

MGIC INVESTMENT CORP

Form S-4

March 19, 2007

As filed with the Securities and Exchange Commission on March 19, 2007

Registration No. 333-

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Form S-4**  
**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**MGIC INVESTMENT CORPORATION**

*(Exact name of registrant as specified in its charter)*

**Wisconsin**

*(State or other jurisdiction of  
incorporation or organization)*

**6351**

*(Primary Standard Industrial  
Classification Code Number)*

**39-1486475**

*(IRS Employer  
Identification Number)*

**MGIC Plaza**

**250 East Kilbourn Avenue  
Milwaukee, Wisconsin 53202  
(414) 347-6480**

*(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)*

**Jeffrey H. Lane**

**Senior Vice President, Secretary and General Counsel  
MGIC Investment Corporation  
MGIC Plaza**

**250 East Kilbourn Avenue  
Milwaukee, Wisconsin 53202  
(414) 347-6480**

*(Name, address, including zip code, and telephone number,  
including area code, of agent for service)*

***With copies to:***

**Benjamin F. Garmer, III  
Patrick G. Quick**

**Foley & Lardner LLP  
777 East Wisconsin Ave., Suite 3800  
Milwaukee, Wisconsin 53202  
(414) 271-2400**

**Teresa A. Bryce  
Executive Vice President,  
General Counsel and Secretary  
Radian Group Inc.  
1601 Market Street  
Philadelphia, Pennsylvania 19103**

**Edward D. Herlihy  
Nicholas G. Demmo  
Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, New York 10019  
(212) 403-1000**

(215) 231-1000

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after this Registration Statement becomes effective and all other conditions to the proposed merger described herein have been satisfied or waived.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

#### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered(1)	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common stock, par value \$1.00 per share, with attached common share purchase rights(3)	80,851,943	Not Applicable	\$4,445,266,288	\$136,470.00

- (1) Represents the maximum number of shares of common stock of MGIC Investment Corporation, a Wisconsin corporation ( MGIC ), estimated to be issuable upon the completion of the merger of Radian Group Inc., a Delaware corporation ( Radian ), with and into MGIC, based on the number of shares of Radian common stock, par value \$0.001 per share, outstanding, or issuable or expected to be issued in connection with the merger, immediately prior to the merger and the exchange of each such share of Radian common stock for 0.9658 shares of MGIC common stock.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f) under the Securities Act. The Proposed Maximum Aggregate Offering Price is based upon the aggregate market value on March 14, 2007 of the shares of Radian common stock expected to be cancelled in the merger and computed as the product of (a) the average of the high and low prices of Radian common stock on March 14, 2007 (\$53.10), as quoted on the New York Stock Exchange, and (b) the maximum number of shares of Radian common stock to be converted in the merger 83,714,996.
- (3) Each share of MGIC common stock has attached thereto one common share purchase right. The value attributable to the rights is reflected in the price of MGIC common stock.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of**

**1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**Explanatory Note**

This registration statement contains two forms of the joint proxy statement/prospectus delivered separately to stockholders of MGIC Investment Corporation and Radian Group Inc. in connection with their respective annual meetings. The joint proxy statement/prospectus to be delivered to MGIC stockholders in connection with the MGIC-Radian merger described in this document will contain a letter to MGIC stockholders and a notice of the MGIC annual meeting, as well as a separate table of contents and a separate section at the end of the joint proxy statement/prospectus containing information on the election of MGIC directors to serve for terms of three years until their successors are duly elected and qualified, the ratification of the selection of an independent registered public accounting firm, and the adjournment of the MGIC annual meeting if necessary to allow for the solicitation of additional proxies. Similarly, the joint proxy statement/prospectus to be delivered to Radian stockholders in connection with the merger will contain a letter to Radian stockholders and a notice of the Radian annual meeting, as well as a separate table of contents and a separate section at the end of the joint proxy statement/prospectus containing information on the election of Radian directors to serve until the next annual meeting of stockholders of Radian until their successors are duly elected and qualified, the ratification of the selection of an independent registered public accounting firm, and the adjournment of the Radian annual meeting if necessary to allow for the solicitation of additional proxies.

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**The information in this document is not complete and may be changed. We may not sell the securities offered by this document until the registration statement filed with the Securities and Exchange Commission is effective. This document is not an offer to sell these securities, and we are not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.**

[MGIC ALTERNATE PAGE]

**Preliminary Joint Proxy Statement/Prospectus**

**Subject To Completion, Dated March 19, 2007**

**TO THE STOCKHOLDERS OF  
MGIC INVESTMENT CORPORATION**

**A MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT**

We are pleased to report that the boards of directors of MGIC Investment Corporation ( MGIC ) and Radian Group Inc. ( Radian ) have unanimously approved a strategic merger involving the two companies. Before the merger can be completed, the approval of the stockholders of both MGIC and Radian must be obtained. **We are sending you this joint proxy statement/prospectus to ask you to vote in favor of adoption of the merger agreement.**

In the merger, Radian will merge with and into MGIC. If the merger is completed, Radian stockholders will receive 0.9658 shares of MGIC common stock for each share of Radian common stock held immediately prior to the merger. After completion of the merger, we expect that current MGIC stockholders will own approximately 52% of the combined company and Radian stockholders will own approximately 48% of the combined company.

The exchange ratio in the merger is fixed and will not be adjusted to reflect stock price changes prior to completion of the merger. Based on the closing price of MGIC common stock on the New York Stock Exchange on February 5, 2007, the last full trading day before public announcement of the merger, the 0.9658 exchange ratio represents approximately \$60.78 in value for each share of Radian common stock. Based on the closing price of MGIC common stock on the New York Stock Exchange on [ , 2007], the latest practicable date before the date of this joint proxy statement/prospectus, the 0.9658 exchange ratio represents approximately [\$ . ] in value for each share of Radian common stock.

**You should obtain current market quotations for both MGIC common stock and Radian common stock.** MGIC common stock is listed on the New York Stock Exchange under the symbol MTG. Radian common stock is listed on the New York Stock Exchange under the symbol RDN.

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**[MGIC ALTERNATE PAGE]**

The merger is intended to be generally tax-free to MGIC stockholders.

