

MGIC

Code of Business Conduct

INTRODUCTION

MGIC Investment Corporation and its subsidiaries (collectively, “MGIC” or the “Company”) are firmly committed to maintaining our position as a leading provider of residential mortgage insurance and related services. As part of this commitment, MGIC has long emphasized and adhered to a high standard of conduct, and it is important that all co-workers maintain this standard by avoiding activities and affiliations which might conflict with their duties to MGIC or lead to the involvement of the Company or its co-workers in any unlawful or unethical practice.

The guidelines and rules in this Code of Business Conduct (which is sometimes referred to as the “Code”) have been approved by MGIC’s Board of Directors and apply to all co-workers. While this Code of Business Conduct deals with principal areas of concern, it cannot cover every situation that might arise. You should become familiar with the legal standards and restrictions applicable to your assigned duties and should conduct yourself accordingly. Beyond the strictly legal standards, however, co-workers are expected to observe the Company’s high standard of business conduct and personal ethics through honesty and integrity in all aspects of dealing with co-workers, customers, suppliers, government and the public.

If you are uncertain about a particular transaction or have any questions concerning the Company’s policies, you are urged to consult with, depending on the particular matter, your manager, the HR Department, our General Counsel or our Chief Compliance Officer. Possible violations of the Code of Business Conduct should be reported as discussed under “Administration – Report Violations.” This Code of Business Conduct also applies to members of the Board of Directors who are not co-workers as set forth under the heading “Board of Directors” below.

CONFLICTS OF INTEREST

MGIC’s operations should be conducted on the basis of merit and without favoritism. As a general rule, you should avoid affiliations and activities, including personal investments and positions in other organizations that may conflict with your responsibilities to MGIC or impair your ability to exercise independent judgment with respect to MGIC’s business. Some specific rules for particular situations are in the remainder of this section of the Code.

Purchasing

Suppliers of products and services to MGIC must be selected on the basis of what is in MGIC’s best interests. Factors such as price, quality, performance and suitability of the product or service are properly considered in determining MGIC’s best interests. An example of a factor that cannot influence your decision is any personal relationship you or a relative may have with a supplier. Therefore, you must avoid being put in a position where you could be subjected to or appear to be subjected to influence or pressures which might cause you to act other than in accordance with these principles.

For additional information on the Company's purchasing guidelines, please refer to "Purchasing Policy" under the "Cash Disbursements" heading in the *Policies* database in the Co-Worker Café.

Discounts, Gifts, Favors, Entertainment & Travel

Individuals and Non-Government Organizations

Discounts, Gifts and Favors

You and your family members should not accept any discount on personal purchases from someone doing or seeking to do business with MGIC, unless the same discount is available to all MGIC co-workers.

You and your family members should not give or accept gifts or other favors from anyone doing or seeking to do business with MGIC, anyone with which MGIC competes, or anyone with which MGIC seeks to do business unless:

- The gift or favor has a value of \$100 or less, including if it is a promotional item or novelty; or
- The gift or favor has been approved by the Chief Compliance Officer after consultation with the senior officer (Senior Vice President or above) in your department, including in the approval the conclusion that the gift or favor should not reasonably be considered to influence your judgment or the judgment of the recipient.

Under no circumstances may the giving or acceptance of a gift or favor be conditioned on a referral of business of any kind.

The total amount of all gifts and favors that you offer or accept from any person or business should not exceed \$100 in any year without the approval described above.

Tickets to sporting or cultural events are covered by the "Entertainment and Travel Expenses" section immediately below and are not considered "gifts or favors" for purposes of this section.

Entertainment and Travel Expenses

Modest entertainment offered or accepted on an infrequent basis is an acceptable part of conducting business. Meals, attendance at sporting events, concerts or other cultural events and participation in recreational activities such as golf may be offered or accepted by co-workers on an occasional basis when related to developing business relationships and not excessive or contingent on a particular transaction.

The position of the person offering or receiving the entertainment may be considered in determining whether the entertainment is excessive. For example, an invitation by MGIC to a senior executive of a lender to attend a golf event at a deluxe resort may not be excessive

(the determination would depend on the total cost to MGIC of hosting the executive) while the same invitation to a loan officer may be excessive. There are no hard and fast rules; you must use good judgment, and if you are in doubt consult with your manager.

