

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023

OR

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

For transition period from to

Commission File Number 001-40399



Enact Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

46-1579166

(I.R.S. Employer
Identification Number)

**8325 Six Forks Road
Raleigh, North Carolina 27615
(919) 846-4100**

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

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>
Common Stock, par value \$0.01 per share	ACT	The Nasdaq Stock Market

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 type="checkbox"/>	Accelerated filer	<input checked="" 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 7(a)(2)(B) of the Securities Act.

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

As of October 30, 2023, there were 159,703,377 shares of Common Stock, par value \$0.01 per share, outstanding.

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "would," "anticipate," "expect," "believe," "designed," "plan," or "intend," the negative of these terms and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this quarterly report.

Although Enact Holdings, Inc. (the "Company") believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law. Factors or events that we cannot predict, including the following, may cause our actual results to differ from those expressed in forward-looking statements:

- inability to continue to maintain the private mortgage insurer eligibility requirements ("PMIERS") or any other restrictions imposed on us by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"), government-sponsored enterprises collectively referred to as the "GSEs";
- deterioration in economic conditions or a decline in home prices, including a severe recession;
- uncertainty around COVID-19 and the remaining effects of forbearance programs and foreclosure timing;
- uncertainty of our loss reserve estimates or inaccuracies in our models;
- competition for our customers or the loss of a significant customer;
- changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance;
- lenders or investors seeking alternatives to private mortgage insurance;
- failure of our risk management or loss mitigation strategies;
- fluctuations and continued increases in interest rates;
- limited availability of capital or reinsurance;
- adverse actions by rating agencies;
- competition with government-owned enterprises and GSEs;
- failure to manage the risk in our investment portfolio;
- disruption in the servicing of mortgages covered by our insurance policies or poor servicer performance;
- unanticipated claims arising under and risks associated with our delegated underwriting program or contract underwriting program;
- inadequacy of the premiums we charge to compensate for the losses we incur;

- decrease in the volume of Low-Down Payment Loan originations;
- failure to protect our confidential customer information;
- adverse changes in regulatory requirements;
- inability to maintain sufficient regulatory capital;
- risks relating to our continuing relationship with our parent;
- changes in tax laws;
- litigation, regulatory investigations or other actions;
- changes in accounting principles or policies or in our application of such accounting principles or policies;
- inability to attract and retain key employees;
- failure or any compromise of the security of our computer systems, disaster recovery systems, business continuity plans and failures to safeguard or breaches of confidential information; and
- occurrence of natural or man-made disasters or public health emergencies, including pandemics and disasters caused or exacerbated by climate change.

We provide additional information regarding these and other risks and uncertainties in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed with the U.S. Securities and Exchange Commission (“SEC”) on February 28, 2023. In addition, unlisted factors may present significant additional obstacles to the realization of forward-looking statements. We therefore caution you against relying on any forward-looking statements.

Part I. Financial Information

Item 1. Financial Statements

ENACT HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except par value amount)	September 30, 2023 (Unaudited)	December 31, 2022
Assets		
Fixed maturity securities available-for-sale, at fair value (amortized cost of \$5,487,280 and \$5,371,673 as of September 30, 2023, and December 31, 2022, respectively)	\$ 4,990,692	\$ 4,884,760
Short-term investments, at fair value	18,173	3,047
Total investments	5,008,865	4,887,807
Cash and cash equivalents	677,990	513,775
Accrued investment income	42,051	35,844
Deferred acquisition costs	25,572	26,121
Premiums receivable (net of allowance for credit losses of \$924 and \$873 as of September 30, 2023, and December 31, 2022, respectively)	44,310	41,738
Other assets	82,196	76,391
Deferred tax asset	119,704	127,473
Total assets	\$ 6,000,688	\$ 5,709,149
Liabilities and equity		
<i>Liabilities:</i>		
Loss reserves	\$ 501,093	\$ 519,008
Unearned premiums	161,580	202,717
Other liabilities	136,057	143,686
Long-term borrowings	744,752	742,830
Total liabilities	1,543,482	1,608,241
<i>Equity:</i>		
Common stock (\$0.01 par value; 600,000 shares authorized; 159,995 shares issued and outstanding as of September 30, 2023, and 162,779 shares issued and outstanding as of December 31, 2022)	1,600	1,628
Additional paid-in capital	2,322,622	2,382,068
Accumulated other comprehensive income	(400,349)	(382,744)
Retained earnings	2,533,333	2,099,956
Total equity	4,457,206	4,100,908
Total liabilities and equity	\$ 6,000,688	\$ 5,709,149

See Notes to Condensed Consolidated Financial Statements

ENACT HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Amounts in thousands, except per share amounts)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
<i>Revenues:</i>				
Premiums	\$ 243,346	\$ 235,060	\$ 716,974	\$ 706,725
Net investment income	54,952	39,493	151,208	110,415
Net investment gains (losses)	(23)	(42)	(13,146)	(762)
Other income	760	564	2,460	1,826
Total revenues	299,035	275,075	857,496	818,204
<i>Losses and expenses:</i>				
Losses incurred	17,847	(40,309)	2,793	(112,318)
Acquisition and operating expenses, net of deferrals	52,339	54,523	155,931	166,986
Amortization of deferred acquisition costs and intangibles	2,803	3,338	8,088	9,658
Interest expense	12,941	12,879	38,919	38,441
Total losses and expenses	85,930	30,431	205,731	102,767
Income before income taxes	213,105	244,644	651,765	715,437
Provision for income taxes	48,910	53,658	143,562	155,086
Net income	\$ 164,195	\$ 190,986	\$ 508,203	\$ 560,351
<i>Net income per common share:</i>				
Basic	\$ 1.03	\$ 1.17	\$ 3.15	\$ 3.44
Diluted	\$ 1.02	\$ 1.17	\$ 3.13	\$ 3.43
<i>Weighted average common shares outstanding:</i>				
Basic	160,066	162,843	161,275	162,842
Diluted	161,146	163,376	162,165	163,219

See Notes to Condensed Consolidated Financial Statements

ENACT HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Amounts in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Net income	\$ 164,195	\$ 190,986	\$ 508,203	\$ 560,351
Other comprehensive income (loss), net of taxes:				
Net unrealized gains (losses) on securities without an allowance for credit losses	(55,118)	(134,102)	(17,608)	(510,803)
Foreign currency translation	12	44	3	137
Other comprehensive income (loss)	(55,106)	(134,058)	(17,605)	(510,666)
Total comprehensive income (loss)	\$ 109,089	\$ 56,928	\$ 490,598	\$ 49,685

See Notes to Condensed Consolidated Financial Statements

ENACT HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

	Three months ended September 30, 2023				
(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of June 30, 2023	\$ 1,602	\$ 2,324,527	\$ (345,243)	\$ 2,395,010	\$ 4,375,896
Comprehensive income (loss):					
Net income	—	—	—	164,195	164,195
Other comprehensive income (loss), net of taxes	—	—	(55,106)	—	(55,106)
Repurchase of common stock	(2)	(6,290)	—	—	(6,292)
Stock-based compensation expense and exercises and other	—	4,385	—	(273)	4,112
Dividends	—	—	—	(25,599)	(25,599)
Balance as of September 30, 2023	\$ 1,600	\$ 2,322,622	\$ (400,349)	\$ 2,533,333	\$ 4,457,206
	Three months ended September 30, 2022				
(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of June 30, 2022	\$ 1,628	\$ 2,377,042	\$ (293,027)	\$ 1,994,857	\$ 4,080,500
Comprehensive income (loss):					
Net income	—	—	—	190,986	190,986
Other comprehensive income (loss), net of taxes	—	—	(134,058)	—	(134,058)
Stock-based compensation expense and exercises and other	—	2,534	—	(172)	2,362
Dividends	—	—	—	(22,798)	(22,798)
Balance as of September 30, 2022	\$ 1,628	\$ 2,379,576	\$ (427,085)	\$ 2,162,873	\$ 4,116,992

See Notes to Condensed Consolidated Financial Statements

Nine months ended September 30, 2023

(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of December 31, 2022	\$ 1,628	\$ 2,382,068	\$ (382,744)	\$ 2,099,956	\$ 4,100,908
Comprehensive income (loss):					
Net income	—	—	—	508,203	508,203
Other comprehensive income (loss), net of taxes	—	—	(17,605)	—	(17,605)
Repurchase of common stock	(29)	(69,698)	—	—	(69,727)
Stock-based compensation expense and exercises and other	1	10,252	—	(769)	9,484
Dividends	—	—	—	(74,057)	(74,057)
Balance as of September 30, 2023	\$ 1,600	\$ 2,322,622	\$ (400,349)	\$ 2,533,333	\$ 4,457,206

Nine months ended September 30, 2022

(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
Balance as of December 31, 2021	\$ 1,628	\$ 2,371,861	\$ 83,581	\$ 1,648,453	\$ 4,105,523
Comprehensive income (loss):					
Net income	—	—	—	560,351	560,351
Other comprehensive income (loss), net of taxes	—	—	(510,666)	—	(510,666)
Stock-based compensation expense and exercises and other	—	7,715	—	(335)	7,380
Dividends	—	—	—	(45,596)	(45,596)
Balance as of September 30, 2022	\$ 1,628	\$ 2,379,576	\$ (427,085)	\$ 2,162,873	\$ 4,116,992

See Notes to Condensed Consolidated Financial Statements

ENACT HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Amounts in thousands)	Nine months ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net income	\$ 508,203	\$ 560,351
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Net investment (gains) losses	13,146	762
Amortization of fixed maturity securities discounts and premiums	(4,677)	(1,992)
Amortization of deferred acquisition costs and intangibles	8,088	9,658
Acquisition costs deferred	(4,896)	(5,044)
Deferred income taxes	(140)	1,413
Stock-based compensation expense	9,484	7,401
Amortization of debt issuance costs	1,922	1,795
Other	—	(21)
<i>Change in certain assets and liabilities:</i>		
Accrued investment income	(6,207)	(4,835)
Premiums receivable	(2,572)	1,935
Other assets	2,377	381
Loss reserves	(17,915)	(131,088)
Unearned premiums	(41,137)	(33,332)
Other liabilities	(23,694)	(5,313)
Net cash provided by operating activities	441,982	402,071
Cash flows from investing activities:		
Purchases of fixed maturity securities available-for-sale	(802,128)	(1,069,759)
Proceeds from sales of fixed maturity securities available-for-sale	394,148	451,285
Proceeds from maturities of fixed maturity securities available-for-sale	298,221	374,399
Net change in short-term investments	(14,617)	(2,453)
Other	(9,607)	—
Net cash used in investing activities	(133,983)	(246,528)
Cash flows from financing activities:		
Repurchase of common stock	(69,727)	—
Dividends paid	(74,057)	(45,596)
Net cash used in financing activities	(143,784)	(45,596)
Net increase in cash and cash equivalents	164,215	109,947
Cash and cash equivalents at beginning of period	513,775	425,828
Cash and cash equivalents at end of period	\$ 677,990	\$ 535,775

See Notes to Condensed Consolidated Financial Statements

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**(1) Nature of business, organization structure and basis of presentation**

The accompanying unaudited condensed consolidated financial statements include, on a consolidated basis, the accounts of Enact Holdings, Inc. ("EHI," together with its subsidiaries, the "Company," "we," "us" or "our") (formerly known as Genworth Mortgage Holdings, Inc.). EHI is a subsidiary of Genworth Financial, Inc. ("Genworth" or "Parent") and has been since EHI's incorporation in Delaware in 2012. In September 2021, we completed a minority initial public offering ("IPO") of 18.4% of EHI's common stock.

We are engaged in the business of writing and assuming residential mortgage guaranty insurance. The insurance protects lenders and investors against certain losses resulting from nonpayment of loans secured by mortgages, deeds of trust, or other instruments constituting a lien on residential real estate. We offer private mortgage insurance products predominantly insuring prime-based, individually underwritten residential mortgage loans ("primary mortgage insurance"). Our primary mortgage insurance enables borrowers to buy homes with a down payment of less than 20% of the home's value. Primary mortgage insurance also facilitates the sale of these low down payment mortgage loans in the secondary mortgage market, most of which are sold to government sponsored enterprises. We also selectively enter into insurance transactions with lenders and investors, under which we insure a portfolio of loans at or after origination.

We also perform fee-based contract underwriting services for mortgage lenders. The provision of underwriting services by mortgage insurers eliminates the duplicative lender and mortgage insurer underwriting activities and expedites the approval process.

We operate our business through our primary insurance subsidiary, Enact Mortgage Insurance Corporation, ("EMICO"), formerly known as Genworth Mortgage Insurance Corporation, with operations in all 50 states and the District of Columbia. We completed name changes to some of our subsidiary legal entities during the first quarter of 2022. EMICO is an approved insurer by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Fannie Mae and Freddie Mac are government-sponsored enterprises, and we refer to them collectively as the "GSEs."

We also offer mortgage-related insurance and reinsurance through our wholly owned Bermuda-based subsidiary, Enact Re Ltd. ("Enact Re"). We contributed \$250 million into Enact Re during the second quarter of 2023. As of September 30, 2023, Enact Re provided excess of loss reinsurance relating to GSE risk share and reinsures EMICO's new and existing insurance in-force under quota share reinsurance agreements.

We operate our business in a single segment, which is how our chief operating decision maker (who is our Chief Executive Officer) reviews our financial performance and allocates resources. Our segment includes a run-off insurance block with reference properties in Mexico ("run-off business"), which is immaterial to our condensed consolidated financial statements.

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Preparing financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. These unaudited condensed consolidated financial statements include all adjustments (including normal recurring adjustments) considered necessary by management to present a fair statement of the financial position, results of operations and cash flows for the periods presented. The results reported in these unaudited condensed consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year. The unaudited condensed consolidated financial

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

statements included herein should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2022 and 2021.

(2) Accounting changes**Accounting Pronouncements Recently Adopted**

We have not adopted new accounting pronouncements in 2023.

Accounting Pronouncements Not Yet Adopted

There are no significant new accounting pronouncements impacting our financial statements.

(3) Investments**Net Investment Income**

Sources of net investment income were as follows for the periods indicated:

(Amounts in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Fixed maturity securities available-for-sale	\$ 46,728	\$ 38,450	\$ 132,645	\$ 111,794
Cash, cash equivalents and short-term investments	9,665	2,423	23,240	2,854
Gross investment income before expenses and fees	56,393	40,873	155,885	114,648
Investment expenses and fees	(1,441)	(1,380)	(4,677)	(4,233)
Net investment income	\$ 54,952	\$ 39,493	\$ 151,208	\$ 110,415

Net Investment Gains (Losses)

The following table sets forth net investment gains (losses) for the periods indicated:

(Amounts in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Fixed maturity securities available-for-sale:				
Gross realized gains	\$ —	\$ 573	\$ 20	\$ 1,214
Gross realized (losses)	(36)	(615)	(13,166)	(2,149)
Net realized gains (losses)	(36)	(42)	(13,146)	(935)
Net change in allowance for credit losses on commitment	13	—	—	173
Net investment gains (losses)	\$ (23)	\$ (42)	\$ (13,146)	\$ (762)

There was no allowance for credit losses recorded on fixed maturity securities classified as available-for-sale as of September 30, 2023, or December 31, 2022, or activity during the nine months ended September 30, 2023.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Unrealized Investment Gains (Losses)

Net unrealized gains and losses on available-for-sale securities reflected as a separate component of accumulated other comprehensive income ("AOCI") were as follows as of the dates indicated:

(Amounts in thousands)	September 30, 2023	December 31, 2022
Net unrealized gains (losses) on investment securities:		
Fixed maturity securities	\$ (496,588)	\$ (486,913)
Short-term investments	(12)	(30)
Unrealized gains (losses) on investment securities	(496,600)	(486,943)
Income taxes	96,096	104,047
Net unrealized investment gains (losses)	\$ (400,504)	\$ (382,896)

The change in net unrealized gains (losses) on available-for-sale securities reported in accumulated other comprehensive income was as follows as of and for the periods indicated:

(Amounts in thousands)	Three months ended September 30,	
	2023	2022
Beginning balance	\$ (345,386)	\$ (293,113)
<i>Unrealized gains (losses) arising during the period:</i>		
Unrealized gains (losses) on investment securities	(57,401)	(170,400)
Provision for income taxes	(345)	36,265
Change in unrealized gains (losses) on investment securities	(57,746)	(134,135)
Reclassification adjustments to net investment (gains) losses, net of taxes of \$2,592 and \$(9), respectively	2,628	33
Change in net unrealized investment gains (losses)	(55,118)	(134,102)
Ending balance	\$ (400,504)	\$ (427,215)

(Amounts in thousands)	Nine months ended September 30,	
	2023	2022
Beginning balance	\$ (382,896)	\$ 83,588
<i>Unrealized gains (losses) arising during the period:</i>		
Unrealized gains (losses) on investment securities	(22,802)	(649,750)
Provision for income taxes	(7,791)	138,209
Change in unrealized gains (losses) on investment securities	(30,593)	(511,541)
Reclassification adjustments to net investment (gains) losses, net of taxes of \$(161) and \$(197), respectively	12,985	738
Change in net unrealized investment gains (losses)	(17,608)	(510,803)
Ending balance	\$ (400,504)	\$ (427,215)

Amounts reclassified out of accumulated other comprehensive income to net investment gains (losses) include realized gains (losses) on sales of securities, which are determined on a specific identification basis.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Fixed Maturity Securities Available-For-Sale

As of September 30, 2023, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government, agencies and GSEs	\$ 149,146	\$ 3	\$ (2,041)	\$ 147,108
State and political subdivisions	505,703	1,018	(99,183)	407,538
Non-U.S. government	12,360	—	(1,237)	11,123
U.S. corporate	2,813,640	252	(256,412)	2,557,480
Non-U.S. corporate	719,919	36	(64,671)	655,284
Residential mortgage-backed	10,433	7	(207)	10,233
Other asset-backed	1,276,079	784	(74,937)	1,201,926
Total fixed maturity securities available-for-sale	\$ 5,487,280	\$ 2,100	\$ (498,688)	\$ 4,990,692
Short-term investments	18,185	—	(12)	18,173
Total investments	\$ 5,505,465	\$ 2,100	\$ (498,700)	\$ 5,008,865

As of December 31, 2022, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government, agencies and GSEs	\$ 46,319	\$ 59	\$ (1,609)	\$ 44,769
State and political subdivisions	515,935	1,815	(97,894)	419,856
Non-U.S. government	10,607	—	(1,258)	9,349
U.S. corporate	2,886,269	1,355	(240,761)	2,646,863
Non-U.S. corporate	716,333	158	(63,647)	652,844
Residential mortgage-backed	11,162	—	(119)	11,043
Other asset-backed	1,185,048	462	(85,474)	1,100,036
Total fixed maturity securities available-for-sale	\$ 5,371,673	\$ 3,849	\$ (490,762)	\$ 4,884,760
Short-term investments	3,077	—	(30)	3,047
Total investments	\$ 5,374,750	\$ 3,849	\$ (490,792)	\$ 4,887,807

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)**

Gross Unrealized Losses and Fair Values of Fixed Maturity Securities Available-For-Sale

The following table presents the gross unrealized losses and fair values of our fixed maturity securities for which an allowance for credit losses has not been recorded, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of September 30, 2023:

(Amounts in thousands)	Less than 12 months			12 months or more			Total		
	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
Fixed maturity securities:									
U.S. government, agencies and GSEs	\$ 116,661	\$ (717)	28	\$ 30,208	\$ (1,324)	14	\$ 146,869	\$ (2,041)	42
State and political subdivisions	1,396	(60)	2	388,682	(99,123)	85	390,078	(99,183)	87
Non-U.S. government	1,845	(17)	1	9,278	(1,220)	1	11,123	(1,237)	2
U.S. corporate	532,245	(27,758)	160	2,000,352	(228,654)	435	2,532,597	(256,412)	595
Non-U.S. corporate	136,341	(6,277)	38	513,481	(58,394)	124	649,822	(64,671)	162
Residential mortgage-backed	3,867	(21)	3	5,281	(186)	3	9,148	(207)	6
Other asset-backed	237,667	(4,111)	97	838,758	(70,826)	208	1,076,425	(74,937)	305
Total for fixed maturity securities in an unrealized loss position	\$ 1,030,022	\$ (38,961)	329	\$ 3,786,040	\$ (459,727)	870	\$ 4,816,062	\$ (498,688)	1,199

We did not recognize an allowance for credit losses on securities in an unrealized loss position included in the table above. Based on a qualitative and quantitative review of the issuers of the securities, we believe the unrealized losses are largely due to changes in interest rates and recent market volatility and are not indicative of credit losses. The issuers continue to make timely principal and interest payments.

For all securities in an unrealized loss position without an allowance for credit losses, we expect to recover the amortized cost based on our estimate of the amount and timing of cash flows to be collected. We do not intend to sell nor do we expect that we will be required to sell these securities prior to recovering our amortized cost.

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The following table presents the gross unrealized losses and fair values of our fixed maturity securities, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of December 31, 2022:

(Amounts in thousands)	Less than 12 months			12 months or more			Total		
	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
Fixed maturity securities:									
U.S. government, agencies and GSEs	\$ 43,873	\$ (1,600)	18	\$ 96	\$ (9)	1	\$ 43,969	\$ (1,609)	19
State and political subdivisions	203,752	(40,988)	43	196,235	(56,906)	46	399,987	(97,894)	89
Non-U.S. government	—	—	—	9,349	(1,258)	1	9,349	(1,258)	1
U.S. corporate	2,033,713	(131,150)	468	568,171	(109,611)	92	2,601,884	(240,761)	560
Non-U.S. corporate	486,117	(35,515)	125	155,345	(28,132)	27	641,462	(63,647)	152
Residential mortgage-backed	11,043	(119)	6	—	—	—	11,043	(119)	6
Other asset-backed	655,525	(31,684)	217	375,810	(53,790)	71	1,031,335	(85,474)	288
Total for fixed maturity securities in an unrealized loss position	\$ 3,434,023	\$ (241,056)	877	\$ 1,305,006	\$ (249,706)	238	\$ 4,739,029	\$ (490,762)	1,115

Contractual Maturities of Fixed Maturity Securities Available-For-Sale

The scheduled maturity distribution of fixed maturity securities as of September 30, 2023, is set forth below. Actual maturities may differ from contractual maturities because issuers of securities may have the right to call or prepay obligations with or without call or prepayment penalties.

(Amounts in thousands)	Amortized cost	Fair value
Due one year or less	\$ 324,880	\$ 319,740
Due after one year through five years	2,097,579	1,931,440
Due after five years through ten years	1,601,988	1,379,748
Due after ten years	176,321	147,605
Subtotal	4,200,768	3,778,533
Residential mortgage-backed	10,433	10,233
Other asset-backed	1,276,079	1,201,926
Total fixed maturity securities available-for-sale	\$ 5,487,280	\$ 4,990,692

As of September 30, 2023, securities issued by the finance and insurance, technology and communications, consumer—non-cyclical, and utilities industry groups represented approximately 34%, 13%, 11%, and 10%, respectively, of our domestic and foreign corporate fixed maturity securities portfolio. No other industry group comprised more than 9% of our investment portfolio.

As of September 30, 2023, we did not hold any fixed maturity securities in any single issuer, other than securities issued or guaranteed by the U.S. government, which exceeded 10% of equity.

As of September 30, 2023, and December 31, 2022, \$25.2 million and \$25.1 million, respectively, of securities in our portfolio were on deposit with various state insurance commissioners in order to comply with relevant insurance regulations.

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(4) Fair value

Recurring fair value measurements

We hold fixed maturity securities and short-term investments, which are carried at fair value. The fair value of fixed maturity securities and short-term investments are estimated primarily based on information derived from third-party pricing services ("pricing services"), internal models and/or broker quotes, which use a market approach, income approach or a combination of the market and income approach depending on the type of instrument and availability of information. In general, a market approach is utilized if there is readily available and relevant market activity for an individual security. In certain cases where market information is not available for a specific security but is available for similar securities, that security is valued using market information for similar securities, which is also a market approach. When market information is not available for a specific security (or similar securities) or is available but such information is less relevant or reliable, an income approach or a combination of a market and income approach is utilized. For securities with optionality, such as call or prepayment features (including asset-backed securities), an income or combination approach may be used. These valuation techniques may change from period to period, based on the relevance and availability of market data.

Further, while we consider the valuations provided by pricing services and broker quotes to be of high quality, management determines the fair value of our investment securities after considering all relevant and available information.

In general, we first obtain valuations from pricing services. If prices are unavailable for public securities, we obtain broker quotes. For all securities, excluding certain private fixed maturity securities, if neither a pricing service nor broker quotes valuation is available, we determine fair value using internal models. For certain private fixed maturity securities where we do not obtain valuations from pricing services, we utilize an internal model to determine fair value since transactions for similar securities are not readily observable and these securities are not typically valued by pricing services.

Given our understanding of the pricing methodologies and procedures of pricing services, the securities valued by pricing services are typically classified as Level 2 unless we determine the valuation process for a security or group of securities utilizes significant unobservable inputs, which would result in the valuation being classified as Level 3.

Broker quotes are typically based on an income approach given the lack of available market data. As the valuation typically includes significant unobservable inputs, we classify the securities where fair value is based on our consideration of broker quotes as Level 3 measurements.

For private fixed maturity securities, we utilize an income approach where we obtain public bond spreads and utilize those in an internal model to determine fair value. Other inputs to the model include rating and weighted-average life, as well as sector which is used to assign the spread. We then add an additional premium, which represents an unobservable input, to the public bond spread to adjust for the liquidity and other features of our private placements. We utilize the estimated market yield to discount the expected cash flows of the security to determine fair value. We utilize price caps for securities where the estimated market yield results in a valuation that may exceed the amount that would be received in a market transaction. When a security does not have an external rating, we assign the security an internal rating to determine the appropriate public bond spread that should be utilized in the valuation. While we generally consider the public bond spreads by sector and maturity to be observable inputs, we evaluate the similarities of our private placement with the public bonds, any price caps utilized, liquidity premiums applied, and whether external ratings are available for our private placements to determine whether the spreads utilized would be considered observable inputs. We classify private securities without an external rating or public bond spread as Level 3. In general, a significant increase (decrease) in credit spreads

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would have resulted in a significant decrease (increase) in the fair value for our fixed maturity securities as of September 30, 2023.

For remaining securities priced using internal models, we determine fair value using an income approach. We maximize the use of observable inputs but typically utilize significant unobservable inputs to determine fair value. Accordingly, the valuations are typically classified as Level 3.

Our assessment of whether or not there were significant unobservable inputs related to fixed maturity securities was based on our observations obtained through the course of managing our investment portfolio, including interaction with other market participants, observations related to the availability and consistency of pricing and/or rating, and understanding of general market activity such as new issuance and the level of secondary market trading for a class of securities. Additionally, we considered data obtained from pricing services to determine whether our estimated values incorporate significant unobservable inputs that would result in the valuation being classified as Level 3.

A summary of the inputs used for our fixed maturity securities and short-term investments based on the level in which instruments are classified is included below. We have combined certain classes of instruments together as the nature of the inputs is similar.

Level 1 measurements

There were no fixed maturity securities classified as Level 1 as of September 30, 2023, and December 31, 2022.

Level 2 measurements**Fixed maturity securities:*****Third-party pricing services***

In estimating the fair value of fixed maturity securities, approximately 89% of our portfolio was priced using third-party pricing services as of September 30, 2023. These pricing services utilize industry-standard valuation techniques that include market-based approaches, income-based approaches, a combination of market-based and income-based approaches or other proprietary, internally generated models as part of the valuation processes. These third-party pricing vendors maximize the use of publicly available data inputs to generate valuations for each asset class. Priority and type of inputs used may change frequently as certain inputs may be more direct drivers of valuation at the time of pricing. Examples of significant inputs incorporated by pricing services may include sector and issuer spreads, seasoning, capital structure, security optionality, collateral data, prepayment assumptions, default assumptions, delinquencies, debt covenants, benchmark yields, trade data, dealer quotes, credit ratings, maturity and weighted-average life. We conduct regular meetings with our pricing services for the purpose of understanding the methodologies, techniques and inputs used by the third-party pricing providers.

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The following table presents a summary of the significant inputs used by our pricing services for certain fair value measurements of fixed maturity securities that are classified as Level 2 as of September 30, 2023:

(Amounts in thousands)	Fair value	Primary methodologies	Significant inputs
U.S. government, agencies and GSEs	\$ 147,108	Price quotes from trading desk, broker feeds	Bid side prices, trade prices, Option Adjusted Spread ("OAS") to swap curve, Bond Market Association OAS, Treasury Curve, Agency Bullet Curve, maturity to issuer spread
State and political subdivisions	\$ 407,538	Multi-dimensional attribute-based modeling systems, third-party pricing vendors	Trade prices, material event notices, Municipal Market Data benchmark yields, broker quotes
Non-U.S. government	\$ 11,123	Matrix pricing, spread priced to benchmark curves, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
U.S. corporate	\$ 2,149,559	Multi-dimensional attribute-based modeling systems, broker quotes, price quotes from market makers, internal models, OAS-based models	Bid side prices to Treasury Curve, Issuer Curve, which includes sector, quality, duration, OAS percentage and change for spread matrix, trade prices, comparative transactions, Trade Reporting and Compliance Engine ("TRACE") reports
Non-U.S. corporate	\$ 507,400	Multi-dimensional attribute-based modeling systems, OAS-based models, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
Residential mortgage-backed	\$ 10,233	OAS-based models, single factor binomial models, internally priced	Prepayment and default assumptions, aggregation of bonds with similar characteristics, including collateral type, vintage, tranche type, weighted-average life, weighted-average loan age, issuer program and delinquency ratio, pay up and pay down factors, TRACE reports
Other asset-backed	\$ 1,199,321	Multi-dimensional attribute-based modeling systems, spread matrix priced to swap curves, price quotes from market makers	Spreads to daily updated swap curves, spreads derived from trade prices and broker quotes, bid side prices, new issue data, collateral performance, analysis of prepayment speeds, cash flows, collateral loss analytics, historical issue analysis, trade data from market makers, TRACE reports

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(Unaudited)*****Internal models***

A portion of our Level 2 U.S. corporate and non-U.S. corporate securities are valued using internal models. The fair value of these fixed maturity securities was \$171.6 million and \$72.6 million, respectively, as of September 30, 2023. Internally modeled securities are primarily private fixed maturity securities where we use market observable inputs such as an interest rate yield curve, published credit spreads for similar securities based on the external ratings of the instrument and related industry sector of the issuer. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps and liquidity premiums are established using inputs from market participants.

Short-term investments:

The fair value of short-term investments classified as Level 2 is determined after considering prices obtained by pricing services.

Level 3 measurements***Broker quotes***

A portion of our U.S. corporate and other asset-backed securities are valued using broker quotes. Broker quotes are obtained from third-party providers that have current market knowledge to provide a reasonable price for securities not routinely priced by pricing services. Brokers utilized for valuation of assets are reviewed annually. The fair value of our Level 3 fixed maturity securities priced by broker quotes was \$14.9 million as of September 30, 2023.

Internal models

A portion of our U.S. corporate and non-U.S. corporate securities are valued using internal models. The primary inputs to the valuation of the bond population include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, duration, call provisions, issuer rating, benchmark yields and credit spreads. Certain private fixed maturity securities are valued using an internal model using market observable inputs such as the interest rate yield curve, as well as published credit spreads for similar securities, which includes significant unobservable inputs. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps are established using inputs from market participants. For structured securities, the primary inputs to the valuation include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, weighted-average coupon, weighted-average maturity, issuer rating, structure of the security, expected prepayment speeds and volumes, collateral type, current and forecasted loss severity, average delinquency rates, vintage of the loans, geographic region, debt service coverage ratios, payment priority with the tranche, benchmark yields and credit spreads. The fair value of our Level 3 fixed maturity securities priced using internal models was \$299.3 million as of September 30, 2023.

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The following tables set forth our assets by class of instrument that are measured at fair value on a recurring basis as of the dates indicated:

(Amounts in thousands)	September 30, 2023			
	Total	Level 1	Level 2	Level 3
Fixed maturity securities:				
U.S. government, agencies and GSEs	\$ 147,108	\$ —	\$ 147,108	\$ —
State and political subdivisions	407,538	—	407,538	—
Non-U.S. government	11,123	—	11,123	—
U.S. corporate	2,557,480	—	2,321,156	236,324
Non-U.S. corporate	655,284	—	580,016	75,268
Residential mortgage-backed	10,233	—	10,233	—
Other asset-backed	1,201,926	—	1,199,321	2,605
Total fixed maturity securities	4,990,692	—	4,676,495	314,197
Short-term investments	18,173	—	18,173	—
Total	\$ 5,008,865	\$ —	\$ 4,694,668	\$ 314,197

(Amounts in thousands)	December 31, 2022			
	Total	Level 1	Level 2	Level 3
Fixed maturity securities:				
U.S. government, agencies and GSEs	\$ 44,769	\$ —	\$ 44,769	\$ —
State and political subdivisions	419,856	—	419,856	—
Non-U.S. government	9,349	—	9,349	—
U.S. corporate	2,646,863	—	2,426,237	220,626
Non-U.S. corporate	652,844	—	557,690	95,154
Residential mortgage-backed	11,043	—	11,043	—
Other asset-backed	1,100,036	—	1,096,555	3,481
Total fixed maturity securities	4,884,760	—	4,565,499	319,261
Short-term investments	3,047	—	3,047	—
Total	\$ 4,887,807	\$ —	\$ 4,568,546	\$ 319,261

We had no liabilities recorded at fair value as of September 30, 2023, and December 31, 2022.