The merger cannot be completed unless MGIC stockholders and Radian stockholders adopt the merger agreement. At our 2007 annual meeting, which will be held on May 10, 2007, we will ask our stockholders to approve the merger agreement, in addition to other business that stockholders will conduct. **Your vote is important.** Whether or not you plan to attend our annual meeting, please take the time to submit your proxy with voting instructions in accordance with the instructions contained in this joint proxy statement/prospectus. If you do not vote, it will have the same effect as voting against the merger. The place, date and time of the meeting are as follows:

May 10, 2007  
9:00 a.m. (local time)  
Marcus Center for the Performing Arts  
929 North Water Street  
Milwaukee, Wisconsin

**MGIC's Board of Directors Unanimously Recommends That MGIC Stockholders Vote For Adoption of the Merger Agreement.**

**We urge you to read this joint proxy statement/prospectus, and the documents incorporated by reference into this joint proxy statement/prospectus, carefully and in their entirety. In particular, see the section entitled Risk Factors beginning on page 19.**

We are very excited about the opportunities the proposed merger brings to our stockholders and we thank you for your consideration and continued support.

Curt S. Culver  
Chief Executive Officer  
MGIC Investment Corporation

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the MGIC common stock to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

The date of this joint proxy statement/prospectus is [           , 2007], and it is first being mailed to MGIC stockholders on or about [           , 2007].

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[MGIC ALTERNATE PAGE]

**MGIC INVESTMENT CORPORATION**  
**MGIC Plaza**  
**250 East Kilbourn Avenue**  
**Milwaukee, Wisconsin 53202**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**To be Held on May 10, 2007**

MGIC Investment Corporation ( MGIC ) will hold an annual meeting of MGIC stockholders at the Marcus Center for the Performing Arts, 929 North Water Street, Milwaukee, Wisconsin, at 9:00 a.m. local time, on May 10, 2007 to consider and vote upon the following matters:

A proposal to adopt the Agreement and Plan of Merger, by and between MGIC Investment Corporation and Radian Group Inc., dated as of February 6, 2007, as it may be amended from time to time, pursuant to which Radian will be merged with and into MGIC;

A proposal to elect three directors, each for a three-year term;

A proposal to ratify the appointment of PricewaterhouseCoopers LLP as MGIC's independent registered public accounting firm for 2007;

A proposal to approve the adjournment of the MGIC annual meeting, if necessary or appropriate, to solicit additional proxies; and

Such other business as may properly come before the MGIC annual meeting or any adjournment or postponement of the meeting.

Upon completion of the merger, MGIC will be the surviving corporation, and each share of Radian common stock will be converted into 0.9658 shares of MGIC common stock. Your attention is directed to the joint proxy statement/prospectus accompanying this notice for a complete discussion of the merger. A copy of the merger agreement is included as **Annex A** to the accompanying joint proxy statement/prospectus.

The board of directors has fixed the close of business on March 9, 2007 as the record date for the MGIC annual meeting. MGIC stockholders of record at such time are entitled to notice of, and to vote at, the MGIC annual meeting or any adjournment or postponement of the MGIC annual meeting.

**Whether or not you plan to attend the MGIC annual meeting, please submit your proxy with voting instructions. To submit your proxy by mail, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed, stamped envelope.** This will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any holder of MGIC common stock who is present at the MGIC annual meeting may vote in person instead of by proxy, thereby canceling any previous proxy. Also, a proxy may be revoked in writing at any time before the MGIC annual meeting.

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**[MGIC ALTERNATE PAGE]**

**The MGIC board of directors has unanimously approved the merger agreement and unanimously recommends that MGIC stockholders vote FOR adoption of the merger agreement, and FOR approval of the adjournment of the MGIC annual meeting, if necessary or appropriate to solicit additional proxies.**

**By Order of the Board of Directors,**

Jeffrey H. Lane  
Senior Vice President,  
General Counsel and Secretary

Milwaukee, Wisconsin  
[ , 2007]

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**[RADIAN ALTERNATIVE PAGE]**

**Preliminary Joint Proxy Statement/Prospectus**

**Subject To Completion, Dated March 19, 2007**

**TO THE STOCKHOLDERS OF  
RADIAN GROUP INC.**

**A MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT**

We are pleased to report that the boards of directors of MGIC Investment Corporation ( MGIC ) and Radian Group Inc. ( Radian ) have unanimously approved a strategic merger involving the two companies. Before the merger can be completed, the approval of the stockholders of both MGIC and Radian must be obtained. **We are sending you this joint proxy statement/prospectus to ask you to vote in favor of adoption of the merger agreement.**

In the merger, Radian will merge with and into MGIC. If the merger is completed, Radian stockholders will receive 0.9658 shares of MGIC common stock for each share of Radian common stock held immediately prior to the merger. After completion of the merger, we expect that current MGIC stockholders will own approximately 52% of the combined company and Radian stockholders will own approximately 48% of the combined company.

The exchange ratio in the merger is fixed and will not be adjusted to reflect stock price changes prior to completion of the merger. Based on the closing price of MGIC common stock on the New York Stock Exchange on February 5, 2007, the last full trading day before public announcement of the merger, the 0.9658 exchange ratio represents approximately \$60.78 in value for each share of Radian common stock. Based on the closing price of MGIC common stock on the New York Stock Exchange on [ , 2007], the latest practicable date before the date of this joint proxy statement/prospectus, the 0.9658 exchange ratio represents approximately [\$ . ] in value for each share of Radian common stock.

**You should obtain current market quotations for both MGIC common stock and Radian common stock.** MGIC common stock is listed on the New York Stock Exchange under the symbol MTG. Radian common stock is listed on the New York Stock Exchange under the symbol RDN.

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**[RADIAN ALTERNATIVE PAGE]**

The merger is intended to be generally tax-free to Radian stockholders other than with respect to any cash that Radian stockholders receive instead of receiving fractional shares of MGIC common stock.