As a general rule, you should not accept payment of travel-related expenses from:

- A customer or supplier,
- Any party MGIC is doing or seeking to do business with or who is seeking to do business with MGIC, or
- A trade organization or community association.

However, you may be reimbursed for travel-related expenses when you speak at a program or event or you provide support to such a speaker. You may also accept entertainment offered in connection with out-of-town business travel if there is a legitimate business purpose for the trip, the entertainment is only incidental to the business purpose of the trip, and the entertainment is not excessive.

You should not use Company funds to pay for travel expenses of non-co-workers unless there is a substantial business purpose for the travel and the payment is approved in advance by a Senior Vice President or above. Travel expenses should not be paid by the Company for persons who are not MGIC employees unless there is a substantial business purpose for the trip and such expenses are reported to and cleared by a senior manager of the Company in advance.

Government Employees

Federal and state laws generally prohibit giving or offering anything of value, regardless of the amount, to government employees. It is MGIC's policy not to offer or provide gifts, favors or entertainment of any kind to government employees. Therefore, you may not pay for any meal, entertainment, gift or transportation for any government employee, or offer or give anything of value to any government employee in connection with any activity of MGIC, unless specifically reviewed and approved in advance by the Chief Compliance Officer.

Transactions with Related Parties

You should avoid taking a position or having an interest in another organization if it would interfere with your responsibilities to MGIC or impair your independent judgment relating either to MGIC or the other organization.

Generally, MGIC will not enter into transactions with you (or your immediate family members) or with organizations with which you (or your immediate family members) have a material interest unless a Senior Vice President or higher determines that the following conditions are satisfied:

- The terms of the transactions are fair and equitable, at arm's length and are not detrimental to the interests of MGIC; and
- You have not participated on behalf of MGIC in the consideration, negotiation or approval of the transaction.

If you learn that MGIC is engaged in or contemplating a transaction (other than an "excluded transaction" as defined below) with you, any of your immediate family members or any organization with which you or your immediate family member has a material interest, you must immediately make this interest known to the Senior Vice President or higher in your department so that the officer may start the process to determine whether the transaction meets the standards listed above.

If you are MGIC's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller, or an executive officer of MGIC under the rules of the SEC, then the Audit Committee of the Board of Directors must also approve the transaction.

Definitions of terms used in this section:

Your "immediate family members" are your spouse, parents, children and siblings.

An interest in an organization is "material" if (1) you or your immediate family member is a director or officer of the organization (or the organization's parent organization), or (2) you or your immediate family member has a financial interest in the organization (or the organization's parent) that is in the aggregate 10% or more of the value of the organization (or the consolidated value of the organization's parent).

An "excluded transaction" is any transaction in which the other party is rendering services as a common carrier, public utility or the like, or in which the rates or charges are fixed in conformity with law.

Diversion of Corporate Opportunity for Personal Benefit

It is essential that you avoid using your position with the Company for your personal benefit to the detriment of the Company. If an investment or other business opportunity that is not generally available to the public comes to your attention in the course of performing employment duties at MGIC (this is referred to as a "corporate opportunity"), you should make the opportunity available to MGIC and not divert it for your own personal benefit.

You may not, directly or indirectly, pursue any corporate opportunity unless the Senior Vice President or higher in your department has been made aware of the corporate opportunity and declined to pursue the corporate opportunity on behalf of the Company. If you are the Company's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller, or an executive officer of MGIC under the rules of the SEC, then the Audit Committee of the Company's Board of Directors must decline to pursue the corporate opportunity on behalf of the Company.

CONFIDENTIAL INFORMATION

You should consider all information you receive or produce on behalf of the Company as confidential and proprietary information. You should not use or disclose this information to third parties except as reasonably necessary to perform your duties and responsibilities for MGIC.