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The following tables present additional information about assets measured at fair value on a recurring basis and for which we have utilized significant unobservable (Level 3) inputs to determine fair value as of or for the dates indicated:

(Amounts in thousands)	Beginning balance as of July 1, 2023	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 ⁽¹⁾	Transfer out of Level 3 ⁽¹⁾	Ending balance as of September 30, 2023	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 222,301	\$ (7)	\$ (3,625)	\$ 18,001	\$ (2)	\$ (344)	\$ —	\$ —	\$ 236,324	\$ (7)	\$ (3,627)
Non-U.S. corporate	72,724	6	(1,288)	2	—	(105)	11,377	(7,448)	75,268	6	(1,043)
Other asset-backed	10,952	14	(108)	1,655	(1)	(57)	—	(9,850)	2,605	6	(4)
Total	\$ 305,977	\$ 13	\$ (5,021)	\$ 19,658	\$ (3)	\$ (506)	\$ 11,377	\$ (17,298)	\$ 314,197	\$ 5	\$ (4,674)

(Amounts in thousands)	Beginning balance as of July 1, 2022	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 ⁽¹⁾	Transfer out of Level 3 ⁽¹⁾	Ending balance as of September 30, 2022	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 216,654	\$ (14)	\$ (9,292)	\$ 9,999	\$ —	\$ (410)	\$ —	\$ —	\$ 216,937	\$ (14)	\$ (9,293)
Non-U.S. corporate	83,305	(86)	(2,498)	8,000	—	(10,105)	—	—	78,616	(86)	(2,501)
Other asset-backed	15,054	—	(523)	7,823	—	—	—	(14,711)	7,643	—	(180)
Total	\$ 315,013	\$ (100)	\$ (12,313)	\$ 25,822	\$ —	\$ (10,515)	\$ —	\$ (14,711)	\$ 303,196	\$ (100)	\$ (11,974)

⁽¹⁾ The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

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(Amounts in thousands)	Beginning balance as of January 1, 2023	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 ⁽¹⁾	Transfer out of Level 3 ⁽¹⁾	Ending balance as of September 30, 2023	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 220,626	\$ (28)	\$ (3,622)	\$ 39,001	\$ (6,901)	\$ (12,752)	\$ —	\$ —	\$ 236,324	\$ (23)	\$ (4,720)
Non-U.S. corporate	95,154	(711)	170	3,761	(3,543)	(23,492)	11,377	(7,448)	75,268	22	(921)
Other asset-backed	3,481	19	(118)	11,646	(1)	(58)	—	(12,364)	2,605	11	(32)
Total	\$ 319,261	\$ (720)	\$ (3,570)	\$ 54,408	\$ (10,445)	\$ (36,302)	\$ 11,377	\$ (19,812)	\$ 314,197	\$ 10	\$ (5,673)

(Amounts in thousands)	Beginning balance as of January 1, 2022	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 ⁽¹⁾	Transfer out of Level 3 ⁽¹⁾	Ending balance as of September 30, 2022	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 220,733	\$ (42)	\$ (39,462)	\$ 49,968	\$ —	\$ (850)	\$ —	\$ (13,410)	\$ 216,937	\$ (42)	\$ (38,970)
Non-U.S. corporate	83,664	(254)	(11,768)	21,009	—	(10,316)	—	(3,719)	78,616	(254)	(11,476)
Other asset-backed	24,223	—	(2,090)	22,820	—	—	—	(37,310)	7,643	—	(123)
Total	\$ 328,620	\$ (296)	\$ (53,320)	\$ 93,797	\$ —	\$ (11,166)	\$ —	\$ (54,439)	\$ 303,196	\$ (296)	\$ (50,569)

⁽¹⁾ The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

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Purchases, sales, issuances and settlements represent the activity that occurred during the period that results in a change of the asset but does not represent changes in fair value for the instruments held at the beginning of the period.

The amount presented for realized and unrealized gains (losses) included in net income for fixed maturity securities primarily represents amortization and accretion of premiums and discounts on certain fixed maturity securities recorded within net investment income.

The following table presents a summary of the significant unobservable inputs used for certain asset fair value measurements that are based on internal models and classified as Level 3 as of September 30, 2023:

(Amounts in thousands)	Valuation technique	Fair value ⁽¹⁾	Unobservable input	Range (bps)	Weighted-average ⁽²⁾ (bps)
Fixed maturity securities:					
U.S. corporate	Internal models	\$ 234,263	Credit spreads	14 - 241	131
Non-U.S. corporate	Internal models	\$ 65,052	Credit spreads	91 - 182	133

⁽¹⁾ Certain classes of instruments classified as Level 3 are excluded as a result of not being material or due to limitations in being able to obtain the underlying inputs used by certain third-party sources, such as broker quotes, used as an input in determining fair value.

⁽²⁾ Unobservable inputs weighted by the relative fair value of the associated instrument.

We have certain financial instruments that are not recorded at fair value, including cash and cash equivalents and accrued investment income, the carrying value of which approximate fair value due to the short-term nature of these instruments. They are not included in this disclosure.

Liabilities not required to be carried at fair value

The following represents our estimated fair value of financial liabilities that are not required to be carried at fair value, classified as Level 2, as of the dates indicated:

(Amounts in thousands)	September 30, 2023		December 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term borrowings	\$ 744,752	\$ 739,178	\$ 742,830	\$ 739,020

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(5) Loss reserves

Activity for the liability for loss reserves for the nine months ended September 30, is summarized as follows:

(Amounts in thousands)	2023	2022
Loss reserves, beginning balance	\$ 519,008	\$ 641,325
Reinsurance recoverable, beginning balance	—	—
Run-off reserves	(678)	(681)
Net loss reserves, beginning balance	518,330	640,644
Losses and LAE incurred related to current accident year	198,732	138,504
Losses and LAE incurred related to prior accident years	(195,898)	(250,799)
Total incurred ⁽¹⁾	2,834	(112,295)
Losses and LAE paid related to current accident year	(697)	(1,005)
Losses and LAE paid related to prior accident years	(20,458)	(17,772)
Total paid ⁽¹⁾	(21,155)	(18,777)
Net loss reserves, ending balance	500,009	509,572
Reinsurance recoverable, ending balance	429	—
Run-off reserves	655	665
Loss reserves, ending balance	\$ 501,093	\$ 510,237

⁽¹⁾ Losses and loss adjustment expenses ("LAE") incurred and paid exclude losses related to our run-off business.

The liability for loss reserves represents our current best estimate; however, there may be future adjustments to this estimate and related assumptions. Such adjustments, reflecting any variety of new and adverse trends, could possibly be significant, and result in future increases to reserves by amounts that could be material to our results of operations, financial condition and liquidity.

Losses incurred related to insured events of the current accident year relate to defaults that occurred in that year and represent the estimated ultimate amount of losses to be paid on such defaults. Losses incurred related to insured events of prior accident years represent the (favorable) or unfavorable development of reserves as a result of the actual rates at which delinquencies go to claim ("claim rates") and claim amounts being different than those we estimated when originally establishing the reserves. Such estimates are based on our historical experience, which we believe is representative of expected future losses at the time of estimation. As a result of the extended period of time that may exist between the reporting of a delinquency and the claim payment, as well as changes in economic conditions and the real estate market, significant uncertainty and variability exist on amounts ultimately paid.

A portion of delinquencies in the periods presented were from borrowers participating in deferred or reduced payments ("forbearance") as a result of COVID-19. When establishing loss reserves for borrowers in forbearance from 2020 to 2022, we assumed a lower rate of delinquencies becoming active claims, which had the effect of producing a lower reserve compared to delinquencies that were not in forbearance. Historical experience with localized natural disasters, such as hurricanes, indicates a higher cure rate for borrowers in forbearance. Loss reserves recorded on these new delinquencies have a high

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degree of estimation due to the level of uncertainty regarding whether delinquencies in forbearance will ultimately cure or result in claim payments as well as the timing and severity of those payments.

For the nine months ended September 30, 2023, losses and LAE incurred of \$199 million related to insured events of the current accident year was primarily attributable to new delinquencies compared to \$139 million for the nine months ended September 30, 2022. During the first nine months of September 2022, losses related to the current accident year were also impacted by \$25 million of reserve strengthening due to uncertainty in the economic environment.

We also recorded favorable reserve adjustments primarily on prior accident year reserves of \$188 million, which were driven primarily by cure performance of delinquencies from 2022 and earlier, including a portion of those as a result of COVID-19. During the peak of COVID-19, we experienced elevated new delinquencies subject to forbearance plans. Those delinquencies have continued to perform at levels above our reserve expectations. A component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. During the first nine months of 2022, we released \$251 million of reserves primarily related to COVID-19 delinquencies from 2020.

(6) Reinsurance

We reinsure a portion of our policy risks in order to reduce our ultimate losses, diversify our exposures and comply with regulatory requirements. We also assume certain policy risks written by other companies.

Reinsurance does not relieve us from our obligations to policyholders. In the event that the reinsurers are unable to meet their obligations, we remain liable for the reinsured claims. We monitor both the financial condition of individual reinsurers and risk concentrations arising from similar geographic regions, activities and economic characteristics of reinsurers to lessen the risk of default by such reinsurers.

The following table sets forth the effects of reinsurance on premiums written and earned for the periods indicated:

(Amounts in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Net premiums written:				
Direct	\$ 250,044	\$ 243,655	\$ 736,143	\$ 732,079
Assumed	577	64	892	198
Ceded	(20,256)	(20,453)	(61,198)	(58,884)
Net premiums written	\$ 230,365	\$ 223,266	\$ 675,837	\$ 673,393
Net premiums earned:				
Direct	\$ 263,025	\$ 255,449	\$ 777,280	\$ 765,411
Assumed	577	64	892	198
Ceded	(20,256)	(20,453)	(61,198)	(58,884)
Net premiums earned	\$ 243,346	\$ 235,060	\$ 716,974	\$ 706,725

The difference between written premiums of \$230.4 million and earned premiums of \$243.3 million represents the decrease in unearned premiums for the three months ended September 30, 2023. The difference between written premiums of \$675.8 million and earned premiums of \$717.0 million represents the decrease in unearned premiums for the nine months ended September 30, 2023. The decrease in

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unearned premiums was primarily the result of premium earned over time coupled with low originations of our single premium mortgage insurance product.

Excess-of-loss reinsurance

We engage in excess-of-loss (“XOL”) insurance transactions either through a panel of traditional reinsurance providers or through collateralized reinsurance with unaffiliated special purpose insurers (“Triangle Re Entities”). During the respective coverage periods of these agreements, EMICO retains the first layer of aggregate loss exposure on covered policies while the reinsurer provides the second layer of coverage, up to the defined reinsurance coverage amount. EMICO retains losses in excess of the respective reinsurance coverage amount.

The Triangle Re Entities fully collateralize their coverage by issuing insurance-linked notes (“ILNs”) to eligible capital market investors in unregistered private offerings. Traditional reinsurance providers collateralize a portion of their coverage by holding funds in trust. We believe that the risk transfer requirements for reinsurance accounting were met as these XOL insurance transactions assume significant insurance risk and a reasonable possibility of significant loss.

EMICO has rights to terminate the ILNs or traditional XOL reinsurance agreements upon the occurrence of certain events.

The following table presents the issue date, policy dates, initial and current first layer retained aggregate loss and initial and current reinsurance coverage amount under each reinsurance transaction. Current amounts are presented as of September 30, 2023:

Mortgage insurance-linked notes

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
Triangle Re 2021-1 Ltd.	3/02/2021	1/01/2014 - 12/31/2018, 10/01/2019 - 12/31/2019	\$212	\$211	\$495	\$85
Triangle Re 2021-2 Ltd.	4/16/2021	9/01/2020 - 12/31/2020	\$189	\$188	\$303	\$193
Triangle Re 2021-3 Ltd.	9/02/2021	1/01/2021 - 6/30/2021	\$304	\$303	\$372	\$278
Total						\$556

Traditional excess-of-loss reinsurance

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
2020 XOL	1/01/2020	1/01/2020 - 12/31/2020	\$691	\$690	\$168	\$26
2021 XOL	2/04/2021	1/01/2021 - 12/31/2021	\$671	\$670	\$206	\$148
2022-1 XOL	1/27/2022	1/01/2022 - 12/31/2022	\$462	\$462	\$196	\$196
2022-2 XOL	1/27/2022	1/01/2022 - 12/31/2022	\$385	\$385	\$25	\$25
2022-3 XOL	3/24/2022	7/01/2021 - 12/31/2021	\$317	\$316	\$289	\$250
2022-4 XOL	3/24/2022	7/01/2021 - 12/31/2021	\$264	\$263	\$36	\$36
2022-5 XOL	9/15/2022	1/01/2022 - 6/30/2022	\$256	\$256	\$201	\$193
2023-1 XOL	3/08/2023	1/01/2023 - 12/31/2023	\$313	\$313	\$137	\$137
Total						\$1,011

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On March 8, 2023, we executed an excess of loss reinsurance transaction with a panel of reinsurers, which provides up to \$180 million of reinsurance coverage on a portion of current and expected new insurance written for the 2023 book year, effective January 1, 2023.

Quota Share Reinsurance

On June 30, 2023, EMICO engaged in a quota share reinsurance agreement with a panel of third-party reinsurers. Under the agreement, we cede premiums earned on all eligible policies in exchange for reimbursement of ceded claims and claims expenses on covered policies, a specific ceding commission and profit commission determined based on ceded claims. EMICO has rights to terminate the reinsurance agreement upon the occurrence of certain events. Reinsurance recoverables are recorded in Other assets on the consolidated balance sheets.

Agreement	Issue date	Policy dates	Ceding percentage	Ceding commission	Profit commission
QS 2023-1	6/30/2023	1/01/2023 - 12/31/2023	13.125%	20%	up to 55%

(7) Borrowings

In 2020, we issued \$750 million aggregate principal amount of 6.5% senior notes due in 2025 (the "2025 Senior Notes"). Interest on the 2025 Senior Notes is payable semi-annually in arrears on February 15 and August 15 of each year. The 2025 Senior Notes mature on August 15, 2025.

The following table sets forth long-term borrowings as of the dates indicated:

(Amounts in thousands)	September 30, 2023	December 31, 2022
6.5% Senior Notes, due 2025	\$ 750,000	\$ 750,000
Deferred borrowing charges	(5,248)	(7,170)
Total	\$ 744,752	\$ 742,830

Revolving Credit Agreement

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the "Facility") in the initial aggregate principal amount of \$200 million, including the ability for EHI to increase the commitments under the Facility, on an uncommitted basis, by an additional aggregate principal amount of up to \$100 million. Borrowings under the Facility will accrue interest at a floating rate tied to a standard short-term borrowing index, selected at EHI's option, plus an applicable margin. The applicable margin is based on the ratings established by certain debt rating agencies for EHI's senior unsecured debt.

We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERS compliance. We are in compliance with all covenants of the Facility and the Facility remained undrawn as of September 30, 2023.

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(8) Income taxes

We compute the provision for income taxes on a separate return with benefits-for-loss method. If during the three- and nine-month periods ended September 30, 2023 and 2022, we had computed taxes using the separate return method, the provision for income taxes would have been unchanged.

Our ability to realize deferred tax assets is largely dependent upon generating sufficient taxable income and capital gains in future years. We recorded a valuation allowance of \$2.6 million through continuing operations and \$10.0 million through accumulated other comprehensive income (loss) during the nine months ended September 30, 2023. These changes are due to realized losses on sales of securities and the increase in unrealized losses on fixed maturity securities available-for-sale in accumulated other comprehensive income for the Company and the consolidated tax group during the period.

(9) Related party transactions

We have various agreements with Genworth that provide for reimbursement to and from Genworth of certain administrative and operating expenses that include, but are not limited to, information technology services and administrative services (such as finance, human resources and employee benefit administration). These agreements provide for an allocation of corporate expenses to all Genworth businesses or subsidiaries. We incurred costs for these services of \$4.2 million and \$7.5 million for the three months ended September 30, 2023 and 2022, respectively. We incurred costs for these services of \$13.4 million and \$22.9 million for the nine months ended September 30, 2023 and 2022, respectively.

The investment portfolios of our insurance subsidiaries are managed by Genworth. Under the terms of the investment management agreement, we are charged a fee by Genworth. All fees paid to Genworth are charged to investment expense and are included in net investment income in the condensed consolidated statements of income. The total investment expenses paid to Genworth were \$1.1 million and \$1.4 million for the three months ended September 30, 2023 and 2022, respectively. The total investment expenses paid to Genworth were \$4.4 million and \$4.2 million for the nine months ended September 30, 2023 and 2022, respectively.

Our employees participate in certain benefit plans sponsored by Genworth and certain share-based compensation plans that utilize shares of Genworth common stock and other incentive plans.

We provide certain information technology and administrative services (such as facilities and maintenance) to Genworth. We charged Genworth \$0.1 million and \$0.2 million for these services for the three months ended September 30, 2023 and 2022, respectively. We charged Genworth \$0.3 million and \$0.6 million for these services for the nine months ended September 30, 2023 and 2022, respectively.

We have a tax sharing agreement in place with Genworth, such that we participate in a single U.S. consolidated income tax return filing. All intercompany balances related to this agreement are settled at least annually.

The condensed consolidated financial statements include the following amounts due to and from Genworth relating to recurring service and expense agreements as of:

(Amounts in thousands)	September 30, 2023	December 31, 2022
Amounts payable to Genworth	\$ 9,949	\$ 9,291
Amounts receivable from Genworth	\$ 153	\$ 167

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(10) Net income per common share

The basic earnings per share computation is based on the weighted average number of shares of common stock outstanding. For the nine months ended September 30, 2023 and 2022, the calculation of dilutive weighted average shares considers the impact of restricted stock units and performance stock units issued to employees as well as deferred stock units issued to our directors.

The calculation of basic and diluted net income per share is as follows:

(Amounts in thousands, except per share amounts)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Net income available to EHI common stockholders	\$ 164,195	\$ 190,986	\$ 508,203	\$ 560,351
Net income per common share:				
Basic	\$ 1.03	\$ 1.17	\$ 3.15	\$ 3.44
Diluted	\$ 1.02	\$ 1.17	\$ 3.13	\$ 3.43
Weighted average common shares outstanding:				
Basic	160,066	162,843	161,275	162,842
Diluted	161,146	163,376	162,165	163,219

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(11) Changes in accumulated other comprehensive income

The following tables present a roll forward of accumulated other comprehensive income for the three months indicated:

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
Balance as of July 1, 2023, net of tax	\$ (345,386)	\$ 143	\$ (345,243)
Other comprehensive income (loss) before reclassifications	(57,746)	12	(57,734)
Amounts reclassified from other comprehensive income (loss)	2,628	—	2,628
Total other comprehensive income (loss)	(55,118)	12	(55,106)
Balance as of September 30, 2023, net of tax	\$ (400,504)	\$ 155	\$ (400,349)

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
Balance as of July 1, 2022, net of tax	\$ (293,113)	\$ 86	\$ (293,027)
Other comprehensive income (loss) before reclassifications	(134,135)	44	(134,091)
Amounts reclassified from other comprehensive income (loss)	33	—	33
Total other comprehensive income (loss)	(134,102)	44	(134,058)
Balance as of September 30, 2022, net of tax	\$ (427,215)	\$ 130	\$ (427,085)

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The following tables present a roll forward of accumulated other comprehensive income for the nine months indicated:

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
Balance as of January 1, 2023, net of tax	\$ (382,896)	\$ 152	\$ (382,744)
Other comprehensive income (loss) before reclassifications	(30,593)	3	(30,590)
Amounts reclassified from other comprehensive income (loss)	12,985	—	12,985
Total other comprehensive income (loss)	(17,608)	3	(17,605)
Balance as of September 30, 2023, net of tax	\$ (400,504)	\$ 155	\$ (400,349)

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
Balance as of January 1, 2022, net of tax	\$ 83,588	\$ (7)	\$ 83,581
Other comprehensive income (loss) before reclassifications	(511,541)	137	(511,404)
Amounts reclassified from other comprehensive income (loss)	738	—	738
Total other comprehensive income (loss)	(510,803)	137	(510,666)
Balance as of September 30, 2022, net of tax	\$ (427,215)	\$ 130	\$ (427,085)

The following table presents the effect of the reclassifications of significant items out of accumulated other comprehensive income on the respective line items of the consolidated statements of income, for the periods indicated:

(Amounts in thousands)	Amount reclassified from accumulated other comprehensive income				Affected line item in the condensed consolidated statements of income
	Three months ended September 30,		Nine months ended September 30,		
	2023	2022	2023	2022	
Net unrealized gains (losses) on investments	\$ (36)	\$ (42)	\$ (13,146)	\$ (935)	Net investment gains (losses)
Benefit (expense) from income taxes	(2,592)	9	161	197	Provision for income taxes

(12) Stockholders' equity

Share Repurchase Program

On November 1, 2022, our Board of Directors approved a share repurchase program authorizing the Company to spend up to \$75 million, excluding commissions, to repurchase EHI common stock in the open market or in privately negotiated transactions, based on market and business conditions, stock price and other factors. EHI generally operates its share repurchase programs pursuant to a trading plan under Rule 10b5-1 of the Exchange Act, which permits the Company to purchase shares, at predetermined price targets, when it may otherwise be precluded from doing so. In August 2023, we announced a new

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share repurchase authorization which allows for the purchase of an additional \$100 million of EHI common stock.

During the three months ended September 30, 2023, the Company purchased 241,946 shares at an average price of \$25.96 per share, excluding commissions. During the nine months ended September 30, 2023, the Company purchased 2,863,891 shares at an average price of \$24.30 per share, excluding commissions. As of September 30, 2023, \$103.9 million remained available under the share repurchase programs. All treasury stock has been retired as of September 30, 2023.

Subsequent to quarter end, the Company purchased 294,876 shares at an average price of \$27.13 through October 31, 2023.

Cash Dividends

We paid a quarterly cash dividend of \$0.16 per share in the third quarter and second quarter of 2023 and \$0.14 in the first quarter of 2023. In each of the second and third quarter of 2022, we paid dividends of \$0.14 per share.

Subsequent to quarter end, we announced our quarterly dividend of \$0.16 per share along with a special cash dividend of \$113 million, or \$0.71 per share to be paid during the fourth quarter of 2023.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes for the nine months ended September 30, 2023 and 2022, and our audited consolidated financial statements and related notes for the years ended December 31, 2022 and 2021 within our Annual Report on Form 10-K for the fiscal year ending December 31, 2022 (the "Annual Report").

In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause actual results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections entitled "Cautionary Note Regarding Forward-Looking Statements" above and Part I, Item 1A "Risk Factors" in our Annual Report. Future results could differ significantly from the historical results presented in this section. References to "EHI," "Enact," "Enact Holdings," the "Company," "we" or "our" herein are, unless the context otherwise requires, to EHI on a consolidated basis.

Key Factors Affecting Our Results

There have been no material changes to the factors affecting our results, as compared to those disclosed in the Annual Report, other than the impact of items as discussed below in "—Trends and Conditions."

Trends and Conditions

During the third quarter of 2023, the United States economy faced uncertainty due to continued but lessening inflationary pressure, the geopolitical environment and persistent concerns around a possible recession.

Inflationary pressures have moderated in 2023, with the Bureau of Labor Statistics reporting in September that the Consumer Price Index was down to 3.7% year-over-year. The Federal Reserve has taken an aggressive approach towards addressing inflation through interest rate increases and a reduction of its balance sheet. The Federal Reserve raised rates by 25 basis points in July 2023, between pauses on interest rate hikes in November, September and June 2023. The Federal Reserve had previously announced 25 basis point increases in interest rates in both May and March 2023 and eight interest rate increases in 2022. Mortgage rates have continued to rise and reached more than 20-year highs during the third quarter of 2023.

Mortgage origination activity remained slow during the third quarter of 2023 in response to elevated mortgage rates and sustained low housing supply. The refinance market is likely to remain suppressed in the near to mid-term. Housing affordability continues to deteriorate due to high interest rates and elevated home prices, only marginally offset by rising median family income according to the National Association of Realtors Housing Affordability Index. After sustained periods of strong home price appreciation, national housing prices began to decline in late 2022, but have recovered and continued to rise throughout 2023, according to the FHFA Monthly Purchase-Only House Price Index.

The unemployment rate as of September 30, 2023, was 3.8%, up slightly from June 30, 2023. As of September 30, 2023, the number of unemployed Americans stands at approximately 6.4 million and the number of long-term unemployed Americans (over 26 weeks out of the workforce) was approximately 1.2 million. Both metrics remain relatively in line with February 2020 levels.

For mortgages insured by the federal government (including those purchased by Fannie Mae and Freddie Mac), forbearance has allowed borrowers impacted by COVID-19 to temporarily suspend mortgage payments up to 18 months subject to certain limits. An initial forbearance period is typically up to six months and can be extended for another six months if requested by the borrower to its mortgage servicer. However, the Biden Administration ended the national emergency for COVID-19 in April 2023,

so the deadline for requesting a COVID-19 related forbearance under the CARES Act ended in August of 2023. During the third quarter of 2023, the GSEs announced that their COVID-19 servicing-related policies with respect to forbearance would retire in November 2023.

Further, in March 2023 the GSEs announced new loss mitigation programs that would allow for six-month payment deferrals for borrowers facing financial hardship. Servicers were encouraged to start evaluating borrowers for the new mitigation programs as early as July 1, 2023, but no later than October 1, 2023. Even though most foreclosure moratoriums expired at the end of 2021, federal laws and regulations continue to require servicers to discuss loss mitigation options with borrowers before proceeding with foreclosures. These requirements could further extend the foreclosure timeline, which could negatively impact the severity of loss on loans that go to claim.

Although it is difficult to predict the future level of reported forbearance and how many of the policies in a forbearance plan that remain current on their monthly mortgage payment will go delinquent, servicer-reported forbearances have generally declined. As of September 30, 2023, approximately 1.2%, or 12,135, of our active primary policies were reported in a forbearance plan, of which approximately 30% were reported as delinquent.

Total delinquencies increased during the third quarter of 2023 as a result of new delinquencies outpacing cures. The new delinquency rate for the third quarter of 2023 was 1.2%, up slightly from the second quarter of 2023.

The full impact of COVID-19 and its ancillary economic effects on our future business results continue to be difficult to predict. Given the maximum length of forbearance plans, the resolution of a delinquency in a plan may not be known for several quarters. We continue to monitor regulatory and government actions and the resolution of forbearance delinquencies. While the associated risks have moderated and delinquencies have declined, it is possible that COVID-19 related forbearance programs could have an adverse impact on our future results of operations and financial condition.

The Federal Housing Finance Agency ("FHFA") and the GSEs are focused on increasing the accessibility and affordability of homeownership, in particular for low- and moderate-income borrowers and underserved minority communities. In June 2022, the FHFA announced the release of Fannie Mae's and Freddie Mac's respective Equitable Housing Finance Plans. In April 2023, FHFA announced updates to Fannie Mae and Freddie Mac's Equitable Housing Finance Plans which build upon the inaugural plans first announced last year and make adjustments based on initial research and findings. The proposals included many initiatives, including language discussing potential changes that could impact the mortgage insurance industry. We will continue to work with the FHFA, the GSEs, and the broader housing finance industry as these proposals develop and to the extent they are implemented. We cannot predict whether or when any new practices or programs will be implemented under the GSEs' Equitable Housing Finance Plans or other affordability initiatives, and if so in what form, nor can we predict what effect, if any, such practices or programs may have on our business, results of operations or financial condition.

Private mortgage insurance market penetration and eventual market size are affected in part by actions that impact housing or housing finance policy taken by the GSEs and the U.S. government, including but not limited to, the Federal Housing Administration ("FHA") and the FHFA. In the past, these actions have included announced changes, or potential changes, to underwriting standards, including changes to the GSEs' automated underwriting systems, FHA pricing, GSE guaranty fees, loan limits and alternative products.

On October 24, 2022, the FHFA announced two initiatives: 1) targeted changes to the GSEs' guarantee fee pricing by eliminating upfront fees for certain borrowers and affordable mortgage products, while implementing targeted increases to the upfront fees for most cash-out refinance loans; and 2) the validation and approval of both the FICO 10T credit score model and the VantageScore 4.0 credit score model for use by the GSEs as well as changing the requirement that lenders provide credit reports from

all three nationwide consumer reporting agencies and instead only requiring credit reports from two of the three nationwide credit reporting agencies.

The upfront fees were eliminated for certain first-time home buyers with income at or below area median income and certain other GSE affordable housing products. The fee reductions went into effect in the fourth quarter of 2022, while the new fees on cash-out refinance loans began on February 1, 2023. We expect these price changes to be a net positive to the mortgage insurance market, but we believe the impact is limited to date. The validation of the new credit scores requires lenders to deliver both credit scores for each loan sold to the GSEs. The FHFA has announced preliminary implementation expectations, but this is expected to be a multiple year process that will require system and process updates along with coordination across stakeholders of the industry.

In January 2023, the FHFA announced additional updates to its upfront fee structure and a recalibration and reformatting of their entire pricing matrix. The changes marked the third iteration of the FHFA's ongoing pricing review since early last year and impact purchase and rate-term refinance loans. Pricing grids are now broken out by loan purpose and are recalibrated to new credit score and loan-to-value ratio categories along with associated loan attributes. The new pricing matrix initially included new upfront fees for loans with debt to income ("DTI") ratios greater than 40%, but those fees were rescinded prior to implementation. The remaining changes became effective May 1, 2023.

On February 22, 2023, the Department of Housing and Urban Development announced a 30-basis point reduction of the annual insurance premium charged to borrowers with FHA-insured mortgages. This action is designed to reduce the cost of borrowing for lower- and middle-class homebuyers who are eligible for the federal program. The price reduction, which went into effect on March 20, 2023, is expected to have a negative impact on the private mortgage insurance market but will be partially offset by the effects of the recent FHFA pricing changes referenced above. We do not believe this net impact has been or will be material.

The U.S. private mortgage insurance industry is highly competitive. Our market share is influenced by the execution of our go to market strategy, including but not limited to, pricing competitiveness relative to our peers and our selective participation in forward commitment transactions. We continue to manage the quality of new business through pricing and our underwriting guidelines, which are modified from time to time when circumstances warrant. We see the market and underwriting conditions, including the pricing environment, as being within our risk-adjusted return appetite enabling us to write new business at attractive returns. Ultimately, we expect our new insurance written with its strong credit profile and attractive pricing to positively contribute to our future profitability and return on equity.

New insurance written of \$14.4 billion in the third quarter of 2023 decreased 4% compared to the third quarter of 2022 primarily due to a decline in originations driven by elevated mortgage rates. Our primary persistency rate was 84% during the third quarter of 2023 compared to 82% during the third quarter of 2022. The increase in persistency was primarily driven by a decline in the percentage of our in-force policies with mortgage rates above current mortgage rates. Elevated persistency has continued to offset the decline in new insurance written, leading to an increase in primary insurance in-force ("IIF") of \$13.8 billion since December 31, 2022.

Net earned premiums increased approximately 4% in the third quarter of 2023 compared to the third quarter of 2022 primarily as a result of insurance in-force growth, partially offset by the lapse of older, higher priced policies and a decrease in single premium cancellations. The total number of delinquent loans has declined from the COVID-19 peak in the second quarter of 2020 as forbearance exits continue and new forbearances decline. During this time and consistent with prior years, servicers continued the practice of remitting premiums during the early stages of default, and we refund the post-delinquent premiums to the insured party if the delinquent loan goes to claim. We record a liability and a reduction to net earned premiums for the post-delinquent premiums we expect to refund. The post-delinquent premium liability recorded since the beginning of COVID-19 in the second quarter of 2020 through the third quarter of 2023 was not significant to the change in earned premiums for those periods.

Our loss ratio for the three months ended September 30, 2023, was 7% as compared to (17)% for the three months ended September 30, 2022. Both periods were impacted by favorable reserve adjustments. In the third quarter of 2023, we released \$55 million of reserves primarily on delinquencies from prior years, related to favorable cure performance on delinquencies from 2022 and earlier, including a portion of those as a result of COVID-19. During the peak of COVID-19, we experienced elevated new delinquencies subject to forbearance plans. Those delinquencies have continued to cure at levels above our reserve expectations. Another component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. This compares to the third quarter of 2022, where we recorded a \$105 million reserve release primarily related to cure performance of 2020 delinquencies. Losses during the third quarter of 2022 were also impacted by \$25 million of reserve strengthening related to current accident year delinquencies due to uncertainty in the economic environment.

