

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re GENWORTH FINANCIAL, INC.
SECURITIES LITIGATION

X

: Master File No. 1:14-cv-02392-AKH

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: CLASS ACTION

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This Document Relates To:

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ALL ACTIONS.

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NOTICE OF PENDENCY AND OF PROPOSED CLASS ACTION SETTLEMENT AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

TO: ALL PURCHASERS OF THE PUBLICLY TRADED COMMON STOCK OF GENWORTH FINANCIAL, INC. ("GENWORTH" OR THE "COMPANY") DURING THE PERIOD FROM NOVEMBER 3, 2011 THROUGH APRIL 17, 2012, INCLUSIVE

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. THIS CASE AND THIS SETTLEMENT ARE COMPLETELY SEPARATE FROM THE SETTLEMENT REACHED IN CONNECTION WITH THE CLASS ACTION THAT WAS PENDING IN THE DISTRICT COURT IN THE EASTERN DISTRICT OF VIRGINIA, KNOWN AS *IN RE GENWORTH FINANCIAL, INC. SEC. LITIG.*, CASE NO. 14-CV-00682. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("CLAIM FORM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE NOVEMBER 22, 2017.**

This Notice of Pendency and of Proposed Class Action Settlement and Motion for Attorneys' Fees and Expenses ("Notice") has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the "Court"). The purpose of this Notice is to inform you of the proposed Settlement of the case entitled *In re Genworth Financial, Inc. Sec. Litig.*, Master File No. 1:14-cv-02392-AKH (S.D.N.Y.) (the "Litigation") for Twenty Million Dollars (\$20,000,000) and of the hearing (the "Settlement Hearing") to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement set forth in the June 15, 2017 Stipulation of Settlement (the "Stipulation") on file with the Court.

The Court has not decided this case. Instead, both sides agreed to a settlement to avoid the uncertainties and expenses associated with ongoing litigation. This Notice is not intended to be, and should not be considered, an expression of any opinion by the Court with respect to the truth or falsity of the allegations in the Litigation against the defendants in the Litigation — Genworth and two of its former officers, Michael D. Fraizer and Martin P. Klein (collectively, "Defendants") — or the merits of the claims or defenses asserted in the case. This Notice is solely to advise you of the proposed Settlement and of your rights.

If you are a Class Member, your legal rights will be affected by this Settlement whether you act or do not act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM POSTMARKED OR SUBMITTED ON-LINE NO LATER THAN NOVEMBER 22, 2017	The <u>only</u> way to be eligible to receive a payment from the Net Settlement Fund.
EXCLUDE YOURSELF BY SUBMITTING A WRITTEN REQUEST FOR	If you exclude yourself from the Class, you will not be bound by anything that happens in the Litigation but you will not be eligible

EXCLUSION POSTMARKED NO LATER THAN OCTOBER 25, 2017	to receive any payment from the Settlement. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit (other than this Litigation) against Defendants and/or the other Defendants Releasees concerning the Released Plaintiffs' Claims. See pages 9-10 below for details.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION POSTMARKED NO LATER THAN OCTOBER 25, 2017	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or the fee and expense application. If you object, you will still be a member of the Class and you will not be excluded. You will be eligible to submit a Claim Form, if done timely. See page 10 below for details.
GO TO A HEARING ON NOVEMBER 15, 2017 AND FILE A NOTICE OF APPEARANCE SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 25, 2017	Ask to speak in Court about the Settlement. See pages 3 and 9-10 below for details.
DO NOTHING	If you are a Class Member, you will not be eligible to receive a payment from the Settlement. You will give up any rights to sue the Defendants and/or the Defendants Releasees regarding all of the Released Plaintiffs' Claims, and you will still be bound by the Settlement.

I. STATEMENT OF PLAINTIFFS' RECOVERY

The proposed Settlement will create a cash fund in the principal amount of Twenty Million Dollars (\$20,000,000.00) (the "Settlement Amount"), plus any interest that may accrue on the cash fund while it is in escrow (the "Settlement Fund").

