

Karpowicz James A  
 Form 4  
 February 06, 2006

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Karpowicz James A

2. Issuer Name and Ticker or Trading Symbol  
 MGIC INVESTMENT CORP  
 [MTG]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 MGIC PLAZA, 250 EAST  
 KILBOURN AVENUE  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 02/03/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Senior Vice President

MILWAUKEE, WI 53202

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |   |
|                                 |                                      |  |                                | Code  | V   | Amount   |   |
| Common Stock                    | 02/03/2006                           |  | M                              | A   | \$ 6,000  | 56,938   | D   |
| Common Stock                    | 02/03/2006                           |  | S                              | D   | \$ 5,127  | 51,811   | D   |
| Common Stock                    | 02/03/2006                           |  | F                              | D   | \$ 64.83  | 50,938   | D   |
| Common Stock                    |                                      |  |                                |   |   | 824.482 <sup>(1)</sup>                                   | I   |

By  
 Issuer's  
 Profit  
 Sharing

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Options (Right to Buy)      | \$ 36.4375   | 02/03/2006                           |  | M                              | 6,000   | (2) 01/22/2007   | Common Stock  | 6,000                         |
| Employee Stock Options (Right to Buy)      | \$ 46.0625   |                                      |  |                                |   | (2) 05/05/2009   | Common Stock  | 10,000                        |
| Employee Stock Options (Right to Buy)      | \$ 45.375  |                                      |  |                                |   | (3) 01/26/2010   | Common Stock  | 12,500                        |
| Employee Stock Options (Right to Buy)      | \$ 57.88   |                                      |  |                                |   | (4) 01/24/2011   | Common Stock  | 6,250                         |
| Employee Stock Options                     | \$ 63.8  |                                      |  |                                |   | (5) 01/23/2012   | Common Stock  | 10,000                        |

(Right to Buy)

Employee Stock

Options \$ 43.7

(6)

01/22/2013

Common Stock

7,000

(Right to Buy)

Employee Stock

Options \$ 68.2

(7)

01/28/2014

Common Stock

7,000

(Right to Buy)

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                       |       |
|--|---------------|-----------|-----------------------|-------|
|  | Director      | 10% Owner | Officer               | Other |
| Karpowicz James A<br>MGIC PLAZA<br>250 EAST KILBOURN AVENUE<br>MILWAUKEE, WI 53202 |               |           | Senior Vice President |       |

## Signatures

Dan D. Stilwell,  
Attorney-in-Fact

02/06/2006

    Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Balance as of December 31, 2005.

(2) All of these options are vested and exercisable in full.

(3) Partial vesting of these options occurred on January 26 of each of the five years beginning in 2001, based on certain performance standards. Any portion of the option which did not vest at January 26, 2005 will become vested on January 26, 2009 based on the reporting person's continued service to the Issuer.

(4) One-fifth of these options vest on January 24 of each of the five years beginning in 2002.

(5) One-fifth of these options vest on January 23 of each of the five years beginning in 2003.

(6) One-fifth of these options vest on January 22 of each of the five years beginning in 2004.

(7) One-fifth of these options vest on January 28 of each of the five years beginning in 2005.

### Remarks:

This form is signed by the reporting person's attorney-in-fact pursuant to a previously filed power of attorney.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.