Borrowers who have experienced a financial hardship including, but not limited to, the loss of income due to the closing of a business or the loss of a job, continue to take advantage of available loss mitigation options, including forbearance programs, payment deferral options and other modifications. Loss reserves recorded on these delinquencies have a high degree of estimation due to the level of uncertainty regarding whether delinquencies in forbearance will ultimately cure or result in claim payments, as well as the timing and severity of those payments.

The severity of loss on loans that do go to claim may be negatively impacted by the extended forbearance and foreclosure timelines, the associated elevated expenses and the higher loan amount of the recent new delinquencies. These negative influences on loss severity could be mitigated, in part, by embedded home price appreciation. For loans insured on or after October 1, 2014, our mortgage insurance policies limit the number of months of unpaid interest and associated expenses that are included in the mortgage insurance claim amount to a maximum of 36 months.

New delinquencies in the third quarter of 2023 increased compared to the third quarter of 2022 primarily due to the aging of large, new books of business. Current period primary delinquencies of 11,107 contributed \$72 million of loss expense in the third quarter of 2023. We incurred \$39 million of losses from 9,121 current period delinquencies in the third quarter of 2022. In determining the loss expense estimate, considerations were given to recent cure and claim experience and the prevailing and prospective economic conditions. Approximately 12% of our primary new delinquencies in the third quarter of 2023 were subject to a forbearance plan as compared to 18% in the third quarter of 2022. Due to the declining number of new delinquencies in forbearance, we no longer differentiate the expected claim rates applied to new delinquencies in forbearance versus those not in forbearance.

As of September 30, 2023, EMICO's risk-to-capital ratio under the current regulatory framework as established under North Carolina law and enforced by the North Carolina Department of Insurance ("NCDOI"), EMICO's domestic insurance regulator, was approximately 11.6:1, compared with a risk-to-capital ratio of 12.9:1 and 12.3:1 as of December 31, 2022, and September 30, 2022, respectively. EMICO's risk-to-capital ratio remains below the NCDOI's maximum risk-to-capital ratio of 25:1. North Carolina's calculation of risk-to-capital excludes the risk-in-force for delinquent loans given the established loss reserves against all delinquencies. EMICO's ongoing risk-to-capital ratio will depend principally on the magnitude of future losses incurred by EMICO, the effectiveness of ongoing loss mitigation activities, new business volume and profitability, the impact of quota share reinsurance, the amount of policy lapses and the amount of additional capital that is generated or distributed by the business.

Under PMIERS, we are subject to operational and financial requirements that private mortgage insurers must meet in order to remain eligible to insure loans that are purchased by the GSEs. Additionally, in September 2020, subsequent to the issuance of our senior notes due in 2025, the GSEs imposed certain restrictions (the "GSE Restrictions") with respect to capital on our business. In May 2021, in connection with their conditional approval of the then potential partial sale of EHI, the GSEs confirmed the GSE Restrictions would remain in effect until certain conditions ("GSE Conditions") were met. These

conditions were met as of December 31, 2022, and the GSEs have confirmed that Enact is no longer subject to GSE Restrictions and Conditions.

As of September 30, 2023, we had estimated available assets of \$5,268 million against \$3,251 million net required assets under PMIERS compared to available assets of \$5,093 million against \$3,135 million net required assets as of June 30, 2023. The sufficiency ratio as of September 30, 2023, was 162%, or \$2,017 million, above the PMIERS requirements, compared to 162%, or \$1,958 million, above the PMIERS requirements as of June 30, 2023. PMIERS sufficiency for the quarter was flat as compared to June 30, 2023. Our PMIERS required assets as of September 30, 2023, and June 30, 2023, benefited from the application of a 0.30 multiplier applied to the risk-based required asset amount factor for certain non-performing loans as defined under PMIERS. The application of the 0.30 multiplier to all eligible delinquencies provided \$86 million of benefit to our September 30, 2023, PMIERS required assets compared to \$107 million of benefit as of June 30, 2023. These amounts are gross of any incremental reinsurance benefit from the elimination of the 0.30 multiplier. Our PMIERS required assets also benefited from a reinsurance credit of \$1,505 million and \$1,524 million related to third-party reinsurance as of September 30, 2023, and June 30, 2023, respectively.

During the second quarter of 2023, we contributed \$250 million into Enact Re Ltd. ("Enact Re"), our wholly owned Bermuda-based subsidiary. Enact Re is expected to create value by addressing the opportunity for compelling risk-adjusted returns in the GSE credit risk transfer market and leverage affiliate quota share reinsurance for ratings and capital efficiency. We expect Enact Re to have a minimal impact on our overall expense structure and to contribute to increasing statutory dividend capacity over time. As of September 30, 2023, Enact Re assumed excess of loss reinsurance relating to GSE risk share and reinsures EMICO's new and existing insurance in-force under quota share reinsurance agreements.

On February 16, 2023, S&P Global Ratings upgraded the long-term financial strength and issuer credit ratings of EMICO from BBB to BBB+. Moody's Investors Service also upgraded the insurance financial strength rating of EMICO from Baa1 to A3 on March 1, 2023. On April 25, 2023, Fitch upgraded the insurance financial strength rating of EMICO from BBB+ to A-. These ratings reflect our continued strong performance including our credit profile, market position, profitability, capital adequacy and financial flexibility.

On August 1, 2023, A.M. Best initiated public ratings of EMICO and Enact Re. Both entities received A- ratings with stable outlooks.

On March 8, 2023, we executed an excess of loss reinsurance transaction with a panel of reinsurers, which provides up to \$180 million of reinsurance coverage on a portion of current and expected new insurance written for the 2023 book year, effective January 1, 2023.

On June 30, 2023, we executed a quota share reinsurance contract with a panel of reinsurers. Under the agreement, we cede 13.125% of a portion of NIW written from January 1, 2023, through December 31, 2023.

On April 26, 2022, our Board of Directors approved the initiation of a dividend program under which the Company intends to pay a quarterly cash dividend, subject to approval by our Board of Directors each quarter. We paid quarterly dividends of \$0.14 per share in March of 2023 and May, September and December of 2022. On May 1, 2023, we announced an increase of our quarterly dividend to \$0.16 per share which was paid in June and September 2023. Future dividend payments are subject to quarterly review and approval by our Board of Directors and Genworth and will be targeted to be paid in the third month of each subsequent quarter. In April 2023, our primary mortgage insurance operating company, EMICO, completed a distribution to EHI that supports our ability to pay a quarterly dividend. We intend to use these proceeds and future EMICO distributions to fund the quarterly dividend as well as to bolster our financial flexibility and potentially return additional capital to shareholders.

On August 1, 2023, we announced the authorization of a new share repurchase program which allows for the repurchase of up to an additional \$100 million of EHI's common stock. Under the program,

share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, or by other means, including through Rule 10b5-1 trading plans. In conjunction with this authorization, we have entered into an agreement with Genworth Holdings, Inc. to repurchase its EHI shares on a pro rata basis as part of the program. The share repurchase program is not expected to change Genworth's ownership interest in Enact post completion. We expect the timing and amount of any future share repurchases will be opportunistic and will depend on a variety of factors, including EHI's share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. The program does not obligate EHI to acquire any amount of common stock, it may be suspended or terminated at any time at the Company's discretion without prior notice, and it does not have a specified expiration date.

Subsequent to quarter end on November 1, 2023, we announced our quarterly dividend of \$0.16 per share along with a special cash dividend of \$113 million, or \$0.71 per share to be paid during the fourth quarter of 2023.

Returning capital to shareholders, balanced with our growth and risk management priorities, remains a key commitment as we look to drive shareholder value through time. Future return of capital will be shaped by our capital prioritization framework: supporting our existing policyholders, growing our mortgage insurance business, funding attractive new business opportunities and returning capital to shareholders. Our total return of capital will also be based on our view of the prevailing and prospective macroeconomic conditions, regulatory landscape and business performance.

Results of Operations and Key Metrics

Results of Operations

Three months ended September 30, 2023, compared to three months ended September 30, 2022

The following table sets forth our consolidated results for the periods indicated:

(Amounts in thousands)	Three months ended September 30,		Increase (decrease) and percentage change	
	2023	2022	2023 vs. 2022	
Revenues:				
Premiums	\$ 243,346	\$ 235,060	\$ 8,286	4 %
Net investment income	54,952	39,493	15,459	39 %
Net investment gains (losses)	(23)	(42)	19	(45)%
Other income	760	564	196	35 %
Total revenues	299,035	275,075	23,960	9 %
Losses and expenses:				
Losses incurred	17,847	(40,309)	58,156	(144)%
Acquisition and operating expenses, net of deferrals	52,339	54,523	(2,184)	(4)%
Amortization of deferred acquisition costs and intangibles	2,803	3,338	(535)	(16)%
Interest expense	12,941	12,879	62	— %
Total losses and expenses	85,930	30,431	55,499	182 %
Income before income taxes	213,105	244,644	(31,539)	(13)%
Provision for income taxes	48,910	53,658	(4,748)	(9)%
Net income	\$ 164,195	\$ 190,986	\$ (26,791)	(14)%
Loss ratio ⁽¹⁾	7 %	(17)%		
Expense ratio ⁽²⁾	23 %	25 %		
Net earned premium rate ⁽³⁾	0.37 %	0.39 %		

⁽¹⁾ Loss ratio is calculated by dividing losses incurred by net earned premiums.

⁽²⁾ Expense ratio is calculated by dividing acquisition and operating expenses, net of deferrals, plus amortization of deferred acquisition costs and intangibles by net earned premiums.

⁽³⁾ Net earned premium rate is calculated by dividing earned premium by average primary IIF.

Revenues

Premiums increased for the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily as a result of insurance in-force growth, partially offset by the lapse of older, higher priced policies and a decrease in single premium cancellations. The net earned premium rate decreased to 0.37% for the three months ended September 30, 2023, from 0.39% for the three months ended September 30, 2022, primarily as a result of this lapse of higher priced policies and lower single policy cancellations partially offset by the impact of ceded premiums.

Net investment income increased for the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to higher yields as a result of rising interest rates coupled with higher average invested assets.

Net investment losses in the third quarter of 2023 and 2022 were driven by realized losses on the sale of fixed maturity securities.

Losses and expenses

Losses incurred during the third quarter of 2023 and 2022 were both impacted by prior year development. In the third quarter of 2023, we recorded a reserve release of \$55 million primarily related to better than expected cure performance on delinquencies from 2022 and earlier, including a portion of those as a result of COVID-19. A component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. In the third quarter of 2022, we recorded a \$105 million reserve release primarily related to 2020 delinquencies. Losses from the third quarter of 2022 were also impacted by \$25 million of reserve strengthening related to current accident year delinquencies due to uncertainty in the economic environment. Current period primary delinquencies of 11,107 contributed \$72 million of loss expense in the three months ended September 30, 2023. This compares to \$39 million of loss expense from 9,121 primary delinquencies in the third quarter of 2022.

The following table shows incurred losses related to current and prior accident years for the three months ended September 30,:

(Amounts in thousands)	2023	2022
Losses and LAE incurred related to current accident year	\$ 78,557	\$ 62,942
Losses and LAE incurred related to prior accident years	(60,532)	(103,241)
Total incurred ⁽¹⁾	\$ 18,025	\$ (40,299)

⁽¹⁾ Excludes run-off business.

Acquisition and operating expenses, net of deferrals, decreased for the three months ended September 30, 2023, driven by the impact of our cost reduction initiatives, including the impact from our previously announced renegotiated shared services agreement with Genworth and our voluntary separation program executed in the fourth quarter of 2022.

The expense ratio decreased in the current quarter due to a decline in expenses.

Interest expense primarily relates to our 2025 Senior Notes. For additional details see Note 7 to our unaudited condensed consolidated financial statements for the three months ended September 30, 2023 and 2022.

Provision for income taxes

The effective tax rate was 23.0% and 21.9% for the three months ended September 30, 2023 and 2022, respectively. The tax rate in the third quarter of 2023 was impacted by the valuation allowance against deferred tax assets associated with realized losses on fixed maturity securities during 2023.

Nine months ended September 30, 2023, compared to nine months ended September 30, 2022

The following table sets forth our consolidated results for the periods indicated:

(Amounts in thousands)	Nine months ended September 30,		Increase (decrease) and percentage change	
	2023	2022	2023 vs. 2022	
Revenues:				
Premiums	\$ 716,974	\$ 706,725	\$ 10,249	1 %
Net investment income	151,208	110,415	40,793	37 %
Net investment gains (losses)	(13,146)	(762)	(12,384)	1625 %
Other income	2,460	1,826	634	35 %
Total revenues	857,496	818,204	39,292	5 %
Losses and expenses:				
Losses incurred	2,793	(112,318)	115,111	(102)%
Acquisition and operating expenses, net of deferrals	155,931	166,986	(11,055)	(7)%
Amortization of deferred acquisition costs and intangibles	8,088	9,658	(1,570)	(16)%
Interest expense	38,919	38,441	478	1 %
Total losses and expenses	205,731	102,767	102,964	100 %
Income before income taxes	651,765	715,437	(63,672)	(9)%
Provision for income taxes	143,562	155,086	(11,524)	(7)%
Net income	\$ 508,203	\$ 560,351	\$ (52,148)	(9)%
Loss ratio ⁽¹⁾	— %	(16)%		
Expense ratio ⁽²⁾	23 %	25 %		
Net earned premium rate ⁽³⁾	0.37 %	0.40 %		

⁽¹⁾ Loss ratio is calculated by dividing losses incurred by net earned premiums.

⁽²⁾ Expense ratio (net earned premiums) is calculated by dividing acquisition and operating expenses, net of deferrals, plus amortization of DAC and intangibles by net earned premiums.

⁽³⁾ Net earned premium rate is calculated by dividing earned premium by average primary IIF.

Revenues

Premiums increased for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily attributable to insurance in-force growth, partially offset by the continued lapse of older, higher priced policies and a decrease in single premium cancellations. The net earned premium rate decreased to 0.37% for the nine months ended September 30, 2023 from 0.40% for the nine months ended September 30, 2022 as a result of this lapse of higher priced policies and lower single premium cancellations.

Net investment income increased for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily attributable to an increase in investment yields in the current year and higher average invested assets.

Net investment losses in the current year were primarily driven by the sale of fixed income securities as part of an investment strategy designed to optimize yield on our portfolio over time.

Losses and expenses

Losses incurred during the first nine months of 2023 and 2022 were both impacted by favorable reserve adjustments. During the first nine months of 2023, we released reserves of \$188 million primarily due to better than expected cure experience on delinquencies from 2022 and earlier, including a portion of those related to the emergence of COVID-19. A component of the reserve release also related to delinquencies from 2022, as uncertainty in the economic environment has not negatively impacted cure performance to the extent initially expected. During the first nine months of 2022, we recorded \$251 million of reserve releases. Losses from the first nine months of 2022 were also impacted by \$25 million of reserve strengthening related to current accident year delinquencies due to uncertainty in the economic environment. New primary delinquencies of 29,911 contributed \$188 million of loss expense in the first nine months of 2023. This compares to \$113 million of loss expense from 25,692 new primary delinquencies in the first nine months of 2022.

The following table shows incurred losses related to current and prior accident years for the nine months ended September 30,:

(Amounts in thousands)	2023	2022
Losses and LAE incurred related to current accident year	\$ 198,732	\$ 138,504
Losses and LAE incurred related to prior accident years	(195,898)	(250,799)
Total incurred ⁽¹⁾	\$ 2,834	\$ (112,295)

⁽¹⁾ Excludes run-off business.

Acquisition and operating expenses, net of deferrals, decreased primarily attributable to the impact of our cost reduction initiatives, including the impact from our previously announced renegotiated shared services agreement with Genworth and our voluntary separation program executed in the fourth quarter of 2022.

The expense ratio decreased in the current quarter due to a decline in expenses.

Interest expense primarily relates to our 2025 Senior Notes and increased as the notes were outstanding for only a portion of the nine months ended September 30, 2023. For additional details see Note 7 to our unaudited condensed consolidated financial statements for the nine months ended September 30, 2023 and 2022.

Provision for income taxes

The effective tax rate was 22.0% and 21.7% for the nine months ended September 30, 2023 and 2022, respectively, consistent with the United States corporate federal income tax rate.

Use of Non-GAAP Financial Measures

We use a non-U.S. GAAP ("non-GAAP") financial measure entitled "adjusted operating income." This non-GAAP financial measure aligns with the way our business performance is evaluated by both management and our Board of Directors. This measure has been established in order to increase transparency for the purposes of evaluating our core operating trends and enabling more meaningful comparisons with our peers. Although "adjusted operating income" is a non-GAAP financial measure, for the reasons discussed above we believe this measure aids in understanding the underlying performance of our operations. Our senior management, including our chief operating decision maker (who is our Chief Executive Officer), use "adjusted operating income" as the primary measure to evaluate the fundamental financial performance of our business and to allocate resources.

“Adjusted operating income” is defined as U.S. GAAP net income excluding the effects of (i) net investment gains (losses) and (ii) restructuring costs and infrequent or unusual non-operating items.

- (i) Net investment gains (losses) — The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities or exposure management. Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized gains and losses. We do not view them to be indicative of our fundamental operating activities. Therefore, these items are excluded from our calculation of adjusted operating income.
- (ii) Restructuring costs and infrequent or unusual non-operating items are also excluded from adjusted operating income if, in our opinion, they are not indicative of overall operating trends.

In reporting non-GAAP measures in the future, we may make other adjustments for expenses and gains we do not consider reflective of core operating performance in a particular period. We may disclose other non-GAAP operating measures if we believe that such a presentation would be helpful for investors to evaluate our operating condition by including additional information.

Adjusted operating income is not a measure of total profitability, and therefore should not be considered in isolation or viewed as a substitute for U.S. GAAP net income. Our definition of adjusted operating income may not be comparable to similarly named measures reported by other companies, including our peers.

Adjustments to reconcile net income to adjusted operating income assume a 21% tax rate (unless otherwise indicated).

The following table includes a reconciliation of net income to adjusted operating income for the periods indicated:

(Amounts in thousands)	Three months ended September 30,	
	2023	2022
Net income	\$ 164,195	\$ 190,986
Adjustments to net income:		
Net investment (gains) losses	23	42
Costs associated with reorganization	3	(156)
Taxes on adjustments	(5)	24
Adjusted operating income	\$ 164,216	\$ 190,896

Adjusted operating income decreased for the three months ended September 30, 2023, as compared to September 30, 2022, primarily due to the larger reserve release in the third quarter of 2022, partially offset by higher revenues and lower operating expenses during the third quarter of 2023.

(Amounts in thousands)	Nine months ended September 30,	
	2023	2022
Net income	\$ 508,203	\$ 560,351
Adjustments to net income:		
Net investment (gains) losses	13,146	762
Costs associated with reorganization	(539)	170
Taxes on adjustments	(2,647)	(196)
Adjusted operating income	\$ 518,163	\$ 561,087

Adjusted operating income decreased for the nine months ended September 30, 2023, as compared to September 30, 2022, primarily due to the larger reserve release in 2022, partially offset by higher revenues and lower operating expenses during 2023.

Key Metrics

Management reviews the key metrics included within this section when analyzing the performance of our business. The metrics provided in this section exclude activity related to our run-off business, which is immaterial to our consolidated results.

The following table sets forth selected operating performance measures on a primary basis as of or for the periods indicated:

(Dollar amounts in millions)	Three months ended September 30,	
	2023	2022
New insurance written	\$14,391	\$15,069
Primary insurance in-force ⁽¹⁾	\$262,014	\$241,813
Primary risk in-force	\$67,056	\$61,124
Persistency rate	84 %	82 %
Policies in-force (count)	977,832	949,052
Delinquent loans (count)	19,241	18,856
Delinquency rate	1.97 %	1.99 %

(Dollar amounts in millions)	Nine months ended September 30, 2023	
	2023	2022
New insurance written	\$42,628	\$51,340
Persistency rate	84 %	79 %

⁽¹⁾ Represents the aggregate unpaid principal balance for loans we insure.

New insurance written ("NIW")

NIW for the three months ended September 30, 2023, decreased 4% compared to the three months ended September 30, 2022. The decrease was primarily due to lower originations in the current period largely driven by elevated mortgage rates. We manage the quality of new business through pricing and our underwriting guidelines, which we modify from time to time as circumstances warrant.

The following table presents NIW by product for the periods indicated:

(Amounts in millions)	Three months ended September 30,				Nine months ended September 30,			
	2023		2022		2023		2022	
Primary	\$ 14,391	100 %	\$ 15,069	100 %	\$ 42,628	100 %	\$ 51,340	100 %
Pool	—	—	—	—	—	—	—	—
Total	\$ 14,391	100 %	\$ 15,069	100 %	\$ 42,628	100 %	\$ 51,340	100 %

The following table presents primary NIW by underlying type of mortgage for the periods indicated:

(Amounts in millions)	Three months ended September 30,				Nine months ended September 30,			
	2023		2022		2023		2022	
Purchases	\$ 14,073	98 %	\$ 14,634	97 %	\$ 41,554	97 %	\$ 48,762	95 %
Refinances	318	2	435	3	1,074	3	2,578	5
Total	\$ 14,391	100 %	\$ 15,069	100 %	\$ 42,628	100 %	\$ 51,340	100 %

The following table presents primary NIW by policy payment type for the periods indicated:

(Amounts in millions)	Three months ended September 30,				Nine months ended September 30,			
	2023		2022		2023		2022	
Monthly	\$ 14,099	98 %	\$ 14,138	94 %	\$ 41,682	98 %	\$ 47,378	92 %
Single	269	2	890	6	868	2	3,798	8
Other	23	—	41	—	78	—	164	—
Total	\$ 14,391	100 %	\$ 15,069	100 %	\$ 42,628	100 %	\$ 51,340	100 %

We have seen a decline in NIW on single policies as a result of a reduction in the market for single policies driven by higher mortgage rates.

The following table presents primary NIW by FICO score for the periods indicated:

(Amounts in millions)	2023		Three months ended September 30,		2022	
Over 760	\$	6,679	46 %	\$	6,948	46 %
740-759		2,438	17		2,554	17
720-739		1,928	13		2,106	14
700-719		1,422	10		1,531	10
680-699		974	7		1,085	7
660-679 ⁽¹⁾		592	4		527	3
640-659		282	2		234	2
620-639		74	1		79	1
<620		2	—		5	—
Total	\$	14,391	100 %	\$	15,069	100 %

(Amounts in millions)	2023		Nine months ended September 30,		2022	
Over 760	\$	19,594	46 %	\$	23,288	45 %
740-759		7,314	17		8,555	17
720-739		5,842	14		7,151	14
700-719		4,217	10		5,400	10
680-699		2,988	7		3,500	7
660-679 ⁽¹⁾		1,677	4		2,056	4
640-659		771	2		1,017	2
620-639		215	—		358	1
<620		10	—		15	—
Total	\$	42,628	100 %	\$	51,340	100 %

⁽¹⁾ Loans with unknown FICO scores are included in the 660-679 category.

LTV ratio is calculated by dividing the original loan amount, excluding financed premium, by the property's acquisition value or fair market value at the time of origination. The following table presents primary NIW by LTV ratio for the periods indicated:

(Amounts in millions)	Three months ended September 30,			
	2023		2022	
95.01% and above	\$ 2,677	18 %	\$ 1,741	11 %
90.01% to 95.00%	5,431	38	6,184	41
85.01% to 90.00%	4,568	32	5,094	34
85.00% and below	1,715	12	2,050	14
Total	\$ 14,391	100 %	\$ 15,069	100 %

(Amounts in millions)	Nine months ended September 30,			
	2023		2022	
95.01% and above	\$ 7,475	17 %	\$ 7,064	14 %
90.01% to 95.00%	16,102	38	20,324	39
85.01% to 90.00%	13,711	32	15,921	31
85.00% and below	5,340	13	8,031	16
Total	\$ 42,628	100 %	\$ 51,340	100 %

DTI ratio is calculated by dividing the borrower's total monthly debt obligations by total monthly gross income. The following table presents primary NIW by DTI ratio for the periods indicated:

(Amounts in millions)	Three months ended September 30,			
	2023		2022	
45.01% and above	\$ 4,437	31 %	\$ 3,728	25 %
38.01% to 45.00%	4,936	34	5,681	38
38.00% and below	5,018	35	5,660	37
Total	\$ 14,391	100 %	\$ 15,069	100 %

(Amounts in millions)	Nine months ended September 30,			
	2023		2022	
45.01% and above	\$ 12,442	29 %	\$ 12,247	24 %
38.01% to 45.00%	15,090	35	18,478	36
38.00% and below	15,096	36	20,615	40
Total	\$ 42,628	100 %	\$ 51,340	100 %

We have seen an increase in concentrations of loans with higher DTI ratios. This is in line with market trends as rising mortgage rates and recent home price appreciation have put pressure on affordability. We believe the levels are in line with our current risk appetite as we consider layered risk across multiple risk attributes, pricing and our portfolio credit mix.

Insurance in-force ("IIF") and Risk in-force ("RIF")

IIF increased as a result of NIW. Higher interest rates and the low refinance market led to lower lapse and cancellations during the third quarter of 2023 driving continued elevated persistency. The primary persistency rate was 84% and 82% for the three months ended September 30, 2023 and 2022, respectively. RIF increased primarily as a result of higher IIF.

The following table sets forth IIF and RIF as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
Primary IIF	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %
Pool IIF	451	—	505	—	531	—
Total IIF	\$ 262,465	100 %	\$ 248,767	100 %	\$ 242,344	100 %
Primary RIF	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %
Pool RIF	70	—	79	—	84	—
Total RIF	\$ 67,126	100 %	\$ 62,870	100 %	\$ 61,208	100 %

The following table sets forth primary IIF and primary RIF by origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
Purchases IIF	\$ 228,431	87 %	\$ 207,827	84 %	\$ 199,322	82 %
Refinances IIF	33,583	13	40,435	16	42,491	18
Total IIF	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %
Purchases RIF	\$ 59,640	89 %	\$ 54,165	86 %	\$ 52,134	85 %
Refinances RIF	7,416	11	8,626	14	8,990	15
Total RIF	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

The following table sets forth primary IIF and primary RIF by product as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
Monthly IIF	\$ 232,150	88 %	\$ 216,831	87 %	\$ 211,062	87 %
Single IIF	27,853	11	29,275	12	28,550	12
Other IIF	2,011	1	2,156	1	2,201	1
Total IIF	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %
Monthly RIF	\$ 60,498	90 %	\$ 55,879	89 %	\$ 54,247	89 %
Single RIF	6,050	9	6,370	10	6,324	10
Other RIF	508	1	542	1	553	1
Total RIF	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

The following table sets forth primary IIF by policy year as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
2008 and prior	\$ 5,859	2 %	\$ 6,596	3 %	\$ 6,849	3 %
2009 to 2015	3,819	1	5,025	2	5,426	2
2016	4,948	2	6,296	2	6,772	3
2017	5,582	2	6,495	3	6,818	3
2018	5,993	2	6,839	3	7,133	3
2019	14,372	6	16,352	7	17,070	7
2020	46,881	18	55,358	22	58,497	24
2021	73,141	28	81,724	33	83,740	35
2022	60,258	23	63,577	25	49,508	20
2023	41,161	16	—	—	—	—
Total	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %

The following table sets forth primary RIF by policy year as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
2008 and prior	\$ 1,510	2 %	\$ 1,699	3 %	\$ 1,764	3 %
2009 to 2015	1,004	2	1,341	2	1,449	2
2016	1,327	2	1,681	3	1,805	3
2017	1,471	2	1,708	3	1,792	3
2018	1,535	2	1,736	3	1,806	3
2019	3,676	5	4,143	7	4,313	7
2020	12,228	18	14,158	22	14,891	25
2021	18,524	28	20,418	32	20,848	34
2022	15,129	23	15,907	25	12,456	20
2023	10,652	16	—	—	—	—
Total	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

The following table presents the development of primary IIF for the periods indicated:

(Amounts in millions)	Three months ended September 30,	
	2023	2022
Beginning balance	\$ 257,816	\$ 237,563
NIW	14,391	15,069
Cancellations, principal repayments and other reductions ⁽¹⁾	(10,193)	(10,819)
Ending balance	\$ 262,014	\$ 241,813

(Amounts in millions)	Nine months ended September 30,	
	2023	2022
Beginning balance	\$ 248,262	\$ 226,514
NIW	42,628	51,340
Cancellations, principal repayments and other reductions ⁽¹⁾	(28,876)	(36,041)
Ending balance	\$ 262,014	\$ 241,813

⁽¹⁾ Includes the estimated amortization of unpaid principal balance of covered loans.

The following table sets forth primary IIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
95.01% and above	\$ 44,071	17 %	\$ 39,509	16 %	\$ 38,099	16 %
90.01% to 95.00%	109,019	42	103,618	42	101,164	42
85.01% to 90.00%	77,121	29	72,132	29	69,803	29
85.00% and below	31,803	12	33,003	13	32,747	13
Total	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %

The following table sets forth primary RIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
95.01% and above	\$ 12,595	19 %	\$ 11,136	18 %	\$ 10,809	18 %
90.01% to 95.00%	31,696	47	30,079	48	29,379	48
85.01% to 90.00%	18,945	28	17,621	28	17,019	28
85.00% and below	3,820	6	3,955	6	3,917	6
Total	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

The following table sets forth primary IIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
Over 760	\$ 109,701	42 %	\$ 102,467	41 %	\$ 99,177	41 %
740-759	42,899	16	40,097	16	38,731	16
720-739	36,889	14	34,916	14	33,874	14
700-719	29,818	12	28,867	12	28,384	12
680-699	21,993	9	21,554	9	21,294	9
660-679 ⁽¹⁾	11,351	4	10,926	4	10,842	4
640-659	6,166	2	6,095	3	6,115	3
620-639	2,548	1	2,630	1	2,663	1
<620	649	—	710	—	733	—
Total	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %

⁽¹⁾ Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary RIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
Over 760	\$ 28,014	42 %	\$ 25,807	41 %	\$ 24,965	41 %
740-759	11,009	17	10,154	16	9,808	16
720-739	9,553	14	8,931	14	8,656	14
700-719	7,615	12	7,317	12	7,200	12
680-699	5,582	8	5,428	9	5,356	9
660-679 ⁽¹⁾	2,901	4	2,767	5	2,739	4
640-659	1,569	2	1,540	2	1,541	3
620-639	647	1	665	1	672	1
<620	166	—	182	—	187	—
Total	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

⁽¹⁾ Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary IIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
45.01% and above	\$ 51,810	20 %	\$ 43,831	18 %	\$ 40,846	17 %
38.01% to 45.00%	93,228	35	87,816	35	85,226	35
38.00% and below	116,976	45	116,615	47	115,741	48
Total	\$ 262,014	100 %	\$ 248,262	100 %	\$ 241,813	100 %

The following table sets forth primary RIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	September 30, 2023		December 31, 2022		September 30, 2022	
45.01% and above	\$ 13,369	20 %	\$ 11,176	18 %	\$ 10,393	17 %
38.01% to 45.00%	23,846	36	22,268	35	21,603	35
38.00% and below	29,841	44	29,347	47	29,128	48
Total	\$ 67,056	100 %	\$ 62,791	100 %	\$ 61,124	100 %

Delinquent loans and claims

Our delinquency management process begins with notification by the loan servicer of a delinquency on an insured loan. "Delinquency" is defined in our master policies as the borrower's failure to pay when due an amount equal to the scheduled monthly mortgage payment under the terms of the mortgage. Generally, the master policies require an insured to notify us of a delinquency if the borrower fails to make two consecutive monthly mortgage payments prior to the due date of the next mortgage payment. We generally consider a loan to be delinquent and establish required reserves after the insured notifies us that the borrower has failed to make two scheduled mortgage payments. Borrowers may cure delinquencies by making all of the delinquent loan payments, agreeing to a loan modification, or by selling the property in full satisfaction of all amounts due under the mortgage. In most cases, delinquencies that are not cured result in a claim under our policy.

The following table sets forth a roll forward of the number of primary loans in default for the periods indicated:

(Loan count)	Nine months ended September 30,	
	2023	2022
Number of delinquencies, beginning of period	19,943	24,820
New defaults	29,911	25,692
Cures	(30,158)	(31,254)
Claims paid	(429)	(384)
Rescissions and claim denials	(26)	(18)
Number of delinquencies, end of period	19,241	18,856

The following table sets forth changes in our direct primary case loss reserves for the periods indicated:

(Amounts in thousands) ⁽¹⁾	Nine months ended September 30,	
	2023	2022
Loss reserves, beginning of period	\$ 479,343	\$ 606,102
Claims paid	(21,155)	(18,777)
Change in reserve	1,728	(111,262)
Loss reserves, end of period	\$ 459,916	\$ 476,063

⁽¹⁾ Direct primary case reserves exclude LAE, IBNR and reinsurance reserves.