MGIC receives confidential information on a regular basis from customers, vendors, and other third parties with whom it does business. Confidential information includes:

- Nonpublic information concerning a company's business operations, products, services and strategies,
- Security programs,
- Individual mortgage loan and borrower or applicant information,
- Mortgage loan portfolio data,
- Copyrighted or proprietary computer software,
- Materials and information protected by a confidentiality agreement or which a third party reasonably expects the Company to keep in confidence.

MGIC also possesses and develops its own confidential and proprietary information. Much of this information is used by MGIC to obtain a competitive advantage over competitors. This information includes marketing research and plans; strategic planning information; risk management studies, analyses and reports; claims and loss information; financial information; information residing on any of MGIC's computers, internal sales, underwriting, claims and other manuals; human resources and payroll records; information concerning MGIC's computer systems and software; customer information; and other details concerning MGIC's business methods and operations.

In addition, all consumer credit information is confidential. Use and disclosure of consumer credit information is regulated by federal and state law. You may not use MGIC's systems to order or access consumer credit information, including credit scores, for your own personal benefit or for the benefit of any other person (other than MGIC). You may order, access, disclose and use consumer credit information only as required in the performance of your responsibilities as an employee of MGIC.

Nothing in this Code of Business Conduct limits your right to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission (each, a "Government Agency"). Similarly, this Code of Business Conduct does not limit your right to communicate with any Government Agency or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other

information to a Government Agency with or without notice to the Company. This Code of Business Conduct does not limit your right to receive an award for information provided to Government Agencies.

For additional guidance, please refer to the “Confidentiality Policy” statement in the *Co-Worker Handbook* in the Co-Worker Café.

COMPETITIVE INFORMATION

Gathering and using information about our competitors, potential competitors or companies affecting our industry (collectively, “competitive information”) can give MGIC a valuable advantage and is acceptable provided it is done in compliance with law and conforms to our ethical standards. Because many times what can and can’t be done is in a gray area requiring complex judgments by trained professionals, we list below some “black and white” rules you can apply on your own, including when you must refer the matter to those professionals for a decision.

- You *cannot* obtain competitive information by means a reasonable person would consider improper. For example, you *cannot* misrepresent who you are to obtain it, take it without permission, engage in espionage (such as computer hacking) or use bribery or threats to obtain it.
- To avoid any concern about violating the antitrust laws, you *cannot* obtain competitive information from one of our mortgage insurance competitors.
- You *can* obtain, use yourself and pass on to others at MGIC competitive information from sources that are available to anyone, even if accessing those sources requires specialized knowledge.
- You *can* obtain, use yourself and pass on to others at MGIC competitive information you are given by customers or other third parties (*other than* mortgage insurance competitors or someone you know is a former employee of the organization to which the information relates) *if*
 - After a reasonable examination of the information, you do *not* see
 - § it is marked “confidential,” “proprietary” or with some similar marking, *or*
 - § it bears a © marking, *and*
 - You are told by the person who provides the information to you *and* you believe (no “winks and nods”)
 - § It was *not* obtained by that person or anyone else through means that would violate the first bullet point above, *and*

§ There is no agreement that restricts disclosure of the information.

- If you see the competitive information is marked “confidential,” “proprietary” or with some similar marking, *or* it bears a ©, *or* you are told by the person who provides the information to you that an agreement restricts disclosure of the information, *or* it is given to you by someone you know is a former employee of the organization to which the information relates, then
 - You *can* obtain it *but* you can do *only* the following with it:
 - § Deliver it in sealed envelope marked “confidential” to the Chief Compliance Officer who will consult with the Legal Department to determine whether the information is entitled to legal or ethical protection.
 - § Until you receive confirmation that it may be properly used, you cannot use it or pass it on to anyone else.

COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS

It is the Company’s policy to comply with all applicable federal, state, and local laws governing the conduct of its business. Many of these laws and regulations are complex, with varying interpretations and applications based on specific factual situations. In order to provide clear and concise compliance standards for co-workers, this Code of Business Conduct may overstate the legal rules or require a standard of conduct stricter than what would otherwise be required under applicable law. It is your responsibility to become familiar with the laws and regulations pertaining to your areas of responsibility and to seek assistance from the Chief Compliance Officer or the Legal Department whenever there is a question about the application or interpretation of a law or regulation.