This is a class action alleging securities fraud brought by the City of Hialeah Employees' Retirement System and New Bedford Contributory Retirement System as the "Class Representatives" against Genworth and certain of its former officers. The complaint alleged that Defendants made materially false and misleading statements to investors during the period from November 3, 2011 through April 17, 2012, inclusive (the "Class Period"), in violation of §§10(b) and 20(a) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder. The complaint further alleged that on April 17, 2012, after the market closed, Genworth announced that the planned second quarter 2012 minority initial public offering ("IPO") of its Australian mortgage insurance ("MI") subsidiary would be delayed until at least "early 2013," with the "new timeframe primarily reflect[ing] recent business performance in Australia." The next day, on April 18, 2012, Genworth's stock price dropped.

Class Representatives claimed that Defendants made materially false statements and omitted material information regarding: (i) the financial stability of Genworth's Australian MI unit; (ii) the adequacy of loss reserves in the Australian MI unit due to increased claims of a large size; (iii) loss pressures from flooding in Queensland, Australia in early 2011; (iv) the nature and timeliness of information (including delinquency information) the Australian MI unit was receiving from its loan servicers; and (v) whether the Australian IPO would proceed as planned in the second quarter of 2012.

Defendants denied all wrongdoing, denied that they had made any false statements or omissions whatsoever, continue to maintain that Genworth's disclosures complied with all applicable laws and regulations, and contend that the allegations and claims raised in the complaint lack merit.

The Settlement Fund, subject to deductions for, among other things, costs of class notice and claim administration and certain taxes and tax related expenses and for attorneys' fees and expenses approved by the Court, will be available for distribution to Class Members. Your recovery from this fund will depend on a number of variables, including your completion and submission of a valid and timely Claim Form, the number of shares of publicly traded Genworth common stock you purchased from November 3, 2011 through April 17, 2012, inclusive, the timing of your purchases and any sales, and how many others similarly situated make claims. If all eligible Class Members submit claims, Class Counsel estimates that the average distribution per share of Genworth common stock will be

approximately \$0.14 per share before deduction of Court-approved fees and expenses. In Class Counsel's experience, actual claimants are fewer than 100%. For example, assuming between 25% and 75% of eligible Class Members submit claims, the average distribution per share would be between approximately \$0.55 per share and \$0.18 per share, respectively, before the deduction of Court-approved fees and expenses.

II. STATEMENT OF POTENTIAL OUTCOME OF THE CASE

In addition to disagreeing about whether or not Defendants made any false statements or omissions, with scienter, Class Representatives and Defendants do not agree on the average amount of damages per share, if any, that would have been recoverable if Class Representatives were to have prevailed on each claim alleged. In short, the Parties disagree on all aspects of the merits of this case, including whether or not any damages were suffered and are recoverable, as well as whether the drop in Genworth's stock price on April 18, 2012 was attributable to the alleged fraud, the definition of the Class, and whether the certified Class could be maintained during the remainder of the Litigation and through trial. Defendants deny that they are liable in any respect or that either the Class Representatives or the Class suffered any injury. Accordingly, recovery of any amount at trial was far from certain. In addition, the Litigation could have taken years to resolve at great expense and with significant uncertainty.

III. REASONS FOR SETTLEMENT

Class Representatives believe that the proposed Settlement is a fair recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was no guarantee that the Class would have prevailed or, if it had, how much, if any, damages could be recoverable. The proposed Settlement provides a certain benefit to Class Members, and will avoid the years of delay that would likely occur in the event of a contested trial and appeals.

IV. STATEMENT OF ATTORNEYS' FEES AND EXPENSES SOUGHT

Class Counsel have not received any payment to date for their services in conducting this Litigation on behalf of the Class Representatives and the members of the Class, nor have they been paid for their litigation expenses. Defendants have not negotiated any fees with Class Counsel. Class Counsel will apply to the Court for an award of attorneys' fees and expenses, on behalf of all Plaintiffs' Counsel. In addition, Class Counsel have advanced hundreds of thousands of dollars in costs for experts and other expenses in this Litigation. Class Counsel's application for attorneys' fees in this case will not exceed 30% of the Settlement Fund and their application for expenses will not exceed \$675,000, plus interest at the rate accrued by the Settlement Fund. In addition, the Class Representatives may each seek up to \$25,000 in expenses incurred in representing the Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). The attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund, if the Settlement is approved by the Court. If the amounts requested are approved by the Court, the average cost per share of Genworth common stock, based on a 100% claim rate, will be \$0.05 per share. The actual claim rate may be less than 100%. For example, assuming between 25% and 75% of eligible Class Members submit claims, the average cost per share would be between approximately \$0.19 per share and \$0.06 per share, respectively. The Court will determine the fees and expenses that are reasonable under the circumstances of this case.

