

## Addressing loans impacted by the Equifax coding error

MGIC aligns with the Agencies' determination that an inaccurate loan Representative Credit Score resulting from the publicly reported Equifax® coding error will not be considered material. A loan insured by MGIC with such an error will not be subject to rescission based solely on an inaccurate credit score.

- This determination applies to any impacted loan for which coverage has been activated or is in Commitment status as of July 25, 2022
- For all other impacted loans that are not in Commitment status or where coverage has not been activated, it is MGIC's expectation that lenders will re-evaluate each loan using the corrected credit score and that eligibility for MGIC mortgage insurance and any ensuing Commitment will be based on the corrected credit score

### Price adjustments

We understand the Equifax coding error has resulted in the potential overcharge or undercharge for MI. We encourage lenders to submit the corrected Representative Credit Scores (UWG 3.11.02) to MGIC for impacted loans.

For loans where the correct Representative Credit Score has been provided to us by the lender or servicer:

- If the corrected score would have resulted in a lower MI premium rate, we will correct pricing, returning any premium overage
- If the corrected score would have resulted in a higher MI premium rate, we will not pursue additional premium

### For reference

The Equifax coding error produced inaccurate credit scores on approximately 12% of credit reports issued by Equifax from March 17, 2022, to April 6, 2022. The Agencies released the following announcements addressing the error:

- [Fannie Mae Lender Letter LL-2022-02, announced June 24, 2022](#) | *Equifax Coding Issue*
- [Freddie Mac Bulletin 2022-14, announced June 24, 2022](#) | *Equifax Inc. Coding Issue*

### For more information

- Contact your MGIC representative, [mgic.com/contact](https://mgic.com/contact)

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