

Important Reminder: *MGIC's Requirements for Default Servicing and Claims*

MGIC continues its commitment to communicate to our customers as dynamic changes occur in the servicing industry. In light of recent events including questions regarding the validity of certain foreclosure actions, MGIC is providing these reminders to our Servicers (Insureds).

Note: MGIC has previously advised Servicers regarding all of these requirements.

Foreclosure Proceedings

The Insured must begin foreclosure proceedings when a loan becomes four months delinquent and must diligently pursue the foreclosure and other actions. Diligent pursuit of such actions includes the requirement that all foreclosure documents be accurate and properly executed. MGIC will not cover on a claim the additional interest and expenses that may be incurred as a result of correcting servicer deficiencies.

Principal Forgiveness

If borrowers are released of their obligation on a portion of the mortgage loan balance, except in the case where directed by a bankruptcy court, MGIC is released of its obligation to the same extent and, therefore, does not cover the portion of the released balance if the borrower re-defaults. However, MGIC may make exceptions and agree to cover the released portion of the balance related to a loan modification. Such requests require MGIC's prior written approval.

Claim Documentation

When you file your claim, MGIC requires that the following documents accompany all claims:

- Records of collection and loss mitigation activity
- Chronological description of all servicing events including loss mitigation, foreclosure and bankruptcy actions
- Detailed explanation for court delays
- Evidence of title transfer (foreclosure deed)
- Complete origination file
- Complete loan pay history from origination to claim filing date is preferred; however, no less than the last 12 payments applied to the loan

MGIC may request additional documents to support amounts claimed or to document events between origination and claim filing.

Requests for Additional Expenses or Reconsideration of Expenses

The following requests must be submitted no later than 90 days from initial claim payment and must include supporting documentation:

- Additional expenses on a previously paid claim, OR
- Expenses that were previously disallowed, but that you wish MGIC to reconsider

For More Information

Contact MGIC Customer Service with questions, customer_service@mgic.com or 1-800-424-6442.