V. IDENTIFICATION OF ATTORNEY REPRESENTATIVES

For further information regarding this Settlement, you may contact representatives of Class Counsel: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Telephone: 800/449-4900, www.rgrdlaw.com; or Nicole Zeiss, Settlement Counsel, Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, Telephone: 888/219-6877, settlementquestions@labaton.com, www.labaton.com. Additional information, including copies of pleadings and documents filed in the case, is also available on the website maintained for the Settlement at www.Genworth2017SecuritiesSettlement.com.

VI. HEARING ON PROPOSED SETTLEMENT

When and where will the Court decide whether to approve the proposed Settlement?

A hearing (the "Settlement Hearing") will be held on November 15, 2017, at 4:00 p.m., before the Honorable Alvin K. Hellerstein, United States District Judge, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 14D, New York, NY 10007-1312. The purpose of the Settlement Hearing will be to determine: (1) whether the proposed Settlement, as set forth

in the Stipulation, consisting of Twenty Million Dollars (\$20,000,000.00) in cash, should be approved as fair, reasonable, and adequate to the members of the Class; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Allocation") is fair, reasonable, and adequate; (3) whether the application by Class Counsel for an award of attorneys' fees and expenses and the expenses of Class Representatives should be approved and, if so, in what amounts; and (4) whether the Judgment, in the form attached to the Stipulation, should be entered. The Court may adjourn the Settlement Hearing from time to time and without further notice to the Class.

VII. DEFINITIONS USED IN THIS NOTICE

What are the meanings of the key terms in this Notice?

As used in this Notice, the following terms have the meanings specified below. Any capitalized terms not specifically defined in this Notice have the meanings set forth in the Stipulation. In the event of any inconsistency between any definition set forth below or elsewhere in this Notice and any definition set forth in the Stipulation, the definition set forth in the Stipulation shall control.

1. "Authorized Claimant" means any Class Member whose claim for recovery from the Settlement has been allowed pursuant to the terms of the Stipulation.

2. "Class" means all purchasers of publicly traded Genworth common stock during the period from November 3, 2011 through April 17, 2012, inclusive, who were allegedly damaged by the conduct at issue in the Litigation. Excluded from the Class are Defendants; the Officers and directors of the Company, at all relevant times; members of the immediate families of excluded persons, and their legal representatives, heirs, successors or assigns; and any entity in which Defendants have or had a controlling interest. Also excluded from the Class is any Class Member that validly and timely requests exclusion from the Class or whose request for exclusion is accepted by the Court.

3. "Defendants Releasees" means each and every one of Genworth and the Individual Defendants, Defendants' Counsel, and, as applicable to either (i) an Individual Defendant or (ii) the corporate Defendant, any of Defendants' present and former parents, affiliates, subsidiaries, associates, business units or divisions, and each and all of their respective past and present directors, Officers, members, principals, employees, managers, attorneys, financial or investment advisors, consultants, accountants, actuaries, auditors, indemnifiers, representatives, bankers, insurers, reinsurers, heirs, estates, trustees, trusts, executors, administrators, general or limited partners or partnerships, and each of their respective predecessors, successors and assigns, and any of the Individual Defendants' Immediate Family members.

4. "Effective Date" means the date on which all of the following events have either occurred or been waived:

(a) the Court has entered the Preliminary Approval Order, substantially in the form set forth in Exhibit A to the Stipulation;

(b) the Settlement Amount has been deposited into the Escrow Account in accordance with the Stipulation;

(c) Defendants have not exercised their option to terminate the Settlement pursuant to the provisions of the Stipulation;

(d) Class Representatives have not exercised their option to terminate the Settlement pursuant to the provisions of the Stipulation; and

(e) the Court has approved the Settlement as described herein, following notice to the Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure, and entered the Judgment and the Judgment has become Final, or the Court has entered an Alternate Judgment and none of the Parties seek to terminate the Settlement and the Alternate Judgment has become Final.

5. "Judgment" means the final judgment, substantially in the form set forth in Exhibit B to the Stipulation, to be entered by the Court approving the Settlement.