The following tables set forth primary delinquencies, direct case reserves and RIF by aged missed payment status as of the dates indicated:

(Dollar amounts in millions)	September 30, 2023			
	Delinquencies	Direct primary case reserves ⁽¹⁾	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	9,398	\$ 80	\$ 568	14 %
4 - 11 payments	6,381	192	426	45 %
12 payments or more	3,462	188	201	94 %
Total	19,241	\$ 460	\$ 1,195	38 %

December 31, 2022				
(Dollar amounts in millions)	Delinquencies	Direct primary case reserves ⁽¹⁾	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	8,920	\$ 69	\$ 509	14 %
4 - 11 payments	6,466	166	390	43 %
12 payments or more	4,557	244	248	98 %
Total	19,943	\$ 479	\$ 1,147	42 %

September 30, 2022				
(Dollar amounts in millions)	Delinquencies	Direct primary case reserves ⁽¹⁾	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	7,446	\$ 48	\$ 401	12 %
4 - 11 payments	6,119	146	358	41 %
12 payments or more	5,291	282	295	96 %
Total	18,856	\$ 476	\$ 1,054	45 %

⁽¹⁾ Direct primary case reserves exclude LAE, incurred but not reported and reinsurance reserves.

Reserves as a percentage of RIF as of September 30, 2023, decreased compared to December 31, 2022, and September 30, 2022 as long-term delinquencies with higher reserves have continued to cure. The number of loans that are delinquent for 12 months or more has decreased to be more in line with pre-COVID-19 levels. Due to continued forbearance options, foreclosure moratoriums and the uncertainty around the lack of progression through the foreclosure process there is still uncertainty around the likelihood and timing of delinquencies going to claim.

Primary insurance delinquency rates differ from region to region in the United States at any one time depending upon economic conditions and cyclical growth patterns. Delinquency rates are shown by region based upon the location of the underlying property, rather than the location of the lender.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of September 30, 2023:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By State:			
California	13 %	12 %	2.10 %
Texas	8	8	2.12 %
Florida ⁽¹⁾	8	9	2.16 %
New York ⁽¹⁾	5	12	2.89 %
Illinois ⁽¹⁾	4	6	2.40 %
Arizona	4	2	1.74 %
Michigan	4	3	1.72 %
Georgia	3	3	2.14 %
North Carolina	3	2	1.41 %
Washington	3	2	1.64 %
All other states ⁽²⁾	45	41	1.84 %
Total	100 %	100 %	1.97 %

⁽¹⁾ Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.

⁽²⁾ Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of December 31, 2022:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By State:			
California	12 %	10 %	2.09 %
Texas	8	7	2.12 %
Florida ⁽¹⁾	8	8	2.54 %
New York ⁽¹⁾	5	13	2.95 %
Illinois ⁽¹⁾	5	6	2.54 %
Arizona	4	2	1.78 %
Michigan	4	3	1.79 %
North Carolina	3	3	1.59 %
Georgia	3	3	2.23 %
Washington	3	3	1.92 %
All Other States ⁽²⁾	45	42	1.94 %
Total	100 %	100 %	2.08 %

⁽¹⁾ Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.

⁽²⁾ Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest Metropolitan Statistical Areas (“MSA”) or Metro Divisions (“MD”) by our primary RIF as of September 30, 2023:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Phoenix, AZ MSA	3 %	2 %	1.77 %
Chicago-Naperville, IL MD	3	4	2.67 %
Atlanta, GA MSA	3	3	2.32 %
New York, NY MD	2	8	3.62 %
Washington-Arlington, DC MD	2	2	1.75 %
Houston, TX MSA	2	3	2.69 %
Los Angeles-Long Beach, CA MD	2	2	2.28 %
Riverside-San Bernardino, CA MSA	2	3	2.71 %
Dallas, TX MD	2	1	1.69 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.07 %
All Other MSAs/MDs	77	71	1.88 %
Total	100 %	100 %	1.97 %

The table below sets forth our primary delinquency rates for the ten largest MSAs or MDs by our primary RIF as of December 31, 2022:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Chicago-Naperville, IL MD	3 %	5 %	2.84 %
Phoenix, AZ MSA	3	2	1.83 %
New York, NY MD	3	8	3.75 %
Atlanta, GA MSA	2	3	2.42 %
Washington-Arlington, DC MD	2	2	1.85 %
Houston, TX MSA	2	3	2.60 %
Riverside-San Bernardino, CA MSA	2	2	2.89 %
Los Angeles-Long Beach, CA MD	2	2	2.18 %
Dallas, TX MD	2	1	1.86 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.12 %
All Other MSAs/MDs	77	71	2.00 %
Total	100 %	100 %	2.08 %

The frequency of delinquencies may not correlate directly with the number of claims received because delinquencies may cure. The rate at which delinquencies cure is influenced by borrowers’ financial resources and circumstances and regional economic differences. Whether a delinquency leads to a claim correlates highly with the borrower’s equity at the time of delinquency, as it influences the borrower’s willingness to continue to make payments, the borrower’s or the insured’s ability to sell the home for an amount sufficient to satisfy all amounts due under the mortgage loan and the borrower’s financial ability to continue making payments. When we receive notice of a delinquency, we use our proprietary model to determine whether a delinquent loan is a candidate for a modification. When our model identifies such a candidate, our loan workout specialists prioritize cases for loss mitigation based upon the likelihood that the loan will result in a claim. Loss mitigation actions include loan modification,

extension of credit to bring a loan current, foreclosure forbearance, pre-foreclosure sale and deed-in-lieu. These loss mitigation efforts often are an effective way to reduce our claim exposure and ultimate payouts.

The following table sets forth the dispersion of primary RIF and direct primary case reserves by policy year and delinquency rates as of September 30, 2023:

Policy Year:	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate ⁽¹⁾
2008 and prior	2 %	20 %	8.67 %	5.56 %
2009-2015	2	5	4.20 %	0.64 %
2016	2	4	3.07 %	0.68 %
2017	2	6	3.62 %	0.90 %
2018	2	6	4.18 %	0.99 %
2019	5	9	2.58 %	0.81 %
2020	18	15	1.53 %	0.84 %
2021	28	21	1.48 %	1.19 %
2022	23	13	1.28 %	1.20 %
2023	16	1	0.25 %	0.24 %
Total portfolio	100 %	100 %	1.97 %	4.19 %

⁽¹⁾ Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

The following table sets forth the dispersion of primary RIF and loss reserves by policy year and delinquency rates as of December 31, 2022:

Policy Year:	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate ⁽¹⁾
2008 and prior	3 %	26 %	9.61 %	5.57 %
2009-2014	1	4	5.01 %	0.69 %
2015	1	3	3.61 %	0.71 %
2016	3	6	3.17 %	0.81 %
2017	3	7	3.78 %	1.01 %
2018	3	9	4.63 %	1.18 %
2019	7	11	2.71 %	0.93 %
2020	22	17	1.47 %	0.92 %
2021	32	14	1.20 %	1.06 %
2022	25	3	0.54 %	0.52 %
Total portfolio	100 %	100 %	2.08 %	4.26 %

⁽¹⁾ Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

Loss reserves in policy years 2008 and prior are outsized compared to their representation of RIF. The size of these policy years at origination combined with the significant decline in home prices led to significant losses in these policy years. Although uncertainty remains with respect to the ultimate losses we will experience on these policy years, they have become a smaller percentage of our total mortgage insurance portfolio. Loss reserves has shifted to newer book years, largely 2020 and later, given their significant representation of RIF. As of September 30, 2023, our 2016 and newer policy years represented approximately 96% of our primary RIF and 75% of our total direct primary case reserves.

Investment Portfolio

Our investment portfolio is affected by factors described below, each of which in turn may be affected by current macroeconomic conditions as noted above in “—Trends and Conditions.” The investment portfolios of our insurance subsidiaries are directed by the Enact Investment Committee, a management-level committee, with Genworth serving as the investment manager. The investment portfolio of EHI is directed by a separate management-level EHI Investment Committee with a third-party investment manager. These parties, with oversight from our Board of Directors and our senior management team, are responsible for the execution of our investment strategy. Our investment portfolio is an important component of our consolidated financial results and represents our primary source of claims paying resources. Our investment portfolio primarily consists of a diverse mix of highly rated fixed income securities and is designed to achieve the following objectives:

- Meet policyholder obligations through maintenance of sufficient liquidity;
- Preserve capital;
- Generate investment income;
- Maximize statutory capital; and
- Increase shareholder value, among other objectives.

To achieve our portfolio objectives, our investment strategy focuses primarily on:

- Our business outlook, including current and expected future investment conditions;
- Investment selection based on fundamental, research-driven strategies;
- Diversification across a mix of fixed income, low-volatility investments while actively pursuing strategies to enhance yield;
- Regular evaluation and optimization of our asset class mix;
- Continuous monitoring of investment quality, duration, and liquidity;
- Regulatory capital requirements; and
- Restriction of investments correlated to the residential mortgage market.

Fixed Maturity Securities Available-for-Sale

The following table presents the fair value of our fixed maturity securities available-for-sale as of the dates indicated:

(Amounts in thousands)	September 30, 2023		December 31, 2022	
	Fair value	% of total	Fair value	% of total
U.S. government, agencies and GSEs	\$ 147,108	3 %	\$ 44,769	1 %
State and political subdivisions	407,538	8	419,856	9
Non-U.S. government	11,123	—	9,349	—
U.S. corporate	2,557,480	52	2,646,863	54
Non-U.S. corporate	655,284	13	652,844	13
Residential mortgage-backed	10,233	—	11,043	—
Other asset-backed	1,201,926	24	1,100,036	23
Total available-for-sale fixed maturity securities	\$ 4,990,692	100 %	\$ 4,884,760	100 %

Our investment portfolio did not include any direct residential real estate or whole mortgage loans as of September 30, 2023 or December 31, 2022. We have no derivative financial instruments in our investment portfolio.

As of both September 30, 2023, and December 31, 2022, 98% of our investment portfolio was rated investment grade. The following table presents the security ratings of our fixed maturity securities as of the dates indicated:

	September 30, 2023	December 31, 2022
AAA	11 %	10 %
AA	19	16
A	33	34
BBB	35	38
BB & below	2	2
Total	100 %	100 %

The table below presents the effective duration and investment yield on our investments available-for-sale, excluding cash and cash equivalents as of the dates indicated:

	September 30, 2023	December 31, 2022
Duration (in years)	3.5	3.6
Pre-tax yield (% of average investment portfolio assets)	3.5 %	3.1 %

We manage credit risk by analyzing issuers, transaction structures and any associated collateral. We also manage credit risk through country, industry, sector and issuer diversification and prudent asset allocation practices.

We primarily mitigate interest rate risk by employing a buy and hold investment philosophy that seeks to match fixed income maturities with expected liability cash flows in modestly adverse economic scenarios.

Liquidity and Capital Resources

Cash Flows

The following table summarizes our consolidated cash flows for the periods indicated:

(Amounts in thousands)	Nine months ended September 30,	
	2023	2022
Net cash provided by (used in):		
Operating activities	\$ 441,982	\$ 402,071
Investing activities	(133,983)	(246,528)
Financing activities	(143,784)	(45,596)
Net increase in cash and cash equivalents	\$ 164,215	\$ 109,947

Our most significant source of operating cash flows is from premiums received from our insurance policies, while our most significant uses of operating cash flows are generally for claims paid on our insured policies and our operating expenses. Net cash from operating activities increased largely due higher net investment income and lower expenses. Cash flows from operations were also impacted by changes in reserves and unearned premiums, net investment losses and stock-based compensation expense.

Investing activities are primarily related to purchases, sales and maturities of our investment portfolio. Net cash used by investing activities increased as a result of purchases of fixed maturity securities outpacing maturities and sales in the current year.

During the nine months ended September 30, 2023, our cash flows from financing activities included dividends paid of \$74.1 million and share repurchases of \$69.7 million. The amount and timing of future dividends is discussed within “—Trends and Conditions” as well as below. During the nine months ended September 30, 2022, our cash flows from financing activities included dividends paid of \$45.6 million.

Capital Resources and Financing Activities

We issued our 2025 Senior Notes in 2020 with interest payable semi-annually in arrears on February 15 and August 15 of each year. The 2025 Senior Notes mature on August 15, 2025. We may redeem the 2025 Senior Notes, in whole or in part, at any time prior to February 15, 2025, at our option, by paying a make-whole premium, plus accrued and unpaid interest, if any. At any time on or after February 15, 2025, we may redeem the 2025 Senior Notes, in whole or in part, at our option, at 100% of the principal amount, plus accrued and unpaid interest. The 2025 Senior Notes contain customary events of default, which subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding 2025 Senior Notes if we breach the terms of the indenture.

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the “Facility”) in the initial aggregate principal amount of \$200 million. We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERS compliance. We are in compliance with all covenants of the Facility and the Facility remained undrawn as of September 30, 2023.

Restrictions on the Payment of Dividends

The ability of our regulated insurance operating subsidiaries to pay dividends and distributions to us is restricted by certain provisions of North Carolina insurance laws. Our insurance subsidiaries may pay

dividends only from unassigned surplus; payments made from sources other than unassigned surplus, such as paid-in and contributed surplus, are categorized as distributions. Notice of all dividends must be submitted to the Commissioner of the NCDI (the "Commissioner") within 5 business days after declaration of the dividend or distribution, and at least 30 days before payment thereof. No dividend may be paid until 30 days after the Commissioner has received notice of the declaration thereof and (i) has not within that period disapproved the payment or (ii) has approved the payment within the 30-day period. Any distribution, regardless of amount, requires that same 30-day notice to the Commissioner, but also requires the Commissioner's affirmative approval before being paid. Based on our estimated statutory results and in accordance with applicable dividend restrictions, our insurance subsidiaries have the capacity to pay dividends from unassigned surplus of \$349 million as of September 30, 2023, with 30-day advance notice to the Commissioner of the intent to pay. In addition to dividends and distributions, alternative mechanisms, such as share repurchases, subject to any requisite regulatory approvals, may be utilized from time to time to upstream surplus.

In addition, we review multiple other considerations in parallel to determine a prospective dividend strategy for our regulated insurance operating subsidiaries. Given the regulatory focus on the reasonableness of an insurer's surplus in relation to its outstanding liabilities and the adequacy of its surplus relative to its financial needs for any dividend, our insurance subsidiaries consider the minimum amount of policyholder surplus after giving effect to any contemplated future dividends. Regulatory minimum policyholder surplus is not codified in North Carolina law and limitations may vary based on prevailing business conditions including, but not limited to, the prevailing and future macroeconomic conditions. We estimate regulators would require a minimum policyholder surplus of approximately \$300 million to meet their threshold standard. Given (i) we are subject to statutory accounting requirements that establish a contingency reserve of at least 50% of net earned premiums annually for ten years, after which time it is released into policyholder surplus and (ii) that no material 10-year contingency reserve releases are scheduled before 2024, we expect modest growth in policyholder surplus through 2024 before distributions. As a result, minimum policyholder surplus could be a limitation on the future dividends of our regulated operating subsidiaries.

Another consideration in the development of the dividend strategies for our regulated insurance operating subsidiaries is our expected level of compliance with PMIERS. Prior to the satisfaction of the GSE Conditions, the GSE Restrictions required EMICO to maintain 120% of PMIERS Minimum Required Assets through 2022. In addition, under PMIERS, EMICO is subject to other operational and financial requirements that approved insurers must meet in order to remain eligible to insure loans purchased by the GSEs. Refer to "—Trends and Conditions" for recent updates related to these requirements.

Our regulated insurance operating subsidiaries are also subject to statutory "risk-to-capital" ("RTC") requirements that affect the dividend strategies of our regulated operating subsidiaries. EMICO's domiciliary regulator, the NCDI, requires the maintenance of a statutory RTC ratio not to exceed 25:1. See "—Risk-to-Capital Ratio" for additional RTC trend analysis.

We consider potential future dividends compared to the prior year statutory net income in the evaluation of dividend strategies for our regulated operating subsidiaries. We also consider the dividend payout ratio, or the ratio of potential future dividends compared to the estimated U.S. GAAP net income, in the evaluation of our dividend strategies. In either case, we do not have prescribed target or maximum thresholds, but we do evaluate the reasonableness of a potential dividend relative to the actual or estimated income generated in the proceeding or preceding calendar year after giving consideration to prevailing business conditions including, but not limited to the prevailing and future macroeconomic conditions. In addition, the dividend strategies of our regulated operating subsidiaries are made in consultation with our Parent.

In April 2023, EMICO completed a distribution of approximately \$158 million that will primarily be used to support our ability to return capital to shareholders and bolster financial flexibility. We intend to continue to use future EMICO distributions for these purposes.

The credit agreement entered into in connection with the Facility contains customary restrictions on EHI's ability to pay cash dividends. Under the credit agreement, EHI is permitted to make cash distributions (1) so long as no Default or Event of Default (as each are defined in the credit agreement) has occurred and is continuing and EHI is in pro forma compliance with its financial covenants as described below, at the time of and after giving effect to such payment, (2) within 60 days of declaration of any cash dividend so long as the payment was permitted under the credit agreement at the time of such declaration and (3) other customary exceptions as more fully set forth in the credit agreement.

The credit agreement requires EHI to maintain the following financial covenants: a minimum consolidated net worth equal to the sum of (i) 72.5% of EHI's consolidated net worth as of June 30, 2022 ("the Closing Date"), (ii) 50% of EHI's positive consolidated net income for each fiscal quarter after the Closing Date and (iii) 50% of any increase in EHI's consolidated net worth after the Closing Date resulting from equity issuances or capital contributions; in respect of EMICO, a minimum total adjusted capital amount equal to 72.5% of EMICO's total adjusted capital as of the Closing Date; a maximum debt-to-total capitalization ratio of 0.35 to 1.00; a minimum liquidity level of \$25,000,000; and compliance with all applicable financial requirements under the Private Mortgage Insurer Eligibility Requirements published by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. For purposes of determining EHI's compliance with the foregoing financial covenants, the consolidated net worth metric, total adjusted capital metric, debt-to-capitalization ratio and liquidity metric (including, in each case, any component thereof) are each calculated as set forth in the credit agreement.

In addition to the restrictions described above, all dividends from EHI are subject to Parent consent and EHI Board of Directors approval.

Risk-to-Capital Ratio

We compute our RTC ratio on a separate company statutory basis, as well as for our combined insurance operations. The RTC ratio is net RIF divided by policyholders' surplus plus statutory contingency reserve. Our net RIF represents RIF, net of reinsurance ceded, and excludes risk on policies that are currently delinquent and for which loss reserves have been established. Statutory capital consists primarily of statutory policyholders' surplus (which increases as a result of statutory net income and decreases as a result of statutory net loss and dividends paid), plus the statutory contingency reserve. The statutory contingency reserve is reported as a liability on the statutory balance sheet.

Certain states have insurance laws or regulations that require a mortgage insurer to maintain a minimum amount of statutory capital (including the statutory contingency reserve) relative to its level of RIF in order for the mortgage insurer to continue to write new business. While formulations of minimum capital vary in certain states, the most common measure applied allows for a maximum permitted RTC ratio of 25:1.

The following table presents the calculation of our RTC ratio for our combined insurance subsidiaries as of the dates indicated:

(Dollar amounts in millions)	September 30, 2023		December 31, 2022	
Statutory policyholders' surplus	\$	1,134	\$	1,136
Contingency reserves		3,923		3,551
Combined statutory capital	\$	5,057	\$	4,687
Adjusted RIF ⁽¹⁾	\$	58,622	\$	60,061
Combined risk-to-capital ratio		11.6		12.8

⁽¹⁾ Adjusted RIF for purposes of calculating combined statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOL requirements, adjusted RIF excludes delinquent policies.

The following table presents the calculation of our RTC ratio for our principal insurance company, EMICO, as of the dates indicated:

(Dollar amounts in millions)	September 30, 2023		December 31, 2022	
Statutory policyholders' surplus	\$	1,076	\$	1,084
Contingency reserves		3,917		3,548
EMICO statutory capital	\$	4,993	\$	4,632
Adjusted RIF ⁽¹⁾	\$	58,150	\$	59,663
EMICO risk-to-capital ratio		11.6		12.9

⁽¹⁾ Adjusted RIF for purposes of calculating EMICO statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOT requirements, adjusted RIF excludes delinquent policies.

Liquidity

As of September 30, 2023, we maintained liquidity in the form of cash and cash equivalents of \$678 million compared to \$514 million as of December 31, 2022, and we also held significant levels of investment-grade fixed maturity securities and short-term investments that can be monetized should our cash and cash equivalents be insufficient to meet our obligations.

Additionally, on June 30, 2022, we entered into a five-year, unsecured revolving credit facility with a syndicate of lenders in the initial aggregate principal amount of \$200 million. The Facility may be used for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility remains undrawn as of September 30, 2023.

The principal sources of liquidity in our business currently include insurance premiums, net investment income and cash flows from investment sales and maturities. We believe that the operating cash flows generated by our mortgage insurance subsidiary will provide the funds necessary to satisfy our claim payments, operating expenses and taxes in both the short term and long term. However, our subsidiaries are subject to regulatory and other capital restrictions with respect to the payment of dividends. We currently have no material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years, other than the 2025 Senior Notes and the Facility.

Financial Strength Ratings

The following EMICO financial strength ratings have been independently assigned by third-party rating organizations and represent our current ratings, which are subject to change.

Name of Agency	Rating	Outlook	Action	Date of Rating
Moody's Investor Service, Inc.	A3	Stable	Upgrade	March 1, 2023
Fitch Ratings, Inc.	A-	Stable	Upgrade	April 25, 2023
S&P Global Ratings	BBB+	Stable	Upgrade	February 16, 2023
A.M. Best	A-	Stable	Initial	August 1, 2023

On August 1, 2023, Enact Re, was independently assigned a rating of A- by third-party rating organization A.M. Best.

Contractual Obligations and Commitments

Our loss reserves have a high degree of estimation due to macroeconomic uncertainty along with delinquencies from borrower forbearance programs and foreclosure delays as a result of COVID-19. Therefore, it is possible we could have higher contractual obligations related to these loss reserves if they

do not cure or progress to claim as we expect. Other than changes in our aforementioned loss reserves, there have been no material additions or changes to our contractual obligations or other off-balance sheet arrangements as compared to the amounts disclosed within our audited consolidated financial statements for the years ended December 31, 2022 and 2021.

Critical Accounting Estimates

As of the filing date of this report, there were no significant changes in our critical accounting estimates from those discussed in our Annual Report.

New Accounting Standards

Refer to Note 2 in our unaudited condensed consolidated financial statements for the nine months ended September 30, 2023 and 2022, and in our audited consolidated financial statements for the years ended December 31, 2022 and 2021, for a discussion of recently adopted and not yet adopted accounting standards.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We own and manage a large investment portfolio of various holdings, types and maturities. Investment income is one of our material sources of revenue and the investment portfolio represents the primary resource supporting operational and claim payments. The assets within the investment portfolio are exposed to the same factors that affect overall financial market performance. While our investment portfolio is exposed to factors affecting markets worldwide, it is most sensitive to fluctuations in the drivers of United States markets.

We manage market risk via our defined investment policy guidelines implemented by our investment managers with oversight from our Board of Directors and our senior management. Important drivers of our market risk exposure that we monitor and manage include but are not limited to:

- *Changes to the level of interest rates.* Increasing interest rates may reduce the value of certain fixed-rate bonds held in the investment portfolio. Higher rates may cause variable-rate assets to generate additional income. Decreasing rates will have the reverse impact. Significant changes in interest rates can also affect persistency and claim rates that may require that the investment portfolio be restructured to better align it with future liabilities and claim payments. Such restructuring may cause investments to be liquidated when market conditions are adverse.
- *Changes to the term structure of interest rates.* Rising or falling rates typically change by different amounts along the yield curve. These changes may have unforeseen impacts on the value of certain assets.
- *Market volatility/changes in the real or perceived credit quality of investments.* Deterioration in the quality of investments, identified through changes to our own or third-party (e.g., rating agency) assessments, will reduce the value and potentially the liquidity of investments.
- *Concentration risk.* If the investment portfolio is highly concentrated in one asset, or in multiple assets whose values are highly correlated, the value of the total portfolio may be greatly affected by the change in value of just one asset or a group of highly correlated assets.
- *Prepayment risk.* Bonds may have call provisions that permit debtors to repay prior to maturity when it is to their advantage. This typically occurs when rates fall below the interest rate of the debt.

Market risk is measured for all investment assets at the individual security level. Market risks that are not fully captured by the quantitative analysis and material market risk changes that occur from the last reporting period to the current are discussed within “—Trends and conditions” and “—Investment Portfolio” in “Item 2—Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

As of September 30, 2023, the effective duration of our investments available-for-sale was 3.5 years, which means that an instantaneous parallel shift (movement up or down) in the yield curve of 100 basis points would result in a change of 3.5% in fair value of our investments available-for-sale.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of September 30, 2023, an evaluation was conducted under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2023.

Changes in Internal Control Over Financial Reporting During the Quarter Ended September 30, 2023

There have been no changes in our internal control over financial reporting during the quarter ended September 30, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings

We are not subject to any pending material legal proceedings.

Item 1A. Risk Factors

We have disclosed within Part I, Item 1A in our Annual Report the risk factors that could have a material adverse effect on our business, results of operations and/or financial condition. There have been no material changes from the risk factors previously disclosed. You should carefully consider the risk factors set forth in the Annual Report and the other information set forth elsewhere in this Form 10-Q. These risk factors and other information may not describe every risk that we face. The occurrence of any additional risks and uncertainties that are currently immaterial or unknown could have a material adverse effect on our business, results of operations and/or financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The table below sets forth information regarding repurchases of our common shares during the three months ended September 30, 2023:

Period (Dollar amounts in thousands except per share amounts)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased under Plans or Programs ⁽¹⁾
July 1 - July 31, 2023	241,946	\$ 25.96	241,946	\$ 3,859
August 1 - August 31, 2023	0	\$ —	0	\$ 103,859
September 1 - September 30, 2023	0	\$ —	0	\$ 103,859
Total	241,946	\$ 25.96	241,946	\$ 103,859

⁽¹⁾ On November 1, 2022, the Company announced authorization to repurchase up to \$75 million of its common shares. The authorization has no expiration date. In August 2023, we also announced a new share repurchase authorization which allows for the purchase of an additional \$100 million of EHI common stock (also with no expiration date).

Subsequent to quarter end, the Company purchased 294,876 shares at an average price of \$27.13 through October 31, 2023.

Item 5. Other Information

Trading Plans

During the quarter ended September 30, 2023, no director or Section 16 officer adopted or terminated any "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangements" (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits and Financial Statement Schedules

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	<u>Share Repurchase Agreement, dated August 1, 2023, by and between Enact Holdings, Inc. and Genworth Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 4, 2023).</u>
10.2*	<u>Amended and Restated Master Agreement, dated August 29, 2023, between Genworth Financial and Enact Holdings, Inc.</u>
31.1*	<u>Certification of Principal Executive Officer</u>
31.2*	<u>Certification of Principal Financial Officer</u>
32.1**	<u>Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code — Principal Executive Officer</u>
32.2**	<u>Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code — Principal Financial Officer</u>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

+ Indicates management contract and compensatory plan

* Filed herewith

** Furnished herewith and not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended

**THIRD AMENDED AND RESTATED MASTER
AGREEMENT BETWEEN
GENWORTH FINANCIAL, INC. AND
ENACT HOLDINGS, INC.**

Dated August 29, 2023

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THIRD AMENDED AND RESTATED MASTER AGREEMENT

THIRD AMENDED AND RESTATED MASTER AGREEMENT, dated August 29, 2023 (this “Agreement”), between Genworth Financial, Inc., a Delaware corporation (“Genworth”) and Enact Holdings, Inc., a Delaware corporation (the “Company”). Certain terms used in this Agreement are defined in Section 1.1.

WITNESSETH:

WHEREAS, the Company is a direct, wholly owned Subsidiary of Genworth Holdings, Inc., a Delaware corporation, which is a direct, wholly owned Subsidiary of Genworth;

WHEREAS, the boards of directors of Genworth and Genworth Holdings, Inc. have determined it is appropriate and advisable for Genworth Holdings, Inc. to offer and sell a portion of the shares of the Company’s common stock it owns in an initial public offering of common stock of the Company (the “Initial Public Offering”);

WHEREAS, in connection with the Initial Public Offering, the Company has filed an Amended and Restated Certificate of Incorporation (the “Charter”) with the Secretary of State of the State of Delaware and adopted Amended and Restated By-Laws (the “Amended and Restated By-Laws”);

WHEREAS, Genworth and the Company have entered into or caused their respective Subsidiaries to enter into the following agreements that govern certain matters relating to the continuing relationships and arrangements between Genworth, the Company and their respective Subsidiaries:

- (a) the Shared Services Agreement; and
- (b) the Amended and Restated Tax Allocation Agreement;

WHEREAS, on the date hereof, Genworth and the Company have entered into or caused their respective Subsidiaries to enter into the following agreements (collectively with the Shared Services Agreement, the Amended and Restated Tax Allocation Agreement and this Agreement, the “Transaction Documents”) that govern certain matters relating to the continuing relationships and arrangements between Genworth, the Company and their respective Subsidiaries (the “IPO Transactions”) following the completion of the Initial Public Offering:

- (c) the Registration Rights Agreement;
- (d) the Transitional Trademark License Agreement; and
- (e) the Intellectual Property Cross License Agreement;

WHEREAS, on the date hereof, Genworth and the Company have entered into this Agreement that governs the relationships and arrangements between Genworth, the Company and their respective Subsidiaries that are not covered by the other Transaction Documents; and

WHEREAS, following the completion of the Initial Public Offering, Genworth is expected to be the beneficial owner of at least eighty percent (80%) of the Company's outstanding common stock and Genworth and the Company expect their relationship to be governed in the same manner as their pre-Initial Public Offering relationship.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

1.1. Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

“Action” means any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

“Affiliate” (and, with a correlative meaning, “affiliated”) means, with respect to any Person, any direct or indirect subsidiary of such Person, and any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such first Person; provided, however, that, solely for purposes of this Agreement, from and after the Closing Date, no member of the Company Group shall be deemed an Affiliate of any member of the Genworth Group and no member of the Genworth Group shall be deemed an Affiliate of any member of the Company Group. As used in this definition, “control” (including with correlative meanings, “controlled by” and “under common control with”) means possession, directly or indirectly, of power to direct or cause the direction of management or policies or the power to appoint and remove a majority of directors (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise). The definitions of “affiliate” and “affiliated” contained in the Tax Allocation Agreement and any other Transaction Document shall have the meanings ascribed thereto.

“Assets” means, with respect to any Person, the assets, properties and rights (including goodwill) of such Person, wherever located (including in the possession of vendors or other third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of such Person, including the following:

(a) all accounting and other books, records and files whether in paper, microfilm, microfiche, computer tape or disc, magnetic tape or any other form;

(b) all apparatus, computers and other electronic data processing equipment, fixtures, machinery, equipment, furniture, office equipment, automobiles, trucks, vessels, motor vehicles and other transportation equipment and other tangible personal property;

(c) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a Security Interest in real property, lessor, sublessor, lessee, sublessee or otherwise;

(d) all interests in any capital stock or other equity interests of any Subsidiary or any other Person, all bonds, notes, debentures or other securities issued by any Subsidiary or any other Person, all loans, advances or other extensions of credit or capital contributions to any Subsidiary or any other Person and all other investments in securities of any Person;

(e) all license agreements, leases of personal property, open purchase orders for supplies, parts or services and other contracts, agreements or commitments;

(f) all deposits, letters of credit and performance and surety bonds;

(g) all written technical information, data, specifications, research and development information, engineering drawings, operating and maintenance manuals, and materials and analyses prepared by consultants and other third parties;

(h) all domestic and foreign intangible personal property, patents, copyrights, trade names, trademarks, service marks and registrations and applications for any of the foregoing, mask works, trade secrets, inventions, designs, ideas, improvements, works of authorship, recordings, other proprietary and confidential information and licenses from third Persons granting the right to use any of the foregoing;

(i) all computer applications, programs and other Software, including operating Software, network Software firmware, middleware, design Software, design tools, systems documentation and instructions;

(j) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product literature, artwork, design, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;

(k) all prepaid expenses, trade accounts and other accounts and notes receivables;

(l) all rights under contracts or agreements, all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choses in action or similar rights, whether accrued or contingent;

(m) all licenses, permits, approvals and authorizations which have been issued by any Governmental Authority;

- (n) cash or cash equivalents, bank accounts, lock boxes and other deposit arrangements; and
- (o) interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements.

