

Meeting with Representatives of Genworth Financial Inc.

On March 30, 2011, representatives of Genworth Financial Inc. (Genworth) met with staff of the Federal Housing Finance Agency. Genworth provided information on its role in providing supplementary mortgage insurance (SMI) for acquired mortgage asset (AMA) products offered by some Federal Home Loan Banks. Among other things, Genworth described general capital and investment requirements imposed on it by state insurance regulators and more fully described the SMI coverage it had offered for the AMA products. Genworth also noted that it would support removing the “AA” rating requirement for insurance providers now in the AMA regulations and replacing it with some form of internal counterparty risk assessment procedures. FHFA recently requested comments on removing such rating requirements from its regulations in its recent advance notice of proposed rulemaking addressing alternatives to the use of credit ratings in FHFA regulations.