

EXHIBIT B

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
(Richmond Division)

JUDY HALCOM, HUGH PENSON,)	
HAROLD CHERRY, and RICHARD)	
LANDINO, Individually and on Behalf of All)	
Others Similarly Situated,)	
)	Civil Action No. 3:21-cv-00019-REP
Plaintiffs,)	
)	<u>CLASS ACTION</u>
vs.)	
)	
GENWORTH LIFE INSURANCE)	
COMPANY, and GENWORTH LIFE)	
INSURANCE COMPANY OF NEW YORK,)	
)	
Defendants.)	
)	
)	

**DECLARATION OF ANGELA SIMMONS IN SUPPORT OF
PLAINTIFFS’ REPLY IN SUPPORT OF THEIR MOTION FOR FINAL APPROVAL**

I, Angela Simmons, declare as follows:

1. I am currently Senior Vice President and Chief Financial Officer for Genworth Life Insurance Company (“GLIC”) and Genworth Life Insurance Company of New York (“GLICNY,” GLIC and GLICNY together, “Genworth”). I have been employed by Genworth Financial, Inc. for the last nineteen years.

2. I submit this declaration in support of Plaintiffs’ Reply in Support of their Motion for Final Approval. This declaration is based on my personal knowledge and based upon a review of the records that Genworth maintains in the ordinary course of business.

3. GLIC and GLICNY are solvent as determined by their respective State insurance regulator(s). Based on current best estimates as of the date of the execution of this declaration,

the payment of Cash Damages, the Injunctive Relief Fee, Contingency Fees, Class Counsel's litigation expenses, and Named Plaintiffs' Service Payments (the "Settlement Costs") will not cause GLIC or GLICNY to become insolvent under applicable State insurance rehabilitation, liquidation, and/or receivership laws.

4. Genworth has publicly stated that neither GLIC nor GLICNY plans to pay out any dividends to shareholders for the foreseeable future. In Genworth Financial, Inc.'s November 4, 2021 10-Q quarterly report, Genworth disclosed the following:

Genworth Financial and Genworth Holdings each act as a holding company for their respective subsidiaries and do not have any significant operations of their own. Dividends from their respective subsidiaries, payments to them under tax sharing and expense reimbursement arrangements with their subsidiaries and proceeds from borrowings or securities issuances are their principal sources of cash to meet their obligations. Insurance laws and regulations regulate the payment of dividends and other distributions to Genworth Financial and Genworth Holdings by their insurance subsidiaries. [...] **Given the performance of our U.S. life insurance subsidiaries, dividends will not be paid by these subsidiaries for the foreseeable future.** (emphasis added).

A true and correct copy of excerpts from Genworth Financial, Inc.'s 10-Q for the quarterly period ended September 30, 2021 is attached hereto as **Exhibit A**.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 27th day of January, 2022 at Manakin Sabot, Virginia.



Angela Simmons

EXHIBIT A

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2021

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-32195



GENWORTH FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

6620 West Broad Street
Richmond, Virginia
(Address of principal executive offices)

80-0873306
(I.R.S. Employer
Identification Number)

23230
(Zip Code)

(804) 281-6000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, par value \$.001 per share	GNW	New York Stock Exchange

As of October 27, 2021, 507,385,834 shares of Class A Common Stock, par value \$0.001 per share, were outstanding.

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Genworth—holding company

Genworth Financial and Genworth Holdings each act as a holding company for their respective subsidiaries and do not have any significant operations of their own. Dividends from their respective subsidiaries, payments to them under tax sharing and expense reimbursement arrangements with their subsidiaries and proceeds from borrowings or securities issuances are their principal sources of cash to meet their obligations. Insurance laws and regulations regulate the payment of dividends and other distributions to Genworth Financial and Genworth Holdings by their insurance subsidiaries. Our liquidity is highly dependent on the performance of Enact Holdings and its ability to pay dividends to us as anticipated. Given the performance of our U.S. life insurance subsidiaries, dividends will not be paid by these subsidiaries for the foreseeable future.

In July 2021, GMICO received approval from the NCDI for a dividend of \$200 million to be distributed at year end 2021. We believe this is an important milestone as we work to restart the return of capital from Enact Holdings. Management of Enact Holdings continues to assess the economic and business conditions, including the resolution of forbearance related delinquencies, in support of a fourth quarter of 2021 dividend to shareholders. To date, aggregate performance indications have been supportive. If these indications remain supportive, management of Enact Holdings intends to recommend the execution of a \$200 million 2021 dividend to the independent capital committee and the board of directors of Enact Holdings for their approval. Any future dividend is also subject to market conditions, business performance, business and regulatory approvals and will include a proportionate dividend distribution to minority shareholders.

The primary uses of funds at Genworth Financial and Genworth Holdings include payment of holding company general operating expenses (including taxes), payment of principal, interest and other expenses on current and any future borrowings or other obligations (including payments to AXA associated with future claims still being processed reported as discontinued operations), payments under current and any future guarantees (including guarantees of certain subsidiary obligations), payment of amounts owed to GE under the Tax Matters Agreement, payments to subsidiaries (and, in the case of Genworth Holdings, to Genworth Financial) under tax sharing agreements, contributions to subsidiaries, repurchases of debt securities and, in the case of Genworth Holdings, loans, dividends or other distributions to Genworth Financial. In deploying future capital, important current priorities include focusing on Enact Holdings so it remains appropriately capitalized and reducing overall indebtedness of Genworth Holdings. We may from time to time seek to repurchase or redeem outstanding notes for cash (with cash on hand, proceeds from the issuance of new debt and/or the proceeds from asset or stock sales) in open market purchases, tender offers, privately negotiated transactions or otherwise. We currently seek to address our indebtedness over time through repurchases, redemptions and/or repayments at maturity.

Our Board of Directors has suspended the payment of stockholder dividends on our Genworth Financial common stock indefinitely. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will be dependent on many factors including the receipt of dividends from our operating subsidiaries, our financial condition and operating results, the capital requirements of our subsidiaries, legal requirements, regulatory constraints, our debt obligations, our credit and financial strength ratings and such other factors as the Board of Directors deems relevant. In addition, our Board of Directors has suspended repurchases of our Genworth Financial common stock under our stock repurchase program indefinitely. The resumption of our stock repurchase program will be at the discretion of our Board of Directors.

Genworth has the right to appoint a majority of directors to the board of directors of Enact Holdings; however, actions taken by Enact Holdings and its board of directors (including in the case of the payment of dividends to us, the approval of Enact Holdings' independent capital committee) are subject to and may be limited by the interests of Enact Holdings, including but not limited to, its use of capital for growth opportunities and regulatory requirements.

Genworth Holdings had \$588 million and \$1,078 million of cash, cash equivalents and restricted cash as of September 30, 2021 and December 31, 2020, respectively, which included \$46 million of restricted cash