2022 corporate performance objectives, the Committee used a rigorous process to set challenging, yet reasonably attainable objectives intended to support and align with the Company's operating plan and strategic goals and to ensure an appropriate level of competitiveness within the marketplace, without encouraging unnecessary or excessive risk-taking. In setting the 2022 objectives, the Committee considered (i) the Company's 2022 operational plan and budget that included then-current economic conditions, and (ii) the competitive landscape in the mortgage insurance industry.

When determining the final awards for our NEOs under the 2022 bonus plan, the Committee considered the Company's achievement against the 2022 corporate performance objectives. In 2022, the Company achieved a 17.5% AROE, \$390.9 million Adjusted Net Operating Income, \$58.7 billion NIW and a 23.0% Adjusted Expense Ratio. Accordingly, the Company exceeded the maximum performance level for three out of the four performance objectives of AROE, Adjusted Net Operating Income, and Adjusted Expense Ratio.

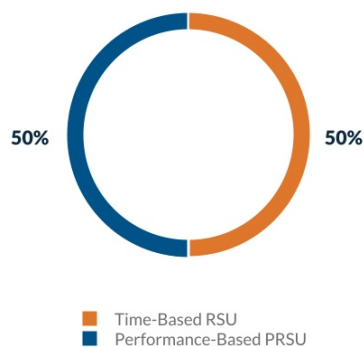
After evaluating the Company's financial performance in 2022, achievement levels with respect to the 2022 performance objectives and the significant accomplishments of our executive team during 2022, the Committee approved payment of bonuses to our NEOs of 135.0% of total targeted bonus opportunity.

Long-Term Incentive Program & BVPS Growth Targets

Our NEOs may be awarded equity at the discretion of the Committee under the Company's equity plans. Equity awards are intended to:

- i. further align the interests of our NEOs with the interests of our stockholders;
- ii. emphasize long-term financial performance;
- iii. reward sustained share price appreciation; and
- iv. support the retention of our management team.

EQUITY AWARDS MIX



In 2022, the Committee approved equity awards for each NEO (other than Mr. Shuster who was granted RSUs only) consisting of a 50:50 mix of RSUs and PRSUs. Our 2022 PRSUs directly link a significant component of our executive's realized compensation value to the Company's achievement of book value per share growth, incentivize the achievement of sustainable long-term returns and further align our long-term equity incentive with that of our peers' and the trends observed in the marketplace.

The Committee granted our CEO and other NEOs the following 2022 equity awards as part of their target compensation package.

NEO	FAIR VALUE OF RSUs (\$)	FAIR VALUE OF PRSUs (\$)	TOTAL GRANT DATE FAIR VALUE OF 2022 RSU AND PRSU AWARDS (\$)
Adam S. Pollitzer	1,500,000	1,500,000	3,000,000
Bradley M. Shuster	949,976	0	949,976
Ravi Mallela ⁽¹⁾	2,669,995	419,996	3,089,991
William J. Leatherberry ⁽²⁾	708,594	558,600	1,267,194
Robert Smith	427,487	427,487	854,974

1. In connection with Mr. Mallela's appointment as our CFO, and as previously disclosed in our Current Report on Form 8-K filed with the SEC on December 21, 2021, in addition to his regular equity award, Mr. Mallela also received a one-time make-whole RSU award with a grant date fair value of \$1,870,000 in consideration for equity awards Mr. Mallela forfeited from his previous employer and an inducement RSU award with a grant date fair value of \$380,000.
2. In addition to his regular equity award, Mr. Leatherberry received an additional RSU award with a grant date fair value of \$150,000 in consideration of and to recognize his efforts throughout 2022 to assist with our CEO transition in 2022 and the expansion of our executive team.

RSUs:

The 2022 RSU awards for each of our NEOs (other than Mr. Shuster) are eligible to vest 40% on each of the first and second anniversaries of the grant date, with the remaining 20% eligible to vest on the third anniversary of the grant date. Mr. Shuster's 2022 RSU award is eligible to vest in thirds over a three-year period from the grant date.

PRSUs:

The PRSUs we granted to our NEOs (other than Mr. Shuster) in 2022 are earned based on achievement of cumulative book value per share (BVPS) growth targets (as described below) over a three-year performance period commencing on January 1, 2022 and ending on December 31, 2024 (Performance Period). We believe that BVPS is a key measure of our long-term performance and stockholder value creation. With respect to the BVPS goals, the awards have a 50% payout for threshold achievement, 100% payouts for target achievement and 200% payouts for maximum achievement, with linear interpolation between performance levels.

The chart below illustrates the percentage of PRSUs eligible to vest (BVPS Vesting Percentage) if the Company achieves the corresponding BVPS growth target (BVPS Growth Percentage), rounded to the nearest tenth of a percent (0.1%), as determined by the Committee at the end of the Performance Period:

2022 CUMULATIVE BVPS GROWTH TARGETS	THRESHOLD	TARGET	ABOVE	MAXIMUM
BVPS ¹ Growth Percentage ²	10.0%	14.5%	16.75%	19%
BVPS Vesting Percentage	50%	100%	150%	200%

- As defined for purposes of the 2022 PRSUs, BVPS, for any year during the Performance Period, is equal to the "Adjusted Book Value" for such year divided by the number of "Common Shares Outstanding." "Adjusted Book Value" is a non-GAAP measure, and means, for any year, the consolidated stockholder's equity of the Company computed in accordance with GAAP, adjusted to exclude the impact of (i) accumulated other comprehensive income (loss); (ii) the cumulative effect of cash dividends paid on the Company's common stock during the Performance Period, (iii) the cumulative effect of the repurchase of the Company's common stock during the Performance Period, (iv) the cumulative effect of changes in the fair value of the Company's warrant liability to the extent such warrants are not exercised, (v) the cumulative effect of changes in accounting principles under GAAP, and (vi) the cumulative effect of changes in tax law.
- BVPS Growth Percentage means, for the Performance Period, the compounded annual growth rate in BVPS measured at the end of the Performance Period over the BVPS measured as of December 31, 2021.

No later than 60 days following the completion of the Performance Period, the Committee will determine the Company's BVPS Growth Percentage, certify the level of achievement with respect to the BVPS Vesting Percentage, if any, and determine the portion of shares that have been earned in accordance with the terms of the applicable plan and/or award agreement, with any unearned PRSUs to be forfeited at that time.

2022 Payouts under our 2020 PRSU Awards

In 2020, the Company granted PRSUs to our NEOs that are earned based on the achievement of cumulative BVPS growth targets over a three-year performance period commencing on January 1, 2020 and ending on December 31, 2022. In February 2023, the Compensation Committee determined the extent to which the fiscal year 2020 PRSUs had been earned: a 152.4% payout based on BVPS Growth Percentage of 19.2% over the three-year performance period. The terms of the fiscal year 2020 PRSUs, including the target performance and payout level, actual results and vesting schedule, are summarized in the following table:

2020 CUMULATIVE BVPS GROWTH TARGETS	THRESHOLD	TARGET	ABOVE	MAXIMUM
BVPS ¹ Growth Percentage ²	11.0%	15.0%	19.0%	23.0%
BVPS Vesting Percentage	50%	100%	150%	200%

- As defined for purposes of the 2020 PRSUs, BVPS, for any year during the Performance Period, is equal to the "Adjusted Book Value" for such year divided by the number of "Common Shares Outstanding." "Adjusted Book Value" is a non-GAAP measure, and means, for any year, the consolidated stockholder's equity of the Company computed in accordance with GAAP, adjusted to exclude the impact of (i) accumulated other comprehensive income (loss); (ii) the cumulative effect of cash dividends paid on the Company's common stock during the Performance Period, (iii) the cumulative effect of the repurchase of the Company's common stock during the Performance Period, (iv) the cumulative effect of changes in the fair value of the Company's warrant liability to the extent such warrants are not exercised, (v) the cumulative effect of changes in accounting principles under GAAP, and (vi) the cumulative effect of changes in tax law.
- BVPS Growth Percentage means, for the Performance Period, the compounded annual growth rate in BVPS measured at the end of the Performance Period over the BVPS measured as of December 31, 2019.

Retirement Savings Plan

Since 2014, the Company has offered a tax-qualified defined contribution retirement savings plan (i.e., the 401(k) Plan), pursuant to which our employees, including our NEOs, are able to contribute a percentage of their annual compensation on a pre- and post-tax basis, up to the limits prescribed by the Internal Revenue Service. In 2022, we offered a 401(k) Company matching contribution for eligible employees who participated in the 401(k) Plan, including our NEOs, of up to 5% of an employee's eligible compensation. Generally, "eligible compensation" used for purposes of calculating contributions under the 401(k) Plan is the amount paid to the NEO as base salary, cash allowance and bonuses. Each of our NEOs was eligible to participate in the 401(k) Plan in 2022. The Company does not sponsor any nonqualified deferred compensation plans or pension plans.

Executive Cash Allowance Program

The Company includes in the annual compensation of each NEO a standardized, fixed cash amount to be used at the discretion of the executive officer, in lieu of individualized perquisite programs. In 2022, the additional compensation under this program was \$38,425 for Mr. Pollitzer and Mr. Shuster and approximately \$30,000 for our other NEOs.

