

## **MGIC INVESTMENT CORPORATION**

### **Description of Amendments To Code of Business Conduct**

On January 27, 2005 the Board of Directors amended the provisions of the Code of Business Conduct that govern transactions between Company co-workers (or members of their immediate families) and the Company. The amendments were intended to clarify the Code's provisions regarding such transactions. For example:

- (1) All transactions directly with a co-worker are now subject to the Code. Under the prior Code, it is not clear whether the Code covered only "material" transactions with a co-worker.
- (2) "Immediate family member" is now defined to mean the co-worker's spouse, parents, children and siblings. The prior Code did not define immediate family member.
- (3) An interest is now material if it arises from a financial interest (collectively with immediate family members) of 10% or more of the value of the other party, or if the co-worker is a director or officer of the other party. The prior Code did not define materiality.
- (4) Transactions with public utilities, common carriers and the like are now excluded from disclosure and approval. Also now excluded from disclosure and approval are transactions with public companies if the only interest of the co-worker and the co-worker's immediate family in the transaction arises from ownership of less than 10% of the value of the public company. The current Code does not have such exclusions.
- (5) The Audit Committee is now the body to which disclosure is made and from which approval is obtained for executive officers of the Company as well as the CEO and Senior Financial Officers. Under the prior Code, executive officers who are not the CEO or Senior Financial Officers disclosed to and obtained approval from the CEO.