6. "Net Settlement Fund" means the Settlement Fund less: (i) any Taxes and Tax Expenses; (ii) any Notice and Administration Costs; (iii) any attorneys' fees, expenses, and charges awarded by the Court; (iv) any costs

and expenses (which may include lost wages) awarded by the Court to Class Representatives; and (v) any other costs, fees or expenses approved by the Court.

7. "Parties" means Defendants and Class Representatives, on behalf of themselves and the Class.

8. "Released Plaintiffs' Claims" means any and all claims, rights, actions, issues, controversies, causes of action, duties, obligations, demands, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of every kind, nature and description, including both known claims and Unknown Claims, whether arising under federal, state, foreign, statutory, common or administrative law, or any other law, rule or regulation, whether asserted as claims, cross-claims, counterclaims or third-party claims, whether fixed or contingent, choate or inchoate, accrued or not accrued, matured or unmatured, liquidated or unliquidated, perfected or unperfected, whether class or individual in nature, that previously existed, currently exist, or exist as of the date of the Court approval of the Settlement, that Class Representatives or any other Class Member asserted in the Complaint or Second Amended Complaint or could have asserted in the Litigation or in any other action or in any forum (including, without limitation, any federal or state court, or in any other court, arbitration proceeding, administrative agency or other forum, in the U.S. or elsewhere) against any of the Defendants Releasees that: (a) arise out of, are based upon, relate to or concern any of the claims, allegations, transactions, facts, circumstances, events, acts, disclosures, statements, representations, omissions or failures to act alleged, set forth, referred to, involved in, or raised in the Litigation, the Complaint, or the Second Amended Complaint, including, without limitation, claims that arise out of or relate to any disclosures (including in financial statements), U.S. Securities and Exchange Commission filings, press releases, investor calls, registration statements, offering memoranda, web postings, presentations or any other statements by Defendants during the period November 3, 2011 through April 17, 2012, inclusive, or that relate to or concern Genworth's Australian mortgage insurance business; and (b) that arise out of, are based upon, or relate to the sale, purchase or acquisition of Genworth common stock during the period November 3, 2011 through April 17, 2012, inclusive. Released Claims do not include: (i) claims to enforce the Settlement and the Stipulation; (ii) claims of any person or entity who or which submits a request for exclusion that is accepted by the Court; and (iii) claims in *Genworth Financial, Inc. Consolidated Derivative Litigation*, C.A. No. 11901-VCS (Del. Ch.), and *Chopp v. McInerney, et al*, C.A. No. 12835 (Del. Ch.). For the sake of clarity, Released Plaintiffs' Claims do not include the claims asserted in any pending derivative action.

9. "Unknown Claims" means any Released Plaintiffs' Claims which any Class Representative or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants' Claims which any Defendant or any other Defendants Releasees does not know or suspect to exist in his, her or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Class Representatives and Defendants shall expressly waive, and each of the other Class Members and each of the other Defendants Releasees shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Releasing Parties acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but that the Class Representatives and the Defendants Releasees nevertheless intend to and shall expressly, fully, finally, and forever settle and release, and each other Releasing Plaintiff shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment or the Alternate Judgment, if applicable, shall have settled and released, fully, finally, and forever, any and all Released Claims as applicable, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct, which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Class Representatives and Defendants acknowledge, and each of

the other Class Members and each of the other Defendants Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

VIII. THE HISTORY OF THE LITIGATION

What has happened in this case so far?

The initial complaint in this case, captioned *City of Hialeah Employees' Retirement System v. Genworth Financial, Inc., et al.*, Civil Action No. 1:14-cv-02392-AKH, was filed in the Court on April 4, 2014. By order entered July 28, 2014, the Court appointed the City of Hialeah Employees' Retirement System and New Bedford Contributory Retirement System as "Lead Plaintiffs" and their counsel Labaton Sucharow LLP and Robbins Geller Rudman & Dowd LLP as "Lead Counsel." On October 3, 2014, the Amended Complaint for Violation of the Federal Securities Laws was filed alleging violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Complaint"). The named defendants in the Complaint were Genworth and individual defendants Michael D. Fraizer and Martin P. Klein (the "Individual Defendants"). On December 2, 2014, the Defendants moved to dismiss the Complaint, which was opposed by Lead Plaintiffs. By order entered March 25, 2015, the Court denied Defendants' motion to dismiss. However, the Court, on its own, dismissed the Complaint, without prejudice. On April 17, 2015, Lead Plaintiffs filed their Second Amended Class Action Complaint (the "Second Amended Complaint"). On May 8, 2015, Defendants again moved to dismiss, which Lead Plaintiffs opposed. By order entered June 16, 2015, the Court denied Defendants' motion to dismiss. On January 22, 2016, Defendants moved for reconsideration of the Court's denial of their motion to dismiss, which motion Lead Plaintiffs opposed. By order entered March 3, 2016, the Court denied Defendants' motion for reconsideration. Thereafter, Defendants filed an answer denying all allegations of wrongdoing in the Second Amended Complaint and asserting defenses thereto. On January 29, 2016, Lead Plaintiffs moved for class certification, which motion Defendants opposed. The Court granted the class certification motion on March 7, 2016.