“Benefit Arrangement” means, with respect to an entity, each compensation or employee benefit plan, program, policy, agreement or other arrangement, whether or not an employee benefit plan” within the meaning of Section 3(3) of ERISA (whether or not subject to ERISA), including any benefit plan, program, policy, agreement or arrangement providing cash- or equity-based compensation or incentives, health, medical, dental, vision, disability, accident or life insurance benefits or vacation, paid or unpaid leave, severance, retention, change in control, termination, deferred compensation, individual employment or consulting, retirement, supplemental retirement, pension or savings benefits, supplemental income, retiree benefit or other fringe benefit (whether or not taxable), or employee restrictive covenant agreement or loans, that are sponsored or maintained by such entity (or to which such entity contributes or is required to contribute or in which it participates or is otherwise a party), and including workers’ compensation plans, policies, programs and arrangements.

“Business Day” means Monday to Friday, except for any day on which banking institutions in New York, New York, Richmond, Virginia or Raleigh, North Carolina are authorized or required by applicable Law or executive order to close.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company Balance Sheet” means the Company’s Consolidated Balance Sheet as of December 31, 2020 included in the IPO Registration Statement.

“Company Business” means (a) the current businesses of the members of the Company Group; and (b) those terminated, divested or discontinued businesses within the last two (2) years which are or should be included as historical operations of the Company Group.

“Company Common Stock” means the common stock, \$0.01 par value per share, of the Company.

“Company Employee” means each individual service provider who is currently exclusively or primarily engaged in the business of the Company, regardless of whether any such individual is actively at work or is not actively at work as a result of disability or illness, an approved leave of absence (including military leave with reemployment rights under federal Law and leave under the Family and Medical Leave Act of 1993), vacation, personal day or similar short- or long-term absence.

“Company Employee Liabilities” means (i) except as provided in Section 4.2 or 4.3, all Liabilities under any Benefit Arrangement sponsored or maintained by any member of the Company Group, whenever incurred; (ii) all Liabilities with respect to the employment, service, termination of employment or termination of service of any Company Employee or Former Company Employee, whenever incurred; and (iii) all other Liabilities or obligations expressly assigned to or assumed by any member of the Company Group pursuant to this Agreement.

“Company Group” means the Company, each Subsidiary of the Company immediately after the Closing (in each case so long as such Subsidiary remains a Subsidiary of the Company) and each other Person that is controlled either directly or indirectly by the Company immediately after the Closing in each case so long as such Person continues to be controlled either directly or indirectly by the Company).

“Company Insurance Arrangements” means all policies of or agreements for insurance and interests in insurance pools and programs, including the Company’s directors’ and officers’ liability insurance, acquired by and exclusively for the benefit of any member of the Company Group.

“Company Liabilities” means (without duplication):

(a) all Liabilities, including Company Employee Liabilities but excluding the Genworth Employee Liabilities, to the extent relating to, arising out of or resulting from: (i) the operation of the Company Business, as conducted at any time before, on or after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority)); (ii) the operation of any business conducted by any member of the Company Group at any time after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority)); or (iii) any assets of the Company (including any real property and leasehold interests); in any such case whether arising before, on or after the Closing Date;

(b) all Liabilities reflected as liabilities or obligations of the Company or its Subsidiaries in the Company Balance Sheet, subject to any discharge of such Liabilities subsequent to the date of the Company Balance Sheet; and subject to Section 6.1(b), all Liabilities arising out of claims made by Genworth’s or the Company’s respective directors, officers, employees, agents, Subsidiaries or Affiliates against any member of the Genworth Group or the Company Group with respect to the Company Business.

“Consents” means any consent, waiver or approval from, or notification requirement to, any third parties.

“Consolidation Threshold” means the members of the Genworth Group’s beneficial ownership in the aggregate on any date during a fiscal year of at least fifty percent (50%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to consolidate the Company’s financial statements with its financial statements, then in respect of such fiscal year.

“Continuing Arrangement End Date” means the date on which Genworth ceases to beneficially own at least eighty percent (80%) of the outstanding Company Common Stock.

“Corporate Reporting Data” means the financial data and other information, data requirements and all statistical information necessary or appropriate for inclusion in any Genworth earnings press release, investor presentations or any financial statements,

Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A), Annual Report (A/R) submissions or other public filing required to be made by Genworth, along with appropriate supporting documentation.

“De Minimis Business” means (i) any minority equity investment by a member of a Party’s Group in any Person (a) in which such Group collectively holds not more than twenty- five percent (25)% of the outstanding voting securities or similar equity interests, to the extent such equity interests do not give such Group the right to designate a majority, or such higher amount constituting a controlling number, of the members of the board of directors (or similar governing body) of such entity, or (b) in which the amount invested by such Group collectively is less than \$100 million, in each case with respect to the Genworth Group, excluding any ownership of Company Common Stock, or (ii) any business activity that would otherwise violate Section 7.11(a) or Section 7.11(b) that is carried on by an After-Acquired Business or an After- Acquired Company, but only if, at the time of such acquisition, the revenues derived from the Company Covered Business or the Genworth Covered Business, as applicable, by such After- Acquired Business or After-Acquired Company constitute less than ten percent (10)% of the gross revenues of such After-Acquired Business or After-Acquired Company for the most recently completed fiscal year preceding such acquisition.

“Effective Time” means the time the SEC declares the IPO Registration Statement effective.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time that reference is made thereto.

“Existing Business Activities” means any existing business conducted or investment held by a Party and its Group (other than, in any applicable jurisdiction, the business currently solely conducted through the members of the other Party’s Group) in such jurisdiction, or contemplated by any existing third party contractual arrangements applicable to any member of the such Party’s Group in such jurisdiction (other than the business currently solely conducted through the members of the other party’s Group), on the date of this Agreement.

“Force Majeure” means, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been foreseen by such Party (or such Person), or, if it could have been foreseen, was unavoidable, and includes, acts of God, earthquakes, hurricanes, tsunamis, tornados, floods, mudslides, wild fires or other natural disasters, riots, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamities, or one or more acts of terrorism or failure of energy sources.

“Former Company Employee” means any individual who is a former employee of Genworth or any of its Subsidiaries as of the Effective Time and who, during the final twelve (12) months of his or her employment, was primarily in the service of Company Business (regardless of whether any such individual was actively at work or was not actively at work at

such time as a result of disability, illness, an approved leave of absence (including military leave with reemployment rights under federal Law and leave under the Family and Medical Leave Act of 1993), vacation, personal day or similar short- or long-term absence); provided that such shall not include any individual who primarily performed services for the Global Mortgage Insurance team at the time of their separation.

“Former Genworth Employee” means any individual who is a former employee of Genworth or any of its Subsidiaries as of the Effective Time and who is not a Former Company Employee.

“GAAP” means United States generally accepted accounting principles.

“Genworth Employee” means each individual service provider who is currently exclusively or primarily engaged in the business of Genworth, regardless of whether any such individual is actively at work or is not actively at work as a result of disability or illness, an approved leave of absence (including military leave with reemployment rights under federal Law and leave under the Family and Medical Leave Act of 1993), vacation, personal day or similar short- or long-term absence.

“Genworth Employee Liabilities” means (i) except as provided in Section 4.2 or 4.3, all Liabilities under any Benefit Arrangement sponsored or maintained by any member of the Genworth Group, whenever incurred; (ii) all Liabilities with respect to the employment, service, termination of employment or termination of service of any Genworth Employee or Former Genworth Employee, whenever incurred; and (iii) all other Liabilities or obligations expressly assigned to or assumed by any member of the Genworth Group under this Agreement.

“Genworth Group” means Genworth and each Person (other than any member of the Company Group) that is an Affiliate of Genworth immediately after the Closing.

“Genworth Insurance Arrangements” means all policies of or agreements for insurance and interests in insurance pools and programs held in the name of Genworth or any of its Affiliates and any rights thereunder, in each case other than any directors’ and officers’ liability insurance and any Company Insurance Arrangements.

“Genworth Stock Plan” means, as applicable, the (i) 2018 Genworth Financial, Inc. Omnibus Incentive Plan, (ii) the 2012 Genworth Financial, Inc. Omnibus Incentive Plan, as amended and/or (iii) the 2004 Genworth Financial, Inc. Omnibus Incentive Plan, as amended.

“Governmental Approvals” means any notice, report or other filing to be made with, or any consent, registration, approval, permit or authorization to be obtained from, any Governmental Authority.

“Governmental Authority” means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to the government, including any governmental authority, agency, department, board, commission or instrumentality whether federal, state, local or foreign (or any political subdivision thereof), any tribunal, court or arbitrator(s) of competent jurisdiction, and any financial services entity established by any of the foregoing Governmental Authorities and engaged in the purchase of mortgage loans, including

the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and any successors thereto.

“Group” means the Genworth Group or the Company Group, as the context requires.

“Indebtedness” means, with respect to any Person, any Liability of such Person in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments and shall also include (a) any Liability of such Person under any agreement related to the fixing of interest rates on any Indebtedness and (b) any capitalized lease obligations of such Person (if and to the extent the same would appear on a balance sheet of such Person prepared in accordance with GAAP).

“Information” means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other Software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

“Insurance” means any product or service determined to constitute insurance, assurance or reinsurance by the Laws in effect in any jurisdiction in which the restriction set forth in Section 7.11(a) applies.

“Insurance Proceeds” means those monies: (a) received by an insured from an insurance carrier, (b) paid by an insurance carrier on behalf of the insured or (c) received (including by way of set off) from any third party in the nature of insurance, contribution or indemnification in respect of any Liability; in any such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof.

“Intellectual Property Cross License Agreement” means the Intellectual Property Cross License Agreement as defined in the Preamble.

“IPO Registration Statement” means the registration statement on Form S-1 filed under the Securities Act (No. 333-255345) pursuant to which the offering of Company Common Stock to be sold by the Company or Genworth and its Affiliates in the Initial Public Offering will be registered.

“Law” means any federal, state, local or foreign law (including common law), statute, code, ordinance, rule, regulation, order or other requirement enacted, promulgated, issued, communicated or entered by a Governmental Authority.

“Liabilities” means any debt, loss, damage, adverse claim, liability or obligation of any Person (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and

whether in contract, tort, strict liability or otherwise), and including all costs and expenses relating thereto.

“Parties” means Genworth and the Company.

“Person” means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

“Prospectus” means the prospectus or prospectuses included in any of the Registration Statements, as amended or supplemented by any prospectus supplement and by all other amendments and supplements to any such prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

“Registration Rights Agreement” means the Registration Rights Agreement as defined in the Preamble.

“Registration Statements” means the IPO Registration Statement and any other registration statement, including in each case the Prospectus related thereto, amendments and supplements to any such Registration Statement and/or Prospectus, including post-effective amendments, all exhibits thereto and all materials incorporated by reference in any such Registration Statement or Prospectus.

“SEC” means the Securities and Exchange Commission. “Securities Act” means the

Securities Act of 1933, as amended.

“Security Interest” means any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, covenant, condition, easement, encroachment, restriction on transfer, or other encumbrance of any nature whatsoever.

“Shared Services Agreement” means the Shared Services Agreement as defined in the Preamble.

“Software” means the object and source code versions of computer programs and associated documentation, training materials and configurations to use and modify such programs, including programmer, administrator, end user and other documentation.

“Stock” means shares of capital stock (whether denominated as common stock or preferred stock), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or business trust, whether voting or non-voting.

“Stock Equivalents” means all securities convertible into or exchangeable for Stock and all warrants, options or other rights to purchase or subscribe for any Stock, whether or not presently convertible, exchangeable or exercisable, and all voting debt.

“Subsidiary” or “subsidiary” means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns, either

directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such entity, (ii) the total combined equity interests, or (iii) the capital or profit interests, in the case of a partnership; or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

“Tax” shall have the meaning set forth in the Tax Allocation Agreement.

“Tax Allocation Agreement” means the Amended and Restated Tax Allocation Agreement as defined in the Preamble.

“Tax Return” shall have the meaning set forth in the Tax Allocation Agreement.

“Transactions” means, collectively, (i) the IPO Transactions, (ii) the Initial Public Offering and (iii) all other transactions contemplated by this Agreement or any Transaction Document.

“Transitional Trademark License Agreement” means the Transitional Trademark License Agreement as defined in the Preamble.

“Trigger Date” means the first date on which Genworth ceases to beneficially own more than fifty percent (50%) of the outstanding Company Common Stock.

“Underwriters” means the managing underwriters for the Initial Public Offering.

“Underwriting Agreement” means the Underwriting Agreement entered into on the date hereof by and among the Company and the Underwriters in connection with the offering of the Company Common Stock by the Company in the Initial Public Offering.

“Wholly Owned Subsidiary” means each Subsidiary in which the Company owns (directly or indirectly) all of the outstanding voting Stock, voting power, partnership interests or similar ownership interests, except for director’s qualifying shares in nominal amount.

1.2. Other Terms. For purposes of this Agreement, the following terms have the meanings set forth in the sections indicated.

<u>Term</u>	<u>Section</u>
After-Acquired Business	7.11(d)
After-Acquired Company	7.11(d)
After-Tax Basis	6.6(c)
Agreement	Preamble
Amended and Restated By-Laws	Preamble
Board Observer	8.2(f)
Charter	Preamble
Closing	4.1
Closing Date	4.1
Company	Preamble
Company Auditors	5.6(a)

Company Board	5.7(d)
Company Confidential Information	7.2(b)
Company Covered Business	7.11(a)
Company Indemnified Parties	6.3
Company Information	5.4(f)
Company Public Documents	5.4(d)
Company's Knowledge	7.9(a)
CPR	9.3
CPR Arbitration Rules	9.4(a)
Dispute	9.1(a)
Genworth	Preamble
Genworth Board	5.7(d)
Genworth Annual Statements	5.6
Genworth Auditors	5.6(a)
Genworth Confidential Information	7.2(c)
Genworth Covered Business	7.11(b)
Genworth Designee	8.2(e)
Genworth Indemnified Parties	6.2
Genworth's Knowledge	7.9(b)
Genworth Public Filings	5.5
Indemnified Party	6.6(a)
Indemnifying Party	6.6(a)
Indemnity Payment	6.6(a)
Initial Notice	9.2
Initial Public Offering	Preamble
IPO Transactions	Preamble
Joint Claims	7.10
Non-Settling Party	7.10
Organizational Documents	8.5
Pre-Trigger Date Event	7.5(c)
Privilege	5.18
Registration Indemnified Parties	6.4(a)
Representatives	7.2(b)
Response	9.2
Restricted Period	7.11
Settling Party	7.10
Third-Party Claim	6.7(a)
Transaction Documents	Preamble

ARTICLE II

THE IPO TRANSACTIONS

2.1. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES. GENWORTH (ON BEHALF OF ITSELF AND EACH MEMBER OF THE GENWORTH GROUP) AND THE COMPANY (ON BEHALF OF ITSELF AND EACH MEMBER OF THE COMPANY

GROUP) EACH UNDERSTAND AND AGREE THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, IN ANY TRANSACTION DOCUMENT, NO PARTY TO THIS AGREEMENT, ANY TRANSACTION DOCUMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY TRANSACTION DOCUMENT OR OTHERWISE, IS REPRESENTING OR WARRANTING OR HAS MADE ANY REPRESENTATION OR WARRANTY IN ANY WAY AS TO THE ASSETS, BUSINESSES OR LIABILITIES TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS OR APPROVALS REQUIRED IN CONNECTION HERewith OR THEREWITH, AS TO THE VALUE OF OR FREEDOM FROM ANY SECURITY INTERESTS OF, OR ANY OTHER MATTER CONCERNING, ANY ASSETS, BUSINESSES OR LIABILITIES OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY CLAIM OR OTHER ASSET, INCLUDING ANY ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY ASSIGNMENT, DOCUMENT OR INSTRUMENT DELIVERED HEREUNDER OR THEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN, IN ANY TRANSACTION DOCUMENT, ALL SUCH ASSETS ARE BEING OR HAVE BEEN TRANSFERRED ON AN "AS IS," "WHERE IS" BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, BY MEANS OF A QUITCLAIM OR SIMILAR FORM DEED OR CONVEYANCE) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE SHALL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, AND (II) ANY NECESSARY CONSENTS OR GOVERNMENTAL APPROVALS ARE NOT OBTAINED OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

2.2. Governmental Approvals and Consents. To the extent that the IPO Transactions requires any Governmental Approvals or Consents, the Parties will use their reasonable best efforts to obtain such Governmental Approvals and Consents, including by preparing all documentation and making all filings necessary to obtain such Governmental Approvals and Consents. Each Party shall promptly furnish to the others copies of any notices or written communications received by it or any of its Affiliates from any Governmental Authority with respect to the transactions contemplated by this Agreement or any Transaction Document, and subject to applicable Laws, each Party, as applicable, shall, to the extent practicable, permit counsel to the others an opportunity to review in advance, and shall consider in good faith the views of such counsel in connection with, any proposed written communications by it or its Affiliates to any Governmental Authority concerning the transactions contemplated by this Agreement or any Transaction Document. Subject to applicable Laws, each Party agrees to reasonably cooperate with the others in connection with any communications with any Governmental Authorities concerning or in connection with the transactions contemplated by this Agreement or any Transaction Document and, to the extent it deems appropriate under the circumstances in its sole discretion, each Party shall provide the other Parties and their respective

counsel the opportunity, with reasonable advance notice, to participate in substantive meetings or discussions, either in person or by telephone, between such Party or any of its Affiliates, agents or advisors, on the one hand, and any Governmental Authority, on the other hand, concerning or

in connection with the transactions contemplated by this Agreement or any Transaction Document, and each Party further agrees that, to the extent consistent with applicable Laws, it will use its reasonable best efforts to share with the other Parties information received from Governmental Authorities, in substantive meetings or discussions in which such other Parties did not participate, that would reasonably be expected to be of interest to the other Parties.

ARTICLE III

THE INITIAL PUBLIC OFFERING

3.1. The Initial Public Offering. The Company shall (i) consult with, and cooperate in all respects with and take all actions reasonably requested by, Genworth in connection with the Initial Public Offering and (ii) at the direction of Genworth, promptly take any and all actions necessary or desirable to consummate the Initial Public Offering as contemplated by the IPO Registration Statement and the Underwriting Agreement.

ARTICLE IV

INTERCOMPANY TRANSACTIONS AS OF THE CLOSING DATE

4.1. Time and Place of Closing. Subject to the terms and conditions of this Agreement, all transactions contemplated by this Agreement shall be consummated at a closing (the “Closing”) to be held at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, New York 10001, at 10:00 a.m. EDT, on the date on which the Initial Public Offering closes or at such other place or at such other time or on such other date as Genworth and the Company may mutually agree upon in writing (the day on which the Closing takes place being the “Closing Date”).

4.2. Assumption of Company Employee Liabilities.

(a) From and after the Effective Time, the Company shall, or shall cause one or more members of the Company Group to, accept, assume (or, as applicable, retain) and perform, discharge and fulfill all Company Employee Liabilities. Effective as of the Effective Time, Genworth hereby assigns to the Company and the applicable members of the Company Group each employment contract, including any individual employment or offer letter, severance agreement, retention agreement or restrictive covenant agreement between a member of the Genworth Group and any Company Employee or Former Company Employee signed or otherwise effective under applicable Law (but, for the avoidance of doubt, excluding any individual award agreement under the Genworth Stock Plan).

(b) Except as provided in this Section 4.2 or otherwise mutually agreed upon by the Parties (including, without limitation, as agreed with respect to any Benefit Arrangement providing for change of control benefits, key employee severance benefits or executive life insurance benefits), (i) the Company and each member of the Company Group may elect to remain as participating companies in the Benefit Arrangements sponsored or maintained by any

member of the Genworth Group (the “Continuing Arrangements”) through the Continuing Arrangement End Date and (ii) if so elected by the Company and the applicable member of the

Company Group, each Company Employee shall remain eligible to continue to participate in and be covered by such Continuing Arrangements through the Continuing Arrangement End Date; provided that the Company shall continue to reimburse Genworth for the cost of providing such participation. At all times following the date hereof, the Parties will cooperate in good faith as necessary to coordinate Benefit Arrangement services, reimbursements and payments pursuant to the Shared Services Agreement, as long as it is in effect and applicable to such services, and otherwise facilitate the administration of employee benefits and the resolution of related employee benefit claims under the Continuing Arrangements sponsored or maintained by the applicable member of the Genworth Group with respect to the Company Employees, including with respect to the provision of employee level information necessary for the applicable member of the Genworth Group to manage, administer, finance and file required reports with respect to such administration.

(c) Effective as of the Continuing Arrangement End Date, the Company and each member of the Company Group shall cease to be participating companies in the Genworth Financial, Inc. Retirement and Savings Plan (the “Genworth 401(k) Plan”). Effective as of the date, if any, following the Continuing Arrangement End Date, that the Company has in effect a defined contribution savings plan and related trust that satisfies the requirements of Sections 401(a) and 401(k) of the Code (the “Company 401(k) Plan”), the Company shall cause the Company 401(k) Plan to accept from the Genworth 401(k) Plan the “direct rollover” of the account balance (including the in-kind rollover of promissory notes evidencing all outstanding loans) of each Company Employee who participated in the Genworth 401(k) Plan as of the Continuing Arrangement End Date and who elects such direct rollover in accordance with the terms of the Genworth 401(k) Plan, the Company 401(k) Plan and applicable law. Except as provided in the preceding sentence, Genworth shall retain all accounts and all Assets and Liabilities relating to the Genworth 401(k) Plan.

(d) Effective as of the first practicable date following the Continuing Arrangement End Date or as otherwise mutually agreed by the Parties, but in any event no later than the last day of the calendar year that includes the Continuing Arrangement End Date, (i) the Company and each member of the Company Group shall cease to be participating companies in any Continuing Arrangement that is a health and welfare arrangement, (ii) each Company Employee shall cease to participate in, be covered by, accrue benefits under, be eligible to contribute to or have any rights under any such types of Continuing Arrangements (except to the extent of any previously accrued obligation that remains a Genworth Employee Liability pursuant to this Agreement) and (iii) the Company shall, or shall cause a member of the Company Group to, have in effect similar types of Benefit Arrangements in which each Company Employee who previously participated in such types of Continuing Arrangements shall be eligible to participate.

(e) Effective as of the date mutually agreed by the Parties but in no event as of a date later than the Trigger Date, (i) the Company and each member of the Company Group shall cease to be participating companies in any other types of Continuing Arrangements not addressed in Sections 4.2(c) and 4.2(d), (ii) each Company Employee shall cease to participate in, be covered by, accrue benefits under, be eligible to contribute to or have any rights under any

such types of Continuing Arrangements (except to the extent of any previously accrued obligation that remains a Genworth Employee Liability pursuant to this Agreement) and (iii) the

Company shall, or shall cause a member of the Company Group to, have in effect such types of Benefit Arrangements in which each Company Employee who previously participated in such type of Continuing Arrangement shall be eligible to participate.

(f) For any Former Company Employee who is, as of the Closing Date, receiving payments as part of any long-term disability program that is part of a Benefit Arrangement sponsored or maintained by a member of the Genworth Group, to the extent such Former Company Employee may have any “return to work” rights under the terms of such long-term disability program, such Former Company Employee’s eligibility for re-employment shall be with the Company or a member of the Company Group.

(g) The Company shall retain all Liabilities and obligations related to Company Employees and Former Company Employees in respect of any annual or quarterly bonus or sales commission performance period that has not concluded as of the Closing Date (the “Open Incentive Obligations”) and shall pay the full amount of such Liabilities and obligations when due in the normal course. Genworth shall not be obligated to transfer assets to the Company or reimburse the Company in any other way in respect of the Open Incentive Obligations.

(h) The Company shall retain all Liabilities and obligations related to Company Employees and Former Company Employees in respect of any (i) deferred cash awards that have not been paid out as of the Closing Date (the “Deferred Cash Awards”) and (ii) cash-based retention awards that have not been paid out as of the Closing Date (the “Cash-Based Retention Awards”), and in each case shall pay the full amount of such Liabilities and obligations when due in the normal course. Genworth shall not be obligated to transfer assets to the Company or reimburse the Company in any other way in respect of the Deferred Cash Awards or the Cash-Based Retention Awards.

(i) The Company shall assume all Liabilities and obligations related to Former Company Employees in respect of any severance payments and benefits that have not been paid out as of the Closing Date (the “Earned Severance Payments”), and in each case shall pay the full amount of such Liabilities and obligations when due in the normal course. Genworth shall not be obligated to transfer assets to the Company or reimburse the Company in any other way in respect of the Earned Severance Payments.

(j) Nothing in this Agreement shall be deemed to be an amendment to any Benefit Arrangement sponsored or maintained by any member of the Company Group or, subject to Sections 4.2(b), (c), (d) and (e), to prohibit any member of the Company Group from amending, modifying or terminating any Benefit Arrangement sponsored or maintained by any member of the Company Group at any time within its sole discretion.

4.3. Assumption of Genworth Employee Liabilities.

(a) Effective as of the Closing Date, the Company hereby assigns to Genworth and the applicable members of the Genworth Group each individual employment contract, including any employment or offer letter, severance agreement, retention agreement or

restrictive covenant agreement between a member of the Company Group and any Genworth Employee or Former Genworth Employee signed or otherwise effective under applicable Law.

(b) Genworth shall continue to be responsible for all Liabilities under the Genworth Financial, Inc. Deferred Compensation Plan (the “Genworth DCP”), with costs associated with any Company Employee or Former Company Employee to be reimbursed by the Company. Except as otherwise provided by Section 409A of the Code, a Company Employee shall not be considered to have undergone a “separation from service” for purposes of Section 409A of the Code and the Genworth DCP solely by reason of the Initial Public Offering, and, following the Closing Date, the determination of whether a Company Employee has incurred a separation from service with respect to his or her benefit in the Genworth DCP shall be based solely upon his or her performance of services for the Company Group. The Company shall promptly notify Genworth of the “separation from service” (as determined pursuant to Section 409A of the Code) of any Company Employee. At that time, the Company shall also notify Genworth whether the Company Employee is a “specified employee” as determined pursuant to Section 409A of the Code.

(c) Genworth shall continue to be responsible for and maintain all Liabilities under any post-employment welfare benefit plans and retirement plans (including, but not limited to, Restoration and Supplemental Executive Retirement Plans) with costs associated with any Company Employee or Former Company Employee to be reimbursed by the Company.

(d) Nothing in this Agreement shall be deemed to be an amendment to any Benefit Arrangement sponsored or maintained by any member of the Genworth Group or to prohibit any member of the Genworth Group from adopting, amending, modifying or terminating any Benefit Arrangement sponsored or maintained by any member of the Genworth Group at any time within its sole discretion.

4.4. Tax Matters.

(a) Following the Closing and for so long as permitted by applicable Law, Genworth and the Company shall continue to join in filing a consolidated U.S. federal income Tax Return and shall continue to be subject to the Tax Allocation Agreement. Following the Closing, without Genworth’s prior written consent (which consent shall be in Genworth’s sole discretion), the Company shall not, and shall not permit any of its Affiliates to, take any action that would reasonably be expected to cause (or fail to take any action the failure of which would reasonably be expected to cause) the Company or any of its Subsidiaries to no longer be a member of the “affiliated group” (as defined in Section 1504(a) of the Code) of which Genworth is the common parent and that files a consolidated U.S. federal income Tax Return, or to no longer be subject to the Tax Allocation Agreement. To the extent that any representations, warranties, covenants and agreements between the parties with respect to Tax matters are set forth in the Tax Allocation Agreement, such Tax matters shall be governed exclusively by the Tax Allocation Agreement and not by this Agreement.

(b) The parties hereto acknowledge and agree that the transfer of Shares pursuant to the Initial Public Offering will be a “transfer” subject to the rules of Treasury Regulation Section 1.1502-36 (the “UL Rules”). Within ninety (90) days following the filing of

the Genworth consolidated federal income Tax Return for the taxable year in which the Initial Public Offering occurs, Genworth shall provide notice to the Company of any attribute reduction, within the meaning of Treasury Regulation Section 1.1502-36(d)(3) with respect to the assets or stock of Subsidiaries of the Company arising out of the Initial Public Offering by reason of the UL Rules. Following delivery of such notice, the parties shall cooperate to determine whether and to what extent the Company will be required to recognize a deferred Tax liability or reduce a deferred Tax asset in its GAAP financial statements as a result of the application of the UL Rules to the Initial Public Offering (such amount, the “Deferred Tax Writedown”). For purposes of determining the Deferred Tax Writedown, the parties acknowledge and agree that a reduction solely in the basis of stock of Subsidiaries of the Company shall not be create any Deferred Tax Writedown.

(c) Within thirty (30) days of determining the Deferred Tax Writedown pursuant to Section 4.4(b), Genworth shall pay to the Company an amount, if any, of cash equal to the Deferred Tax Writedown. The parties acknowledge and agree that such payment relates back to the Initial Public Offering, and shall therefore be treated as a capital contribution by Genworth Holdings Inc. to the Company immediately prior to the Initial Public Offering for federal and state income Tax purposes.

ARTICLE V

FINANCIAL AND OTHER INFORMATION

5.1. Annual Financial Information.

(a) The Company agrees that, so long as members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year more than twenty percent (20%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, then the Company shall deliver to Genworth the Corporate Reporting Data for such year. The Company shall deliver the financial data and schedules comprising such Corporate Reporting Data no later than (i) fifteen (15) days after the end of the fiscal year for financial data and (ii) consistent with the timelines established in the detailed task calendar for reporting for other Corporate Reporting Data unless Genworth notifies the Company otherwise. All annual consolidated financial statements of the Company and its Subsidiaries delivered to Genworth shall set forth in each case in comparative form the consolidated figures for the previous fiscal year prepared in accordance with Regulation S-X and consistent with the level of detail provided in comparable financial statements furnished by the Company Business to Genworth prior to the Closing Date. The Corporate Reporting Data shall include all statistical information reasonably necessary for inclusion in any Genworth Group member’s annual earnings press release, along with reasonably appropriate supporting documentation. The Corporate Reporting Data shall include (i) a discussion and analysis by management of the Company’s and its Subsidiaries’ consolidated financial condition and results of operations for the requisite years, including, an explanation of any material changes, all in reasonable detail and prepared in accordance with Item 303 of Regulation S-K and (ii) a discussion and analysis of the Company’s and its Subsidiaries’ consolidated financial condition and results of operations for the

requisite years, including, an explanation of any material changes, all in reasonable detail and prepared in accordance with Item 303 of Regulation S-K, prepared for inclusion in the annual report to stockholders of any member of the Genworth Group.

(b) The Company agrees that, if members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year at least five percent (5%) of the then outstanding Company Common Stock, the Company shall deliver to Genworth the unaudited consolidated balance sheet of the Company and its Subsidiaries as of the end of each fiscal year and the unaudited consolidated statements of earnings of the Company and its Subsidiaries for each fiscal year no later than fifteen (15) days after the end of the fiscal year unless Genworth notifies the Company otherwise. All annual consolidated financial statements of the Company and its Subsidiaries delivered to Genworth shall set forth in each case in comparative form the consolidated figures for the previous fiscal year prepared in accordance with Article 10 of Regulation S-X and consistent with the level of detail provided in comparable financial statements furnished by the Company Business to Genworth prior to the Closing Date.

(c) The Company agrees that, so long as members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year more than twenty percent (20%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, (i) on or before the third day, to the extent reasonably practicable, but in no event later than one (1) day prior to the day the Company publicly files its Annual Report on Form 10-K with the SEC or otherwise, the Company shall deliver to Genworth the final form of its Annual Report on Form 10-K, together with all certifications required by applicable Law by each of the Chief Executive Officer and Chief Financial Officer of the Company and the form of opinion the Company's independent certified public accountants expect to provide thereon, and (ii) the Company shall, if requested by Genworth, also deliver to Genworth all of the information required to be delivered with respect to each Subsidiary of the Company which is itself required to file Annual Reports on Form 10-K with the SEC, with such information to be provided in the same manner and detail and on the same time schedule as the information with respect to the Company required to be delivered to Genworth.

5.2. Quarterly Financial Information.

(a) The Company agrees that, so long as members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year more than twenty percent (20%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, the Company shall deliver to Genworth the Corporate Reporting Data for the first, second and third quarter of each year and shall continue the existing practice of delivering to Genworth monthly financial performance metrics and drivers of operating results for those months that do not end a quarter. The Company shall deliver the financial data and schedules comprising such Corporate Reporting Data no later than (i) fifteen (15) days after the end of the fiscal quarter for financial data and (ii) consistent with the timelines established in the detailed task calendar for reporting for other Corporate Reporting Data unless Genworth notifies

the Company otherwise. All quarterly consolidated financial statements of the Company and its Subsidiaries delivered to Genworth shall include financial statements for such quarterly periods and for the period from the beginning of the current fiscal year to the end of such quarter, setting forth in each case in comparative form for each such fiscal quarter of the Company the consolidated figures for the corresponding quarter and period of the previous fiscal year prepared in accordance with Article 10 of Regulation S-X and consistent with the level of detail provided in comparable financial statements furnished by the Company Business to Genworth prior to the Closing Date. The Corporate Reporting Data shall include all statistical information reasonably necessary for inclusion in any Genworth Group member's quarterly earnings press release, along with reasonably appropriate supporting documentation. The Corporate Reporting Data shall include a discussion and analysis by management of the Company's and its Subsidiaries' consolidated financial condition and results of operations for the requisite quarterly periods, including, an explanation of any material adverse change, all in reasonable detail and prepared in accordance with Item 303(c) of Regulation S-K.