OTHER IMPORTANT GOVERNANCE AND EXECUTIVE COMPENSATION POLICIES

Minimum Stock Ownership and Holding Period (Executive Officers)

Our Stock Ownership Policy, which is administered by the Committee, is applicable to the Company's executive officers, including our Executive Chairman and other NEOs, and non-employee directors. These guidelines were adopted to further underscore that

management's interests should be aligned with those of our stockholders'. Stock considered owned under the policy includes (i) common shares owned outright by the executive or director; (ii) shares underlying unvested restricted stock units; and (iii) "in-the-money" vested options. Under the policy, the total value of all shares of the Company's common stock held by each executive officer must equal or exceed the following multiples of their respective base salaries:

POSITION	BASE SALARY MULTIPLE
Executive Chairman	10.0x
Chief Executive Officer	5.0x
Executive Vice Presidents, including Chief Financial Officer, Chief Legal Officer and Chief Risk Officer	3.0x

Each executive officer is required to hold 50% of shares delivered by the Company upon vesting or exercise of equity awards granted under the Company's equity plans, until the applicable stock ownership threshold has been met. Under the policy, each executive officer is expected to meet the guideline within five years of becoming a participant under the policy. As of December 31, 2022, each of our NEOs met the stock ownership requirement.

Absolute Hedging and Pledging Prohibitions

Our executive officers (including all of our NEOs) and directors are subject to the Company's Insider Trading and Information Policy, which includes a complete prohibition on engaging in any form of speculative hedging transaction involving the Company's equity securities. In addition, our executive officers and directors may not hold Company securities in a margin account or pledge such securities as collateral for a loan.

Clawback Policy

The Company's Clawback Policy allows the Company to recover certain cash and equity-based incentive compensation provided to certain covered individuals (including all of the Company's NEOs) after February 9, 2017, if the Company is required to prepare a material accounting restatement due to its material noncompliance with financial reporting requirements under applicable securities laws.

Tax Considerations and Deductibility of Compensation

In connection with fiscal year 2022 compensation decisions, while the Committee considered the potential tax deductibility of executive compensation under Section 162(m), the Committee also considered delivering competitive levels and forms of compensation. The Committee reserves the right to establish compensation arrangements that may not be fully tax deductible under applicable tax laws.

Severance Plan

The Company's Severance Plan provides for payment of cash severance and continuation of healthcare coverage upon certain involuntary terminations of employment by the Company, as specified in the Severance Plan, including a workforce reduction, elimination of an eligible employee's position, lack of work or any other reason approved in the sole discretion of the Company (each, a Severance Termination). The Severance Plan applies to all of the Company's regular full- or part-time employees, including our NEOs.

Upon a Severance Termination, subject to certain conditions including the applicable executive's execution and non-revocation of a separation agreement and release, the Severance Plan provides that an eligible NEO would receive three months' base salary and three months' of health coverage contributions (paid at the active employee rate) for each full year of service, with a maximum benefit of 12 months' base salary and 12 months' of health coverage contributions. Based on their years of service as of December 31, 2022, each of Messrs. Pollitzer, Shuster, Leatherberry and Smith were eligible for 12 months of benefits, and Mr. Mallela was eligible for 3 months of benefits.

Change in Control Severance Plan (CIC Severance Plan)

The Company's CIC Severance Plan contemplates that the Committee will designate from time-to-time, in its sole discretion, the executive officers who are eligible to receive benefits under the CIC Severance Plan. The Committee has designated each of the Company's NEOs as participants in the CIC Severance Plan. Each executive designated by the Committee to receive benefits under the CIC Severance Plan has received a "participation notice," confirming the terms of the executive's participation, including (i) a severance multiple for purposes of determining the participant's cash severance amount (the Severance Multiple) and (ii) the period of time during which the participant is eligible for medical insurance premium reimbursements (the COBRA Period). Participants in the CIC Severance Plan are also participants in the Severance Plan, but participants are not entitled to benefits under both plans, to avoid duplication of payments.

The Committee has named each of the Company's NEOs as participants in the CIC Severance Plan at the following Severance Multiples and COBRA Periods:

NEO	SEVERANCE MULTIPLE	COBRA PERIOD
Adam S. Pollitzer	2.0x	24 months
Bradley M. Shuster	2.0x	24 months
Ravi Mallela	1.5x	18 months
William J. Leatherberry	1.5x	18 months
Robert Smith	1.5x	18 months

The CIC Severance Plan requires a "double-trigger" to be eligible for benefits, meaning that upon a participant's termination of employment without "Cause" or for "Good Reason" (in each case as defined in the CIC Severance Plan) within 24 months after a "Change in Control" (as defined in the CIC Severance Plan), or six months before a Change in Control (if the termination within that six month period occurs after a definitive agreement that contemplates such Change in Control is executed and the Change in Control occurs), such participant shall be entitled to the following payments, subject to the participant's execution and non-revocation of a release of claims:

- a lump sum cash payment equal to (A) the sum of the participant's base salary and target annual incentive bonus, in each case, as in effect immediately prior to the termination, multiplied by (B) the participant's Severance Multiple;
- a lump sum cash payment equal to the cost of monthly healthcare premiums in effect as of the date of termination for the duration of the participant's COBRA Period;
- a lump sum cash payment equal to the participant's target annual incentive bonus for the fiscal year in which the participant is terminated, pro-rated through the date of termination as described in the CIC Severance Plan; and
- any other earned and vested amounts or benefits that the Company is required to pay or provide or which the participant is eligible to receive from the Company through the date of the termination, to the extent not yet paid or provided.

COMPENSATION COMMITTEE REPORT

We, the Compensation Committee of the Board of Directors of the Company, have reviewed and discussed the Compensation Discussion and Analysis contained in this proxy statement with the Company's management. Based on such review and discussion, we recommend to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Members of the Compensation Committee

James G. Jones (Chair)
 Michael Embler
 Priya Huskins
 Steven L. Scheid

COMPENSATION AND RELATED TABLES

2022 SUMMARY COMPENSATION TABLE

The following summary compensation table sets forth information regarding the compensation paid, awarded to or earned by our NEOs who were serving as executive officers on December 31, 2022, for services rendered in all capacities during the fiscal years presented.

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$)	BONUS (\$) ⁽¹⁾	STOCK AWARDS (\$) ⁽²⁾	NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) ⁽³⁾	ALL OTHER COMPENSATION (\$) ⁽⁴⁾	TOTAL (\$)
Bradley M. Shuster, Executive Chairman	2022	650,000	0	949,976	877,500	59,986	2,537,462
	2021	650,000	0	949,992	1,170,000	54,879	2,824,871
	2020	650,000	33,800	1,199,483	798,200	57,153	2,738,636
Adam S. Pollitzer, President and Chief Executive Officer ⁽⁵⁾	2022	800,000		3,000,000	1,620,000	54,844	5,474,844
	2021	591,000		1,122,998	1,063,800	44,806	2,822,604
	2020	550,000	28,600	1,044,948	675,400	45,039	2,343,987
Ravi Mallela, Chief Financial Officer ⁽⁶⁾	2022	470,000		3,089,991	632,022	44,908	4,236,921
William J. Leatherberry, Chief Legal Officer	2022	545,000		1,267,194	735,750	45,581	2,593,525
	2021	509,000		966,966	916,200	44,806	2,436,972
	2020	485,000	25,220	921,444	595,580	46,247	2,073,491
Robert Smith, Chief Risk Officer ⁽⁷⁾	2022	450,000		854,973	607,500	45,581	1,958,054

1. Amounts contained in this column represent discretionary bonus paid in the Committee's exercise of discretion under the Company's applicable bonus plan.
2. Represents the grant date fair value of the RSUs and PRSUs, as applicable, granted to our NEOs in the respective fiscal year, calculated in accordance with ASC Topic 718. The amount in this column includes the grant date fair value of 2022 PRSU awards assuming achievement at the target level of performance of \$1,500,000, \$419,996, \$558,600 and \$427,487 for each of Messrs. Pollitzer, Mallela, Leatherberry, and Smith, respectively. Assuming achievement at the maximum level of performance, the value of each NEO's 2022 PRSU award on the grant date would have been \$3,000,000, \$839,992, \$1,117,199 and \$854,973 for each of Messrs. Pollitzer, Mallela, Leatherberry, and Smith, respectively. See Note 10, "Share-Based Compensation" of our consolidated financial statements filed with the SEC on Form 10-K for the fiscal year ended December 31, 2022 for an explanation of the assumptions made in valuing these awards.
3. The amounts reported in this column for each fiscal year represent each NEO's annual incentive bonus that was earned in such year, awarded by the Committee, and paid in the subsequent fiscal year. Amounts contained in this column for fiscal year 2020 exclude amounts paid in the Committee's exercise of discretion under the Company's 2020 bonus plan. See "Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Short-Term Incentive Program & Corporate Performance Objectives," above for additional information regarding our NEOs' 2022 bonus awards.
4. The amounts reported in this column for 2022 include: (a) executive cash allowances of \$38,425 for Mr. Pollitzer and Mr. Shuster and approximately \$30,000 for each of Messrs. Leatherberry, Mallela and Smith; (b) matching 401(k) contributions of \$15,250 on behalf of each of Messrs. Pollitzer, Shuster, Leatherberry and Smith; (c) reserved parking fees for each NEO; and (d) spousal travel payments for Mr. Shuster and Mr. Pollitzer.
5. Mr. Pollitzer became our CEO and President effective January 1, 2022 and his compensation in fiscal years 2021 and 2020 reflect his compensation received as our CFO during those years.
6. In connection with Mr. Mallela's appointment as our CFO effective January 10, 2022, and as previously disclosed in our Current Report on Form 8-K filed with the SEC on December 21, 2021, in addition to his regular equity award, Mr. Mallela also received a one-time make-whole RSU award with a grant date fair value of \$1,870,000 in consideration for equity awards Mr. Mallela forfeited from his previous employer and an inducement RSU award with a grant date fair value of \$380,000.
7. Mr. Smith became an NEO for the first time in 2022.