As reflected by the above-referenced motions to dismiss the complaints and certify the class, this case was vigorously litigated by the Parties. During the pendency of the Litigation, the Parties engaged in extensive fact discovery for almost two years. During this time, the Parties subpoenaed more than a dozen parties and third parties. Defendants and several third parties produced approximately 2.2 million pages of documents, which Class Counsel analyzed. Thereafter, the Parties took nine depositions (within the United States and Australia), including depositions of the Individual Defendants. The Parties also engaged consulting expert witnesses, who provided opinions relevant to the alleged damages in the case and the mortgage industry.

During the course of the Litigation, the Parties explored the possibility of a negotiated resolution of the Litigation through numerous in person discussions, telephonic conferences, and written correspondence. After an in-person settlement meeting, these efforts culminated with the Parties agreeing to settle the Litigation for \$20,000,000.00, subject to the negotiation of the terms of a stipulation of settlement and approval by the Court.

IX. TERMS OF THE PROPOSED SETTLEMENT

What does the Settlement provide? What am I giving up to receive a payment or if I stay in the Class?

The terms of the Settlement entered into by the Class Representatives and Defendants are set forth in full in the Stipulation and its Exhibits. A portion of the \$20 million Settlement Fund will be used to pay attorneys' fees and expenses to Class Counsel and the Class Representatives, to pay for this Notice and the processing of claims submitted by Class Members, and to pay Taxes and Tax Expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed, in accordance with the Plan of Allocation described below, to Class Members who submit valid and timely Claim Forms.

If the Settlement is approved by the Court, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the "Judgment"), which will end this case. In addition, the Judgment will require that, upon the Effective Date of the Settlement, Class Representatives and each of the Class Members, for themselves and for any other Person claiming (now or in the future) through or on behalf of them, and regardless of whether any such plaintiff or Class Member ever seeks or obtains any payment from the Settlement Fund, will be deemed to have, and by operation of the Judgment will have, fully, finally, and forever waived, released, relinquished, discharged, and dismissed each and every one of the Released Plaintiffs' Claims (defined above) against each and every one of the Defendants Releasees (defined above), and will be permanently barred and enjoined from instituting, commencing, prosecuting, or maintaining any such Released Plaintiffs' Claim against any of the Defendants and the other

Defendants Releasees. Claims to enforce the releases and other terms and conditions contained in the Stipulation or the Judgment are not released.

The Settlement is conditioned upon the occurrence of certain events that are described in the Stipulation. Those events include, among other things: (1) entry of the Judgment by the Court; and (2) expiration of the time to appeal from the Judgment or to move to alter or amend the Judgment, or the determination of any such appeal or motion in a manner to permit the consummation of the Settlement. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, it will become null and void, and the Parties will be restored to their respective litigation positions as of March 21, 2017. In that event, the Settlement will not proceed and no payments will be made to Class Members.

X. SUBMITTING A CLAIM FORM

How can I receive a payment from the Settlement?

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY SUBMIT A VALID CLAIM FORM. A Claim Form is enclosed with this Notice, or it may be read on-line or downloaded for free at www.Genworth2017SecuritiesSettlement.com. Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail or submit it online so that it is postmarked (if mailed) or received (if filed electronically) no later than November 22, 2017. The Claim Form may be submitted online at www.Genworth2017SecuritiesSettlement.com. The Claims Administrator can also be reached at 1-866-684-3701. Unless the Court orders otherwise, if you do not timely submit a valid Claim Form, you will be barred from receiving any payments from the Net Settlement Fund, but you will in all other respects be bound by the provisions of the Stipulation and the Judgment, including the release of claims, if you are a Class Member.