Accounting Books and Records and SEC Disclosures

Federal law requires that MGIC’s books of account and records be accurately maintained and that they fully disclose the nature of the transactions reflected in them, including the following record keeping requirements:

- All books, records, and accounts of MGIC must be kept in reasonable detail and must accurately and fairly reflect the transactions and dispositions of MGIC’s assets;
- All disbursements of funds by MGIC and all receipts by MGIC must be properly and promptly recorded on the books, records and accounts of MGIC;
- No undisclosed or unrecorded fund may be established by MGIC for any purposes;
- A system of internal accounting controls must be maintained by MGIC which is sufficient to provide reasonable assurances that transactions are:

- Executed in accordance with management’s authorization,
- Recorded in a manner that permits preparation of financial statements in conformity with generally accepted accounting principles and other applicable criteria, and
- Recorded in a manner that maintains accountability for MGIC’s assets.

Penalties for violating the laws and regulations in this area can be severe for MGIC, as well as the co-workers involved.

It is MGIC’s goal that the disclosure in documents filed with the Securities and Exchange Commission and in communications to investors be full, fair, accurate, timely and understandable. The Company has established a Disclosure Controls Committee to assist it with meeting related SEC requirements.

Political Activity

MGIC encourages you to vote, be active in the political process and make political contributions to candidates or political action committees (“PACs”) with your own personal funds if you choose to do so. However, federal laws restrict any use of corporate funds in connection with federal elections, and there are similar laws in many states. As a result, except with respect to its sponsorship of the Mortgage Guaranty Insurance Corporation Political Action Committee (“MGIC-PAC”), you may not use Company funds or facilities for political purposes, even in jurisdictions where corporate contributions are legal. You may not be reimbursed in any way by MGIC for any political contribution nor may you be reimbursed for a contribution to MGIC-PAC. For example, you may not include the cost of a political fund-raising dinner on your expense account, even if Company business was, in fact, discussed at the dinner. In general, the cost of tickets for political fund-raising events and political functions are considered political contributions.

Except to fulfill duties you may have related to MGIC-PAC, you may not use Company property or facilities, or the time of any co-workers for any political activity. For example, you may not:

- use MGIC equipment or resources to send invitations for political fund-raising events,
- use Company telephones to make politically motivated solicitations,
- allow a candidate to use Company facilities, such as meeting rooms, for political purposes, or
- lend any MGIC-owned property for use in connection with a political campaign or fundraising event.

Antitrust and Unfair Trade Practice Laws

It is MGIC's policy to conduct its business in compliance with federal and state antitrust and unfair trade practice laws. Generally, these laws prohibit joint business activities which set prices or restrict competition, and also prohibit product misrepresentation and false advertising, unlawful discrimination among customers, secret rebates, and issuance or circulation of false literature. Several states also have laws specifically prohibiting direct and indirect inducements, rebates and commissions by mortgage insurers and their affiliates. In some circumstances, MGIC's Management may be charged with antitrust violations committed by co-workers under their supervision.

You must avoid any conduct which violates the antitrust and unfair trade practice laws. You must avoid any discussion, communication, agreement or understanding with any competitor concerning:

- Prices or pricing policy,
- Allocation of customers or division of markets,
- Costs of doing business,
- Terms and conditions in mortgage insurance policies and service contracts unless specifically authorized by the Legal Department, or
- Any activity that restrains competition, whether by sellers or purchasers.

Any understanding or agreement, no matter how informal or tacit, with another person or company to refrain from doing business or relating to the manner in which MGIC conducts its business is against MGIC policy unless reviewed and approved by the Legal Department. For more information, see MGIC's Antitrust Compliance Guide, containing a summary statement of certain basic legal requirements of the antitrust laws.

Securities Law Compliance and Insider Trading

Co-workers often have information about MGIC with which MGIC conducts business that is not known to the investing public. Sometimes this information also may be "material." In general, information is "material" when there is a substantial likelihood that it would alter a reasonable investor's view of the total mix of information about a company, such as information that a reasonable investor would consider important in making a decision to buy, hold or sell stock.