The merger cannot be completed unless MGIC stockholders and Radian stockholders adopt the merger agreement. At our 2007 annual meeting, which will be held on May 9, 2007, we will ask our stockholders to approve the merger agreement, in addition to other business that stockholders will conduct. **Your vote is important.** Whether or not you plan to attend our annual meeting, please take the time to submit your proxy with voting instructions in accordance with the instructions contained in this joint proxy statement/prospectus. If you do not vote, it will have the same effect as voting against the merger. The place, date and time of our annual meeting are as follows:

**May 9, 2007  
9:00 a.m. (local time)  
The Westin Philadelphia  
99 South 17th Street  
Philadelphia, Pennsylvania 19103**

**Radian's Board of Directors Unanimously Recommends That Radian Stockholders Vote For Adoption of the Merger Agreement.**

**We urge you to read this joint proxy statement/prospectus, and the documents incorporated by reference into this joint proxy statement/prospectus, carefully and in their entirety. In particular, see the section entitled Risk Factors beginning on page 19.**

We are very excited about the opportunities the proposed merger brings to Radian stockholders and we thank you for your consideration and continued support.

Sanford A. Ibrahim  
Chief Executive Officer  
Radian Group Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the MGIC common stock to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

The date of this joint proxy statement/prospectus is [           , 2007], and it is first being mailed to Radian stockholders on or about [           , 2007].

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**[RADIAN ALTERNATIVE PAGE]**

**RADIAN GROUP INC.  
1601 Market Street  
Philadelphia, Pennsylvania 19103**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
To be Held on May 9, 2007**

Radian Group Inc. ( Radian ) will hold an annual meeting of Radian stockholders at The Westin Philadelphia, 99 South 17th Street, Philadelphia, Pennsylvania 19103, at 9:00 a.m. local time, on May 9, 2007 to consider and vote upon the following matters:

A proposal to adopt the Agreement and Plan of Merger, by and between MGIC Investment Corporation and Radian Group Inc., dated as of February 6, 2007, as it may be amended from time to time, pursuant to which Radian will be merged with and into MGIC;

A proposal to elect ten directors, each for a one-year term;

A proposal to ratify the appointment of Deloitte & Touche LLP as Radian's independent registered public accounting firm for 2007;

A proposal to approve the adjournment of the Radian annual meeting, if necessary or appropriate, to solicit additional proxies; and

Such other business as may properly come before the Radian annual meeting or any adjournment or postponement of the meeting.

Upon completion of the merger, MGIC will be the surviving corporation, and each share of Radian common stock will be converted into 0.9658 shares of MGIC common stock. Your attention is directed to the joint proxy statement/prospectus accompanying this notice for a complete discussion of the merger. A copy of the merger agreement is included as **Annex A** to the accompanying joint proxy statement/prospectus.

The board of directors has fixed the close of business on March 19, 2007 as the record date for the Radian annual meeting. Radian stockholders of record at such time are entitled to notice of, and to vote at, the Radian annual meeting or any adjournment or postponement of the Radian annual meeting.

**Whether or not you plan to attend the Radian annual meeting, please submit your proxy with voting instructions. To submit your proxy by mail, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed, stamped envelope.** This will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any holder of Radian common stock who is present at the Radian annual meeting may vote in person instead of by proxy, thereby canceling any previous proxy. Also, a proxy may be revoked in writing at any time before the Radian annual meeting.

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**[RADIAN ALTERNATIVE PAGE]**

**The Radian board of directors has unanimously approved the merger agreement and unanimously recommends that Radian stockholders vote FOR adoption of the merger agreement and FOR approval of the adjournment of the Radian annual meeting, if necessary or appropriate to solicit additional proxies.**

**By Order of the Board of Directors,**

Teresa A. Bryce  
Executive Vice President,  
General Counsel and Secretary  
Philadelphia, Pennsylvania  
[ , 2007]

**YOUR VOTE IS IMPORTANT**

**Please complete, sign, date and return your proxy card promptly, whether or not you plan to attend the Radian annual meeting.**

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## REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about MGIC and Radian from documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available for you to review at the Securities and Exchange Commission's public reference room located at 100 F Street, N.E., Washington, D.C. 20549, and through the Securities and Exchange Commission's website located at <http://www.sec.gov>. You can also obtain those documents incorporated by reference into this joint proxy statement/prospectus, without charge, by requesting them in writing or by telephone or email from the appropriate company at the following addresses, telephone numbers and email addresses or obtaining them from each company's website listed below:

MGIC Investment Corporation  
MGIC Plaza  
250 East Kilbourn Avenue  
Milwaukee, Wisconsin 53202  
Attention: Investor Relations  
Toll-Free: (800) 558-9900  
[mike\\_zimmerman@mgic.com](mailto:mike_zimmerman@mgic.com)  
<http://www.mgic.com>

Radian Group Inc.  
1601 Market Street  
Philadelphia, Pennsylvania 19103  
Attention: Investor Relations  
Toll-Free: (800) 523-1988  
[mona.zeehandelaar@radian.biz](mailto:mona.zeehandelaar@radian.biz)  
<http://www.radian.biz>

Information contained on the MGIC and Radian websites is expressly not incorporated by reference into this joint proxy statement/prospectus.

You can also obtain documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from D. F. King & Co., Inc., MGIC's proxy solicitor, or Georgeson Shareholder Communications, Inc., Radian's proxy solicitor, at the following addresses and telephone numbers:

D. F. King & Co., Inc.  
48 Wall Street  
New York, New York 10005  
Toll-Free (800) 967-7635

Georgeson Shareholder Communications, Inc.  
17 State Street, Tenth Floor  
New York, New York 10004  
Toll-Free (866) 541-3223

**You will not be charged for any of these documents that you request. If you would like to request such documents, you must do so by May 3, 2007, so that you may receive them before the annual meetings.**

**You should rely only on the information contained or incorporated by reference into this joint proxy statement/prospectus to vote on the merger agreement. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [           , 2007]. You should not assume that the information contained in, or incorporated by reference into, this joint proxy statement/prospectus is accurate as of any date other than that date. Neither our mailing of this joint proxy statement/prospectus to MGIC stockholders or Radian stockholders nor the issuance by MGIC of common stock in connection with the merger will create any implication to the contrary.**

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<u>ANNEX A</u>	<u>Agreement and Plan of Merger, dated as of February 6, 2007, by and between MGIC Investment Corporation and Radian Group Inc.</u>
<u>ANNEX B</u>	<u>Opinion of Goldman, Sachs &amp; Co., dated as of February 6, 2007</u>
<u>ANNEX C</u>	<u>Opinion of Lehman Brothers, dated as of February 6, 2007</u>

## QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETINGS AND THE MERGER

*The following questions and answers briefly address some commonly asked questions about the MGIC and Radian annual meetings and the merger. They do not include all the information that may be important to you. MGIC and Radian urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the other documents referenced in this joint proxy statement/prospectus.*

### **Q: What Am I Being Asked To Vote On?**

A: MGIC stockholders and Radian stockholders are each being asked to adopt a merger agreement entered into between MGIC and Radian. In the merger, Radian will be merged with and into MGIC, MGIC will be the surviving corporation, and Radian's stockholders will receive MGIC common stock. In addition, stockholders will act on the matters outlined in each of MGIC's and Radian's notices of annual meeting on the preceding pages, including the election of directors and ratification of the appointment of independent registered public accounting firms for 2007. Also, management for each of MGIC and Radian will report on the performance during the last year of MGIC and Radian, respectively, and after the meetings respond to questions from stockholders.

### **Q: Who Is Entitled To Vote At The Meeting?**

A: For MGIC, only stockholders of record at the close of business on March 9, 2007, the record date for the meeting, are entitled to receive notice and to participate in the annual meeting. For each share of MGIC common stock that you held on that date, you are entitled to one vote on each matter considered at the meeting.

For Radian, only stockholders of record at the close of business on March 19, 2007, the record date for the meeting, are entitled to receive notice and to participate in the annual meeting. For each share of Radian common stock that you held on that date, you are entitled to one vote on each matter considered at the meeting.

### **Q: What Is A Proxy?**

A: A proxy is another person you legally designate to vote your shares. If you designate someone as your proxy in a written document, that document is also called a proxy or a proxy card.

### **Q: Why Is My Vote Important?**

A: The affirmative vote of the holders of at least a majority of the outstanding shares of each of MGIC and Radian is required to adopt the merger agreement. Accordingly, if an MGIC stockholder or a Radian stockholder fails to vote or abstains, this will have the same effect as a vote against adoption of the merger agreement.

### **Q: What Do I Need To Do Now?**

A: After you have carefully read this joint proxy statement/prospectus, indicate on your proxy card how you want your shares to be voted. Then complete, sign, date and mail your proxy card in the enclosed postage paid return envelope as soon as possible. This will enable your shares to be represented and voted at the MGIC annual meeting or the Radian annual meeting, as applicable.

### **Q: If My Shares Are Held In Street Name By My Broker, Will My Broker Automatically Vote My Shares For Me?**

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A: No. Without instructions from you, your broker will not be able to vote your shares on the adoption of the merger agreement. You should instruct your broker to vote your shares, following the directions your broker provides. Please check the voting form used by your broker to see if it offers telephone or internet voting.

If you hold shares of MGIC common stock as a participant in the MGIC Investment Corporation Profit Sharing and Savings Plan and Trust, the trustee for the plan will vote the shares you hold through the plan as you direct. U.S. Bank, N.A. will provide plan participants who hold MGIC common stock through the plan with forms on which participants may communicate their voting instructions. If voting instructions are not received for shares held in the plan, those shares will be voted in the same proportion

that all shares of MGIC common stock in the plan for which voting instructions have been received are voted.

**Q: What If I Fail To Instruct My Broker?**

A: If you fail to instruct your broker to vote shares held in street name, the resulting broker non-vote will have the same effect as a vote against adoption of the merger agreement.

**Q: Can I Change My Vote?**

A: Yes. If you have not voted through your broker, there are three ways you can change your vote after you have submitted your proxy:

First, you may send a written notice to the corporate secretary of MGIC or Radian, as appropriate, stating that you would like to revoke your proxy.

Second, you may complete and submit a new proxy card. Your latest vote actually received by MGIC or Radian, as the case may be, before the annual meeting will be counted, and any earlier votes will be revoked.

Third, you may attend the MGIC or Radian annual meeting, as the case may be, and vote in person. Any earlier proxy will thereby be revoked. However, simply attending the meeting without voting will not revoke an earlier proxy you may have given.

If you have instructed a broker to vote your shares, or if your shares are held in MGIC's Profit Sharing and Savings Plan and Trust or the Radian Group Inc. Savings Incentive Plan, you must follow the instructions of the broker, nominee or plan trustee on how to change or revoke your vote.

**Q: If I Am A Radian Stockholder, Should I Send In My Stock Certificates Now?**

A: No. Please do **NOT** send in your stock certificates at this time. We will provide you with instructions regarding the surrender of your stock certificates at a later date. You should then send your Radian common stock certificates to the exchange agent. There is no need for MGIC stockholders to send in or exchange their existing stock certificates at any time in connection with the merger.

**Q: When Do You Expect To Complete The Merger?**

A: We currently expect to complete the merger in the fourth quarter of 2007. However, we cannot assure you when or if the merger will occur. We must first obtain the approvals of our stockholders at the annual meetings and obtain the necessary regulatory approvals.

**Q: What Are The Boards' Recommendations?**

A: For MGIC, the board of directors recommends a vote **FOR** adoption of the merger agreement, **FOR** election of each of its director nominees listed in this proxy statement/prospectus, **FOR** ratification of the appointment of PricewaterhouseCoopers LLP as MGIC's independent registered public accounting firm for 2007, and **FOR** approval of the adjournment of the MGIC annual meeting, if necessary or appropriate, to solicit additional proxies.

For Radian, the board of directors recommends a vote **FOR** adoption of the merger agreement, **FOR** election of each of its director nominees listed in this proxy statement/prospectus, **FOR** ratification of the appointment of

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Deloitte & Touche LLP as Radian's independent registered public accounting firm for 2007, and **FOR** approval of the adjournment of the Radian annual meeting, if necessary or appropriate, to solicit additional proxies.

If you sign and return a proxy card without specifying how you want your shares voted, the named proxies will vote your shares in accordance with the recommendations of the boards of each of MGIC



and Radian regarding the matters described in this proxy statement/prospectus, and in their best judgment on any other matters that properly come before the meetings.