How will my claim be calculated? What is the Plan of Allocation?

The Net Settlement Fund will be distributed to Class Members who are entitled to a distribution from the Net Settlement Fund under the Plan of Allocation described below and who submit valid and timely Claim Forms. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the settlement website, www.Genworth2017SecuritiesSettlement.com. Your receipt of this Notice does not mean that you are a Class Member or that you will receive a payment.

The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation is not a formal damage analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making allocations of the Net Settlement Fund.

In the unlikely event there are sufficient funds in the Net Settlement Fund to reimburse the Class for all losses, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claimed losses of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants — his, her or its "*pro rata* share."

The Plan of Allocation was developed in consultation with Class Representatives' damages expert. In developing the Plan of Allocation, Class Representatives' damages expert calculated the estimated amount of alleged artificial inflation in the per share prices of Genworth common stock that was allegedly proximately caused by Defendants' alleged materially false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by those alleged misrepresentations and omissions, Class Representatives' damages expert considered price changes in Genworth common stock in reaction to the public disclosure that allegedly corrected the respective alleged misrepresentations and omissions, and adjusted the price change for factors that were attributable to market or industry forces. In order to have a "Recognized Loss Amount" under the Plan of Allocation, shares of Genworth publicly traded common stock must have been purchased during the Class Period and held through April

17, 2012 (the date Genworth publicly announced the postponement of the planned IPO of its Australian MI subsidiary).

CALCULATION OF RECOGNIZED LOSS AMOUNTS

Based on the formulas stated below, a “Recognized Loss Amount” will be calculated for each purchase of Genworth publicly traded common stock during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

For each share of Genworth publicly traded common stock purchased from November 3, 2011 through and including the close of trading on April 17, 2012, and:

- (a) Sold prior to the close of trading on April 17, 2012, the Recognized Loss Amount will be \$0.00;
- (b) Sold from April 18, 2012 through and including the close of trading on July 16, 2012, the Recognized Loss Amount will be **the least of**: (i) \$1.70 (the amount of alleged artificial inflation per share during the Class Period), (ii) the purchase price minus the sale price, or (iii) the purchase price minus the average closing price between April 18, 2012 and the date of sale as stated in Table A at the end of this Notice; and
- (c) Held as of the close of trading on July 16, 2012, the Recognized Loss Amount will be **the lesser of**: (i) \$1.70 (the amount of alleged artificial inflation per share during the Class Period), or (ii) the purchase price minus \$5.47, the average closing price for Genworth common stock between April 18, 2012 and July 16, 2012 (the last entry on Table A).¹

General Provisions

The date of a purchase or sale is the “contract” or “trade” date, not the “settlement” date.

For Class Members who held Genworth publicly traded common stock at the beginning of the Class Period or made multiple purchases or sales during the Class Period, the First-In, First-Out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of Genworth common stock during the Class Period will be matched, in chronological order, first against shares of common stock held at the beginning of the Class Period. The remaining sales of common stock during the Class Period will then be matched, in chronological order, against common stock purchased during the Class Period.

A claimant’s “Recognized Claim” under the Plan of Allocation will be the sum of his, her, or its Recognized Loss Amounts. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which will be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net overall loss, after all profits from transactions in all Genworth common stock described above during the Class Period are subtracted from all losses. However, the proceeds from sales of common stock that have been matched against the common stock held at the beginning of the Class Period will not be used in the calculation of such net loss.

¹ Under Section 21(D)(e)(1) of the Exchange Act, “in any private action arising under this Act in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the statute, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Genworth common stock during the 90-day look-back period. The mean (average) closing price for Genworth common stock during this 90-day look-back period was \$5.47.

If there is any balance remaining in the Net Settlement Fund after a reasonable period of time after the date of the initial distribution of the Net Settlement Fund, Class Counsel shall, if feasible, reallocate (which reallocation may occur on multiple occasions) such balance among Authorized Claimants in an equitable and economic fashion. Thereafter, any *de minimis* balance that still remains in the Net Settlement Fund will be donated to the Council of Institutional Investors' Research and Education Fund, or another appropriate non-profit organization(s) approved by the Court.

Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form. The Court has reserved jurisdiction to hear an appeal by any Class Member of the Claims Administrator's determinations regarding a Class Member's claim and to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. Defendants, their respective counsel, and all other Defendants Releasees will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation or the payment of any claim. No Person shall have any claim against the Class Representatives, Plaintiffs' Counsel, any claims administrator, or other agent designated by Class Counsel, or Defendants or Defendants' Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court.