EMPLOYMENT ARRANGEMENTS WITH OUR NEOs

Our NEOs are employed by the Company on an "at-will" basis and are party to certain offer, employment and/or promotion letters with the Company (collectively, the Offer Letters). Among other things, each of the Offer Letters provides that the relevant executive shall (i) receive an annual base salary; (ii) participate in the Company's benefit plans; (iii) be eligible for a discretionary annual cash bonus under the Company's annual bonus plan; and (iv) be eligible for equity grants under the Company's equity plans. The material components of our NEOs' 2022 employment arrangements are summarized below.

Salary. Each NEO is entitled to an annual base salary as determined annually by the Committee. Each NEO's 2022 base salary is quantified above, in "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Base Salary.*"

Annual Bonus. Each NEO is eligible for a discretionary annual cash bonus, with a target annual bonus opportunity in 2022 of 100% (150% in the case of our CEO) of the executive's annual base salary. See "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Short-Term Incentive Program & Corporate Performance Objectives,*" above for a discussion of payment of bonuses to our NEOs under the 2022 Bonus Plan.

Equity Awards. Each NEO received equity awards in 2022 under our 2014 Plan. Our NEOs' 2022 equity awards and outstanding equity awards as of December 31, 2022 are described and quantified below under "*— Grants of Plan-Based Awards for 2022*" and "*— Outstanding Equity Awards at 2022 Fiscal Year-End,*" respectively.

Benefit Plans. Each NEO is eligible to participate in the Company's benefit plans, including the Company's 401(k) retirement plan and the executive cash allowance program, as discussed above in "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details.*"

Severance Benefits. In 2022, each NEO was eligible to participate in the Company's Severance Plan. See "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Other Important Governance and Executive Compensation Policies — Severance Plan.*"

CIC Severance Plan Benefits. Each of our NEOs was a participant in the Company's CIC Severance Plan in 2022. See "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Other Important Governance and Executive Compensation Policies — Change In Control Severance Plan (CIC Severance Plan)*" above. See below under "*— Potential Payments Upon Termination or Change in Control*" for a description of the change-in-control severance benefits that our NEOs would have been eligible to receive as of December 31, 2022.

GRANTS OF PLAN-BASED AWARDS FOR 2022

NAME	GRANT DATE	ESTIMATED FUTURE PAYOUTS UNDER NON-EQUITY INCENTIVE PLAN AWARDS ⁽¹⁾			ESTIMATED FUTURE PAYOUTS UNDER EQUITY INCENTIVE PLAN AWARDS ⁽²⁾			ALL OTHER STOCK AWARDS: NUMBER OF SHARES OF STOCK OR UNITS ⁽³⁾	GRANT DATE FAIR VALUE OF STOCK AND OPTION AWARDS ⁽⁴⁾
		THRESHOLD (\$)	TARGET (\$)	MAXIMUM (\$)	THRESHOLD (#)	TARGET (#)	MAXIMUM (#)		
Adam S. Pollitzer	2/9/2022	900,000	1,200,000	2,160,000				58,072	1,500,000
	2/9/2022				29,036	58,072	116,144		1,500,000
Bradley M. Shuster	2/9/2022	487,500	650,000	1,170,000				36,778	949,976
	2/9/2022								
Ravi Mallela	2/9/2022	360,000	480,000	864,000				103,368	2,669,995
	2/9/2022				8,130	16,260	32,520		419,996
William J. Leatherberry	2/9/2022	408,750	545,000	981,000				27,433	708,594
	2/9/2022				10,813	21,626	43,252		558,600
Robert Smith	2/9/2022	337,500	450,000	810,000				16,550	427,487
	2/9/2022				8,275	16,550	33,100		427,487

1. In 2022, the Committee established corporate performance objectives under the 2022 bonus plan to provide for compensation that was intended to serve as an incentive for performance in 2022, based on established performance measures, notwithstanding that the Committee retained discretion to award payouts of any amount irrespective of the Company's actual performance against such objectives. The amounts earned by our NEOs in 2022 based on actual achievement of the 2022 performance objectives, but awarded and paid in 2023, are shown in the "Non-Equity Incentive Plan Compensation" column of the 2022 Summary Compensation Table above. See "Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Short-Term Incentive Program & Corporate Performance Objectives," above for additional information regarding our NEOs' 2022 bonus awards.
2. Represents February 9, 2022 PRSU awards, which are eligible to vest after the Performance Period ends on December 31, 2024, subject to such NEOs' continued employment with the Company through the vesting date, with the percentage of the PRSUs that are eligible to vest dependent on the Company meeting cumulative BVPS growth targets set forth in the awards. See "Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Long-Term Incentive Program & BVPS Growth Targets," above for a description of the 2022 PRSU awards.
3. Our NEOs' (other than Mr. Shuster) 2022 RSU grants are eligible to vest 40% on each of the first and second anniversaries of the grant date, with the remaining 20% eligible to vest on the third anniversary of the grant date. Mr. Shuster's 2022 RSU grant is eligible to vest in thirds on the first, second, and third anniversaries of the grant date.
4. The amounts included in this column reflect the grant date fair value of our NEOs' 2022 RSU and PRSU awards at target level of performance.

OUTSTANDING EQUITY AWARDS AT 2022 FISCAL YEAR-END

The following table provides our NEOs' outstanding equity awards as of December 31, 2022:

NAME	GRANT YEAR	OPTION AWARDS				STOCK AWARDS				
		NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS EXERCISABLE (#)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS UNEXERCISABLE (#)	EQUITY INCENTIVE PLAN AWARDS: NUMBER OF SECURITIES UNDERLYING UNEXERCISED UNEARNED OPTIONS (#)	OPTION EXERCISE PRICE (\$) EXPIRATION DATE	NUMBER OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (#)	MARKET VALUE OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (\$) ⁽⁹⁾	EQUITY INCENTIVE PLAN AWARDS: NUMBER OF UNEARNED SHARES, UNITS OR OTHER RIGHTS THAT HAVE NOT VESTED (#)	EQUITY INCENTIVE PLAN AWARDS: MARKET OR PAYOUT VALUE OF UNEARNED SHARES, UNITS OR OTHER RIGHTS THAT HAVE NOT VESTED (\$) ⁽⁹⁾	
Adam S. Pollitzer	2018	16,264			18.70	2/7/2028				
	2018	19,435			16.00	3/15/2028				
	2019	25,426			22.19	2/13/2029				
	2020						3,372 ⁽¹⁾	70,475		
	2021						14,648 ⁽²⁾	306,143	48,826 ⁽⁴⁾	1,020,463
	2022						58,072 ⁽³⁾	1,213,705	116,144 ⁽⁵⁾	2,427,410
Bradley M. Shuster	2014	115,072			12.32	2/12/2024				
	2015	263,800			8.50	2/12/2025				
	2017	330,788			11.10	2/9/2027				
	2018	195,252			18.70	2/7/2028				
	2019	40,950			22.19	2/13/2029				
	2020						12,899 ⁽⁶⁾	269,589		
Ravi Mallela	2021						27,536 ⁽⁷⁾	575,502		
	2022						36,778 ⁽⁸⁾	768,660		
	2022						103,368 ⁽³⁾	2,160,391	32,520 ⁽⁵⁾	679,668
	2018	22,482			18.70	2/7/2028				
	2018	9,718			16.00	3/15/2028				
	2019	23,392			22.19	2/13/2029				
William J. Leatherberry	2020	—					2,974 ⁽¹⁾	62,157		
	2021						12,613 ⁽²⁾	263,612	42,042 ⁽⁴⁾	878,678
	2022						27,433 ⁽³⁾	573,350	43,252 ⁽⁵⁾	903,967
	2018	26,287			16.25	5/10/2028				
	2019	14,111			22.19	2/13/2029				
	2020						2,452 ⁽¹⁾	51,247		
Robert Smith	2021						10,656 ⁽²⁾	222,710	35,520 ⁽⁴⁾	742,368
	2022						16,550 ⁽³⁾	345,895	33,100 ⁽⁵⁾	691,790

- These RSUs vested on 2/12/2023.
- 80% of these RSUs vested on 2/10/2023, with the remaining 20% eligible to vest on 2/10/2024.
- 40% of these RSUs vested on 2/9/2023, with another 40% eligible to vest on 2/9/2024 and the remaining 20% eligible to vest on 2/9/2025.
- Represents February 10, 2021 PRSU award, which is eligible to vest after the Performance Period ends on December 31, 2023, subject to such NEO's continued employment with the Company through the vesting date, with the percentage of the PRSUs that are eligible to vest dependent on the Company meeting BVPS growth targets specified in the award. The amount in the table assumes maximum performance. See "Compensation Discussion and Analysis - Elements of Executive Compensation Program - Compensation Program Details - Long-Term Incentive Program," above for a description of such NEOs' 2021 PRSU awards.
- Represents February 9, 2022 PRSU award, which is eligible to vest after the Performance Period ends on December 31, 2024, subject to continued employment with the Company through the vesting date, with the percentage of the PRSUs that are eligible to vest dependent on the Company meeting BVPS growth targets specified in the award. The amount in the table assumes maximum performance. See "Compensation Discussion and Analysis — Elements of Executive Compensation Program — Compensation Program Details — Long-Term Incentive Program & BVPS Growth Targets," above for a description of such NEOs' 2022 PRSU awards.
- These RSUs vested on 2/12/2023.
- Two-third of these RSUs vested on 2/10/2023, with the remaining third eligible to vest on 2/10/2024.
- One-third of these RSUs vested on 2/9/2023, with the second third eligible to vest on 2/9/2024 and the remaining third eligible to vest on 2/9/2025.
- The value is based on the \$20.90 closing price of our common stock on NASDAQ on 12/31/2022 multiplied by the number of unvested RSUs or PRSUs, as applicable, as of 12/31/2022.