In general, if you have material nonpublic information about MGIC, you are prohibited by law from buying or selling the stock of MGIC or such other company. The penalties for violating this prohibition can be severe.

In certain cases, these prohibitions may also apply to material nonpublic information about another company that you receive in the course of your employment with MGIC.

If you have material nonpublic information about MGIC or another company that you obtained through your MGIC employment, the Code prohibits you from trading in the stock of the particular company until the information has become public or is obsolete, and you may not pass on the material nonpublic information to others who may use it to trade in the particular stock. Such “tipping” is not only contrary to MGIC policy, but also may be illegal. MGIC and all supervisory co-workers have an obligation to be alert to situations where others within MGIC may not be observing the rules against insider trading. The securities laws provide penalties not only for those who engage in insider trading, but also those “controlling persons” who fail to take appropriate actions when they either knew or should have known that those people within their control were violating the rules. Directors and officers who have special reporting obligations under the federal securities laws are subject to additional requirements. For more information, see the “MGIC Investment Corporation Policy Statement Relating to Transactions in MGIC Securities” in the Legal & Compliance Policies section of the Co-Worker Café.

Real Estate Settlement Procedures Act (“RESPA”) and State Laws

It is MGIC’s policy to conduct its business in compliance with RESPA and state insurance laws. The anti-kickback provisions of RESPA prohibit both giving and accepting any fee, kickback or other “thing of value” pursuant to any formal or informal agreement or understanding for the referral of business incident to a “settlement service.” State laws also typically prohibit certain inducements, such as rebates for the placement of insurance.

Under regulations adopted by the Consumer Financial Protection Bureau, mortgage insurance and other services related to the origination of a mortgage loan are settlement services.

A “thing of value” is defined broadly under RESPA to include not only money, commissions and fees, but also “services of any type at special or free rates” and “trips and payment of another person’s expenses.” Other business arrangements with customers and promotional programs which may or may not include the transfer of money may also constitute a thing of value under RESPA and a violation of the law if conditioned on the referral of mortgage insurance or other settlement services. Therefore, you may not offer anything of value in exchange for the referral of mortgage insurance or other business services.

Because both MGIC and its customers are subject to these prohibitions, it is important that you understand and observe the rules of RESPA when offering insurance and other services. RESPA imposes criminal penalties as well as treble (triple) damages for violations of the anti-kickback provisions.

You should generally avoid the following activities and should discuss with the Legal Department any contemplated participation in these or similar activities.

- Offering a customer contract underwriting or other services at a discounted fee or for no charge.

- Providing excessive entertainment (that is, entertainment which is not normal or customary under the circumstances) or any entertainment which is conditioned on the referral of mortgage insurance or other business to MGIC.
- Offering contests or other promotional activities offered or sponsored by MGIC for employees of its customers which are conditioned on the referral of mortgage insurance or other business to MGIC.

Improper Payments

You and the Company may be exposed to civil and criminal penalties if you make any improper payments. You may not pay or offer bribes of any type to any person or organization. A “bribe” is defined as a payment made to influence someone to do something that should not be done or to omit something that should be done under the rules of that person’s employment or applicable law.

Copyright and Patent Laws

Federal and state laws protect the rights of owners of patents, copyrighted material, trademarks and trade names. As a general rule, you may not use or copy the name, logos or slogans of another organization in materials prepared by MGIC unless approved or authorized in advance by that organization.

Copyright

Many materials protected by copyright may be copied by MGIC co-workers as a result of the Company’s subscription to the Copyright Clearance Center (“CCC”). As a licensee of CCC, MGIC co-workers are authorized to make unlimited photocopies of portions of copyrighted materials, for internal purposes only, from publications that are licensed with the CCC. The CCC license does not cover every publication at MGIC. Please contact the Vendor Management Department for a list of licensed periodicals.

Computer Software

Software used at MGIC is created and copyrighted by either MGIC or other companies. MGIC does not usually own software created by other companies, but receives and uses the software under a license agreement. Reproducing software without authorization may violate these agreements and also may be illegal. You may not copy, resell or transfer software owned or licensed by the Company unless specifically authorized to do so. In addition, unless specifically authorized in writing by the Company’s Chief Information Officer, you may not copy for personal use any software that is owned by or licensed by the Company.