(b) The Company agrees that, if members of the Genworth Group beneficially own, in the aggregate on any date during a fiscal year at least five percent (5%) of the then outstanding Company Common Stock, the Company shall deliver to Genworth the unaudited consolidated balance sheet of the Company and its Subsidiaries as of the end of each fiscal quarter and the unaudited consolidated statements of earnings of the Company and its Subsidiaries for each fiscal quarter within the reasonable time periods specified by Genworth, no later than fifteen (15) days after the end of the fiscal quarter unless Genworth notifies the Company otherwise. All quarterly consolidated financial statements of the Company and its Subsidiaries delivered to Genworth shall include financial statements for such quarterly periods and for the period from the beginning of the current fiscal year to the end of such quarter, setting forth in each case in comparative form for each such fiscal quarter of the Company the consolidated figures for the corresponding quarter and period of the previous fiscal year prepared in accordance with Article 10 of Regulation S-X and consistent with the level of detail provided in comparable financial statements furnished by the Company Business to Genworth prior to the Closing Date.

(c) The Company agrees that, so long as members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year more than twenty percent (20%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, (i) on or before the third day, to the extent reasonably practicable, but in no event later than one (1) day prior to the day the Company publicly files a Quarterly Report on Form 10-Q with the SEC or otherwise, the Company shall deliver to Genworth the final form of its Quarterly Report on Form 10-Q, together with all certifications required by applicable Law by each of the Chief Executive Officer and Chief Financial Officer of the Company, and (ii) the Company shall, if requested by Genworth, also deliver to Genworth all of the information required to be delivered with respect to each Subsidiary of the Company which is itself required to file Quarterly Reports on Form 10-Q with the SEC, with such information to be provided in the same manner and detail and on the same time schedule as the information with respect to the Company required to be delivered to Genworth.

5.3. General Financial Statement Requirements. All information provided by the Company or any of its Subsidiaries to any member of the Genworth Group pursuant to this Article V shall be consistent in terms of format and detail and otherwise with the procedures and practices in effect prior to the Closing Date with respect to the provision of such financial and other information by the Company to any member of the Genworth Group (and where appropriate, as presently presented in financial and other reports delivered to the board of directors of Genworth), with such changes therein as may be reasonably requested by Genworth from time to time, and any changes in such procedures or practices that are required in order to comply with the rules and regulations of the SEC or GAAP, as applicable.

5.4. Twenty-Percent Threshold. The Company agrees that, if members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year more than twenty percent (20%) of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, then in respect of such fiscal year:

(a) Maintenance of Books and Records. The Company shall, and shall cause each of its consolidated Subsidiaries to, (i) make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company and such Subsidiaries, (ii) devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (A) transactions are executed in accordance with management's general or specific authorization, (B) transactions are recorded as necessary (x) to permit preparation of financial statements in conformity with GAAP or any other criteria applicable to such statements and (y) to maintain accountability for assets and (C) access to assets is permitted only in accordance with management's general or specific authorization and (z) comply with the provisions of Section 404 of the Sarbanes-Oxley Act of 2002, so long as in effect.

(b) Fiscal Year. The Company shall, and shall cause each of its consolidated Subsidiaries to, maintain a fiscal year which commences on January 1 and ends on December 31 of each calendar year; provided that, if on the Closing Date any consolidated Subsidiary of the Company has a fiscal year which ends on a date other than December 31, the Company shall use its reasonable best efforts to cause such Subsidiary to change its fiscal year to one which ends on December 31 if such change is reasonably practicable.

(c) Other Financial Information. The Company shall provide to Genworth upon reasonable request of Genworth such other financial information and analyses of the Company and its Subsidiaries that may be necessary for any member of the Genworth Group to

(i) comply with applicable financial reporting requirements or its customary financial reporting practices or (ii) respond in a timely manner to any reasonable requests for information regarding the Company and its Subsidiaries received by Genworth from investors or financial analysts or

(iii) respond in a timely manner to any reasonable requests for information regarding the Company and its Subsidiaries in connection with Genworth Group's financing, securities and strategic transactions, including prospective transactions, restructuring transactions and sell-downs of Company Common Stock. In connection therewith, the Company shall also permit Genworth, the Genworth Auditors and other Representatives of Genworth to discuss the affairs,

finances and accounts of any member of the Company Group with the officers of the Company and the Company Auditors, all at such times and as often as Genworth may reasonably request upon reasonable notice during normal business hours.

(d) Public Information and SEC Reports. The Company and each of its Subsidiaries that files information with the SEC shall cooperate with Genworth in preparing reports, notices and proxy and information statements to be sent or made available by the Company or such Subsidiaries to their security holders, all regular, periodic and other reports filed under Sections 13, 14 and 15 of the Exchange Act by the Company or such Subsidiaries and all registration statements and prospectuses to be filed by the Company or such Subsidiaries with the SEC or any securities exchange pursuant to the listed company manual (or similar requirements) of such exchange (collectively, "Company Public Documents") and deliver to Genworth (to the attention of its Corporate Secretary), no later than the date the same are printed for distribution to its shareholders, sent to its shareholders or filed with the SEC, whichever is earliest, final copies of all Company Public Documents. Upon reasonable advance notice from Genworth of its planned filing date for any given period (including reasonable notice of any changes to such date), the Company shall file (i) its Quarterly Report on Form 10-Q with the SEC no later than ten (10) days after Genworth's planned filing date with the SEC for its quarterly reports for the corresponding period, and (ii) its Annual Report on Form 10-K with the SEC no later than fifteen (15) days after Genworth's planned filing date with the SEC for its annual reports for the corresponding period; provided, that in no event shall the Company file such report for any given period prior to Genworth's filing of its own such report for the corresponding period and this Section 5.4(i) and (ii) shall not apply to the Company's first Quarterly Report on Form 10-Q and Annual Report on Form 10-K, which the Company shall timely file in accordance with SEC rules. Notwithstanding the foregoing, upon reasonable advance notice from the Company to Genworth, the Company may file any reports in advance of Genworth's filing if necessary for the Company to comply with any applicable SEC or other legal deadlines. The Parties shall cooperate in preparing all press releases and other statements to be made available by the Company or any of its Subsidiaries to the public, including, information concerning material developments in the business, properties, results of operations, financial condition or prospects of the Company or any of its Subsidiaries. Genworth shall have the right to review, reasonably in advance of public release or release to financial analysts or investors and in a manner consistent with the procedures and practices in effect prior to the Closing Date with respect to press releases issued by the Company (A) all press releases and other statements to be made available by the Company or any of its Subsidiaries to the public and (B) all reports and other information prepared by the Company or any of its Subsidiaries for release to financial analysts or investors; provided, however, that neither Genworth nor any member of the Genworth Group shall publicly disclose any material, non-public information of the Company except pursuant to policies and procedures mutually agreed upon by Genworth and the Company for the disclosure of such information and except as required by applicable Law; provided, further, that at any time when members of the Genworth Group beneficially own, in the aggregate less than fifty percent (50%) of the then outstanding Company Common Stock, Genworth shall only have the right to review such press releases, public statements, reports and other information in advance if necessary for any member of the Genworth Group to (x) comply with applicable financial reporting requirements or its customary financial reporting practices or (y) respond to any reasonable requests for information regarding the Company and its Subsidiaries received by Genworth from investors or financial analysts. No press release, report,

registration, information or proxy statement, prospectus or other document which refers, or contains information with respect, to any member of the Genworth Group shall be filed with the SEC or otherwise made public or released to any financial analyst or investor by the Company or any of its Subsidiaries without the prior written consent of Genworth (which consent shall not be unreasonably withheld, conditioned or delayed) with respect to those portions of such document that contain information with respect to any member of the Genworth Group, except as may be required by Law (in such cases the Company shall use its reasonable best efforts to notify the relevant member of the Genworth Group and to obtain such member's consent before making such a filing with the SEC or otherwise making any such information public).

(e) Meetings with Financial Analysts. The Company shall notify Genworth reasonably in advance of the date of any conferences to be attended by management of the Company with members of the investment community, and shall consult with Genworth as to the appropriate timing for all such conferences. With respect to any such conference to be held at a time when members of the Genworth Group beneficially own, in the aggregate more than fifty percent (50%) of the then outstanding Company Common Stock, the Company shall not attend such conference on any date to which Genworth reasonably objects. For the avoidance of doubt, the foregoing shall not require the Company to notify Genworth of one-on-one discussions between management of the Company and members of the investment community (including any financial analysts).

(f) Earnings Releases. Genworth agrees that, unless required by Law or unless the Company shall have consented thereto, no member of the Genworth Group will publicly release any quarterly, annual or other financial information of the Company or any of its Subsidiaries ("Company Information") delivered to Genworth pursuant to this Article V prior to the time that Genworth publicly releases financial information of Genworth, for the relevant period. Genworth will consult with the Company on the timing of their annual and quarterly earnings releases and Genworth and the Company will give each other an opportunity to review the information therein relating to the Company and its Subsidiaries and to comment thereon; provided, that Genworth shall have the sole right to determine the timing of all such releases if Genworth and the Company disagree. Upon reasonable advance notice from Genworth, the Company shall publicly release its financial results for each annual and quarterly period on the day of Genworth's earnings release within a reasonable time following Genworth's release. If any member of the Genworth Group is required by Law to publicly release such Company Information prior to the public release of Genworth's financial information, Genworth will give the Company notice of such release of Company Information as soon as practicable but no later than two (2) days prior to such release of Company Information.

5.5. Public Filings. The Company agrees that, until the date that the members of the Genworth Group beneficially own, in the aggregate on any date during a fiscal year, less than twenty percent (20%), or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting, of the then- outstanding Company Common Stock, the Company shall cooperate, and cause its accountants to cooperate, with Genworth to the extent reasonably requested by Genworth in the preparation of Genworth's press releases, public earnings releases, Quarterly Reports on Form 10-Q, Annual Reports to Shareholders, Annual Reports on Form 10-K, any Current Reports on Form 8-K and

any amendments thereto and any other proxy, information and registration statements, reports, notices, prospectuses and any other filings made by Genworth or any of its Subsidiaries with the SEC, any national securities exchange or otherwise made publicly available (collectively, “Genworth Public Filings”). The Company agrees to provide to Genworth all information that Genworth reasonably requests in connection with any such Genworth Public Filings or that, in the judgment of Genworth’s legal department, is required to be disclosed therein under any Law. The Company agrees to use reasonable best efforts to provide such information in a timely manner to enable Genworth to prepare, print and release such Genworth Public Filings on such date as Genworth shall determine. If and to the extent reasonably requested by Genworth, the Company shall diligently and promptly review all drafts of such Genworth Public Filings and prepare in a diligent and timely fashion any portion of such Genworth Public Filing pertaining to the Company or its Subsidiaries. Prior to any printing or public release of any Genworth Public Filing, an appropriate executive officer of the Company, shall, if requested by Genworth, continue the existing practice of certifying and representing that the information provided by the Company relating to the Company, in such Genworth Public Filing is accurate, true and correct in all material respects. Unless required by Law, without the prior consent of Genworth, the Company shall not publicly release any financial or other information that conflicts with the information with respect to the Company, any Affiliate of the Company or the Company Group that is provided by the Company for any Genworth Public Filing.

5.6. Genworth Annual Statements. In connection with any Genworth Group member’s preparation of its audited annual financial statements and its Annual Reports to Shareholders (collectively the “Genworth Annual Statements”), during any fiscal year in which the members of the Genworth Group own, in the aggregate more than twenty percent (20%) of the then outstanding Company Common Stock, (or such lesser percentage during any fiscal year that any member of the Genworth Group is required, in accordance with GAAP, to account for its investment in the Company on a consolidated basis or under the equity method of accounting), the Company agrees as follows:

(a) Coordination of Auditors’ Opinions. The Company will use its reasonable best efforts to enable its independent certified public accountants (the “Company Auditors”) to complete their audit such that they will date their opinion on the Company’s audited annual financial statements on the same date that Genworth independent certified public accountants (the “Genworth Auditors”) date their opinion on the Genworth Annual Statements, and to enable Genworth to meet its timetable for the printing, filing and public dissemination of the Genworth Annual Statements.

(b) Access to Personnel and Working Papers. The Company will request the Company Auditors to make available to the Genworth Auditors both the personnel who performed or are performing the annual audit of the Company and, consistent with customary professional practice and courtesy of such auditors with respect to the furnishing of work papers, work papers related to the annual audit of the Company, in all cases within a reasonable time after the Company Auditors’ opinion date, so that the Genworth Auditors are able to perform the procedures they consider necessary to take responsibility for the work of the Company Auditors as it relates to the Genworth Auditors’ report on the Genworth Annual Statements, all within sufficient time to enable Genworth to meet its timetable for the printing, filing and public dissemination of the Genworth Annual Statements. If for any reason the Genworth Auditors are

unable to use or rely on the Company Auditors, the Company agrees to provide any and all information requested and to fully cooperate with the Genworth Auditors, all within sufficient time to enable Genworth to meet its timetable for the printing, filing and public dissemination of the Genworth Annual Statements. Until the Trigger Date, if the Genworth Auditors identify, in any management letter or other correspondence in connection with the annual audit of Genworth, any issue with the accounting principles, any proposed adjustment or any similar area of concern with respect to the Company Group, Genworth shall promptly inform the Company and provide the Company with an excerpt of the applicable portions of such management letter or correspondence.

(c) Auditors' Independence. The Company will use its reasonable best efforts, including following Genworth policies on engagement of public accounting firms, to ensure Genworth Auditors maintain independence under SEC and other professional rules and regulations.

5.7. Fifty-Percent Threshold. The Company agrees that, if members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year fifty percent (50%) or more of the then outstanding Company Common Stock, or, notwithstanding such percentage, if any member of the Genworth Group is required during any fiscal year, in accordance with GAAP, to consolidate the Company's financial statements with its financial statements, then in respect of such fiscal year:

(a) Auditors. The Company shall provide Genworth, the Genworth Auditors or other Representatives of Genworth reasonable access upon reasonable notice during normal business hours to the Company's and its Subsidiaries' books and records so that Genworth may conduct reasonable audits relating to the financial statements provided by the Company pursuant to this Article V, as well as to the internal accounting controls and operations of the Company and its Subsidiaries; provided, however, that any such audits will be conducted in the same manner and using the same procedures as conducted on the date hereof for audits of the Company including, but not limited to, reporting audit findings to management of the business or unit subject to the audit.

(b) Accounting Estimates and Principles. The Company will give Genworth reasonable notice of any proposed material change in accounting estimates or material changes in accounting principles from those in effect with respect to the Company, its Subsidiaries and the Affiliates of Genworth that comprise the Company Group immediately prior to the Closing Date, and will give Genworth notice immediately following adoption of any such changes that are mandated or required by the SEC, the Financial Accounting Standards Board or the Public Company Accounting Oversight Board. In connection therewith, the Company will consult with Genworth, and, if requested by Genworth, the Company will consult with the Genworth Auditors with respect thereto. As to material changes in accounting principles that could affect any member of the Genworth Group, the Company will not make any such changes without Genworth's prior written consent (which consent will not be unreasonably withheld, conditioned or delayed), excluding changes that are mandated or required by the SEC, the Financial Accounting Standards Board or the Public Company Accounting Oversight Board, if such a change would be sufficiently material to be required to be disclosed in the Company's financial statements as filed with the SEC or otherwise publicly disclosed therein. If Genworth so

requests, the Company will be required to obtain the concurrence of the Company Auditors as to such material change prior to its implementation. Genworth will use its reasonable best efforts to promptly respond to any request by the Company to make a change in accounting principles and, in any event, in sufficient time to enable the Company to comply with its obligations under Sections 5.1 and 5.2.

(c) Management Certification. The Company's Chief Executive Officer, the Company's Chief Financial or Accounting Officer, and other appropriate Company management shall submit quarterly representations in a form consistent with past practice (with such changes thereto prescribed by Genworth consistent with representations furnished to Genworth by other Subsidiaries of Genworth or as otherwise required by changes to applicable Law or stock exchange requirements) attesting to the accuracy and completeness of the financial and accounting records referred to therein in all material respects.

(d) Budget and Operating Review Process. Until the Trigger Date, Genworth shall have the right to review the annual budget and annual business plan of the Company and its Subsidiaries on a consolidated basis (the "Operational Plan") and any material amendments to, or any material departure from, such annual budget and Operational Plan. The Company shall also review with Genworth its strategic and multi-year plans (collectively, with the Operational Plan, the "Business Plans"). The Company shall conduct its Business Plans review process on a schedule that is consistent with that of Genworth and shall provide the Company's proposed Business Plans in advance to Genworth for review. Genworth acknowledges that the Company shall conduct its Business Plans review process through participation in meetings of Genworth board of directors ("the Genworth Board") and related activities in preparation of such meetings. The Company shall hold all of its regularly scheduled board meetings at which its Business Plans are discussed within a time frame consistent with Genworth's review process. The Company shall use best efforts to conduct all other reviews of the Company's operations, affairs, finances or results (other than those required to comply with applicable financial reporting requirements or its customary financial reporting practices) as requested by Genworth. In connection with the Business Plans reviews, relevant Genworth personnel in addition to the members of the Company's board of directors (the "Company Board") designated for nomination by Genworth may participate at Genworth's invitation. As requested by Genworth, the Company's Chief Executive Officer and Company management will be participants at the meetings of the Genworth Board. The chairperson of the Company Board and the chairpersons of the committees of the Company Board shall also make themselves available to discuss matters with their respective counterparts of the Genworth Board and the committees thereof.

(e) Board Materials and Reports The Company shall provide to Genworth copies of all materials and reports provided to the Company Board (or a committee thereof) at the same time as such materials and reports are provided to the Company Board (or committee thereof). The Company shall satisfy its obligations under this Section 5.7(e) by delivering such materials and reports to Genworth's Corporate Secretary in such form and in such manner as requested by Genworth's Corporate Secretary.

5.8. Accountants' Reports.

(a) The Company agrees that if members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year at least ten percent (10%) of the then- outstanding Company Common Stock, the Company will promptly upon receipt of written notice

from Genworth, but in no event later than five (5) Business Days following the receipt thereof, deliver to Genworth copies of all reports submitted to the Company or any of its Subsidiaries by their independent certified public accountants, including, each report submitted to the Company or any of its subsidiaries concerning its accounting practices and systems and any comment letter submitted to management in connection with their annual audit and all responses by management to such reports and letters.

(b) The Company agrees that if members of the Genworth Group beneficially own in the aggregate on any date during a fiscal year at least ten percent (10%) of the then- outstanding Company Common Stock, the Company shall allow Genworth or any of its Subsidiaries, on reasonable notice and in a reasonable manner, to conduct audits of the Company, including (but not limited to) with respect to the Company's activities, operations and compliance with applicable Law.

5.9. Financing, Securities and Strategic Transactions. The Company shall cooperate with and shall provide to Genworth and the relevant parties, including potential financing sources, as reasonably requested by Genworth, the Company's management, directors, officers, employees or other personnel and agents of the Company Group as participants in meetings and all information, books, records, data or other documents within its control or which it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such management, directors, officers, employees or other personnel and agents) or information, books, records, data or other documents that Genworth or potential financing sources may reasonably request in connection with any financing, securities or strategic transactions, including prospective transactions, restructuring transactions and sell- downs of Company Common Stock, or that, in the judgment of Genworth's legal department, is required to be disclosed therein under any Law. In connection therewith, the Company agrees to use reasonable best efforts to provide such persons and information, books, records, data or other documents in a timely manner to enable Genworth and the relevant parties to explore, plan, finance, prepare or execute such financing, securities or strategic transactions, including prospective transactions, restructuring transactions and sell-downs of Company Common Stock, on such date as Genworth shall determine.

5.10. Agreement for Exchange of Information.

(a) Each of Genworth and the Company, on behalf of itself and its respective Group, agrees to provide, or cause to be provided, to the other Group, at any time before or after the Closing Date, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such respective Group which the requesting Party reasonably needs (i) to comply with reporting, disclosure, filing or other requirements imposed on the requesting Party or a member of its Group (including under applicable securities, insurance or Tax Laws) by a Governmental Authority having jurisdiction over the requesting Party or such member of its Group, (ii) for use in any other judicial, regulatory, administrative, tax or other proceeding or in order to satisfy audit, accounting, claims, regulatory, litigation, tax or other similar requirements, in each case other than claims or allegations that one Party to this

Agreement has against the other, or (iii) subject to the foregoing clause (ii), to comply with its obligations under this Agreement or any Transaction Document; provided, however, that in the event that any Party determines that any such provision of Information could be commercially detrimental, violate any Law or agreement, or waive attorney work product protection or any

attorney-client or similar privilege, the Parties shall take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

(b) Each of Genworth and the Company, on behalf of itself and its respective Group, agrees to provide, or cause to be provided, to the other Group, at any time before the Trigger Date, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such respective Group which the requesting Party reasonably determines to be relevant to its relationship, communications or interaction with a (i) Governmental Authority having jurisdiction over the requesting Party or such member of its Group, and (ii) nationally recognized statistical rating organization.

5.11. Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 5.10 shall be deemed to remain the property of the providing Group. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

5.12. Compensation for Providing Information. In connection with information exchanged pursuant to Section 5.10, the Party requesting Information agrees to reimburse the other Party for the reasonable out-of-pocket costs, if any, of creating, gathering and copying such Information, to the extent that such costs are incurred for the benefit of the requesting Party. Except as may be otherwise specifically provided elsewhere in this Agreement or in any other agreement between the Parties, such costs shall be computed in accordance with the providing Party's standard methodology and procedures.

5.13. Record Retention. To facilitate the possible exchange of Information pursuant to this Article V and other provisions of this Agreement after the Closing Date, Genworth and the Company agree to use their reasonable best efforts to retain all Information in their respective possession or control in accordance with the policies of Genworth as in effect on the Closing Date or such other policies as may be reasonably adopted by the appropriate party after the Closing Date. No Party will destroy, or permit any of its Subsidiaries to destroy, any Information required to be retained by applicable Law.

5.14. Liability. To the fullest extent permitted by law, no Party shall have any liability to any other Party in the event that any Information exchanged or provided pursuant to this Agreement which is an estimate or forecast, or which is based on an estimate or forecast, is found to be inaccurate in the absence of willful misconduct by the Party providing such Information. To the fullest extent permitted by law, no Party shall have any liability to any other Party if any Information is destroyed after reasonable best efforts by such Party to comply with the provisions of Section 5.13.

5.15. Other Agreements Providing for Exchange of Information.

(a) The rights and obligations granted under this Article V are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information set forth in any Transaction Document.

(b) When any Information provided by one Group to the other (other than Information provided pursuant to Section 5.13) is no longer needed for the purposes contemplated by this Agreement or any other Transaction Document or is no longer required to be retained by applicable Law, the receiving Party will promptly after request of the other Party either return to the other Party all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon).

5.16. Genworth Policies, Procedures and Practices. Notwithstanding anything else in this Agreement, except as required by applicable Law (including, but not limited to, the rules and regulations of the Nasdaq Global Select Market (the “Nasdaq”)), prior to the Trigger Date, the Company will comply with all:

(a) written policies and procedures of Genworth (as amended, replaced or supplemented from time to time), including, but not limited to, all information, financial, operating, actuarial, risk, data security and compliance policies and procedures; and

(b) otherwise established practices of Genworth that apply to Genworth and its Subsidiaries from time to time as communicated to the Company, including, but not limited to, all information, financial, operating, actuarial, risk, data security and compliance practices that apply to the Company.

The parties acknowledge and agree that, as of August 1, 2023, the Company has a variety of human resources policies, practices and procedures (“HR Policies”) that differ from those maintained by Genworth. For the remaining Company HR Policies that remain uniform with Genworth HR Policies, going forward the Company shall not be required to maintain uniform HR Policies with Genworth, and may establish, terminate or modify (“Change”) such HR Policies for the Company; provided, however, that the Company shall provide advance written notice to Genworth of any such Change no fewer than 14 days prior to implementing or announcing such Change except where such advance notice would be impracticable. Notwithstanding the foregoing, HR Policies shall not include the benefit plans set forth in Genworth’s Wrap Document and Summary Plan Description (“SPD”) and/or other ERISA governed plans, its immigration policies, Anti-Discrimination, Equal Opportunity and Anti-Harassment policy, Family Medical Leave Act (FMLA) and Military Leave policies, and compliance policies (including but not limited to Genworth’s Integrity policies, anti-corruption, antitrust and SEC-rule compliance policies) (collectively, the “Uniform Policies”); the Uniform Policies shall not be Changed by the Company absent prior written approval of Genworth.

5.17. Production of Witnesses; Records; Cooperation.

(a) After the Closing Date, except in the case of an adversarial Action by one Party against another Party, each of Genworth and the Company shall use its reasonable best efforts to make available to each other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group

as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third-Party Claim, the other parties shall make available to such Indemnifying Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors,

officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, settlement or compromise, or the prosecution, evaluation or pursuit thereof, as the case may be, and shall otherwise cooperate in such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be.

(c) Without limiting the foregoing, Genworth and the Company shall cooperate and consult to the extent reasonably necessary with respect to any Actions.

(d) The obligation of Genworth and the Company to provide witnesses pursuant to this Section 5.17 is intended to be interpreted in a manner so as to facilitate cooperation and shall include the obligation to provide as witnesses and other officers without regard to whether the witness or the employer of the witness could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 5.17(a)).

(e) In connection with any matter contemplated by this Section 5.17, Genworth and the Company will enter into a mutually acceptable joint defense agreement memorializing the applicability of any applicable attorney-client privilege, work product immunity or other applicable privileges or immunities of any member of any Group.

5.18. Privilege. To the fullest extent permitted by law, the provision of any information pursuant to this Agreement shall not be deemed a waiver of any privilege or similar protection, including privileges arising under or related to the attorney-client privilege, work product or any other applicable privilege and protections with respect to attorney work product (each, a “Privilege”). Following the Closing Date, neither the Company or any member of the Company Group nor Genworth or any member of the Genworth Group will be required to provide any information pursuant to this Agreement if the provision of such information would serve as a waiver of any Privilege afforded such information.

5.19. Reasonable. For the purposes of this Article V, any request for information shall be deemed reasonable in content or timing if such request is consistent with past practices.

ARTICLE VI

RELEASE; INDEMNIFICATION

6.1. Release of Pre-Closing Claims.

(a) Except as provided in (i) Section 6.1(c), (ii) any exceptions to the indemnification provisions of Sections 6.2, 6.3 and 6.4 set forth in those Sections and (iii) any Transaction Document and this Agreement, effective as of the Closing Date, to the fullest extent permitted by law, the Company does hereby for itself and all Persons who at any time prior to the Closing Date have been directors, officers, agents or employees of the Company (in each case, in their respective capacities as such), voluntarily, knowingly unconditionally remise, release and forever discharge Genworth and the other members of the Genworth Group, their respective Affiliates, successors and assigns, and all Persons who at any time prior to the Closing Date have been stockholders, directors, officers, agents or employees of any member of the Genworth Group (in each case, in their respective capacities as such), and their respective heirs,

executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any right of contribution), whether arising under any contract, tort or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed from the beginning of time up to the Closing Date, including without limitation in connection with the transactions and all other activities to implement the IPO Transactions, the Initial Public Offering and any of the other transactions contemplated hereunder and under the Transaction Documents.

(b) Except as provided in (i) Section 6.1(c), (ii) any exceptions to the indemnification provisions of Sections 6.2, 6.3 and 6.4 set forth in those Sections and (iii) any Transaction Document and this Agreement, effective as of the Closing Date, Genworth does hereby for itself and all Persons who at any time prior to the Closing Date have been stockholders, directors, officers, agents or employees of Genworth (in each case, in their respective capacities as such), remise, release and forever discharge the Company, the respective members of the Company Group, their respective Affiliates, successors and assigns, and all Persons who at any time prior to the Closing Date have been stockholders, directors, officers, agents or employees of any member of the Company Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any right of contribution), whether arising under any contract, tort or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed from the beginning of time up to the Closing Date, including without limitation in connection with the transactions and all other activities to implement the IPO Transactions, the Initial Public Offering and any of the other transactions contemplated hereunder and under the Transaction Documents.

(c) Nothing contained in Section 6.1(a) or Section 6.1(b) shall impair any right of any Person to enforce this Agreement or any Transaction Document, in each case in accordance with its terms. Nothing contained in Section 6.1(a) or Section 6.1(b) shall release any Person from:

(i) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any Transaction Document;

(ii) any Liability for the sale, lease, construction or receipt of property or services purchased, obtained or used in the ordinary course of business by a member of one Group from a member of the other Group prior to the Closing Date;

(iii) any Liability for unpaid amounts for services or refunds owing on services due on a value-received basis for work done by a member of one Group at the request or on behalf of a member of the other Group; or

(iv) any Liability that Genworth and the Company may have with respect to indemnification or contribution pursuant to this Agreement or otherwise, including for claims brought against Genworth and the Company by third Persons (which third person claims shall be governed by the provisions of this Article VI and, if applicable, the appropriate provisions of the Transaction Documents).

(d) The Company shall not make, and shall not permit any member of the Company Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against Genworth or any member of the Genworth Group, or any other Person released pursuant to Section 6.1(a), with respect to any Liabilities released pursuant to Section 6.1(a). Genworth shall not, and shall not permit any member of the Genworth Group, to make any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification against the Company or any member of the Company Group, or any other Person released pursuant to Section 6.1(b), with respect to any Liabilities released pursuant to Section 6.1(b).

(e) It is the intent of each of Genworth and the Company, by virtue of the provisions of this Section 6.1, to the fullest extent permitted by law and in furtherance of and without limitation of the releases in Section 6.1(a)-(b), to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Closing Date, between or among the Company or any member of the Company Group, on the one hand, and Genworth or any member of the Genworth Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Closing Date), except as expressly set forth in Sections 6.1(a), (b) and (c). At any time, at the request of any other Party, each Party shall cause each member of its respective Group to execute and deliver releases reflecting the provisions hereof.

6.2. General Indemnification by the Company. Except (i) as provided in Section 6.5 or (ii) as required by applicable Law, the Company shall indemnify, defend and hold harmless on an After-Tax Basis each member of the Genworth Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the “Genworth Indemnified Parties”), from and against any and all Liabilities of the Genworth Indemnified Parties relating to, arising out of or resulting from any of the following items (without duplication):

(a) the failure of the Company or any other member of the Company Group or any other Person to pay, perform or otherwise promptly discharge any Company Liabilities in accordance with its respective terms, whether prior to or after the Closing Date;

(b) any Company Liability;

(c) any guarantee, indemnification obligation, surety bond or other credit support agreement, arrangement, commitment or understanding by any member of the Genworth Group for the benefit of any member of the Company Group that survives the Closing;

(d) any breach by any member of the Company Group of this Agreement or any of the Transaction Documents or any action by the Company in contravention of its Charter or Amended and Restated By-Laws; and

(e) any untrue statement or alleged untrue statement of a material fact contained in any Genworth Public Filing or any other document filed with the SEC by any member of the Genworth Group pursuant to the Securities Act or the Exchange Act, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that those Liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information that is either furnished to any of the Genworth Indemnified Parties by any member of the Company Group or incorporated by reference by any Genworth Indemnified Party from any filings made by any member of the Company Group with the SEC pursuant to the Securities Act or the Exchange Act, and then only if that statement or omission was made or occurred after the Closing Date.

6.3. General Indemnification by Genworth. Except (i) as provided in Section 6.5 or

(ii) as required by applicable Law, Genworth shall indemnify, defend and hold harmless on an After-Tax Basis each member of the Company Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the “Company Indemnified Parties”), from and against any and all Liabilities of the Company Indemnified Parties relating to, arising out of or resulting from any of the following items (without duplication):

(a) the failure of any member of the Genworth Group or any other Person to pay, perform or otherwise promptly discharge any Liabilities of the Genworth Group (including any Genworth Employee Liabilities) other than the Company Liabilities, whether prior to or after the Closing Date or the date hereof;

(b) any Liability or Contract of a member of the Genworth Group (including any Genworth Employee Liabilities) other than the Company Liabilities;

(c) any breach by any member of the Genworth Group of this Agreement or any of the Transaction Documents; and

(d) any untrue statement or alleged untrue statement of a material fact contained in any document filed with the SEC by any member of the Company Group pursuant to the Securities Act or the Exchange Act other than the Registration Statements, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that those Liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon

information that is either furnished to any member of the Company Indemnified Parties by any member of the Genworth Group or incorporated by reference by any Company Indemnified Party from any Genworth Public Filings or any other document filed with the SEC by any member of the Genworth Group pursuant to the Securities Act or the Exchange Act.