**Q: Will Any Other Items Be Acted Upon At The Annual Meeting?**

A: The respective boards of MGIC and Radian know of no other business to be presented at their annual meetings. Neither MGIC nor Radian received any proposals from stockholders for presentation at their respective annual meetings that will be brought before such meetings.

**Q: What Are The Deadlines For Submission Of Stockholder Proposals For The Next Annual Meeting?**

A: Stockholders may submit proposals on matters appropriate for stockholder action at future annual meetings by following the rules of the Securities and Exchange Commission. For a proposal to be included in next year's MGIC proxy materials, the Corporate Secretary of MGIC must receive the proposal no later than [ ], 2007]. For a proposal to be included in next year's Radian proxy materials, the Secretary of Radian must receive the proposal no later than [ ], 2007].

Under MGIC's amended and restated bylaws, a stockholder who wants to bring business before the annual meeting that has not been included in the proxy materials for the meeting, or who wants to nominate directors at the meeting, must be eligible to vote at the meeting and give written notice of the proposal to MGIC's Corporate Secretary. The procedures contained in MGIC's amended and restated bylaws include giving notice to the MGIC corporate secretary at least 45 and not more than 70 days prior to the first anniversary date of the annual meeting for the preceding year. For the 2008 annual meeting, the notice must be received by the MGIC Corporate Secretary by no later than February 1, 2008, and no earlier than January 1, 2008. For director nominations, the notice must comply with the MGIC amended and restated bylaws and provide the information required to be included in the proxy statement for individuals nominated by the board. For any other proposals, the notice must describe the proposal and why it should be approved, identify any material interest of the stockholder in the matter, and include other information required by the MGIC amended and restated bylaws.

Under Radian's bylaws, a stockholder who desires to submit a proposal for consideration at the 2008 annual meeting, but not have the proposal included with the proxy solicitation materials relating to the 2008 annual meeting, or who wants to nominate directors for election to Radian's board of directors, must submit written notice to Radian's Secretary. The written notice must be received by Radian's Secretary at least 60 days before the 2008 annual meeting (except that if Radian gives less than 75 days' notice or other public disclosure of the 2008 annual meeting, then the proposal must be received by Radian's Secretary no later than the close of business on the 15th day after the day on which Radian mails the notice of the 2008 annual meeting or makes such public disclosure). For director nominations, the notice must contain: the name, age, principal occupation, and business and residence address of each person nominated; the class and number of shares of Radian capital stock beneficially owned by each person nominated; any other information about each person nominated that would be required under relevant SEC rules to be in a proxy statement for a meeting involving the election of directors; the name and record address of the stockholder making the nomination; and the class and number of shares of Radian capital stock owned by the stockholder making the nomination. The full text of the relevant bylaw provisions may be obtained upon written request directed to Radian's Secretary and a copy of Radian's bylaws is available on the corporate governance section of Radian's website, [www.radian.biz](http://www.radian.biz).

**Q: Whom Should I Call With Questions?**

A: If you have questions about the merger, the annual meetings or how to vote your shares, or you need additional copies of this joint proxy statement/prospectus or the enclosed proxy card or voting instruction card, you should contact:

*If you are an MGIC stockholder:*

D. F. King & Co., Inc.  
48 Wall Street  
New York, New York 10005  
Toll-Free (800) 967-7635

*If you are a Radian stockholder:*

Georgeson Shareholder Communications, Inc.  
17 State Street, Tenth Floor  
New York, New York 10004  
Toll-Free (866) 541-3223

## SUMMARY

**This summary highlights selected information from this joint proxy statement/prospectus. It does not contain all of the information that may be important to you. We urge you to read carefully this entire joint proxy statement/prospectus and the other documents to which we refer to fully understand the merger and the related transactions. In addition, we incorporate by reference into this joint proxy statement/prospectus important business and financial information about MGIC and Radian. You may obtain the information that we incorporate by reference into this joint proxy statement/prospectus without charge by following the instructions in the section entitled **Where You Can Find More Information** on page 87. Items in this summary refers to the page of this joint proxy statement/prospectus on which that subject is discussed in more detail.**

### **The Merger (Page 62)**

We encourage you to read the merger agreement, which is attached as **Annex A** to this joint proxy statement/prospectus and which we incorporate by reference into this joint proxy statement/prospectus. The merger agreement provides that Radian will merge with and into MGIC, with MGIC as the surviving company. Each share of Radian common stock outstanding prior to the merger will automatically be converted in the merger into 0.9658 shares of MGIC common stock. The combined company will be named **MGIC Radian Financial Group Inc.**, and its common stock will continue to trade on the New York Stock Exchange under the symbol **MTG**.

### **Exchange Ratio in the Merger; Fractional Shares (Pages 62, 60)**

Upon completion of the merger, each Radian stockholder will receive 0.9658 shares of MGIC common stock for each share of Radian common stock held immediately prior to the merger. We sometimes refer to this ratio as the **exchange ratio**. The aggregate number of shares of MGIC common stock to which a Radian stockholder will be entitled upon completion of the merger will equal 0.9658 multiplied by the number of shares of Radian common stock held by that Radian stockholder. However, MGIC will not issue any fractional shares. Radian stockholders entitled to a fractional share will instead receive an amount in cash equal to the fraction of a whole share of MGIC common stock to which such stockholder would otherwise be entitled multiplied by the average closing sale prices of MGIC common stock on the five full trading days immediately prior to the date on which the merger is completed. As an example, a holder of 100 shares of Radian common stock would receive 96 shares of MGIC common stock and an amount of cash equal to the product of 0.58 and the average closing price of a share of MGIC common stock on the five full trading days immediately prior to the date on which the merger is completed.

The exchange ratio is a fixed ratio. Therefore, the number of shares of MGIC common stock that holders of Radian common stock will receive in the merger will not change if the trading price of MGIC common stock or Radian common stock changes between now and the time the merger is completed.

Upon completion of the merger, we expect that MGIC stockholders will own approximately 52% of the combined company and former Radian stockholders will own approximately 48% of the combined company.