For further guidance, please refer to the “Computer Security Policy” statement in the *Co-Worker Handbook* section of the Co-Worker Café.

EMPLOYMENT MATTERS

MGIC strives to maintain a professional work environment free from discrimination. Each co-worker is expected to observe the highest standard of personal conduct. MGIC's policies with regard to sexual harassment, affirmative action and other employment matters are more fully described in the *Co-Worker Handbook*.

Sexual Harassment

All co-workers are responsible for assuring that the workplace is free from sexual harassment. Because of the Company's strong disapproval of offensive or inappropriate sexual behavior at work, you must avoid any action or conduct which could be viewed as sexual harassment.

Sexual harassment includes unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other statements or conduct of a sexual nature. Unwelcome conduct of a sexual nature includes but is not limited to the deliberate, repeated making of unsolicited gestures or comments of a sexual nature, the deliberate, repeated display of offensive sexually graphic materials, or deliberate verbal or physical conduct of a sexual nature, whether or not repeated.

Harassment of any type exists when:

- Submission to such conduct is either an explicit or implicit term or condition of employment (for example, promotion, training, assignments);
- Submission to or rejection of the conduct is used as a basis for making employment decisions; or
- The conduct substantially interferes with an individual's work performance or creating an intimidating, hostile or offensive work environment.

No MGIC officer, manager, administrator or supervisor shall make any employment decision or take any personnel action based on a co-worker's rejection of a sexual advance or report of harassment of any type.

In order to avoid any potential conflict of interest, you may not become involved in a consensual sexual or romantic relationship of any kind with another co-worker you directly or indirectly supervise, audit, or evaluate. If such a relationship develops, or if there is any question about whether a relationship in which a co-worker is involved falls within this policy, please contact either the Chief Compliance Officer, the Senior Vice President – Human Resources, or the Vice President – Talent Management.

If you have experienced unwelcome conduct, including sexual harassment by anyone (including officers, managers, supervisors, administrators, co-workers, customers, or visitors), you are entitled to tell the other person to stop any offensive conduct. Whether or not you tell the other person that his or her conduct is offensive, you should promptly report

to conduct to either the Chief Compliance Officer, the Senior Vice President – Human Resources, or the Vice President – Talent Management.

All complaints will be promptly investigated by the Company. The Company will take appropriate corrective action, including disciplinary action up to and including discharge where justified, to remedy all violations of this policy. No co-worker will be retaliated against for making a harassment complaint or providing information to the Company in connection with any investigation. However, anyone who knowingly makes a false complaint or knowingly provides false information in the course of a Company investigation will be subject to disciplinary action.

Unlawful Discrimination and Affirmative Action

It is MGIC's policy to employ qualified individuals without unlawful discrimination against any co-worker or applicant for employment because of race, color, age, religion, sex, national origin, disability, sexual orientation, or status as a disabled veteran or military veteran.

To reinforce our commitment to this policy, MGIC has established procedures:

- To make all employment decisions in a manner that will further the principles of equal employment opportunity.
- To ensure that decisions regarding promotions are in accord with principles of equal employment opportunity by imposing only valid requirements for promotional opportunities.
- To ensure that personnel actions with reference to such matters as compensation, benefits, staff reduction, company-sponsored training, education, tuition reimbursement, and social and recreational programs will be administered without regard to race, color, age, religion, sex, national origin, disability, sexual orientation or status as a disabled veteran or military veteran.

GOVERNMENT REQUESTS FOR INFORMATION

From time to time, MGIC may receive letters of inquiry, personal visits, or telephone calls from federal, state or local government authorities requesting information in connection with a government audit, investigation or other inquiry. MGIC's policy is to cooperate fully with all reasonable requests for information made by government representatives. However, because these contacts may be a prelude to administrative enforcement proceedings, civil litigation or criminal charges, you must refer all government requests, either oral or written, for information, interviews, or access to files or documents immediately to the senior officer in your department who will then contact the Legal Department. However, routine audits by tax, insurance or labor and employment authorities need not be referred to the Legal Department because other departments regularly respond to such audits.