6.4. Registration Statement Indemnification.

(a) The Company agrees to indemnify and hold harmless on an After-Tax Basis the Genworth Indemnified Parties and each Person, if any, who controls any member of the Genworth Group within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, the “Registration Indemnified Parties”) from and against any and all Liabilities arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or Prospectus, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such Liabilities arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with (i) the information set forth in the IPO Registration Statement, that Genworth agrees in writing was furnished by a member of the Genworth Group, (ii) the information set forth in any other Registration Statement that Genworth agrees in writing was furnished by a member of the Genworth Group and (iii) information relating to any underwriter furnished in writing to the Company by or on behalf of such underwriter expressly for use in the Registration Statement or Prospectus.

(b) Each Registration Indemnified Party agrees, severally and not jointly, to indemnify and hold harmless on an After-Tax Basis the Company and its Subsidiaries and any of their respective directors or officers who sign any Registration Statement, and any person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Company to each Registration Indemnified Party, but only with respect to the information set forth in a Registration Statement, that Genworth agrees in writing was furnished by a member of the Genworth Group, or as agreed in writing by Genworth as provided by Section 6.4(a)(ii). For purposes of this Section 6.4(b), any information relating to any underwriter that is contained in a Registration Statement or Prospectus shall not be deemed to be information relating to a Registration Indemnified Party. If any Action shall be brought against the Company or its Subsidiaries, any of their respective directors or officers, or any such controlling person based on any Registration Statement or Prospectus and in respect of which indemnity may be sought against a Registration Indemnified Party pursuant to this paragraph (b), such Registration Indemnified Party shall have the rights and duties given to the Company by Section 6.5 hereof (except that if the Company shall have assumed the defense thereof, such Registration Indemnified Party shall not be required to, but may, employ separate counsel therein and participate in the defense thereof, but the fees and expenses of such counsel shall be at such Registration Indemnified Party’s expense), and the Company, its directors or officers and any such controlling person shall have the rights and duties given to such Registration Indemnified Party by Section 6.5 hereof.

6.5. Contribution.

(a) If the indemnification provided for in this Article VI is unavailable to, or insufficient to hold harmless on an After-Tax Basis, an Indemnified Party under Section 6.2(e), Section 6.3(d) or Section 6.4 hereof in respect of any Liabilities referred to therein, then each Indemnifying Party (as defined below) shall contribute to the amount paid or payable by such indemnified Party as a result of such Liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and the indemnified Party in connection with the actions which resulted in Liabilities as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such Indemnifying Party or indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. For the purposes of this Section 6.5(a), the information set forth in the IPO Registration Statement or any other Registration Statement that is described by Genworth in writing pursuant to Section 6.4(a)(i) or as agreed in writing as provided by Section 6.4(a)(ii), as applicable, shall be the only "information supplied by" such Registration Indemnified Parties.

(b) Genworth and the Company agree that it would not be just and equitable if contribution pursuant to this Section 6.5 were determined by a pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (a) above. The amount paid or payable by an Indemnified Party as a result of the Liabilities referred to in paragraph (a) above shall be deemed to include, subject to the limitations set forth above, any legal or other fees or expenses reasonably incurred by such Indemnified Party in connection with investigating any claim or defending any Action. Notwithstanding the provisions of this Section 6.5, a Registration Indemnified Party shall not be required to contribute any amount in excess of the amount by which the proceeds to such Registration Indemnified Party exceeds the amount of any damages which such Registration Indemnified Party has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

6.6. Indemnification Obligations Net of Insurance Proceeds and Other Amounts, On an After-Tax Basis.

(a) Any Liability subject to indemnification or contribution pursuant to this Article VI will be net of Insurance Proceeds that actually reduce the amount of the Liability and will be determined on an After-Tax Basis. Accordingly, the amount which any party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification hereunder (an "Indemnified Party") will be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnified Party in respect of the related Liability. If an Indemnified Party receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds, then the Indemnified Party will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto. The Indemnified Party shall use its commercially reasonable best efforts to seek to collect or recover any third-party Insurance Proceeds to which the Indemnified Party is entitled in connection with any Liability for which the Indemnified Party seeks indemnification pursuant to this Article VI; provided, that the Indemnified Party's inability to collect or recover any such Insurance Proceeds shall not limit the Indemnifying Party's obligations hereunder.

(c) The term "After-Tax Basis" as used in this Article VI shall mean, with respect to any indemnification payment to be actually or constructively received by any Person, the amount of the payment (i) increased to take account of any net Tax cost incurred by the Indemnified Party arising from the receipt or accrual of an indemnification payment hereunder (grossed up for such increase) and (ii) reduced to take account of any net Tax benefit realized by the Indemnified Party arising from incurring or paying such Liability. In computing the amount of any such Tax cost or Tax benefit, the Indemnified Party shall be deemed to recognize all other items of income, gain, loss, deduction or credit before recognizing any item arising from the receipt or accrual of any indemnification payment hereunder or incurring or paying any indemnified Liability. Any indemnification payment hereunder shall initially be made without regard to this Section 6.6(c) and shall be increased or reduced to reflect any such net Tax cost (including gross-up) or net Tax benefit only after the Indemnified Party has actually realized such cost or benefit. For purposes of this Agreement, an Indemnified Party shall be deemed to have "actually realized" a net Tax cost or a net Tax benefit to the extent that, and at such time as, the amount of Taxes payable by such Indemnified Party is increased above or reduced below, as the case may be, the amount of Taxes that such Indemnified Party would be required to pay but for the receipt or accrual of the indemnification payment or the incurrence or payment of such Liability, as the case may be. The amount of any increase or reduction hereunder shall be adjusted to reflect any "determination" (within the meaning of Section 1313 of the Code) with respect to the Indemnified Party's liability for Taxes, and payments between such indemnified parties to reflect such adjustment shall be made if necessary. Notwithstanding any other provision of this Agreement, to the extent permitted by applicable Law, the parties hereto agree that any indemnity payment made hereunder shall be treated as a capital contribution or dividend distribution, as the case may be, immediately prior to the date of the Initial Public Offering and, accordingly, not includible in the taxable income of the recipient or deductible by the payor.

6.7. Procedures for Indemnification of Third-Party Claims.

(a) If an Indemnified Party shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) who is not a member of the Genworth Group or the Company Group of any claim or of the commencement by any such Person of any Action (collectively, a "Third-Party Claim") with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnified Party pursuant to Section 6.2, Section 6.3 or Section 6.4, or any other Section of this Agreement or any Transaction Document, such Indemnified Party shall give such Indemnifying Party written notice thereof within twenty (20) days after becoming aware of such Third-Party Claim. Any such notice shall describe the Third-Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnified Party or other Person to give notice as provided in this Section

6.7(a) shall not relieve the Indemnifying Party of its obligations under this Article VI, except to the extent that such Indemnifying Party is actually and materially prejudiced by such failure to give notice.

(b) An Indemnifying Party may elect to defend (and to seek to settle or compromise), at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, any Third-Party Claim. Within thirty (30) days after the receipt of notice from an Indemnified Party in accordance with Section 6.7(a) (or sooner, if the nature of such Third-Party Claim so requires), the Indemnifying Party shall notify the Indemnified Party of its election whether the Indemnifying Party will assume responsibility for defending such Third-Party Claim, which election shall specify any reservations or exceptions. After notice from an Indemnifying Party to an Indemnified Party of its election to assume the defense of a Third-Party Claim, such Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnified Party except as set forth in the next sentence. If the Indemnifying Party has elected to assume the defense of the Third-Party Claim but has specified, and continues to assert, any reservations or exceptions in such notice, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnified Parties shall be borne by the Indemnifying Party, but the Indemnifying Party shall be entitled to reimbursement by the Indemnified Party for payment of any such fees and expenses to the extent that it establishes that such reservations and exceptions were proper.

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third-Party Claim, or fails to notify an Indemnified Party of its election as provided in Section 6.7(b), such Indemnified Party may defend such Third-Party Claim at the cost and expense of the Indemnifying Party.

(d) Unless the Indemnifying Party has failed to assume the defense of the Third-Party Claim in accordance with the terms of this Agreement, no Indemnified Party may settle or compromise any Third-Party Claim without the consent of the Indemnifying Party. No Indemnifying Party shall consent to entry of any judgment or enter into any settlement of any pending or threatened Third-Party Claim in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party without the consent of the Indemnified Party if (i) the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly against such Indemnified Party and (ii) such settlement does not include an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Third- Party Claim.

(e) The provisions of this Section 6.7 shall not apply to Taxes (which are covered by the Tax Allocation Agreement).

6.8. Additional Matters.

(a) Indemnification or contribution payments in respect of any Liabilities for which an Indemnified Party is entitled to indemnification or contribution under this Article VI shall be paid by the Indemnifying Party to the Indemnified Party as such Liabilities are incurred

upon demand by the Indemnified Party, including an obligation to provide reasonably satisfactory documentation setting forth the basis for the amount of such indemnification or contribution payment, including documentation with respect to calculations made on an After- Tax Basis and consideration of any Insurance Proceeds that actually reduce the amount of such Liabilities. The indemnity and contribution agreements contained in this Article VI shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnified Party; (ii) the knowledge by the Indemnified Party of Liabilities for which it might be entitled to indemnification or contribution hereunder; and (iii) any termination of this Agreement.

(b) Any claim on account of a Liability which does not result from a Third- Party Claim shall be asserted by written notice given by the Indemnified Party to the applicable Indemnifying Party. Such Indemnifying Party shall have a period of thirty (30) days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such thirty (30)-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such thirty (30)-day period or rejects such claim in whole or in part, such Indemnified Party shall be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the Transaction Documents without prejudice to its continuing rights to pursue indemnification or contribution hereunder.

(c) If payment is made by or on behalf of any Indemnifying Party to any Indemnified Party in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnified Party as to any events or circumstances in respect of which such Indemnified Party may have any right, defense or claim relating to such Third-Party Claim against any claimant or plaintiff asserting such Third-Party Claim or against any other Person. Such Indemnified Party shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(d) In an Action in which the Indemnifying Party is not a named defendant, if either the Indemnified Party or Indemnifying Party shall so request, the parties shall endeavor to substitute the Indemnifying Party for the named defendant if they conclude that substitution is desirable and practical. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this section, and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts fees and all other external expenses), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement.

(e) The provisions of this Section 6.8 shall not apply to Taxes and related matters covered under the Tax Allocation Agreement.

6.9. Remedies Cumulative; Limitations of Liability. The rights provided in this Article VI shall be cumulative and, subject to the provisions of Article IX, shall not preclude assertion by any Indemnified Party of any other rights or the seeking of any and all other remedies against any Indemnifying Party. Notwithstanding the foregoing, neither the Company

or its Affiliates, on the one hand, nor Genworth or its Affiliates, on the other hand, shall be liable to the other for any special, indirect, incidental, punitive, consequential, exemplary, statutorily- enhanced or similar damages in excess of compensatory damages (provided that any such liability with respect to a Third-Party Claim shall be considered direct damages) of the other arising in connection with the Transactions or any of the other Transaction Documents.

6.10. Survival of Indemnities. The rights and obligations of each of Genworth and the Company and their respective Indemnified Parties under this Article VI shall survive the sale or other transfer by any party of any Assets or businesses or the assignment by it of any Liabilities.

ARTICLE VII

OTHER AGREEMENTS

7.1. Further Assurances.

(a) In addition to the actions specifically provided for elsewhere in this Agreement and the Transaction Documents, each of Genworth and the Company will cooperate with each other and use (and will cause their respective Subsidiaries and Affiliates to use) reasonable best efforts, prior to, on and after the Closing Date, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Agreement and the Transaction Documents.

(b) Without limiting the foregoing, prior to, on and after the Closing Date, each of Genworth and the Company shall cooperate with the other Party, and without any further consideration, but at the expense of the requesting Party from and after the Closing Date, to execute and deliver, or use its reasonable best efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement or other instrument (including any Consents or Governmental Approvals), and to take all such other actions as such Party may reasonably be requested to take by any other Party hereto from time to time, consistent with the terms of this Agreement and the Transaction Documents, in order to effectuate the provisions and purposes of this Agreement and the Transaction Documents and the assignment and assumption of the Company Liabilities and the other transactions contemplated hereby and thereby. Without limiting the foregoing, each Party will, at the reasonable request, cost and expense of any other Party, take such other actions as may be reasonably necessary to vest in such other Party good and marketable title to the Assets allocated to such Party under this Agreement or any of the Transaction Documents, free and clear of any Security Interest, if and to the extent it is practicable to do so.

(c) On or prior to the Closing Date, Genworth and the Company in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by Genworth, the Company or any other Subsidiary of Genworth or the Company, as the case may be, to effectuate the transactions contemplated by this Agreement. On or prior to the Closing Date, the Company

shall take all actions as may be necessary to approve the stock-based employee benefit plans of the Company in order to satisfy the requirements of Rule 16b-3 under the Exchange Act and the applicable rules and regulations of the Nasdaq.

7.2. Confidentiality.

(a) Prior to the Trigger Date, Genworth and the Company may disclose confidential information of the other Party (a) to any person who has a contractual, legal or fiduciary obligation of confidentiality with respect to such information; provided that Genworth or the Company discloses such confidential information in good faith and has a bona fide business purpose for disclosing such confidential information and (b) to the public as required to be in compliance with applicable Law or stock exchange rules.

(b) From and after the Trigger Date, subject to Section 7.2(d) and except as contemplated by this Agreement or any Transaction Document, Genworth shall not, and shall cause its respective Affiliates and their respective officers, directors, employees, and other agents and representatives, including attorneys, agents, customers, suppliers, contractors, consultants and other representatives of any Person providing financing (collectively, "Representatives"), not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of such Party or of its Affiliates who reasonably need to know such information in providing services or in connection with any financing, securities or strategic transactions, including any prospective transactions, restructuring transactions and sell-downs of Company Common Stock, to any member of the Genworth Group or use or otherwise exploit for its own benefit or for the benefit of any third party, any Company Confidential Information. If any uses or disclosures are made in connection with providing services to any member of the Genworth Group under this Agreement or any Transaction Document, then the Company Confidential Information so used or disclosed shall be used only as required to perform the services. The Genworth Group shall use the same degree of care to prevent and restrain the unauthorized use or disclosure of the Company Confidential Information by any of their Representatives as they currently use for their own confidential information of a like nature, but in no event less than a reasonable standard of care. For purposes of this Section 7.2, any Information, material or documents relating to the Company Business currently or formerly conducted, or proposed to be conducted, by any member of the Company Group furnished to or in possession of any member of the Genworth Group, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by any member of the Genworth Group or their respective officers, directors and Affiliates, that contain or otherwise reflect such information, material or documents is hereinafter referred to as "Company Confidential Information." "Company Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a use or disclosure by any member of the Genworth Group not otherwise permissible hereunder, (ii) Genworth can demonstrate was or became available to such Party or such member of the Genworth Group from a source other than the Company or its Affiliates, (iii) is developed independently by such member of the Genworth Group without reference to the Company Confidential Information or (iv) may be reasonably determined by Genworth to be necessary in connection with Genworth's enforcement of its rights in connection with this Agreement or in connection with financing, securities or strategic transactions, including any prospective transactions, restructuring transactions and sell-downs of

Company Common Stock ; provided, however, that, in the case of clause (ii), the source of such information was not known by such member of the Genworth Group to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Company or any member of the Company Group with respect to such information.

(c) From and after the Trigger Date, subject to Section 7.2(d) and except as contemplated by this Agreement or any Transaction Document, the Company shall not, and shall cause its Affiliates and their respective Representatives, not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of such Party or of its Affiliates who reasonably need to know such information in providing services to the Company or any member of the Company Group or use or otherwise exploit for its own benefit or for the benefit of any third party, any Genworth Confidential Information. If any uses or disclosures are made in connection with providing services to any member of the Company Group under this Agreement or any Transaction Document, then the Genworth Confidential Information so used or disclosed shall be used only as required to perform the services. The Company Group shall use the same degree of care to prevent and restrain the unauthorized use or disclosure of the Genworth Confidential Information by any of their Representatives as they currently use for their own confidential information of a like nature, but in no event less than a reasonable standard of care. For purposes of this Section 7.2, any Information, material or documents relating to the businesses currently or formerly conducted, or proposed to be conducted, by Genworth or any of its Affiliates (other than any member of the Company Group) furnished to or in possession of any member of the Company Group, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by the Company, any member of the Company Group or their respective officers, directors and Affiliates, that contain or otherwise reflect such information, material or documents is hereinafter referred to as "Genworth Confidential Information." "Genworth Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a use or disclosure by any member of the Company Group not otherwise permissible hereunder, (ii) the Company can demonstrate was or became available to the Company from a source other than Genworth and its Affiliates or (iii) is developed independently by such member of the Company Group without reference to the Genworth Confidential Information; provided, however, that, in the case of clause (ii), the source of such information was not known by such member of the Company Group to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, any such member of the Genworth Group or their respective Affiliates with respect to such information.

(d) From and after the Trigger Date, if Genworth or its Affiliates, on the one hand, or the Company or its Affiliates, on the other hand, are requested or required (by oral question, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) by any Governmental Authority or pursuant to applicable Law to disclose or provide any Company Confidential Information or Genworth Confidential Information (other than with respect to any such information furnished pursuant to the provisions of Article V of this Agreement), as applicable, the entity or person receiving such request or demand shall use all reasonable best efforts to provide the other Party with written notice of such request or demand as promptly as practicable under the circumstances so that such other Party

shall have an opportunity to seek an appropriate protective order. The Party receiving such request or demand agrees to take, and cause its representatives to take, at the requesting Party's expense, all other reasonable steps necessary to obtain confidential treatment by the recipient. Subject to the foregoing, the Party that received such request or demand may thereafter disclose or provide any Company Confidential Information or Genworth Confidential Information, as the case may be, to the extent required by such Law (as so advised by counsel) or by lawful process or such Governmental Authority.

7.3. Information Sharing. Each party hereto acknowledges and agrees that Genworth Designees may share any information, including any confidential, non-public information, about the Company and its Subsidiaries received by them (whether in their capacity as a member of the Company Board (or committee thereof) or otherwise) from or on behalf of the Company or its designated representatives with Genworth.

7.4. Ownership of Certain Subsidiaries. So long as Genworth Seguros de Credito a la Vivienda, S.A. de C.V., a Mexico-domiciled subsidiary of Genworth, or Genworth Servicios, S. de R. L. de C. V., a Mexico-domiciled subsidiary of Genworth (together, the "Mexican Subsidiaries"), is a subsidiary of Genworth, the Company will not sell, transfer, or otherwise dispose of or cause its Subsidiaries to sell, transfer, or otherwise dispose of its ownership in the Mexican Subsidiaries; provided, that if requested by Genworth, the Company shall transfer to Genworth or its designee the Mexican Subsidiaries (i) for a purchase price equal to the fair market value of such Mexican Subsidiaries as mutually agreed by Genworth and the Company in good faith or as otherwise determined by an independent valuation firm mutually designated by Genworth and the Company and (ii) on such date as is mutually agreed by the Parties.

7.5. Insurance Matters.

(a) The Company and its subsidiaries, as a whole, (i) as of the Effective Time, shall have its own directors' and officers' liability insurance with sufficient coverage (including, without limitation, in amounts) that is consistent with customary market practices in its business and (ii) at and after the Effective Time to the Trigger Date, shall continuously maintain such liability insurance. For the avoidance of doubt, at and after the Effective Time, the Company shall not submit any claims under Genworth's directors' and officers' liability insurance.

(b) Prior to the Trigger Date, members of the Company Group shall be insured by, have direct access or availability to, be entitled to make direct claims on or be entitled to claim benefits directly from or under Genworth Insurance Arrangements, in each case solely to the extent provided by the terms of the Genworth Insurance Arrangements, as the same may be modified, terminated or otherwise changed from time to time in accordance with Section 7.5(f) below. Members of the Company Group will pay premiums and other costs under each such Genworth Insurance Arrangement in accordance with Genworth's allocation methodologies (consistently applied) for its other Subsidiaries, as the same may be in effect from time to time.

(c) From and after the Trigger Date, members of the Company Group shall cease to be insured by, have access or availability to, be entitled to make claims on, be entitled to claim benefits from or seek coverage under any Genworth Insurance Arrangement, other than with respect to any claim, act, omission, event, circumstance, occurrence or loss that occurred or

existed prior to the Trigger Date (and then only to the extent that such claim, act, omission, event, circumstance, occurrence or loss occurred or existed on or prior to the Trigger Date) (a “Pre-Trigger Date Event”) and was reported to the applicable insurer in accordance with the provisions of the applicable Genworth Insurance Arrangement, subject in each case to the terms and conditions of the applicable Genworth Insurance Arrangement and the requirements of subparagraph (f) below. Upon receipt of a written request from the Company, Genworth shall use its commercially reasonable efforts to reduce or cancel the Company Group’s coverage under any Genworth Insurance Arrangement, effective no earlier than sixty (60) days after Genworth’s receipt of such request, provided, however that (i) any costs associated with or incurred in connection with such reduction or cancellation shall be borne exclusively by the Company Group, (ii) the Company Group understands that there may be no premium refund or credit provided by the relevant insurers as a result of such reduction or cancellation and (iii) if and to the extent that Genworth actually receives a premium refund or credit from the relevant insurers for the term of the coverage so reduced or cancelled as a direct result of such reduction or cancellation, Genworth shall only be obligated to credit or pay over to the Company Group the lesser of (A) the amount of any such credit or refund or (B) the amount last charged to the Company Group by Genworth for such coverage during such term.

(d) Notwithstanding subparagraph (b) above, with respect to any Pre-Trigger Date Event relating to Company Liabilities or the members of the Company Group that would be covered by Genworth’s occurrence-based insurance policies, the members of the Company Group may directly access, make direct claims on, claim benefits directly from or under such policies, subject in each case to the terms and conditions of such occurrence-based policies and the requirements of subparagraph (f) below.

(e) Notwithstanding subparagraph (b) above, with respect to any Pre-Trigger Date Event relating to Company Liabilities or the members of the Company Group that would be covered by Genworth’s claims made-based insurance policies, the members of the Company Group may directly access, make direct claims on, claim benefits directly from or under such policies, subject to the terms and conditions of such claims made-based insurance policies and the requirements of subparagraph (f) below.

(f) In connection with any pursuit by or on behalf of any member of the Company Group of insurance benefits or coverage permitted by this Section 7.5:

(i) the Company shall as promptly as reasonably practicable notify Genworth’s Treasurer of all such claims and/or efforts to seek benefits or coverage and Genworth and the Company shall reasonably cooperate with one another in pursuing all such claims; provided, that the Company shall be solely responsible for notifying the relevant insurance companies of such claims and complying with all conditions for such claims. In addition, the applicable member of the Company Group shall (A) pursue or (B) to the extent assignable and permitted under the applicable Genworth Insurance Arrangement, assign to Genworth or the applicable insurer, any rights of recovery against third parties with respect to Pre-Trigger Date Events for which a claim is made and shall cooperate with Genworth with respect to pursuit of such rights. The order of priority of any such recoveries shall inure first to Genworth to reimburse any and

all costs incurred by Genworth directly or indirectly as a result of such claims or losses, second to pay or satisfy any applicable deductibles and retentions under the relevant Genworth Insurance Arrangements and third to the relevant member of the Company Group;

(ii) Genworth shall have the right but not the duty to monitor and/or provide input with respect to coverage claims or requests for benefits asserted by the members of the Company Group under the relevant Genworth Insurance Arrangements, including the coverage positions and arguments asserted therein, provided that the Company (A) shall be liable for any fees, costs and expenses incurred by Genworth relating to any unsuccessful coverage claim, (B) shall provide the notice contemplated in Section 7.5(f)(i), (C) shall not, without the written consent of Genworth, erode, settle, release, commute or otherwise resolve disputes with respect to the relevant Genworth Insurance Arrangements nor amend, modify or waive any rights thereunder, and (D) shall not assign any Genworth Insurance Arrangements or any rights or claims thereunder; and

(iii) the Company shall exclusively bear and be liable (and Genworth shall have no obligation to repay or reimburse the applicable member of the Company Group) for all deductibles and retentions and uninsured, uncovered, unavailable or uncollectible amounts relating to or associated with such claims, whether made by any member of the Company Group, its employees or third parties.

(g) Notwithstanding anything contained herein, Genworth shall retain exclusive right to control all of its insurance policies and programs, including the Genworth Insurance Arrangements referenced in subparagraphs (b) through (e) above, and the benefits and amounts payable thereunder, including the right to exhaust, settle, release, commute, buy-back or otherwise resolve disputes with respect to any of its insurance policies and programs and to amend, modify or waive any rights under any such insurance policies and programs, notwithstanding whether any such policies or programs apply to any Liabilities and/or claims that any member of the Company Group has made or could make in the future, including coverage claims with respect to Pre-Trigger Date Events. The Company Group shall cooperate with Genworth and share such information as is reasonably necessary in order to permit Genworth to manage and conduct its insurance matters as Genworth deems appropriate and that the Company, on behalf of itself and each member of the Company Group, hereby gives consent for Genworth to, on or after the date of this Agreement, inform any affected insurer of this Agreement and to provide such insurer with a copy hereof.

(h) With respect to all open, closed and re-opened claims covered under Genworth's workers' compensation, international employers' liability insurance policies and/or comparable workers' compensation self-insurance, state or country programs relating to employees (whether present or former, active or inactive) of any member of the Company Group arising from occurrences prior to the Trigger Date, the Company shall promptly reimburse Genworth for all claim payments, costs and expenses relating to such claims, as well as any, catastrophic coverage charges, overhead, claim handling and administrative costs, taxes,

surcharges, state assessments, other related costs, whether such claims are made by any member of the Company Group, its employees or third parties.

(i) This Agreement shall not be considered as an attempted assignment of any policy of insurance or as a contract of insurance, and nothing in this Agreement is intended to waive or abrogate in any way Genworth's or the Company's own rights to insurance coverage for any liability, whether relating to Genworth or any of its Affiliates or the Company Group or otherwise.

(j) Sections 7.5(b), (c), (d), (e) and (f) shall only be in effect for so long as the Shared Services Agreement is in effect.

7.6. Allocation of Costs and Expenses. Genworth shall pay the underwriting fees, discounts and commissions, and certain costs and expenses attributable to or associated with the Initial Public Offering, including Genworth's legal and financial advisors. Except for the foregoing or as otherwise expressly provided in this Agreement or any Transaction Document, costs and expenses associated with the Initial Public Offering directly incurred by the Company, including the Company's legal advisors, shall be paid by the Company.

7.7. Covenants Against Taking Certain Actions Affecting the Genworth Group. Except to the extent otherwise contemplated by this Agreement or any Transaction Document, the Company hereby covenants and agrees that it shall not, without the prior written consent of Genworth (which Genworth may withhold in its sole and absolute discretion) take, or cause to be taken, directly or indirectly, any action, including making or failing to make any election under the Law of any state, which has the effect, directly or indirectly, of restricting or limiting the ability of Genworth or any of its Affiliates to freely sell, transfer, assign, pledge or otherwise dispose of shares of Company Common Stock. Without limiting the generality of the foregoing, the Company shall not, without the prior written consent of Genworth (which it may withhold in its sole and absolute discretion), take any action, or recommend to its stockholders any action, which would among other things, limit the legal rights of, or deny any benefit to, Genworth or its Affiliates as a Company stockholder in a manner not applicable to Company stockholders generally.

7.8. Anti-Dilution. The Company hereby covenants and agrees that it shall not, without the prior written consent of Genworth (which Genworth may withhold in its sole and absolute discretion) take, or cause to be taken, directly or indirectly, any action, which has the effect, directly or indirectly, of causing Genworth's beneficial ownership in the Company to fall below (a) 80.1% or, subsequently, (b) 50.1% of the Company Common Stock, as applicable.

7.9. No Violations.

(a) The Company covenants and agrees that it shall not, and shall cause its Subsidiaries not to, take any action or enter into any commitment or agreement which, to the Company's Knowledge, may reasonably be anticipated to result, with or without notice and with or without lapse of time or otherwise, in a contravention or event of default by any member of the Genworth Group of: (i) any provisions of applicable Law; (ii) any provision of the organizational documents of any member of the Genworth Group; or (iii) any judgment, order or

decree of any Governmental Authority having jurisdiction over any member of the Genworth Group or any of its respective assets. For purposes of this Section 7.9(a), the “Company’s Knowledge” means the actual knowledge, without inquiry, of the executive officers of the Company (as identified in the IPO Registration Statement); provided, that the Company shall be deemed to have knowledge of the provisions of the organizational documents of Genworth.

(b) Genworth covenants and agrees that it shall not, and shall cause its Subsidiaries not to take any action or enter into any commitment or agreement which, to Genworth’s Knowledge, may reasonably be anticipated to result, with or without notice and with or without lapse of time or otherwise, in a contravention or event of default by any member of the Company Group of: (i) any provisions of applicable Law; (ii) any provision of the organizational documents of the Company; or (iii) any judgment, order or decree of any Governmental Authority having jurisdiction over the Company or any of its Assets. For purposes of this Section 7.9(b), “Genworth’s Knowledge” means the actual knowledge, without inquiry, of the executive officers of Genworth.

(c) Genworth and the Company agree to provide to the other any information and documentation reasonably requested by the other for the purpose of evaluating and ensuring compliance with Sections 7.9(a) and Section 7.9(b) hereof.

(d) Notwithstanding Section 7.9(b), nothing in this Agreement is intended to limit or restrict in any way any of Genworth’s rights as a stockholder of the Company.

7.10. Litigation and Settlement Cooperation. Genworth or the Company, as applicable (the “Settling Party”) will, respectively, use its commercially reasonable efforts to include the Company and its Subsidiaries or Genworth and its Subsidiaries, as applicable (the “Non-Settling Party”), in the settlement of any Third-Party Claim arising prior to the Trigger Date which jointly involves a member of the Genworth Group and a member of the Company Group, but for which no member of the Genworth Group or the Company Group is an Indemnified Party (the “Joint Claims”); provided, however, that the Non-Settling Party shall be responsible for its share of any such settlement obligation and any incremental cost (as reasonably determined by Settling Party) to the Settling Party of including the Non-Settling Party in such settlement; provided, further, that the Non-Settling Party shall be permitted in good faith to opt out of any settlement if the Non-Settling Party agrees to be responsible for defending its share of such Joint Claim. After the date hereof, the Party that is primarily affected by a Joint Claim shall have the primary responsibility for defending such Joint Claim. The Parties agree to cooperate in the defense and settlement of any Joint Claim that primarily relates to matters, actions, events or occurrences taking place prior to the Trigger Date. In addition, both Genworth and the Company will use their reasonable best efforts to make the necessary filings to permit each Party to defend its own interests in any Joint Claim as of the Trigger Date, or as soon as practicable thereafter.

7.11. Non-Compete.

(a) Except as permitted by this Section 7.11 for a period of one (1) year from the Trigger Date (the “Restricted Period”), none of Genworth or its Subsidiaries shall, directly or indirectly, engage in any business that directly or indirectly competes with the Company Business in the United States of America and its Territories (the “Company Covered Business”).

This Section 7.11 shall cease to be applicable to any Person at such time as it is no longer a Subsidiary of Genworth and shall not apply to any Person that purchases assets, operations or a business from a member of the Genworth Group, if such Person is not a Subsidiary of Genworth after such transaction is consummated. This Section 7.11 does not apply to any Subsidiary of Genworth in which a Person who is not an Affiliate of Genworth holds equity interests and with respect to whom a member of the Genworth Group has existing contractual or legal obligations (including fiduciary duties of representatives on the board of directors or similar body of such Subsidiary) limiting Genworth's ability to impose on the subject Subsidiary a non-competition obligation such as that in this Section 7.11.

(b) Except as permitted by this Section 7.11, the Company Group shall not, at any time during the Restricted Period, directly or indirectly, engage in any business that directly or indirectly competes with the businesses of Genworth (other than the Company Business) in the United States of America and its Territories (the "Genworth Covered Business"). This Section 7.11 shall cease to be applicable to any Person at such time as it is no longer a Subsidiary of the Company and shall not apply to any Person that purchases assets, operations or a business from a member of the Company Group, if such Person is not a Subsidiary of the Company after such transaction is consummated. This Section 7.11 does not apply to any Subsidiary of the Company in which a Person who is not an Affiliate of the Company holds equity interests and with respect to whom a member of the Company Group has existing contractual or legal obligations (including fiduciary duties of representatives on the board of directors or similar body of such Subsidiary) limiting the Company's ability to impose on the subject Subsidiary a non-competition obligation such as that in this Section 7.11.