XI. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

How will the lawyers be paid? Can I have my own lawyer appear for me?

At the Settlement Hearing, Class Counsel will ask the Court to award attorneys' fees of no more than 30% of the Settlement Fund, and expenses not to exceed \$675,000, plus accrued interest. In addition, the Class Representatives may each seek up to \$25,000 in expenses (including lost wages) they incurred in representing the Class. If the Court approves the fee and expense application, the awards will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The fee requested by Class Counsel will compensate counsel for their efforts in achieving the Settlement for the benefit of the Class, and for their risk in undertaking this representation on a wholly contingent basis. Class Counsel believe that the fee requested is well within the range of fees awarded to plaintiffs' counsel under similar circumstances in other litigation of this type. The fee to be requested has been approved by the Class Representatives.

If you are a Class Member, you may, but are not required to, enter an appearance on your own behalf or through counsel of your own choosing and at your own expense, provided that you or your counsel must file an appearance with the Court on your behalf on or before October 25, 2017, and must serve copies of such appearance on the attorneys listed below. If you do not enter an appearance through counsel of your own choosing, you will be represented by Class Counsel: Robbins Geller Rudman & Dowd LLP, Douglas Britton, 655 West Broadway, Suite 1900, San Diego, CA 92101 and Labaton Sucharow LLP, Jonathan Gardner, 140 Broadway, New York, NY 10005.

XII. EXCLUDING YOURSELF FROM THE CLASS

How do I get out of the Class?

If you do not wish to be included in the Class and you do not wish to participate in the proposed Settlement described in this Notice you must request to be "excluded." **If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Litigation, you may want to consult with an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitations or repose.**

If you wish to be excluded, you must mail a written request stating that you wish to be excluded from the Class to:

Genworth Litigation
EXCLUSIONS
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

The request for exclusion must: (1) include your name, address, and telephone number; (2) state that you “request exclusion from the Class”; (3) state the date(s), price(s) and amount(s) of Genworth common stock that you purchased or sold during the Class Period; and (4) be signed by you or your representative. **YOUR EXCLUSION REQUEST MUST BE POSTMARKED NO LATER THAN OCTOBER 25, 2017.** No request for exclusion will be considered valid unless all of the information described above is included with the request. No further opportunity to request exclusion will be given in this Litigation. If you choose to be excluded from the Class, (a) you will not be entitled to share in the proceeds of the Settlement; (b) you will not be bound by any judgment entered in the Litigation; and (c) you will not be precluded by the Settlement from otherwise prosecuting an individual claim against Defendants and the other Defendants Releasees, if timely, based on the matters complained of in the Litigation.

XIII. OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION

How do I tell the Court that I do not like something about the proposed Settlement?

Class Members can object to any aspect of the Settlement, the Plan of Allocation, or the application for attorneys’ fees and expenses, and may appear and be heard at the Settlement Hearing. However, to do so, you must submit a written objection, such that it is **postmarked** no later than **October 25, 2017**, to each of the following:

To the Court:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
DANIEL PATRICK MOYNIHAN UNITED STATES COURTHOUSE
500 Pearl Street
New York, NY 10007-1312

To Class Counsel:

ROBBINS GELLER RUDMAN
& DOWD LLP
DOUGLAS BRITTON
655 West Broadway, Suite 1900
San Diego, CA 92101

To Defendants’ Counsel:

DENTONS US LLP
REID L. ASHINOFF
1221 Avenue of the Americas
New York, NY 10020

An objection must include the caption of the case, *In re Genworth Financial, Inc., Securities Litigation*, Master File No. 1:14-cv-02392-AKH, and it must demonstrate the objecting Person’s membership in the Class, including the dates and number of shares of Genworth publicly traded common stock purchased and sold during the Class Period, and the price paid or received for each such purchase or sale, and contain a statement of the reasons for objection. Only members of the Class who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

XIV. EXAMINATION OF PAPERS

Are there more details about the Settlement? How can I get more information?

This Notice contains only a summary of the terms of the Settlement and does not describe all of its details. More information is contained in the Stipulation and other documents filed in the Litigation. You may review the Stipulation and other documents filed in the case during business hours at the Office of the Clerk of the United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Litigation through the Court’s on-line Case Management/Electronic Case Files System at <https://www.pacer.gov>.