OPTION EXERCISES AND STOCK VESTED DURING FISCAL YEAR 2022

NAME	OPTION AWARDS		STOCK AWARDS	
	NUMBER OF SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ON EXERCISE (\$)	NUMBER OF SHARES ACQUIRED ON VESTING (#) ⁽¹⁾	VALUE REALIZED ON VESTING (\$) ⁽²⁾
Adam S. Pollitzer	—	—	89,369	1,929,606
Bradley M. Shuster	—	—	42,996	1,111,925
Ravi Mallela	—	—	—	—
William J. Leatherberry	—	—	46,331	1,136,461
Robert Smith	—	—	36,316	888,031

- These shares include shares vested under (i) RSU awards granted to each of Messrs. Pollitzer, Shuster, Leatherberry and Smith in fiscal years 2019, 2020, and 2021, and an award to Mr. Pollitzer in fiscal year 2017 (which vested over the course of five years); and (ii) PRSU awards granted to each of Messrs. Pollitzer, Shuster, Leatherberry and Smith in 2020 (2020 PRSUs) for which the three-year performance period ended at December 31, 2022 and for which the Compensation Committee had certified on February 8, 2023 that certain performance criteria were met, resulting in the vesting and issuance of 2020 PRSUs at a net settlement price equal to the closing stock price on February 8, 2023 to each of Messrs. Pollitzer, Shuster, Leatherberry and Smith.
- The value realized on the vesting of stock awards is the closing market price of a share of Company common stock on the date of vesting(s) multiplied by the number of vested shares.

POTENTIAL PAYMENTS UPON TERMINATION OF EMPLOYMENT OR CHANGE IN CONTROL AS OF DECEMBER 31, 2022

The following summarizes the compensation and benefits payable to each of our NEOs if an NEO's employment is terminated under various circumstances, in each case assuming a termination date as of December 31, 2022. In addition to the amounts described below, the NEOs would be entitled to earned but unpaid base salary and earned and awarded but unpaid annual bonus for a prior award period (other than any portion of such annual bonus that was previously deferred which would have been paid in accordance with the applicable deferral arrangement) (collectively, the Accrued Compensation) and any accrued and unpaid benefits, including accrued paid-time off and the timely payment of any amounts due and payable under any of our applicable plans, programs, policies or practices (collectively, the Accrued Benefits).

TERMINATION OF EMPLOYMENT WITHOUT CAUSE OR RESIGNATION WITH GOOD REASON

NEOs' Unvested RSU and PRSU Awards

All of our NEOs' outstanding, unvested RSU and PRSU grants have been made under the 2014 Plan. Each NEO's 2020, 2021 and 2022 RSU award agreement provides for pro-rata vesting if the NEO's employment is terminated by us without cause on or after the first anniversary of the grant date.

Each of our NEOs (other than Mr. Shuster) received PRSU awards. Each NEO's PRSU award agreement provides for vesting under the following terms, if such an NEO is terminated by us without cause during the term of the agreement:

- If such a termination occurs on or following the completion of the Performance Period, the then outstanding PRSUs shall vest, with the number of earned shares determined by the Compensation Committee in accordance with the standard vesting terms that apply following completion of the Performance Period. See "Compensation Discussion and Analysis - Elements of Executive Compensation Program — Compensation Program Details — Long Term Incentive Program & BVPS Growth Targets — PRSUs" above; or
- If such a termination occurs prior to the expiration of the Performance Period, (A) the PRSUs shall remain outstanding through the last day of the Performance Period, without regard to the termination, (B) the number of PRSUs that become earned shares, if any, shall be determined based on the Compensation Committee's computation and certification of the BVPS Vesting Percentage as if no termination of employment had occurred, and (C) the number of earned shares that become vested shall be determined by multiplying (x) the number of earned shares by (y) a fraction, the numerator of which is the number of days which elapsed from the commencement of the Performance Period through the date of the termination of employment and the denominator of which is 1,095 (or 1,096 in the event of any leap year in the Performance Period (e.g., in 2024)), and any then unvested PRSUs and shares which are earned but do not vest in accordance with such formula as of such date shall immediately be forfeited for no consideration, and the NEO's rights in any such unvested PRSUs or unvested earned shares shall immediately lapse and expire.

SEVERANCE PLAN TERMINATION

In 2022, each NEO was eligible to participate in the Severance Plan. See "Compensation Discussion and Analysis — Elements of Executive Compensation Program — Other Important Governance and Executive Compensation Policies - Severance Plan," above. Upon a Severance Termination as of December 31, 2022, subject to the NEO's execution of a separation agreement and release and

based on their years of service, each of Messrs. Pollitzer, Shuster, Leatherberry, and Smith would have received 12 months' base salary and 12 months of healthcare insurance premium contributions, and Mr. Mallela would have received 3 months' base salary and 3 months of healthcare insurance premium contributions. Insurance premium contributions are paid at the active employee rate.

TERMINATION OF EMPLOYMENT FOR CAUSE OR VOLUNTARY RESIGNATION

For each of our NEOs, all unvested equity awards will be forfeited following the Company's termination of the executive's employment for "cause" (as defined in the applicable equity plan). If any NEO is terminated for cause or voluntarily resigns, such NEO would not be entitled to payment of any severance benefit, but would be paid Accrued Compensation and Accrued Benefits, if any.

TERMINATION OF EMPLOYMENT DUE TO DEATH OR DISABILITY

Upon a termination of employment due to death or disability, our NEOs are entitled to payment of Accrued Compensation and Accrued Benefits. Each NEO equity award (other than the PRSU awards) provides for pro-rata vesting if an NEO's employment is terminated due to death or disability. Any such vested options would become and remain exercisable until the first anniversary of the related termination of employment. Each of the 2021 and 2022 PRSU awards provide that if an NEO's employment is terminated due to death or disability, any unvested PRSUs would fully vest and be deemed to be earned based on the target level of performance.

CHANGE IN CONTROL

The Company's CIC Severance Plan provides for "double-trigger" severance benefits for our NEOs following a change in control. See "*Compensation Discussion and Analysis — Elements of Executive Compensation Program — Other Important Governance and Executive Compensation Policies — Change in Control Severance Plan (CIC Severance Plan)*," above. Under the CIC Severance Plan, if an NEO's employment is terminated without cause or for good reason, within 24 months after a change in control, or six months before a change in control (if the termination within that six month period occurs after a definitive agreement that contemplates such change in control is executed and the change in control occurs), such participant shall be entitled to the following lump sum cash payments, subject to the NEO's execution and non-revocation of a separation agreement and release:

- i. a lump sum cash payment equal to (A) the sum of the NEO's base salary and target annual incentive bonus, in each case, as in effect immediately prior to the termination, multiplied by (B) the participant's Severance Multiple;
- ii. a lump sum cash payment equal to the cost of monthly healthcare premiums in effect as of the date of termination for the duration of the NEO's COBRA Period;
- iii. a lump sum cash payment equal to the NEO's target annual incentive bonus for the fiscal year in which the NEO is terminated, pro-rated through the date of termination as described in the CIC Severance Plan; and
- iv. any Accrued Compensation and Accrued Benefits.

In addition, pursuant to the terms of the applicable award agreements, upon a "change in control" (as defined in the applicable equity plan), all outstanding stock options and RSUs granted to our NEOs will immediately vest and options would become exercisable. If an NEO's employment is terminated for any reason (other than for "cause" as defined in the applicable equity plan) during the two years following a change in control, all vested stock options shall remain outstanding and exercisable until the earlier of the tenth anniversary of the date of grant or the fifth anniversary of the employment termination.

Under our NEOs' 2022 PRSU award agreements, if a change in control occurs:

- i. on or following the completion of the Performance Period, then (A) the Compensation Committee would determine the number of earned shares which is equal to the level of achievement that would result by determining the Company's BVPS Vesting Percentage through the completion of the Performance Period, and (B) all earned shares would immediately vest and any unvested PRSUs as of such date would be forfeited, or
- ii. prior to the expiration of the Performance Period, then (A) the last day of the calendar quarter prior to the date of the change in control shall be deemed to be the last day of the Performance Period, (B) the Compensation Committee would determine that the number of earned shares is equal to the greater of (x) the level of achievement that would result by determining the BVPS Vesting Percentage through such date and (y) the total number of shares at target achievement, and (C) all earned shares would immediately vest and any unvested PRSUs as of such date would be forfeited.

NEO TERMINATION PAYMENTS

The following table reflects the estimated payments to our NEOs that would have been made upon certain hypothetical terminations of employment or a change in control, with such payments based on the assumption that such an event occurred on December 31, 2022.

The closing price of our common stock on December 31, 2022 on NASDAQ was \$20.90 per share (the Closing Price).