**The market prices of both MGIC common stock and Radian common stock will fluctuate prior to the merger. You should obtain current stock price quotations for MGIC common stock and Radian common stock.**

### **MGIC's Board of Directors Unanimously Recommends that You Vote FOR the Adoption of the Merger Agreement (Page 32)**

MGIC's board of directors believes that the merger is in the best interests of MGIC and its stockholders and has unanimously approved the merger agreement. For the factors considered by the MGIC board of directors in reaching

its decision to approve the merger agreement, see the section entitled Merger Proposal to be Considered at the Annual Meetings of MGIC and Radian MGIC's Reasons for the Merger;

Recommendation of MGIC's Board of Directors. MGIC's board of directors unanimously recommends that MGIC stockholders vote **FOR** the adoption of the merger agreement.

**Radian's Board of Directors Unanimously Recommends that You Vote FOR the Adoption of the Merger Agreement (Page 34)**

Radian's board of directors believes that the merger is in the best interests of Radian and its stockholders and has unanimously approved the merger agreement. For the factors considered by the Radian board of directors in reaching its decision to approve the merger agreement, see the section entitled Merger Proposal to be Considered at the Annual Meetings of MGIC and Radian Radian's Reasons for the Merger; Recommendation of Radian's Board of Directors. Radian's board of directors unanimously recommends that Radian stockholders vote **FOR** the adoption of the merger agreement.

**MGIC's Financial Advisor Has Provided an Opinion to the MGIC Board of Directors as to the Fairness of the Exchange Ratio from a Financial Point of View to MGIC (Page 36)**

In deciding to approve the merger, the MGIC board of directors considered the oral opinion of its financial advisor, Goldman, Sachs & Co., provided to the MGIC board of directors on February 5, 2007. Goldman Sachs subsequently confirmed in writing that, as of the date of such opinion and based upon and subject to the factors and assumptions set forth in the opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to MGIC. We have attached a copy of this opinion to this document as **Annex B** and incorporate it into this joint proxy statement/prospectus by reference. MGIC stockholders should read the opinion completely and carefully to understand the assumptions made, matters considered and limitations on the review undertaken by Goldman, Sachs & Co. in providing its opinion.

**Radian's Financial Advisor Has Provided an Opinion to the Radian Board of Directors as to the Fairness of the Exchange Ratio from a Financial Point of View to Radian Stockholders (Page 44)**

In deciding to approve the merger, the Radian board of directors considered the oral opinion of its financial advisor, Lehman Brothers, provided to the Radian board of directors on February 5, 2007. Lehman Brothers subsequently confirmed in writing that, as of the date of such opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders of Radian common stock. We have attached a copy of this opinion to this document as **Annex C** and incorporate it into this joint proxy statement/prospectus by reference. Radian stockholders should read the opinion completely and carefully to understand the assumptions made, matters considered and limitations of the review undertaken by Lehman Brothers in providing its opinion.

**Certain Executive Officers and Directors Have Financial Interests in the Merger (Page 51)**

Certain executive officers and directors of MGIC and Radian have financial and other interests in the merger in addition to their interests as stockholders. The boards of directors of each of MGIC and Radian considered financial and other interests of each company's executive officers and directors, among other matters, in approving the merger. Each of Sanford A. Ibrahim, Chief Executive Officer of Radian, Mark A. Casale, President of Radian Guaranty Inc., Radian's principal mortgage insurance subsidiary, and Teresa A. Bryce, Executive Vice President, General Counsel and Secretary of Radian, entered into an employment agreement with MGIC, which will become effective upon the completion of the merger and, in the case of Mr. Ibrahim's agreement, supersede his existing agreement, as more fully described under the The Merger Interests of Radian's Officers in the Merger. Certain other executive officers of Radian have rights under change in control agreements or other compensation related agreements with Radian, rights under stock-based benefit programs and rights under retirement benefit plans. The Radian board of directors was aware of, and the MGIC board of directors was notified of, these interests. In addition, MGIC and Radian have agreed

to certain post-closing officer and board positions as discussed in Board of Directors and Management of the Combined Company Following the Merger.

### **Board of Directors and Management Following the Merger (Page 50)**

Upon completion of the merger, the board of directors of the combined company will initially consist of eleven directors, six of whom will be designated by MGIC and five of whom will be designated by Radian. Promptly following the effectiveness of the merger, the board of directors of the combined company will convene a special stockholder meeting for the purpose of voting on an additional director nominee from the remaining former Radian directors not then serving on the board of the combined company. Following this additional appointment, and until the combined company's May 2010 stockholder meeting, the board of directors of the combined company will be comprised of 12 members, with six continuing MGIC directors and six former Radian directors.

Immediately following the merger, Curt S. Culver, Chairman of the Board and Chief Executive Officer of MGIC, will continue to serve as Chairman and Chief Executive Officer of the combined company, and Sanford A. Ibrahim, Chief Executive Officer and director of Radian, will serve as President, Chief Operating Officer and a director of the combined company.

The provisions described above are provided for in the merger agreement, and will also be provided for in new bylaw provisions to be adopted immediately prior to completion of the merger.

### **Conditions to Completion of the Merger (Page 62)**

As more fully described in this joint proxy statement/prospectus and the merger agreement, the completion of the merger depends on a number of conditions being satisfied or waived, including:

adoption of the merger agreement by the stockholders of both companies;

receipt of governmental and regulatory approvals required to complete the merger;

there being no injunction, decree or order enjoining or prohibiting the merger;

authorization for listing of the MGIC common stock to be issued in the merger on the New York Stock Exchange;

the registration statement of which this document is a part must be declared effective by the Securities and Exchange Commission ( SEC ) and not be subject to a stop order or proceedings seeking a stop order;

the receipt by each party of a written legal opinion, dated as of the completion of the merger, to the effect that the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code;

the accuracy of each party's representations and warranties, subject to the material adverse effect standard in the merger agreement;

each party having performed and complied with its covenants in the merger agreement in all material respects; and

in the case of Radian's obligation to complete the merger, MGIC's amended and restated bylaws must have been amended to provide for, and MGIC's board of directors must adopt resolutions to approve, the agreed-upon structure of the board of directors and Chief Executive Officer and Chairman of the Board succession arrangements following the completion of the merger.

We cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

**Termination of the Merger Agreement (Page 64)**

We may agree to terminate the merger agreement before completing the merger, even after adoption of the merger agreement by our stockholders, if each of our boards of directors agrees to terminate.



