

Preserving MGIC's Deficiency

By now, we trust that you have had the opportunity to review the MGIC Bidding Instructions that were sent to you on or about July 15, 2009.

We believe that your preserving or establishing a deficiency presents us with a viable opportunity to mitigate our loss. The Master Policy provides that MGIC will be subrogated upon payment of a Loss to the right of recovery against the borrower. It further states that the Insured shall refrain from any action, either before or after payment of a Loss, that prejudices such rights.

The purpose of this Bulletin is to notify you that foreclosure sales occurring after October 1, 2009, in which our deficiency rights were not preserved or established, may result in the curtailment of a claim.

MGIC is proceeding in this matter under a full and complete reservation of rights and neither this Bulletin nor any action taken by MGIC which may appear inconsistent with this Bulletin should be construed as a waiver by MGIC of any defenses which it may have.

Please contact your MGIC Claims Administrator for any questions you may have regarding deficiency bidding or visit our website at www.mgic.com to obtain MGIC's Bidding Instructions.

Direct link to our Bidding Instructions → http://www.mgic.com/pdfs/71-42970_bidding.pdf

Thank you for complying with these guidelines.