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE-IN-CONTROL

NAME	SCENARIO	CASH SEVERANCE (\$)	RESTRICTED STOCK UNIT VESTING (\$)	BENEFITS (\$)	TOTAL (\$)
Adam S. Pollitzer	Voluntary Resignation				
	Termination without Cause		1,328,174 ⁽¹⁾		1,328,174
	Severance Termination	800,000 ⁽²⁾	1,328,174 ⁽¹⁾	40,447 ⁽²⁾	2,168,621
	Involuntary Termination for Cause				
	Death or Disability		2,399,508 ⁽³⁾		2,399,508
	Termination Following Change in Control	5,280,894 ⁽⁴⁾	3,755,082 ⁽⁵⁾		9,035,976
	No Termination Following Change in Control		3,755,082 ⁽⁵⁾		3,755,082
Bradley M. Shuster	Voluntary Resignation				
	Termination without Cause or for Good Reason		493,240 ⁽¹⁾		493,240
	Severance Termination	650,000 ⁽²⁾	493,240 ⁽¹⁾	19,591 ⁽²⁾	1,162,831
	Involuntary Termination for Cause				
	Death or Disability		721,364 ⁽³⁾		721,364
	Termination Following Change in Control	3,289,183 ⁽⁴⁾	1,613,752 ⁽⁵⁾		4,902,935
	No Termination Following Change in Control		1,613,752 ⁽⁵⁾		1,613,752
Ravi Mallela	Voluntary Resignation				
	Termination without Cause		113,278 ⁽¹⁾		113,278
	Severance Termination	120,000 ⁽²⁾	113,278 ⁽¹⁾	10,112 ⁽²⁾	243,390
	Involuntary Termination for Cause				
	Death or Disability		1,109,268 ⁽³⁾		1,109,268
	Termination Following Change in Control	1,980,670 ⁽⁶⁾	2,500,225 ⁽⁵⁾		4,480,895
	No Termination Following Change in Control		2,500,225 ⁽⁵⁾		2,500,225
William J. Leatherberry	Voluntary Resignation				
	Termination without Cause		947,230 ⁽¹⁾		947,230
	Severance Termination	545,000 ⁽²⁾	947,230 ⁽¹⁾	27,585 ⁽²⁾	1,519,815
	Involuntary Termination for Cause				
	Death or Disability		1,306,292 ⁽³⁾		1,306,292
	Termination Following Change in Control	2,221,378 ⁽⁶⁾	2,170,026 ⁽⁵⁾		4,391,404
	No Termination Following Change in Control		2,170,026 ⁽⁵⁾		2,170,026
Robert Smith	Voluntary Resignation				
	Termination without Cause		787,199 ⁽¹⁾		787,199
	Severance Termination	450,000 ⁽²⁾	787,199 ⁽¹⁾	25,559 ⁽²⁾	1,262,757
	Involuntary Termination for Cause				
	Death or Disability		1,017,266 ⁽³⁾		1,017,266
	Termination Following Change in Control	1,838,338 ⁽⁶⁾	1,657,621 ⁽⁵⁾		3,495,959
	No Termination Following Change in Control		1,657,621 ⁽⁵⁾		1,657,621

1. At December 31, 2022, each of Messrs. Pollitzer, Shuster, Leatherberry and Smith's 2020 and 2021 RSU grants provided for pro-rata vesting for a termination by us without cause, including a Severance Termination under the Severance Plan. Mr. Mallela received RSU grants in 2022 after joining the Company in 2022. No value is included in this table for pro-rata vesting under our NEOs' 2022 RSU grants, because pro-rata vesting of our RSU grants would only have been triggered on or after the first anniversary of the grant date. Each of Messrs. Pollitzer, Leatherberry and Smith received PRSU awards in 2021. Mr. Mallela received PRSU award in 2022 only after joining the Company that year. Mr. Shuster did not receive any PRSUs. With a hypothetical termination of employment without cause or

severance termination at December 31, 2022 and prior to the end of the Performance Periods for each of the 2021 and 2022 PRSU grants for each of Messrs. Pollitzer, Leatherberry and Smith (and in the case of Mr. Mallela, the 2022 PRSUs only), the 2021 and 2022 PRSUs (and in the case of Mr. Mallela, the 2022 PRSUs only) would have remained outstanding through the end of each PRSU's respective Performance Periods, after which the Compensation Committee would make its determination of which PRSUs, if any, would be earned and eligible to vest. Notwithstanding that the 2021 and 2022 PRSUs would not have been eligible to vest upon a termination of employment occurring on December 31, 2022, we included values for the 2021 and 2022 PRSUs for each of Messrs. Pollitzer, Leatherberry and Smith, respectively, assuming achievement of 200% and 100% of target levels, respectively, as of December 31, 2022. In the case of Mr. Mallela, we included value for his 2022 PRSUs assuming 100% of target as of December 31, 2022. See "Compensation and Related Tables — Outstanding Equity Awards at 2022 Fiscal Year-End" and "— Termination of Employment without Cause or Resignation with Good Reason — NEOs' Unvested RSU and PRSU Awards" above.

2. Amounts payable under the Severance Plan upon a Severance Termination. At December 31, 2022, each of our NEOs (except for Mr. Mallela) would have been eligible to be paid 12 months' base salary and to receive 12 months of healthcare insurance premium contributions. At December 31, 2022, Mr. Mallela would have been eligible to be paid 3 months' base salary and to receive 3 months of healthcare insurance premium contributions.
3. At December 31, 2022, our NEOs' equity awards (other than 2021 PRSUs granted to NEOs other than Messrs. Shuster and Mallela, and 2022 PRSUs granted to NEOs other than Mr. Shuster) provided for pro-rata vesting if an NEO's employment had been terminated due to death or disability. Each NEO's unvested 2021 and 2022 PRSUs (and in the case of Mr. Mallela, the 2022 PRSUs only) would have vested and been deemed to be earned in full at target performance if such NEO's employment had been terminated due to death or disability at December 31, 2022.
4. Under the CIC Severance Plan, upon a qualifying termination, at December 31, 2022, each of Messrs. Shuster and Pollitzer would have been entitled to a lump sum cash payment equal to the sum of (i) two times the sum of his 2022 annual base salary and 2022 target annual bonus; (ii) his 2022 target annual bonus; and (iii) the cost of monthly healthcare premiums in effect as of the date of termination for the duration of his COBRA period. In 2022, the COBRA period was 24 months for each of Messrs. Shuster and Mr. Pollitzer.
5. Upon a change in control at December 31, 2022, any unvested RSUs would have fully vested. Each of our NEOs (other than Mr. Shuster who did not receive any PRSUs and Mr. Mallela who only received PRSUs in 2022) received a PRSU award in 2021 and 2022. With a hypothetical change in control at December 31, 2022, the end of the Performance Period would have been deemed to be September 30, 2022, and each such NEO would have been eligible to earn a number of PRSUs based on the greater of (x) achievement of the BVPS Vesting Percentage for a performance period from January 1, 2022 to September 30, 2022, or (y) target achievement. The values shown for the 2021 and 2022 PRSUs, respectively, assume achievement of 186.4% and 100% of target levels, respectively, and that 100% of the 2021 and 2022 PRSUs were deemed to be earned and vested.
6. Under our CIC Severance Plan, upon a qualifying termination, at December 31, 2022, each of Messrs. Mallela, Leatherberry and Smith would have been entitled to a lump sum cash payment equal to the sum of (i) one and one-half times the sum of the NEO's 2022 annual base salary and 2022 target annual bonus; (ii) the NEO's 2022 target annual bonus; and (iii) the cost of monthly healthcare premiums in effect as of the date of termination for the duration of the participant's COBRA period. In 2022, the COBRA period was 18 months for each of Messrs. Mallela, Leatherberry and Smith.

CEO PAY RATIO

Below is: (i) the 2022 annual total compensation of our CEO; (ii) the 2022 annual total compensation of our median employee; (iii) the ratio of the annual total compensation of our CEO to that of our median employee; and (iv) the methodology we used to calculate our CEO pay ratio.

Mr. Pollitzer's 2022 Annual Total Compensation*	\$5,474,844
Median Employee's 2022 Annual Total Compensation	\$164,000
CEO to Median Employee Pay Ratio	33:1

* Our CEO's 2022 annual total compensation is the same amount disclosed above in the 2022 Summary Compensation Table.

METHODOLOGY

Our CEO pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules. Consistent with Instruction 2 to Item 402(u) of Regulation S-K, we are required to identify our median employee for purposes of providing pay ratio disclosure once every three years. Since it has been three years since our last identification of our median employee, we have identified a new median employee for 2022. We explain below our methodology and process for identifying our median employee and calculating our CEO to median employee pay ratio.

Determined Employee Population.

Our employee population consisted of all full- and part-time employees (other than Mr. Pollitzer) who were employed by the Company on December 31, 2022, the date we selected to identify our employees for purposes of the pay ratio calculation (2022 Population). As of December 31, 2022, our 2022 Population, excluding Mr. Pollitzer, consisted of 241 individuals employed in the United States.

Identified the Median Employee.

We then compiled compensation information for each employee in the 2022 Population for full fiscal year 2022 using a consistently applied compensation measure (of our annual total compensation) in accordance with SEC rules. To identify the new median employee, we used the annual total compensation inclusive of the following elements of compensation: 2022 annual cash compensation (i.e., salary or wages, as applicable); cash bonuses and commissions paid in 2022; and the grant date fair value of equity awards granted in 2022. For all full- and part-time employees who worked for the Company less than the full year (e.g., new hires during the year), we annualized their 2022 cash compensation and assumed payment of bonuses and commissions at target levels. We included bonuses, commissions, and equity grants, as these compensation components are widely distributed across our workforce.

Calculated CEO Pay Ratio.

We calculated our median employee's 2022 annual total compensation according to the SEC's instructions for preparing the Summary Compensation Table, including the value of all other compensation earned. We then calculated our CEO's 2022 annual total compensation using the same approach to determine the pay ratio shown above.

COMPARABILITY

We believe the ratio above is a reasonable estimate, based on the methodology we have described. Given the different methodologies, exclusions, estimates and assumptions other companies may use to calculate their respective CEO pay ratios, as well as differences in employment and compensation practices between companies, the estimated ratio reported above may not be comparable to that reported by other companies.