In addition, either of us may decide to terminate the merger agreement, even after adoption of the merger agreement by our stockholders, in various circumstances, including if:

any governmental entity that must grant a material required regulatory approval has denied approval of the merger and such denial has become final and nonappealable or any governmental entity has issued a final nonappealable order permanently enjoining or otherwise prohibiting the completion of the merger;

the merger is not completed on or before February 6, 2008, unless the failure to complete the merger by that date is due to the terminating party's failure to abide by the merger agreement;

there is a breach by the other party that would cause the failure of the closing conditions described above, unless the breach is capable of being, and is, cured within 45 days of notice of the breach;

the stockholders of either party fail to adopt the merger agreement;

the board of directors of the other party fails to recommend that its stockholders vote in favor of approving the merger agreement or withdraws, modifies or qualifies its recommendation in a manner adverse to the terminating party;

the board of directors of the other party recommends or endorses an acquisition proposal other than the merger agreement; or

the other party substantially fails to comply with its obligation to call a meeting of its stockholders and use its reasonable best efforts to cause its stockholders to adopt the merger agreement or breaches its non-solicitation covenant.

The merger agreement provides if the merger agreement is terminated in certain circumstances in connection with a third party completing an alternative acquisition or executing an agreement regarding an alternative transaction, MGIC or Radian may be required to pay a \$185 million termination fee to the other party. The termination fee may discourage other companies from seeking to acquire or merge with either MGIC or Radian.

#### **Accounting Treatment of the Merger by MGIC (Page 58)**

MGIC will account for the merger as a purchase by MGIC of Radian for financial reporting purposes.

#### **Risks Related to the Merger (Page 19)**

In evaluating the merger, the merger agreement or the issuance of shares of MGIC common stock in the merger, you should carefully read this joint proxy statement/prospectus and especially consider the factors discussed in the section entitled Risk Factors.

#### **Appraisal Rights (Page 60)**

Under Wisconsin law, MGIC stockholders are not entitled to appraisal rights in connection with the merger. Under Delaware law, Radian stockholders are not entitled to appraisal rights in connection with the merger. For more information about appraisal rights, see the section entitled Merger Proposal to be Considered at the Annual Meetings of MGIC and Radian Appraisal Rights.

**MGIC Annual Meeting (Page 24)**

The MGIC annual meeting will be held on May 10, 2007, at 9:00 a.m. local time, at the Marcus Center for the Performing Arts, 929 North Water Street, Milwaukee, Wisconsin. At the MGIC annual meeting, MGIC stockholders will be asked:

to adopt the merger agreement;

to elect three directors, each for a three-year term;

to ratify the appointment of PricewaterhouseCoopers LLP as MGIC's independent registered public accounting firm for 2007;

to approve the adjournment of the MGIC annual meeting, if necessary or appropriate, to solicit additional proxies; and

to act on such other business as may properly come before the MGIC annual meeting.

*Record Date.* Each MGIC stockholder may cast one vote at the MGIC annual meeting for each share of MGIC common stock that the stockholder owned at the close of business on March 9, 2007. At that date, there were 83,067,137 shares of MGIC common stock entitled to be voted at the MGIC annual meeting.

As of the MGIC record date, directors and executive officers of MGIC and their affiliates had the right to vote 959,269 shares of MGIC common stock, or approximately 1.15% of the outstanding MGIC common stock entitled to be voted at the MGIC annual meeting.

*Required Vote.* Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of MGIC common stock entitled to vote at the MGIC annual meeting. Approval of the proposal relating to the adjournment of the MGIC annual meeting, if necessary or appropriate, to solicit additional proxies requires that the votes cast in favor of the proposal exceed the votes cast in opposition.

Because the affirmative vote of the holders of a majority of the outstanding shares of MGIC common stock entitled to vote at the MGIC annual meeting is required to adopt the merger agreement, the failure to vote by proxy or in person will have the same effect as a vote against this proposal. Abstentions and broker non-votes also will have the same effect as a vote against these proposals. Abstentions, failures to vote and broker non-votes will have no effect on any vote to adjourn the MGIC annual meeting, if necessary or appropriate, to solicit additional proxies.

Information about the vote required for other proposals at the MGIC annual meeting is included in *Other Matters to be Considered at the MGIC Annual Meeting Proposal for the Election of Three Directors*, *Other Matters to be Considered at the MGIC Annual Meeting Proposal for the Ratification of the Appointment of Pricewaterhouse Coopers LLP* and *Other Matters to be Considered at the MGIC Annual Meeting Proposal to Approve the Adjournment of the MGIC Annual Meeting*, which is included in the joint proxy statement/prospectus to be delivered to MGIC stockholders.

### **Radian Annual Meeting (Page 27)**

The Radian annual meeting will be held on May 9, 2007 at 9:00 a.m. local time at The Westin Philadelphia, 99 South 17th Street, Philadelphia, Pennsylvania 19103. At the Radian annual meeting, Radian stockholders will be asked:

to adopt the merger agreement;

to elect ten directors, each for a one-year term;

to ratify the appointment of Deloitte & Touche LLP as Radian's independent registered public accounting firm for 2007;

to approve the adjournment of the Radian annual meeting, if necessary or appropriate, to solicit additional proxies; and

to act on such other business as may be properly brought before the Radian annual meeting.

*Record Date.* Radian stockholders may cast one vote at the Radian annual meeting for each share of Radian common stock that was owned at the close of business on March 19, 2007. At that date, there were [       ] shares of Radian common stock entitled to be voted at the Radian annual meeting.

As of the Radian record date, directors and executive officers of Radian and their affiliates had the right to vote [ ] shares of Radian common stock, or approximately [ %] of the outstanding Radian common stock entitled to be voted at the Radian annual meeting.

*Required Vote.* To adopt the merger agreement, the holders of a majority of the outstanding shares of Radian common stock entitled to be voted must vote in favor of the merger agreement. A Radian stockholder's failure to vote, a broker non-vote or an abstention will have the same effect as a vote against the adoption of the merger agreement.