In addition, settlement related documents (including the Stipulation) and the substantive filings in the case may be viewed for free on the settlement website located at www.Genworth2017SecuritiesSettlement.com. If you have any questions about the Settlement or the Litigation, you may contact Class Counsel using the information listed below.

LABATON SUCHAROW LLP Jonathan Gardner 140 Broadway New York, NY 10005 888/219-6877 settlementquestions@labaton.com www.labaton.com	ROBBINS GELLER RUDMAN & DOWD LLP Douglas Britton 655 West Broadway, Suite 1900 San Diego, CA 92101 800/449-4900 www.rgrdlaw.com
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XV. SPECIAL NOTICE TO NOMINEES

Nominees who purchased the publicly traded common stock of Genworth for the beneficial interest of other Persons during the Class Period SHALL EITHER: (a) **WITHIN TEN (10) CALENDAR DAYS** of receipt of the Notice and Claim Form (“Notice Packet”), provide a list of the names and addresses of all those beneficial owners to the Claims Administrator, and the Claims Administrator shall send the Notice Packet promptly to the identified beneficial owners; or (b) **WITHIN TEN (10) CALENDAR DAYS** of receipt of the Notice Packet, request from the Claims Administrator sufficient copies of the Notice Packet to forward to all beneficial owners for which they purchased or otherwise acquired the publicly traded common stock of Genworth during the Class Period and promptly upon receipt of the Notice Packet from the Claims Administrator forward them to all those beneficial owners. Nominees who elect to send the Notice Packet to their beneficial owners SHALL ALSO send a statement to the Claims Administrator confirming that the mailing was made and shall retain their mailing records for use in connection with any further notices that may be provided in the Litigation. Upon compliance with the above and submission of appropriate documentation, Class Counsel will reimburse your reasonable costs and expenses of complying with this provision. Additional copies of this Notice may be obtained from the Claims Administrator by writing to:

Genworth Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404003
Louisville, KY 40233-4003

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

DATED: August 14, 2017

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TABLE A
Average Closing Price
April 18, 2012 – July 16, 2012

Date	Average Closing Price Between April 18, 2012 and Date Shown	Date	Average Closing Price Between April 18, 2012 and Date Shown
4/18/2012	\$5.87	6/1/2012	\$5.62
4/19/2012	\$5.96	6/4/2012	\$5.60
4/20/2012	\$5.99	6/5/2012	\$5.59
4/23/2012	\$6.01	6/6/2012	\$5.58
4/24/2012	\$6.01	6/7/2012	\$5.58
4/25/2012	\$5.99	6/8/2012	\$5.57
4/26/2012	\$5.98	6/11/2012	\$5.56
4/27/2012	\$5.99	6/12/2012	\$5.55
4/30/2012	\$5.99	6/13/2012	\$5.54
5/1/2012	\$6.00	6/14/2012	\$5.53
5/2/2012	\$6.02	6/15/2012	\$5.53
5/3/2012	\$6.00	6/18/2012	\$5.52
5/4/2012	\$5.99	6/19/2012	\$5.52
5/7/2012	\$5.97	6/20/2012	\$5.52
5/8/2012	\$5.96	6/21/2012	\$5.51
5/9/2012	\$5.94	6/22/2012	\$5.50
5/10/2012	\$5.92	6/25/2012	\$5.49
5/11/2012	\$5.92	6/26/2012	\$5.48
5/14/2012	\$5.91	6/27/2012	\$5.47
5/15/2012	\$5.89	6/28/2012	\$5.47
5/16/2012	\$5.85	6/29/2012	\$5.47
5/17/2012	\$5.81	7/2/2012	\$5.48
5/18/2012	\$5.77	7/3/2012	\$5.48
5/21/2012	\$5.74	7/5/2012	\$5.49
5/22/2012	\$5.72	7/6/2012	\$5.49
5/23/2012	\$5.71	7/9/2012	\$5.49
5/24/2012	\$5.69	7/10/2012	\$5.48
5/25/2012	\$5.67	7/11/2012	\$5.48
5/29/2012	\$5.66	7/12/2012	\$5.47
5/30/2012	\$5.65	7/13/2012	\$5.47
5/31/2012	\$5.64	7/16/2012	\$5.47