PAY VERSUS PERFORMANCE TABLE

Year ⁽¹⁾	Summary Compensation Table		Average Summary Compensation Table		Average Compensation		Value of Initial Fixed \$100 Investment Based On:		Net Income (millions)	Book Value per Share ⁽⁴⁾
	Total for PEO ⁽²⁾	Actually Paid to PEO	Total for Non-PEO NEOs ⁽²⁾	Actually Paid to Non-PEO NEOs	Total Shareholder Return	Peer Group Total Shareholder Return ⁽³⁾	Total Shareholder Return			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
2022	\$ 5,474,844	\$ 4,432,296	\$ 2,831,491	\$ 2,463,710	\$ 63	\$ 80	\$ 292.9	\$ 21.76		
2021	\$ 4,970,949	\$ 4,846,549	\$ 2,605,661	\$ 2,796,171	\$ 66	\$ 91	\$ 231.1	\$ 18.23		
2020	\$ 3,877,097	\$ 1,435,428	\$ 2,286,214	\$ (317,064)	\$ 68	\$ 86	\$ 171.6	\$ 15.45		

1. Our PEO and Non-PEO NEOs for each applicable year were as follows:

- 2022: Mr. Pollitzer served as our PEO and Messrs. Shuster, Mallela (who joined the Company on January 10, 2022 as our CFO), Leatherberry and Smith (a first-time NEO in 2022 and our Chief Risk Officer) served as our non-PEO NEOs.
- 2021: Ms. Merkle served as our PEO and Messrs. Shuster, Pollitzer (as our Chief Financial Officer), Leatherberry, and Patrick Mathis (who retired in April 1, 2022) served as our non-PEO NEOs.
- 2020: Ms. Merkle served as our PEO and Messrs. Shuster, Pollitzer (as our Chief Financial Officer), Leatherberry, and Mathis served as our non-PEO NEOs.

2. The "2022 Summary Compensation Table" totals reported for the PEO and the average of the Non-PEO NEOs for each year were subject to the following adjustments as set forth in the below table, per Item 402(v)(2)(iii) of Regulation S-K to calculate "compensation actually paid". We did not make any assumptions in valuation that differs materially from those disclosed as of the grant date of such equity awards with respect to the amounts added relative to stock and option awards. As previously disclosed in our public filings, Ms. Merkle's departure on December 31, 2021 was a severance-qualifying involuntary termination of employment under the Company's Severance Benefit Plan and she received a short-term incentive program payment and accelerated vesting of outstanding stock options and time-vesting RSU awards pursuant to her Separation Agreement, dated September 9, 2021. Mr. Mathis retired on April 1, 2022 pursuant to a Separation Agreement, dated November 12, 2021, which accelerated the vesting of his outstanding stock options and time-vesting restricted stock unit awards. Both of Ms. Merkle and Mr. Mathis' outstanding PRSUs remained outstanding and eligible to vest based on actual achievement of the applicable performance metrics for the applicable performance periods under each such respective awards they received.

Adjustments to Determine "Compensation Actually Paid"

	2022		2021		2020	
	PEO (Mr. Pollitzer) (\$)	Average for Non-PEO NEOs (\$)	PEO (Ms. Merkle) (\$)	Average for Non-PEO NEOs (\$)	PEO (Ms. Merkle) (\$)	Average for Non-PEO NEOs (\$)
Summary Compensation Table Total	5,474,844	2,831,491	4,970,949	2,605,661	3,877,097	2,286,214
Adjustments						
Deduction for Grant Date Fair Value of Awards Granted During Year	(3,000,000)	(1,540,534)	(2,315,962)	(991,737)	(2,099,940)	(1,012,344)
Adjustment for Fair Value of Equity Calculated Using SEC Methodology ^(a)						
(i) Year-End Fair Value of Outstanding and Unvested Equity Awards Granted in the Applicable Year	2,427,410	1,246,502	1,100,082	942,150	1,534,311	739,664
(ii) Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards Granted in Prior Years	(559,539)	(214,147)	1,072,757	283,714	(1,419,955)	(1,413,923)
(iii) Year over Year Change in Fair Value of Equity Awards Granted in Prior Years that Vested in the Year	89,581	140,398	18,723	(43,617)	(456,086)	(916,675)
Compensation Actually Paid	4,432,296	2,463,710	4,846,549	2,796,171	1,435,428	(317,064)

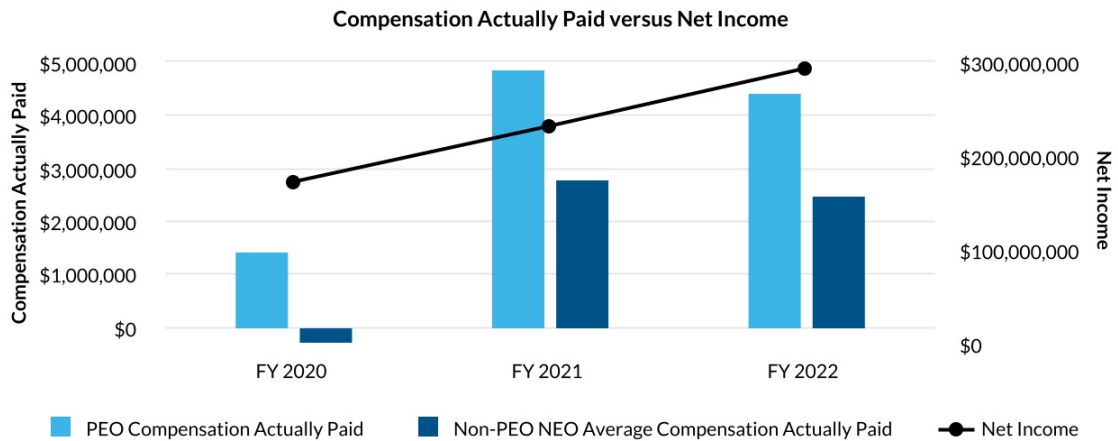
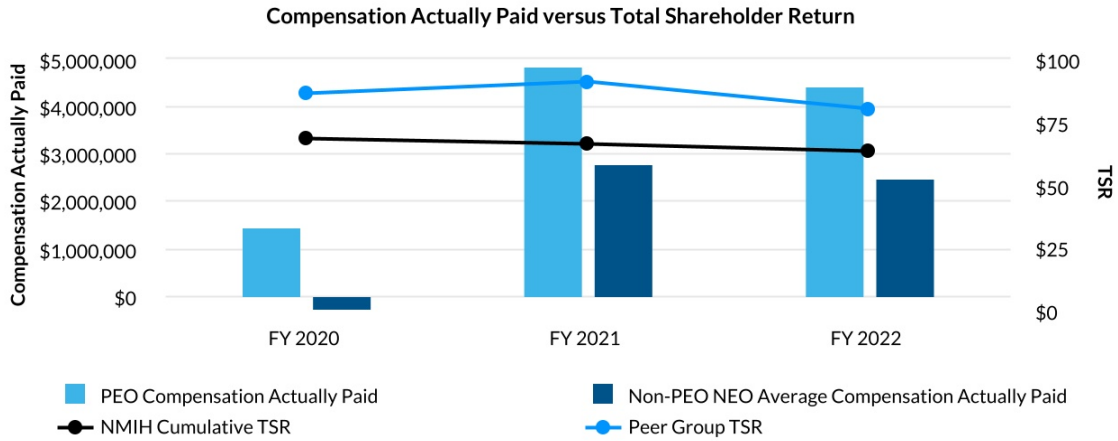
a. Compensation Actually Paid excludes the Stock Awards column from the relevant fiscal year's "Summary Compensation Table" total. The Rule 402(v) Equity Values instead reflect the aggregate of the following components, where applicable to us: (i) the fair value as of the end of the listed fiscal year of unvested equity awards granted in that year; (ii) the change in fair value during the listed fiscal year of equity awards granted in prior years that remained outstanding and unvested at the end of the listed fiscal year; and (iii) the change in fair value during the listed fiscal year through the vesting date of equity

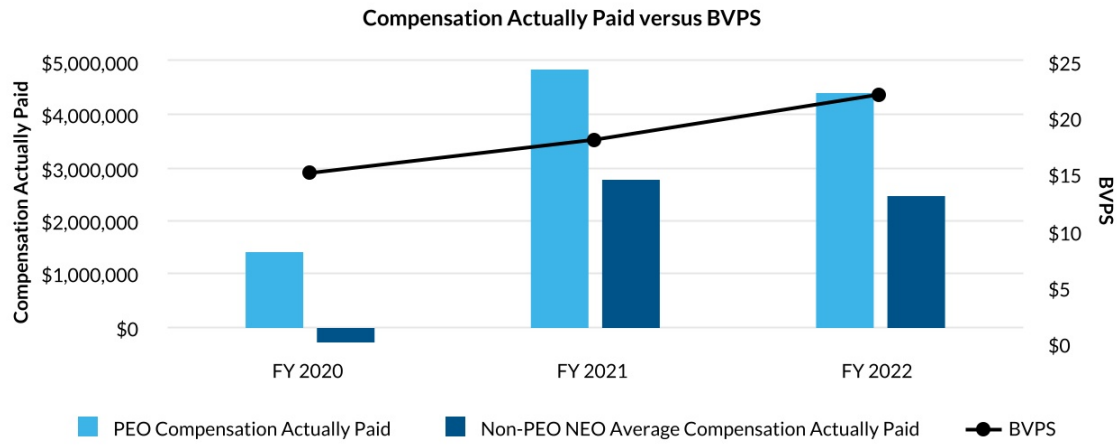
awards granted in prior years that vested during the listed fiscal year. Equity values are calculated in accordance with ASC Topic 718, and the valuation assumptions used to calculate fair values did not materially differ from those disclosed at the time of the grant. The Company does not maintain, nor do the NEOs participate in, any defined benefit or actuarial pension plans for which adjustments were required pursuant to Item 402(v).