Information about the vote required for other proposals at the Radian annual meeting is included in Other Matters to be Considered at the Radian Annual Meeting Proposal for the Election of Ten Directors of Radian , Other Matters to be Considered at the Radian Annual Meeting Ratification of the Appointment of Deloitte & Touche LLP , Other Matters to be Considered at the Radian Annual Meeting Approve the Adjournment of the Radian Annual Meeting , which is included in the joint proxy statement/prospectus to be delivered to Radian stockholders.

### **Information About the Companies (Page 70)**

#### ***MGIC Investment Corporation***

MGIC (NYSE: MTG), headquartered in Milwaukee, Wisconsin, is a holding company which, through its wholly-owned subsidiary Mortgage Guaranty Insurance Corporation, is a provider of private mortgage insurance in the United States with \$176.5 billion primary insurance in force covering 1.3 million mortgages as of December 31, 2006. MGIC serves approximately 5,000 lenders with locations across the country and in Puerto Rico, helping families achieve homeownership sooner by making affordable low-down-payment mortgages a reality. In addition to mortgage insurance on first liens, MGIC, through other subsidiaries, provides lenders with various underwriting and other services and products related to home mortgage lending. MGIC also has strategic interests in active credit-based consumer asset businesses. Additional information about MGIC can be found at <http://www.mgic.com>.

MGIC's principal executive offices are located at 250 East Kilbourn Avenue, Milwaukee, Wisconsin 53202 and its telephone number is (414) 347-6480.

#### ***Radian Group Inc.***

Radian (NYSE: RDN) is a global credit risk management company headquartered in Philadelphia, Pennsylvania with significant operations in New York and London. Radian develops innovative financial solutions by applying its core mortgage insurance and credit risk expertise as well as structured finance capabilities to the credit enhancement needs of the capital markets worldwide, primarily through credit insurance products. Radian also provides credit enhancement for public finance and other corporate and consumer assets on both a direct and reinsurance basis and holds strategic interests in active credit-based consumer asset businesses. Additional information about Radian can be found at <http://www.radian.biz>.

Radian's principal executive offices are located at 1601 Market Street, Philadelphia, Pennsylvania 19103 and its telephone number is (215) 231-1000.

### **The Merger is Intended to be Generally Tax-Free to Radian Stockholders, Except With Respect to Cash Received Instead of Fractional Shares (Page 55)**

The merger has been structured to qualify as a reorganization for federal income tax purposes, and it is a condition to our respective obligations to complete the merger that MGIC and Radian each receive a legal opinion to the effect that

the merger will so qualify. In addition, in connection with the filing of the registration statement of which this document is a part, MGIC and Radian will each receive a legal opinion to the same effect. Accordingly, holders of Radian common stock generally will not recognize any gain or loss for federal income tax purposes on the exchange of their Radian common stock for MGIC common stock in the merger, except for any gain or loss that may result from the receipt of cash instead of a fractional share of MGIC common stock.

To review the tax consequences to Radian stockholders in greater detail, see Merger Proposal to be Considered at the Annual Meetings of MGIC and Radian Material Federal Income Tax Consequences of the Merger. **You should be aware that the tax consequences to you of the merger may depend upon your own situation. In addition, you may be subject to state, local or foreign tax laws that are not discussed in this document. You should therefore consult with your own tax advisor for a full understanding of the tax consequences to you of the merger.**

**Comparative Market Prices and Share Information (Page 72)**

MGIC common stock is quoted on the New York Stock Exchange under the symbol MTG. Radian common stock is quoted on the New York Stock Exchange under the symbol RDN. The following table sets forth the closing sale prices per share of MGIC common stock and Radian common stock in each case as reported on the New York Stock Exchange on February 5, 2007, the last full trading day before public announcement of the merger and on [ , 2007], the last practicable trading day before the distribution of this document.

	<b>MGIC Common Stock</b>	<b>Radian Common Stock</b>
February 5, 2007	\$ 62.93	\$ 60.84
[ , 2007]	\$ [.]	\$ [.]

**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF  
MGIC INVESTMENT CORPORATION**

Set forth below are highlights from MGIC's consolidated financial data at or for the years ended December 31, 2002 through 2006. You should read this information in conjunction with MGIC's consolidated financial statements and related notes, as well as the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in MGIC's Annual Report on Form 10-K for the year ended December 31, 2006, which we incorporate by reference in this document and from which this information is derived. See "Where You Can Find More Information."

	<b>Year Ended December 31,</b>				
	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
	<b>(In thousands of dollars, except per share data and where indicated)</b>				
<b>Summary of Operations</b>					
Revenues:					
Net premiums written	\$ 1,217,236	\$ 1,252,310	\$ 1,305,417	\$ 1,364,631	\$ 1,177,955
Net premiums earned	1,187,409	1,238,692	1,329,428	1,366,011	1,182,098
Investment income, net	240,621	228,854	215,053	202,881	207,516
Realized investment (losses) gains, net	(4,264)	14,857	17,242	36,862	29,113
Other revenue	45,403	44,127	50,970	79,657	65,836
Total revenues	1,469,169	1,526,530	1,612,693	1,685,411	1,484,563
Losses and expenses:					
Losses incurred, net	613,635	553,530	700,999	766,028	365,752
Underwriting and other expenses	290,858	275,416	278,786	302,473	265,633
Interest expense	39,348	41,091	41,131	41,113	36,776
Total losses and expenses	943,841	870,037	1,020,916	1,109,614	668,161
Income before tax and joint ventures	525,328	656,493	591,777	575,797	816,402
Provision for income tax	130,097	176,932	159,348	146,027	240,971
Income from joint ventures, net of tax	169,508	147,312	120,757	64,109	53,760
Net income	564,739	626,873	553,186	493,879	629,191
Weighted average common shares outstanding (in thousands)	84,950	92,443	98,245	99,022	104,214
Diluted earnings per share	\$ 6.65	\$ 6.78	\$ 5.63	\$ 4.99	\$ 6.04
Dividends per share	\$ 1.00	\$ .525	\$ .2250	\$ .1125	\$ .10





**Year Ended December 31,**  
**2006                      2005                      2004                      2003                      2002**  
**(In thousands of dollars, except per share data and where indicated)**

**Balance Sheet Data (at end of period):**

Total investments	\$ 5,252,422	\$ 5,295,430	\$ 5,418,988	\$ 5,067,427	\$ 4,624,256
Total assets	6,621,671	6,357,569			