Nothing in this Code of Business Conduct limits any co-worker's right to communicate with any government authority or otherwise participate in any investigation or proceeding that may be conducted by any government authority, including providing documents or other information to a government authority with or without notice to the Company.

MGIC INTERNET AND E-MAIL USAGE POLICY

Internet access at MGIC is provided as a business tool. This tool is made available to co-workers at a significant cost and the corporate facilities that provide Internet and e-mail access represent a considerable commitment of resources for telecommunications, networking, software, hardware, support, etc. As such, the Internet and E-Mail Usage Guidelines below are designed to help co-workers understand the company's expectations for the use of these resources, as well as the system monitoring tools available to detect and report suspected Internet and e-mail abuses.

All existing company policies apply to co-worker conduct on the Internet, especially (but not exclusively) company policies that address confidentiality, electronic information and privacy, sexual harassment, and computer security. (See the *Co-Worker Handbook* for specific policy information.)

- You may not use MGIC communication systems to access personal e-mail accounts; set up, manage or conduct personal business; or send chain letters. Further, MGIC systems must not be used to publish or send personal views on social, political, religious, or other non-business related matters. Only those employees who are authorized to speak to the media, analysts, or at public gatherings on behalf of the company may use the Internet or e-mail to represent the company to any newsgroup or other public forum.
- Precautions need to be taken when transmitting confidential corporate information over the Internet or through the e-mail system.
- The display or distribution of any kind of sexually explicit image or document on any company system is a violation of MGIC's sexual harassment policy. Further, accessing, distributing, or storing obscene, profane, racist, or any objectionable material using company communication systems is prohibited. This includes, for example, accessing objectionable websites and sending or forwarding any messages, jokes programs, and/or graphics which violate MGIC's sexual harassment policy or in any way create an intimidating or hostile work environment.
- The Internet, while a vast information resource, can also pose significant risks to MGIC's data and systems if appropriate security measures are not followed. You should not download any unauthorized software, nor should you download any information that is not business-related. When there is a legitimate business reason to download information from the Internet, you must follow copyright/software licensing laws and established anti-virus practices to ensure that they are not unknowingly exposing the company to viruses.

- MGIC's Information Security department utilizes Internet usage monitoring software to record details about each co-worker's Internet activity, including websites visited, chat, newsgroup or e-mail messages, and file transfers into and out of the MGIC network. All MGIC Internet activity is summarized and reviewed monthly and, when requested by a manager, a report detailing an individual co-worker's Internet activity is provided.
- You should report any inappropriate use of the Internet and/or e-mail systems immediately to a supervisor or the Information Risk Management department.

ADMINISTRATION

Interpretation of the Code of Business Conduct

Except where this Code of Business Conduct provides that determinations are to be made by the Audit Committee or the Board of Directors, the General Counsel is responsible for interpreting and applying the policies contained in this Code of Business Conduct to specific situations. Any questions relating to how these policies should be interpreted or applied should be addressed to the General Counsel.

All of the restrictions and limitations under this Code of Business Conduct apply to you not only when you are involved directly, but also when you are involved indirectly with a transaction or event. For example, you would be indirectly involved when a transaction or event involves:

- A member of your immediate family or persons living in your household,
- An organization in which you are a trustee, director or officer,
- An organization in which you and members of your immediate family have in the aggregate a 10% ownership interest, or
- Anyone else acting at the direction or with the assistance of the co-worker.]

Reporting Violations

You are obligated to call to MGIC's attention any situation in which the policies described in this Code of Business Conduct are not observed.

Information will be received with the understanding that no discipline or other retaliatory action will be taken against the co-worker for informing MGIC of a violation of these policies. Reports of possible violations should be made to the General Counsel. You may, if you wish, report suspected violations of these policies or of any law anonymously by either:

- Writing to the General Counsel at 250 East Kilbourn Avenue, Milwaukee, Wisconsin 53202;

- Filing an online report via a secure, third-party administered website at <http://www.mgiccompliance.com>; or
- Filing a report via MGIC's Compliance Hotline at 1-888-475-8376.