3. The peer group used by the Company consists of the companies, including Essent Group Ltd., MGIC Investment Corporation, and Radian Group Inc., used in the Company's performance graph as required by Item 201(e) of Regulation S-K and reported in Part II, Item 5 of its annual report on Form 10-K for the fiscal year ended December 31, 2022.
4. BVPS is defined as the "Adjusted Book Value" for such year divided by the number of "Common Shares Outstanding." "Adjusted Book Value" is a non-GAAP measure, and means, for any year, the consolidated stockholder's equity of the Company computed in accordance with GAAP, adjusted to exclude the impact of (i) accumulated other comprehensive income (loss); (ii) the cumulative effect of cash dividends paid on the Company's common stock during the Performance Period, (iii) the cumulative effect of the repurchase of the Company's common stock during the Performance Period, (iv) the cumulative effect of changes in the fair value of the Company's warrant liability to the extent such warrants are not exercised, (v) the cumulative effect of changes in accounting principles under GAAP, and (vi) the cumulative effect of changes in tax law.

Relationship Between "Compensation Actually Paid" and Performance

The following graphs show the relationship between compensation actually paid to our executives in the last three years from 2020 through the end of 2022 as disclosed in the Pay vs. Performance table, and each of the following: the Company's cumulative TSR, the peer group cumulative TSR, the Company's net income, and the BVPS.





Tabular List of Most Important Financial Performance Measures

Below are the financial performance measures that we believe are the most important financial performance measures used to link NEO compensation to Company performance. For more information, please see “*Compensation of Named Executives – Compensation Discussion and Analysis*” and [Appendix A](#) in this proxy statement for a reconciliation of the below financial measures to the most directly comparable GAAP measure.

2022 Most Important Performance Metrics	
	BVPS
	Adjusted Return on Equity
	Adjusted Net Operating Income

Item 2

Advisory Approval of Our Executive Compensation

Under Section 14A of the Exchange Act, this "say-on-pay" proposal gives our stockholders the opportunity to approve on a non-binding, advisory basis, the compensation of our NEOs as described in detail above under the heading "*Compensation of Named Executive Officers*."

We have implemented strong governance and compensation practices. As described in this proxy statement, our executive compensation programs are designed to attract, retain and motivate our NEOs, who are critical to our success, while maximizing stockholder value creation over the long-term. In addition to weighting NEO compensation towards performance-based, variable compensation, we also (i) utilize a fully independent compensation committee and compensation consultant in overseeing our NEOs' compensation; (ii) prohibit hedging or other speculative transactions in our stock; (iii) impose a compensation clawback policy; (iv) impose stock ownership and share retention requirements; and (v) encourage and solicit feedback regarding our executive compensation program.

This vote is not intended to address any specific item of compensation, but rather the overall compensation of our NEOs and the philosophy, policies and practices described above. Accordingly, we strongly believe you should approve our NEOs' compensation paid in 2022. Although the say-on-pay vote is advisory, we value stockholder input, and the Committee will review and consider the voting results when making future decisions regarding the Company's compensation philosophy and plan design.

STOCKHOLDER VOTE REQUIRED

Advisory approval of the compensation of our NEOs requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote at the Annual Meeting.

BOARD RECOMMENDATION

The Board unanimously recommends that you vote **FOR** the advisory approval of our executive compensation.

Item 3

Ratification of Appointment of Independent Auditors

The Audit Committee has appointed the accounting firm of BDO USA, LLP (BDO) as our independent registered public accounting firm for the year ending December 31, 2023. As a matter of good corporate governance, the Board is seeking stockholder ratification of the appointment even though ratification is not legally required. If stockholders do not ratify this appointment, the Audit Committee will take this into consideration in its future selection of an independent registered public accounting firm. A representative of BDO is expected to attend the Annual Meeting and will be given an opportunity to make a statement and respond to appropriate questions.

AUDIT AND OTHER FEES

For the years ended December 31, 2022 and December 31, 2021, BDO billed us fees for services of the following types:

AUDIT AND OTHER FEES	2022 (\$)	2021 (\$)
Audit Fees	1,000,437	847,625
Audit-Related Fees	13,000	88,095
Tax Fees	—	—
All Other Fees	—	—
Total Audit and Other Fees	1,013,437	935,720

Audit Fees for 2022 and 2021 include BDO's review of our quarterly GAAP financial statements, audit of our year-end financial statements on a GAAP and statutory basis, review of SEC filings and expenses incurred by BDO in connection with providing services to NMI under the terms of the engagement.

Audit-Related Fees are fees for assurance and related services (e.g., due diligence services) that are reasonably related to the performance of the audit or review of the financial statements and which are not reported under "Audit Fees." Audit-Related Fees for 2022 and 2021 also include professional services rendered in connection with reinsurance transactions.

The Audit Committee is responsible for pre-approving audit services and all permitted non-audit services to be performed by the independent auditor that will cost in excess of \$30,000. The Audit Committee is also responsible for establishing policies and procedures for the engagement of the independent auditor to provide permitted audit and non-audit services. If we desire the independent auditor to provide an audit or non-audit service that has not been pre-approved, the service may be presented for pre-approval by the Audit Committee at its next meeting, or for services that arise between Audit Committee meetings, such pre-approval may be delegated to the Chair of the Audit Committee or a sub-committee of the Audit Committee, with any such delegated approval reported to the Audit Committee at its next meeting. The Audit Committee pre-approved all of the services that BDO provided in 2022.

STOCKHOLDER VOTE REQUIRED

The ratification of the appointment of BDO USA, LLP as our independent registered public accounting firm for the year ending December 31, 2023 requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote at the Annual Meeting.

BOARD RECOMMENDATION

The Board unanimously recommends that you vote **FOR** the ratification of the appointment of BDO USA, LLP as the Company's independent registered public accounting firm for the year ending December 31, 2023.

Appendix A

EXPLANATION AND RECONCILIATION OF OUR USE OF NON-GAAP FINANCIAL MEASURES

We believe the use of the non-GAAP measures of adjusted income before tax, adjusted net income and adjusted diluted EPS enhances the comparability of our fundamental financial performance between periods, and provides relevant information to investors. These non-GAAP financial measures align with the way the company's business performance is evaluated by management. These measures are not prepared in accordance with GAAP and should not be viewed as alternatives to GAAP measures of performance. These measures have been presented to increase transparency and enhance the comparability of our fundamental operating trends across periods. Other companies may calculate these measures differently; their measures may not be comparable to those we calculate and present.

Adjusted income before tax is defined as GAAP income before tax, excluding the pre-tax effects of the gain or loss related to the change in fair value of our warrant liability, periodic costs incurred in connection with capital markets transactions, net realized gains or losses from our investment portfolio, and other infrequent, unusual or non-operating items in the periods in which such items are incurred.

Adjusted net income is defined as GAAP net income, excluding the after-tax effects of the gain or loss related to the change in fair value of our warrant liability, periodic costs incurred in connection with capital markets transactions, net realized gains or losses from our investment portfolio, and other infrequent, unusual or non-operating items in the periods in which such items are incurred. Adjustments to components of pre-tax income are tax effected using the applicable federal statutory tax rate for the respective periods.

Although adjusted income before tax, adjusted net income and adjusted diluted EPS exclude certain items that have occurred in the past and are expected to occur in the future, the excluded items: (1) are not viewed as part of the operating performance of our primary activities; or (2) are impacted by market, economic or regulatory factors and are not necessarily indicative of operating trends, or both. These adjustments, and the reasons for their treatment, are described below.

- **Change in fair value of warrant liability.**

Outstanding warrants at the end of each reporting period are revalued, and any change in fair value is reported in the statement of operations in the period in which the change occurred. The change in fair value of our warrant liability can vary significantly across periods and is influenced principally by equity market and general economic factors that do not impact or reflect our current period operating results. Furthermore, all unexercised warrants expired in April 2022 and, as such, no change in fair value will be recognized in future reporting periods. We believe trends in our operating performance can be more clearly identified by excluding fluctuations related to the change in fair value of our warrant liability.

- **Capital markets transaction costs.**

Capital markets transaction costs result from activities that are undertaken to improve our debt profile or enhance our capital position through activities such as debt refinancing and capital markets reinsurance transactions that may vary in their size and timing due to factors such as market opportunities, tax and capital profile, and overall market cycles.

- **Net realized investment gains and losses.**

The recognition of the net realized investment gains or losses can vary significantly across periods as the timing is highly discretionary and is influenced by factors such as market opportunities, tax and capital profile, and overall market cycles that do not reflect our current period operating results.

- **Other infrequent or unusual non-operating items.**

Items that are the result of unforeseen or uncommon events, and are not expected to recur with frequency in the future. Identification and exclusion of these items provides clarity about the impact special or rare occurrences may have on our current financial performance. Past adjustments under this category include infrequent, unusual or non-operating adjustments related to severance, restricted stock modification and other expenses incurred in connection with the CEO transition announced in September 2021 and the effects of the release of the valuation allowance recorded against our net federal and certain state net deferred tax assets in 2016 and the re-measurement of our net deferred tax assets in connection with tax reform in 2017. We believe such items are infrequent or non-recurring in nature, and are not indicative of the performance of, or ongoing trends in, our primary operating activities or business.