(c) Notwithstanding any other provisions of this Agreement, during the Restricted Period, if Genworth, the Company or its respective Group desires to enter into a strategic alliance, joint venture relationship or any other transaction with a third party where such strategic alliance, joint venture relationship or any other transaction with a third party conducts or is proposed to conduct a Company Covered Business or a Genworth Covered Business, as applicable, and in which such Group contributes \$50 million or more of assets, Genworth or the Company, as applicable, may only proceed with such strategic alliance, joint venture or any other transaction with respect to the Company Covered Business or the Genworth Covered Business, as applicable, if such opportunity has been offered to the other Party and the other Party has (i) declined to accept such opportunity or (ii) the terms on which the other Party desires to participate are less favorable in the aggregate to the other Party or its Group, as applicable, than those offered by a third party.

(d) Notwithstanding the provisions of Section 7.11(a), (b) or (c), and without implicitly agreeing that the following activities would be subject to the provisions of Section 7.11(a), (b) or (c), nothing in this Agreement shall preclude, prohibit or restrict any member of the Genworth Group or the Company Group from engaging in any manner in any (i) Existing Business Activities, (ii) De Minimis Business or (iii) business activity that would otherwise violate Section 7.11(a) or (b) that is acquired from any Person (an "After-Acquired Business") or is carried on by any Person that is acquired by or combined with a member of the Genworth Group or the Company Group in each case after the date of the Initial Public Offering (an "After-Acquired Company"); provided, that with respect to clause (iii), so long as within twenty-four (24) months after the purchase or other acquisition of the Acquired Business or the Acquired

Company, such member of the Genworth Group or Company Group, as applicable, signs a definitive agreement to dispose, and subsequently disposes of the relevant portion of the business or securities of the Acquired Business or the Acquired Company or at the expiration of such twenty-four (24) month period the business of the After-Acquired Business or the After-Acquired Company complies with this Section 7.11.

7.12. Non-Solicit.

(a) Without the prior written consent of Genworth, the Company shall not at any time during the Restricted Period, directly or indirectly, either for itself or another Person, solicit to hire, employ, retain or contract for service, as a director, officer, employee, partner, consultant, independent contractor or otherwise, any individual who to the Company's Knowledge is then employed by Genworth at the level of salary band L-1, P-5 or M-3 or encourage any such individual to terminate his or her employment with Genworth, other than in publications of a general nature and not specifically directed at any employee or employees of Genworth, unless (i) Genworth has terminated the employment of such individual or (ii) at least six (6) months have elapsed since such individual has voluntarily terminated his or her employment with Genworth.

(b) Without the prior written consent of the Company, Genworth shall not, at any time during the Restricted Period, directly or indirectly, either for itself or another Person, solicit to hire, employ, retain or contract for service, as a director, officer, employee, partner, consultant, independent contractor or otherwise, any individual who to Genworth's Knowledge is then an executive officer of the Company or encourage any such individual to terminate his or her employment with the Company, other than in publications of a general nature and not specifically directed at any employee or employees of the Company, unless (i) the Company has terminated the employment of such individual or (ii) at least six (6) months have elapsed since such individual has voluntarily terminated his or her employment with the Company.

ARTICLE VIII CORPORATE GOVERNANCE MATTERS

8.1. Approval Rights.

(a) Until the Trigger Date (or such other period as specified in clauses (xii), (xv) and (xvi) below), the Company shall not (either directly or indirectly through a Subsidiary), take any of the following actions (including by merger, consolidation or otherwise) without the prior written approval of Genworth, except if and to the extent that such action (i) is required by applicable Law or (ii) requires the consent of stockholders of the Company under the Delaware General Corporation Law):

(i) adopt any plan or proposal or take any action for a complete or partial liquidation, dissolution or winding up of the Company or any of its Subsidiaries or commence any case, proceeding or action seeking relief under any existing or future laws relating to bankruptcy, insolvency, conservatorship or relief of debtors;

(ii) buy back any of the Company Common Stock or reduce or reorganize the Company's capital or the capital of any of the Company's Subsidiaries;

(iii) effect (whether in a single transaction or series of related transactions) any acquisition of, or any interests or assets of, any company or business (whether by merger, consolidation, amalgamation, scheme of arrangement, purchase of assets, purchase of securities, or otherwise) involving consideration of \$50 million or more (or book value of \$100 million or more with respect to acquisitions effected through reinsurance that permanently transfers the economic risk on the reinsured business to the assuming reinsurer, but excluding reinsurance entered into in the ordinary course of the Company Group's business, such as excess of loss, quota share and insurance linked note transactions); provided, however, that the foregoing shall not apply to (A) any acquisition of a Wholly Owned Subsidiary by the Company or another Wholly Owned Subsidiary and (B) any acquisition in the ordinary course of the Company Group's business involving assets invested in the Company's consolidated general account and approved in accordance with the Company's established policies and procedures to monitor invested assets;

(iv) directly or indirectly sell, convey, transfer, lease, pledge, grant a Security Interest in, or otherwise dispose of any of their respective assets (including Stock and Stock Equivalents) or any interest therein to any Person, or permit or suffer any other Person to acquire any interest in any of their respective assets, in each case in a single transaction or series of related transactions involving consideration (whether in cash, securities, assets or otherwise, and including Indebtedness assumed by any other Person and Indebtedness of any entity acquired by such other Person) of \$50 million or more (or book value of \$100 million or more with respect to dispositions effected through reinsurance that permanently transfers the economic risk on the reinsured business to the assuming reinsurer, but excluding reinsurance entered into in the ordinary course of the Company Group's business, such as excess of loss, quota share and insurance linked note transactions) paid to or received by the Company and/or its Subsidiaries; provided, however, that the foregoing shall not apply to (A) any disposition of a Wholly Owned Subsidiary to the Company or another Wholly Owned Subsidiary, (B) any disposition in the ordinary course of the Company Group's business involving assets invested in the Company's consolidated general account and approved in accordance with the Company's established policies and procedures to monitor invested assets, and (C) dispositions of receivables in the ordinary course of the Company Group's business not to exceed \$50 million (at the time of such disposition);

(v) issue new debt or incur or enter into new borrowings or Indebtedness or guarantees in respect of any borrowings or Indebtedness, other than trade or similar debt incurred in the ordinary course of business;

(vi) increase or decrease the authorized capital stock of the Company, or the creation of any new class or series of capital stock of the Company;

(vii) issue, grant, acquire or settle (or establish the method of settlement for, whether in the form of shares of Company Common Stock, cash or other property or a combination thereof, and whether any shares of Company Common Stock issued in respect of such settlement shall be in the form of authorized but unissued shares or shares that shall have been or may be reacquired by the Company in the open market, in private transactions or otherwise) any Stock or any Stock Equivalents of the Company or any of its Subsidiaries, excluding any grants by the Company (and settlement of securities granted) pursuant to any Genworth Stock Plan or any stock plan of the Company, including authorized stock plans and equity awards; provided, however, that so long as the members of the Genworth Group beneficially own, in the aggregate, more than eighty-one percent 81% of the outstanding Company Common Stock, such exclusion shall not apply to any such grants (and settlement of securities granted) if doing so could result in Genworth Group's beneficial ownership interest (in the aggregate) in the outstanding Company Common Stock falling below eighty-one percent 81%;

(viii) unless otherwise required to comply with applicable Law, alter, amend, terminate or repeal, or adopt any provision inconsistent with, in each case whether directly or indirectly, or by merger, consolidation or otherwise, the Company's Charter or the Company's Amended and Restated By-Laws;

(ix) adopt or implement any stockholder rights plan or similar takeover defense measure;

(x) declare or pay any dividend or other distribution in respect of Company Common Stock (whether payable in cash, shares of Company Common Stock or other property);

(xi) purchase, redeem or otherwise acquire or retire for value any shares of Company Common Stock or any warrants, options or other rights to acquire Company Common Stock other than (A) the repurchase of Company Common Stock deemed to occur upon exercise of stock options or stock appreciation rights to the extent that shares of Company Common Stock represent a portion of the exercise price of the stock options or stock appreciation rights or are withheld by the Company to pay applicable withholding taxes and (B) the repurchase of Company Common Stock deemed to occur to the extent shares of Company Common Stock are withheld by the Company to pay applicable withholding taxes in connection with any grant or vesting of restricted stock, restricted stock units or similar equity-based awards;

(xii) until such time when Genworth beneficially owns less than twenty percent (20%) of the outstanding shares of Company Common Stock, change the size of the Company Board from eleven (11) directors;

(xiii) establish an executive committee of the Company Board (or a committee having the powers customarily delegated to an executive committee);

(xiv) dismiss or effect a change in the current independent registered public accounting firm of the Company or engage an independent registered public accounting firm for the Company that is different from the independent registered public accounting firm for Genworth;

(xv) so long as Genworth remains on its current general ledger solution and system, change the general ledger solution and system for the Company;

(xvi) so long as Genworth remains on its current business performance management software solution, change the business performance management software solution for the Company; and

(xvii) authorize or enter into any agreement to do any of the foregoing.

(b) For the avoidance of doubt, (i) nothing in this Section 8.1 shall be construed in a manner inconsistent with Section 10.1(b) and (ii) Genworth shall have the right, in its sole discretion, to waive any and all of the rights granted to it under this Section 8.1, by delivery of written notice to the Company in accordance with Section 10.5.

(c) For so long as Genworth beneficially owns at least twenty percent (20%) of the Company's common stock, the Company will be required to consult with Genworth with respect to the foregoing matters; however, Genworth will no longer have consent rights with respect to such matters other than as described this Section 8.1.

8.2. Director Nomination Rights.

(a) Until the Trigger Date, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate for nomination to the Company Board six (6) individuals and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to stockholders of the Company (the "Stockholders") for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the up to six individuals identified in advance by Genworth.

(b) After the Trigger Date and at any time when Genworth shall beneficially own at least forty percent (40%) of the outstanding shares of Company Common Stock, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate for nomination to the Company Board five (5) individuals and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the up to five individuals identified in advance by Genworth.

(c) After the Trigger Date and at any time when Genworth shall beneficially own at least thirty percent (30%) but less than forty percent (40%) of the outstanding shares of Company Common Stock, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate for nomination to the Company Board four (4) individuals and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the up to four individuals identified in advance by Genworth.

(d) After the Trigger Date and at any time when Genworth shall beneficially own at least twenty percent (20%) but less than thirty percent (30%) of the outstanding shares of Company Common Stock, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate for nomination to the Company Board three (3) individuals and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the up to three individuals identified in advance by Genworth.

(e) After the Trigger Date and at any time when Genworth shall beneficially own at least ten percent (10%) but less than twenty percent (20%) of the outstanding shares of Company Common Stock, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate for nomination to the Company Board two (2) individuals and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the two individuals identified in advance by Genworth (any such individuals identified pursuant to Sections 8.2(a), 8.2(b), 8.2(c), 8.2(d), 8.2(e), 8.2(f) or 8.2(g) hereof, the “Genworth Designees”).

(f) At any time when Genworth shall beneficially own at least ten percent (10%) of the outstanding shares of Company Common Stock, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate one non-voting observer (the “Board Observer”) to attend any meetings of the Company Board. The Board Observer shall be permitted to attend, strictly as an observer, meetings of the Company Board and all materials and reports to be provided to the Company Board shall be delivered to the Board Observer at the same time as such materials are provided to the Company Board. The Board Observer shall not have any voting rights with respect to any matters considered or determined by the Company Board or any committee thereof. Any action taken by the Company Board at any meeting will not be invalidated by the absence of the Board Observer at such a meeting.

(g) The Parties agree that it is in the best interests of the Company for the Company's Chief Executive Officer to be a director serving on the Company Board. For so long as this Agreement is in effect, the Parties agree to take all reasonable action and use its reasonable best efforts to obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee (or any other applicable duly authorized committee) of the Company Board to include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders at which directors of the Company are to be elected (or, as applicable and if permitted, by any action by written consent of the Stockholders), the Company's Chief Executive Officer.

(h) If the size of the Company Board shall, with Genworth's prior written approval, be changed, Genworth shall have the right to designate a proportional number of additional persons for nomination to the Company Board (rounded up to the nearest whole number) and the Company shall obtain any necessary approvals from the Company Board, the Nominating and Corporate Governance Committee of the Company Board or other duly authorized committee of the Company Board and shall include in the slate of nominees recommended to the Stockholders for election as a director at any annual or special meeting of the Stockholders (or, if permitted, by any action by written consent of the Stockholders) at which directors of the Company are to be elected, the individuals identified in advance by Genworth.

(i) In the event that Genworth has nominated less than the total number of individuals that Genworth shall be entitled to nominate pursuant to these Sections 8.2(a), 8.2(b), 8.2(c), 8.2(d), 8.2(e) or 8.2(f), then Genworth shall have the right, at any time, to designate such additional individual(s) to which Genworth is entitled, in which case, the Company shall cause the Company Board to take all necessary corporate action to (1) increase the size of the Company Board as required to enable Genworth to so designate such additional individuals and (2) nominate such additional individuals identified by Genworth to fill such newly created vacancies.

(j) Vacancies arising through the death, resignation or removal of any Genworth Designee who was nominated to the Company Board pursuant to this Section 8.2, may be filled by the Company Board only with a Genworth Designee, and the director so chosen shall hold office until the next election and until his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal.

(k) Notwithstanding the provisions of this Section 8.2, Genworth shall not be entitled to designate a Person as a nominee to the Company Board upon a written determination by the Nominating and Corporate Governance Committee of the Company Board or equivalent duly authorized committee of the Company Board with nominating responsibility (which determination shall set forth in writing reasonable grounds for such determination) that such Person would not be qualified under any applicable Law, rule or regulation to serve as a director of the Company. In such an event, Genworth shall be entitled to select a Person as a replacement designee and the Company shall cause such Person to be nominated as the Genworth Designee at the same meeting (or, if permitted, pursuant to the same action by written consent of the Stockholders) as such initial Person was to be nominated. Notwithstanding anything in

this Agreement to the contrary, no Genworth Designee shall be required to qualify as an independent director under applicable rules or regulations of the SEC or the Nasdaq unless such rules require them to be independent for purposes of being able to serve on the Company Board or the applicable committees in accordance with the designation rights under this Agreement following the loss of “controlled company” status and expiration of the applicable transition periods.

(l) At any time when Genworth shall beneficially own at least ten percent (10%) of the outstanding shares of Company Common Stock, the Company shall notify Genworth in writing of the date on which proxy materials are expected to be mailed by the Company in connection with an election of directors at an annual or special meeting of the Stockholders (and the Company shall deliver such notice at least 60 days (or such shorter period to which Genworth consents, which consent need not be in writing) prior to such expected mailing date or such earlier date as may be specified by the Company reasonably in advance of such earlier delivery date on the basis that such earlier delivery is necessary so as to ensure that any Genworth Designee may be included in such proxy materials at the time such proxy materials are mailed). The Company shall provide Genworth with a reasonable opportunity to review and provide comments on any portion of the proxy materials relating to the Genworth Designees or the rights and obligations provided under this Agreement and to discuss any such comments with the Company. The Company will incorporate any such comments from Genworth. The Company shall notify Genworth of any opposition to a Genworth Designee in accordance with Section 8.2(k) sufficiently in advance of the date on which such proxy materials are to be mailed by the Company in connection with such election of directors so as to enable Genworth to propose a replacement Genworth Designee, if necessary, in accordance with the terms of this Agreement, and Genworth shall have 10 business days after such notification to identify such replacement Genworth Designee.

(m) In the event that Genworth ceases to have the requisite nomination rights pursuant to Section 8.2, Genworth shall use its reasonable best efforts to cause the applicable Genworth Designees to resign as promptly as practicable thereafter.

(n) Except as required by applicable Law or the corporate governance listing standards of the Nasdaq and subject to Section 8.1(a)(xiii) and Section 8.2(h), the Company shall not, without the prior written consent of Genworth, take any action to increase the number of directors on the Company Board.

(o) Until the Trigger Date, the Company shall avail itself of certain “controlled company” exceptions to the corporate governance listing standards of the Nasdaq in connection with the independent directors on the Nominating and Corporate Governance Committee and the Compensation Committee.

(p) So long as this Agreement shall remain in effect, subject to applicable legal requirements, the Company’s Charter and the Company’s Amended and Restated By-Laws shall accommodate and be subject to and not in any respect conflict with the rights and obligations set forth herein.

(q) For the avoidance of doubt, Genworth shall have the right, in its sole discretion, to waive any and all of the rights granted to it under this Section 8.2, by delivery of written notice to the Company in accordance with Section 10.5.

8.3. Committees of the Company Board.

(a) Until the Trigger Date, Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate at least two (2) Genworth Designees who are directors on the Company Board to serve on the Compensation Committee.

(b) Until the first date on which Genworth ceases to beneficially own more than thirty percent (30%) of the outstanding Company Common Stock, (i) the Company shall cause the Audit Committee, Compensation Committee, Independent Capital Committee, Nominating and Corporate Governance Committee and Risk Committee to each consist of three

(3) directors and (ii) Genworth shall have the right (but not the obligation) pursuant to this Agreement to designate at least one (1) Genworth Designee who is a director on the Company Board to serve on each committee of the Company Board, other than the Independent Capital Committee.

(c) The Genworth Designee on the Audit Committee must be an independent director who meets all Nasdaq and SEC requirements to serve on the Audit Committee. If the Company is no longer a “controlled company” under the rules and regulations of the Nasdaq, the Genworth Designee on the Compensation Committee and the Nominating and Corporate Governance Committee must be an independent director who meets all Nasdaq requirements to serve on the Compensation Committee and the Nominating and Corporate Governance Committee.

(d) If the size of any committee of the Company Board shall, with Genworth’s prior written approval, be changed, Genworth shall have the right to designate a proportional number of additional Genworth Designees to serve on such committee (rounded up to the nearest whole number) and the Company shall obtain any necessary approvals from the Company Board or other duly authorized committee of the Company Board.

8.4. Meetings of the Company Board. Regular and special meetings of the Board of Directors shall be held in accordance with the provisions of the Amended and Restated By-Laws.

8.5. Compliance with Organizational Documents. The Company shall, and shall cause each of its Subsidiaries to, take any and all actions necessary to ensure continued compliance by the Company and its Subsidiaries with the provisions of its respective certificate or articles of incorporation and by-laws (collectively, “organizational documents”). The Company shall notify Genworth in writing promptly after becoming aware of any act or activity taken or proposed to be taken by the Company or any of its Subsidiaries which resulted or would result in non-compliance with any such organizational documents, and so long as Genworth or any member of the Group owns any shares of Company Common Stock, the Company shall take or refrain from taking all such actions as Genworth shall in its sole discretion determine necessary or desirable to prevent or remedy any such non-compliance.

8.6. Section 10.1(b). For the avoidance of doubt, the provisions of this Article VIII, including any consent and designation rights of Genworth, shall be subject to Section 10.1(b).

ARTICLE IX

DISPUTE RESOLUTION

9.1. General Provisions.

(a) Except with respect to the fair market value of the Mexican Subsidiaries, which shall be determined solely in accordance with Section 7.4, any dispute, controversy or claim arising out of or relating to this Agreement or the Transaction Documents (except to the extent explicitly excluded therein) or the validity, interpretation, breach or termination thereof and any question of the arbitral tribunal's jurisdiction or the existence, scope or validity of this arbitration agreement or the arbitrability of any claim (a "Dispute"), shall be resolved in accordance with the procedures set forth in this Article IX, which shall be the sole and exclusive procedures for the resolution of any such Dispute.

(b) Commencing with a request contemplated by Section 9.2 set forth below, all communications between the Parties or their representatives in connection with the Parties' negotiations under Section 9.2 or Section 9.3 (including any communications with or statements by the mediator pursuant to Section 9.3 below), shall be deemed to have been delivered in furtherance of settlement negotiations (without regard for any labelling or lack of labelling of such communications), shall be exempt from discovery and production, and shall not be admissible in evidence for any reason (whether as an admission or otherwise), in any arbitral or other proceeding for the resolution of the Dispute, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.

(c) The Parties expressly waive and forego any right to (i) special, indirect, incidental, punitive, consequential, exemplary, statutorily-enhanced or similar damages in excess of compensatory damages (provided that liability for any such damages with respect to a Third- Party Claim shall be considered direct damages) and (ii) trial by jury.

(d) The specific procedures set forth below, including but not limited to the time limits referenced therein, may be modified by agreement of the Parties in writing.

(e) To the fullest extent permitted by law, all applicable statutes of limitations and defenses based upon the passage of time with respect to any Dispute shall be tolled while the procedures specified in this Article IX are pending with respect to such Dispute. The Parties will take such action, if any, required to effectuate such tolling.

9.2. Consideration by Senior Executives. If a Dispute is not resolved in the normal course of business at the operational level, the Parties shall attempt in good faith to resolve such Dispute by negotiation between the senior-most executives of each Party or their respective senior-level designees. Either Party may initiate the executive negotiation process by providing a written notice of such Dispute to the other (the "Initial Notice"). Within fifteen (15) days after delivery of the Initial Notice, the receiving Party shall submit to the other a written response (the "Response"). The Initial Notice and the Response shall include (i) a statement of the Dispute and of each Party's position, and (ii) the name and title of the executive who will represent that Party

and of any other person who will accompany the executive. Such executives shall meet in person, by telephone or by videoconference within ten (10) Business Days of the date of the Response to seek a resolution of the Dispute.

9.3. Mediation. If a Dispute is not resolved in writing by negotiation as provided in Section 9.2 within thirty (30) days from the date of the Response, such Dispute shall be submitted, at the written request of either Party, to mediation pursuant to the Mediation Procedures of the International Institute for Conflict Prevention and Resolution (“CPR”) then in effect, except as modified herein. The Parties shall jointly select a mediator from the CPR Panels of Distinguished Neutrals. If the Parties are unable to select a mutually agreeable mediator within twenty (20) days following the submission of the Dispute to the CPR, the CPR shall select the mediator from the CPR Panels of Distinguished Neutrals.

9.4. Arbitration.

(a) If a Dispute is not resolved in writing by mediation as provided in Section 9.3 within thirty (30) days of the selection of a mediator, such Dispute shall be submitted, at the request of either Party, to final and binding arbitration pursuant to the CPR Rules for Administered Arbitration then in effect, except as modified herein (the “CPR Arbitration Rules”). The Parties consent to a single, consolidated arbitration for all known Disputes existing at the time of the arbitration and for which arbitration is permitted.

(b) The arbitral tribunal shall be composed of three (3) arbitrators. In accordance with the CPR Arbitration Rules, the Party commencing the arbitration shall designate an arbitrator in the notice of arbitration and the other Party shall designate an arbitrator in its notice of defense. The two arbitrators so designated shall nominate a third arbitrator, who shall serve as chair of the arbitral tribunal, within thirty (30) days of the confirmation by the CPR of the appointment of the second arbitrator. On the request of any Party, any arbitrator not timely nominated shall be appointed by the CPR in accordance with the CPR Arbitration Rules. Unless the Parties agree otherwise, the chair of the arbitral tribunal shall be either (i) a former chancellor or vice chancellor of the Delaware Court of Chancery or (ii) a member of the Delaware bar with at least 10 years of experience in Court of Chancery matters. The seat of the arbitration shall be New York, New York. The arbitration and this arbitration agreement shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq.

(c) The Parties agree that judgment on any award or order resulting from an arbitration conducted under this Section 9.4 may be entered and enforced in any court having jurisdiction over any Party or any of its assets.

(d) Except as expressly permitted by this Agreement, no Party will commence or voluntarily participate in any court action or proceeding concerning a Dispute, except (i) for enforcement as contemplated by Section 9.4(c) above; (ii) to challenge or vacate an award issued by the arbitral tribunal; or (iii) for interim relief as provided in Section 9.4(f) below.

(e) Each Party acknowledges that in the event of any actual or threatened breach of the provisions of (i) Section 7.2, Section 7.11, or Article VIII, (ii) the Intellectual Property Cross License Agreement, (iii) the Trademark License Agreement or (iv) the

Registration Rights Agreement, the remedy at law would not be adequate, and therefore injunctive or other interim relief may be sought immediately to restrain such breach.

(f) Until the arbitral tribunal has been constituted, either Party may seek interim relief in aid of arbitration, to preserve the *status quo*, or for the purposes set out in Section 9.4(d), above, from any court having jurisdiction over any Party or any of its assets. Without prejudice to such interim remedies that may be granted by a court, the arbitral tribunal shall have full authority to grant interim remedies, to order a Party to request that a court modify or vacate any temporary or preliminary relief issued by such court, and to award damages for the failure of any Party to respect the arbitral tribunal's orders to that effect.

(g) The Parties consent and submit to the non-exclusive jurisdiction of any federal court located in the State of New York or, where such court does not have jurisdiction, any New York state court, in either case located in New York County, New York ("New York Court") for the enforcement of any arbitral award rendered hereunder, to compel arbitration or for interim relief. In any such action: each Party irrevocably waives, to the fullest extent it may effectively do so, any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens* or any right of objection to jurisdiction on account of its place of incorporation or domicile, which it may now or hereafter have to the bringing of any such action or proceeding in any New York Court.

(h) Each Party will bear its own attorneys' fees and costs incurred in connection with the resolution of any Dispute in accordance with this Article IX.

ARTICLE X MISCELLANEOUS

10.1. Corporate Power; Fiduciary Duty.

(a) Genworth represents on behalf of itself, and the Company represents on behalf of itself, as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and each other Transaction Document to which it is a party and to consummate the transactions contemplated hereby and thereby; and

(ii) this Agreement and each Transaction Document to which it is a party has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms thereof.

(b)

(i) **Fiduciary Out.** Notwithstanding any provision of this Agreement or any Transaction Document, neither party to this Agreement nor their respective Boards or any committee thereof shall be required to take or omit to take any act, including seeking another's consent as otherwise required under this Agreement, if it is determined in good faith doing so would be reasonably likely to violate its or

their fiduciary duties to the Company or its minority stockholders or any non-wholly owned Subsidiary of Genworth or the Company, as the case may be. This right shall be known herein as the “Fiduciary Out”.

(ii) **Determination.** In order to avail itself of the Fiduciary Out, in the case of the Company, the Company Board or a committee thereof, a majority of the Section 10.1(b) Independent Directors (or, in the case of any committee, a majority of the Section 10.1(b) Independent Directors on such committee) must determine in good faith that such act or omission would be reasonably likely to violate their fiduciary duties to the Company or its minority stockholders or of the Company to any non-wholly owned Subsidiary of the Company. Alternatively, in the case of Genworth, a majority of the members of the Genworth board of directors or a committee thereof must determine in good faith that such act or omission would be reasonably likely to violate the fiduciary duties of Genworth to any non-wholly owned Subsidiary of Genworth. Directors’ qualifying shares or similar interests will be disregarded for purposes of determining whether a Subsidiary is wholly owned by Genworth or the Company. Any such determination, as described herein, is a “Section 10.1(b) Determination”.

(iii) **Opportunity to be Heard.** Prior to any Section 10.1(b) Determination being made, Genworth or the Company, as applicable, shall provide a reasonable opportunity to be heard as specified below:

(1) Before any Section 10.1(b) Determination is made on behalf of the Company, the Company Board or a committee thereof, the opportunity to be heard on the topic of the potential Section 10.1(b) Determination shall be provided to all of the members of the Company Board, including the Genworth Designees, at any regular or special meeting of the Company Board convened following notice of such meeting as provided for in the Amended and Restated By-Laws. Such notice or other materials delivered to the Company Board in conjunction with it or otherwise in advance of the meeting (e.g., an agenda, correspondence or memo) shall identify the general topic of discussion for such meeting.

(2) Before any Section 10.1(b) Determination is made on behalf of Genworth, the opportunity to be heard shall be provided to the Company, by providing the Company’s Chief Executive Officer or their designee(s) the opportunity to participate in a discussion with the relevant decisionmakers at Genworth or the Genworth Board.

(iv) **Section 10.1(b) Independent Director.** “Section 10.1(b) Independent Director” for purposes of this Section 10.1(b) shall mean a member of the Company Board that is independent of both Genworth and the Company, determined consistent with the applicable rules or regulations of the SEC and the Nasdaq, and Delaware common law.

10.2. Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware (without giving effect to any provision thereof relating to conflicts of laws principles that would apply the laws of another jurisdiction).

10.3. Survival of Covenants. Except as expressly set forth in any Transaction Document, the covenants and other agreements contained in this Agreement and each Transaction Document, and liability for the breach of any obligations contained herein or therein, shall survive each of the IPO Transactions and the Initial Public Offering and shall remain in full force and effect.

10.4. Force Majeure. No Party hereto (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement or, unless otherwise expressly provided therein, any Transaction Document, so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (i) notify the other Parties of the nature and extent of any such Force Majeure condition and (ii) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible.

10.5. Notices. All notices, requests, claims, demands and other communications under this Agreement and, to the extent applicable and unless otherwise provided therein, under each of the Transaction Documents shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by email with receipt confirmed or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.5):

If to Genworth, to:	Genworth Financial, Inc. 6620 West Broad Street Richmond, Virginia 23230 Attention: General Counsel Email: GNWGeneralCounsel@genworth.com
If to the Company, to:	Enact Holdings, Inc. 8325 Six Forks Road Raleigh, North Carolina 27615 Attention: General Counsel Email: USMIGeneralCounsel@genworth.com

10.6. Severability. If any term or other provision (or part thereof) of this Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions (or part thereof) of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision (or part thereof)

is invalid, illegal or incapable of being enforced, the Parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

10.7. Entire Agreement. Except as otherwise expressly provided in this Agreement, this Agreement constitutes the entire agreement of the Parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement.

10.8. Assignment; No Third-Party Beneficiaries. This Agreement shall not be assigned by any Party hereto without the prior written consent of the other Party hereto. Except as provided in Article VI with respect to Indemnified Parties, this Agreement is for the sole benefit of the Parties to this Agreement and the members of their respective Group and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.9. Public Announcements. Genworth and the Company shall consult with each other before issuing, and give each other the opportunity to review and comment upon, any press release or other public statements with respect to the transactions contemplated by this Agreement and the Transaction Documents, and shall not issue any such press release or make any such public statement prior to such consultation, except as may be required by applicable Law, court process or by obligations pursuant to any listing agreement with any national securities exchange or national securities quotation system.

10.10. Amendment. No provision of this Agreement may be amended or modified except by a written instrument signed by all the Parties to such agreement. Either Party may, in its sole discretion, waive any and all rights granted to it in this Agreement; provided, that no waiver by any Party of any provision hereof shall be effective unless explicitly set forth in writing and executed by the Party so waiving. The waiver by any Party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

10.11. Rules of Construction. Interpretation of this Agreement shall be governed by the following rules of construction: (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) references to the terms Article, Section, and paragraph are references to the Articles, Sections, and paragraphs to this Agreement unless otherwise specified, (c) the word “including” and words of similar import shall mean “including, without limitation,” (d) provisions shall apply, when appropriate, to successive events and transactions, (e) the table of contents and headings contained herein are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement, (f) any reference to any Law, rule or regulation herein shall, unless otherwise specified, refer to such Law, rule or regulation as amended, modified or supplemented from time to time, (g) any reference to any contract, agreement or organizational document is to the contract, agreement or organizational document as amended,

modified, supplemented or replaced from time to time, unless otherwise stated, (h) this Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted and (i) for purposes of this Agreement, the rights of Genworth or any member of the Genworth Group that are subject to Genworth's ownership of a certain percentage of outstanding Company Common Stock or the Consolidation Threshold shall terminate on the first date that the Genworth Group ceases to satisfy the applicable threshold unless such cessation results from the Company's breach of a covenant under this Agreement, in which case the rights of Genworth and any member of the Genworth Group shall remain in full force and effect to the extent permissible under applicable Law and if not permissible the Company shall immediately take the required action, including through an increase in Genworth's ownership percentage of outstanding Company Common Stock at no cost to Genworth or any member of the Genworth Group, to restore such rights.

10.12. Counterparts. This Agreement may be executed in one or more counterparts, and by the different Parties to each such agreement in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic mail shall be as effective as delivery of a manually executed counterpart of any such Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written above by their respective duly authorized officers.

GENWORTH FINANCIAL, INC.

By: /s/ Thomas J. McInerney
Name: Thomas J. McInerney
Title: President and Chief Executive Officer

ENACT HOLDINGS , INC.

By: /s/ Rohit Gupta Name: Rohit Gupta
Title: President and Chief Executive Officer

[Signature Page to First Amended and Restated Master Agreement]

CERTIFICATIONS

I, Hardin Dean Mitchell, as Executive Vice President, Chief Financial Officer and Treasurer of Enact Holdings, Inc. (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), that to my knowledge:

1. The accompanying Quarterly Report on Form 10-Q of the Company for the three months ended September 30, 2023 (the "Report"), filed with the U.S. Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 2, 2023

By:

/s/ Hardin Dean Mitchell

Hardin Dean Mitchell

**Executive Vice President, Chief Financial Officer and
Treasurer**

(Principal Financial Officer)