The Compliance Hotline is a toll-free phone line operated by an outside, independent service provider that is available 24 hours a day, 365 days a year. The purpose of the hotline is to provide employees, investors, customers, suppliers and others a mechanism to report concerns or allegations regarding accounting, internal accounting controls, auditing matters, fraud or other matters to the Company. You may remain anonymous, and the confidentiality of calls will be maintained to the extent possible. The Company strictly prohibits retaliation against anyone who reports concerns or allegations in good faith to the Company. The hotline service operator provides reports containing information received in the calls to the Company's General Counsel and Vice President of Internal Audit, and in cases involving accounting, internal accounting controls, auditing matters or fraud, to the Audit Committee of the Board of Directors.

Disciplinary Action

Any co-worker violating this Code of Business Conduct will be subject to discipline, which may include termination of employment. In some cases, MGIC may call violations of this Code to the attention of appropriate law enforcement authorities.

Waivers

While some of these policies must be strictly adhered to and no exceptions can be allowed, other policies (particularly those not required by law) may be administered less strictly. A co-worker who believes that an exception to any of these policies is appropriate in his or her case should contact his or her supervisor. If the supervisor agrees that an exception is appropriate, the approval of the General Counsel must then be obtained.

However, any waiver of this Code of Business Conduct for a director (see "Board of Directors" below), the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller, or an executive officer of MGIC under the rules of the SEC requires disclosure to and approval of the Audit Committee (or if the Audit Committee decides that the Board should determine whether a waiver is granted; then the waiver is to be determined by the Board).

Compliance Monitoring

Compliance with this Code of Business Conduct will be monitored through various means, including periodic audits which may be performed by attorneys from the Legal Department (for example, in the case of compliance with the antitrust laws), the Compliance Department or the Internal Audit Department (for example, to determine compliance with the maintenance of accurate books and records). All co-workers are required to cooperate fully with such audits and to provide truthful and accurate information.

Each co-worker will be asked to review this Code of Business Conduct periodically and to sign a statement confirming the co-worker's compliance with the rules and policies described in this Code.

BOARD OF DIRECTORS

This Code of Business Conduct applies to members of the Board of Directors who are not co-workers (such directors are referred to as "non-employee directors") as follows:

Transactions with Related Parties

A transaction between MGIC and a company in which a non-employee director has a material interest, directly as an employee or owner or in which a member of the director's immediate family has such a relationship, may raise a question about whether the transaction poses an inappropriate conflict of interest. Whether or not the transaction poses such a conflict can be resolved only after consideration of all the facts and circumstances, including the terms of the transaction and the relationship of the non-employee director or family member to the company involved in the transaction.

A transaction involving the provision of goods or services in the ordinary course of business of both parties generally would not involve an inappropriate conflict of interest. Absent special circumstances (for example, the transaction involves the provision of services directly by the non-employee director), such a transaction could be engaged in without prior approval of the Audit Committee of the Board of Directors, although the non-employee director is expected to disclose the transaction in connection with the Board's process to determine whether the director is independent under MGIC's Corporate Governance Guidelines. Transactions not meeting this standard or involving special circumstances should not be engaged in without prior disclosure to and approval of the Audit Committee (or if the Audit Committee decides that the matter should be approved by the Board, then the approval is to be given by the Board).

Corporate Opportunity

Investment or other business opportunities which are not generally available to the public and which come to the attention of non-employee directors in the course of their activities as directors of MGIC should not be pursued without prior disclosure to and approval of the Audit Committee (or if the Audit Committee decides the matter should be approved by the Board, then the approval is to be given by the Board).

Confidential Information and Securities Law and Insider Trading

The Confidential Information and Securities Law and Insider Trading sections of this Code of Business Conduct apply to non-employee directors generally in the same way in which these sections apply to co-workers.

Fair Dealing

It is not anticipated that non-employee directors in their capacity as representatives of MGIC would have dealings with MGIC's customers, suppliers, competitors or employees. However,

any such dealings that occur should be conducted without manipulation, concealment, abuse of privileged information or misrepresentation of material facts.

OTHER MATTERS

While this Code of Business Conduct creates obligations as set forth herein, it does not create rights in any person other than MGIC.