NON-GAAP FINANCIAL MEASURE RECONCILIATION

AS REPORTED	Year the years ended	
	2022 (\$)	2021 (\$)
	(\$ In Thousands)	
Revenues		
Net premiums earned	475,266	444,294
Net investment income	46,406	38,072
Net realized investment gains	481	729
Other revenues	1,192	1,977
Total revenues	523,345	485,072
Expenses		
Insurance claims and claim expenses (benefits)	(3,594)	12,305
Underwriting and operating expenses	117,490	142,303
Service expenses	1,094	2,509
Interest expense	32,163	31,796
Gain from change in fair value of warrant liability	(1,113)	(566)
Total expenses	146,040	188,347
Income before income taxes	377,305	296,725
Income tax expense	84,403	65,595
Net income	292,902	231,130
Adjustments:		
Net realized investment (gains)	(481)	(729)
Gain from change in fair value of warrant liability	(1,113)	(566)
Capital markets transaction costs	205	3,979
Other infrequent, unusual or non-operating items	—	3,829
Adjusted income before taxes	375,916	303,238
Income tax (benefit) expense on adjustments ⁽¹⁾	(58)	806
Adjusted net income	291,571	236,837

1. Marginal tax impact of non-GAAP adjustments is calculated based on our statutory U.S. federal corporate income tax rate of 21%, except for those items that are not eligible for an income tax deduction. Such non-deductible items include gains or losses from the change in the fair value of our warrant liability and certain costs incurred in connection with our CEO transition in 2021, which are limited under Section 162(m) of the Internal Revenue Code

We also believe that use of the non-GAAP measures of adjusted operating income, adjusted return-on-equity and adjusted expense ratio assist in the measurement of performance for bonus determination. Use of these non-GAAP financial measures are consistent with the performance goals set forth in the NMI Holdings, Inc. Amended and Restated 2014 Omnibus Incentive Plan and the Company's 2022 operational plan and budget approved by the Board.

Adjusted operating income, as approved by the Compensation Committee, is calculated on a pre-tax GAAP basis, excluding the pre-tax impact of bonuses, performance awards above/below budget, changes in the fair value of warrant liability and embedded derivatives (if recorded), realized investment gains/losses, non-budgeted capital transactions, budgeted capital transactions with unexpected accounting treatment, and changes to U.S. federal tax code.

Adjusted return-on-equity, as approved by the Compensation Committee, is calculated as GAAP net income, excluding the after-tax impact of bonus above/below target and performance awards above/below budget, changes in fair value of warrant liability and embedded derivatives (if recorded), realized investment gains/losses, non-budgeted capital transactions, budgeted capital transactions with unexpected accounting treatment and changes to the U.S. federal tax code, divided by the average of 12/31/21 and 12/31/22 GAAP shareholders' equity, excluding the impact of changes in accumulated comprehensive other income from plan, changes in the fair value of our warrant liability and embedded derivatives (if recorded), and warrant exercises.

Adjusted expense ratio, as approved by the Compensation Committee, is calculated as GAAP net operating expense, excluding the pre-tax impact of bonuses, performance awards above/below budget, non-budgeted capital transactions and budgeted capital transactions with unexpected accounting treatment, and changes to the U.S. federal tax code, divided by GAAP net premiums earned excluding the pre-tax impact of non-budgeted capital transactions and budgeted capital transactions with unexpected accounting treatment.

The items excluded from adjusted operating income, adjusted return-on-equity and adjusted expense ratio represent items that are calculated in accordance with formulas approved by the Compensation Committee. The primary purpose of the exclusions from operating income is to remove elements of income or loss which, in the judgment of the Compensation Committee, are not appropriate to consider for purposes of assessing the Company's achievement of the corporate bonus objectives.

Net realized investment gains and losses, the recognition of net investment gains or losses can vary significantly across periods as the timing is highly discretionary and is influenced by factors such as market opportunities, tax and capital profile, and overall market cycles that do not reflect our current period operating results.

Change in fair value of warrant liability, we exclude fluctuations related to the change in fair value of our warrant liability. Outstanding warrants at the end of each reporting period are revalued, and any change in fair value is reported in the statements of operations in the period in which the change occurred. The change in fair value of our warrant liability can vary significantly across periods and is influenced principally by the equity market and general economic factors that do not impact or reflect our current period operating results.

Bonus accruals and performance awards above/below target, adjusted operating income is one of the metrics used to set the threshold for the establishment of a bonus pool and performance targets; therefore, the metric was defined in a manner that would illustrate trends in profitability and operating performance without the impact of bonuses or performance awards above/below target. Expenses associated with these items are estimates recorded throughout the fiscal year, which are ultimately dependent on approval from the Compensation Committee.

Capital markets transactions

Non-budgeted capital transactions and budgeted capital transactions with unexpected accounting treatment are excluded. Capital markets transaction costs result from activities that are undertaken to improve our debt profile or enhance our capital position through activities such as debt refinancing and capital markets reinsurance transactions that may vary in their size and timing due to factors such as market opportunities, tax and capital profile, and overall market cycles.

We exclude fluctuations in results related to changes in the U.S. federal tax code. We believe such changes are infrequent or non-recurring in nature, and are not indicative of the performance of, or ongoing trends in, our primary operating activities or business.



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FORM OF PROXY CARD



NMI HOLDINGS, INC. 2100 POWELL STREET,
12th FLOOR EMERYVILLE, CA 94608

VOTE BY INTERNET
Before The Meeting - Go to www.proxyvote.com or scan the QR Barcode above.

Use the Internet to transmit your voting instructions and for electronic delivery of information. Vote by 11:59 P.M. Eastern Time on Wednesday, May 10, 2023. Have this proxy card and the information that is printed in the box marked by the arrow in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.

During the Meeting - Go to www.virtualshareholdermeeting.com/NMIH2023

You may attend the Annual Meeting via the Internet and vote during the Annual Meeting until voting is closed. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions until 11:59 P.M. Eastern Time on Wednesday, May 10, 2023. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

D73469-P68072 KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

	<u>For All</u>	<u>Withhold All</u>	<u>For All Except</u>	
NMI HOLDINGS, INC.	Ú	Ú	Ú	To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.
The Board of Directors recommends you vote FOR the Election of Directors, FOR Proposal 2, and FOR Proposal 3.	Ú	Ú	Ú	
1. Election of Directors				
Nominee:				
01) Bradley M. Shuster		06) Lynn S. McCreary		
02) Adam S. Pollitzer		07) Michael Montgomery		
03) Michael Embler		08) Regina Muehlhauser		
04) Priya Huskins		09) Steven L. Scheid		
05) James G. Jones				
2. Advisory approval of our executive compensation.	Ú			<u>For</u> <u>Against</u> <u>Abstain</u>
3. Ratification of the appointment of BDO USA, LLP as NMI Holdings, Inc.'s independent auditors.	Ú			Ú Ú Ú
NOTE: In their discretion, each of the proxies is authorized to vote upon such other business as may properly come before the Annual Meeting or any adjournment thereof.				
Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.				
Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date	

To the Stockholders of NMI Holdings, Inc.:

The 2023 Annual Meeting of Stockholders (Annual Meeting) of NMI Holdings, Inc. (NMI) will be held as a virtual meeting on Thursday, May 11, 2023, at 8:30 a.m. Eastern Time, to vote on the following matters:

1. Election of nine directors;
2. Advisory approval of our executive compensation; and
3. Ratification of the appointment of BDO USA, LLP as NMI's independent auditors.

We also will transact any other business that may properly come before the Annual Meeting. The proxy statement contains information regarding the Annual Meeting, including information on the matters to be voted on prior to and during the Annual Meeting. Your vote is important. Whether or not you expect to attend the Annual Meeting, we encourage you to promptly vote these shares by one of the methods listed on the reverse side of this proxy card.

You will be able to attend the Annual Meeting via live audio webcast by visiting NMI's virtual meeting website at www.virtualshareholdermeeting.com/NMIH2023 on Thursday, May 11, 2023, at 8:30 a.m. Eastern Time. Upon visiting the meeting website, you will be prompted to enter the 16-digit Control Number provided to you on the other side. The unique Control Number allows us to identify you as a stockholder and will enable you to securely log on, vote and submit questions during the Annual Meeting on the meeting website. Further instructions on how to attend and participate in the Annual Meeting via the Internet are available at www.proxyvote.com.

Sincerely,

Bradley M. Shuster
Executive Chairman

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement and Annual Report are available at www.proxyvote.com.

D73470-P68072

PROXY

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF NMI HOLDINGS, INC.

The undersigned hereby appoints Bradley M. Shuster and William J. Leatherberry, and each of them, with power to act without the other and with power of substitution, as proxies and attorneys-in-fact and hereby authorizes them to represent and vote, as provided on the reverse side, all the shares of Class A Common Stock of NMI Holdings, Inc. which the undersigned is entitled to vote and, in their discretion, to vote upon such other business as may properly come before the Annual Meeting of Stockholders of NMI Holdings, Inc. to be held on May 11, 2023 or any adjournment thereof, with all powers which the undersigned would possess if present at the Annual Meeting.

THIS PROXY CARD, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED. IF NO DIRECTION IS MADE BUT THE CARD IS SIGNED, THIS PROXY CARD WILL BE VOTED (1) FOR THE ELECTION OF ALL NOMINEES UNDER PROPOSAL 1; (2) FOR PROPOSAL 2; (3) FOR PROPOSAL 3; AND (4) IN THE DISCRETION OF THE PROXIES WITH RESPECT TO SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.

(Continued and to be marked, dated and signed on the reverse side)