

# World Bank / IFC Global Housing Finance Conference

May 29, 2014



# Introducing Genworth

**We Are Fortune 500® Global Company Specializing In**

- Mortgage Insurance
- Lifestyle Protection Insurance
- Life Insurance
- Long Term Care Insurance
- Fixed Annuities



**Publicly-listed Company With A Heritage Dating Back To 1871**

# India Mortgage Guarantee JV



**NATIONAL HOUSING BANK**  
Wholly Owned by Reserve Bank of India

**Sponsor**

**38% Owner**



**Technical Advisor**

**36% Owner**



**Strategic Investor**

**13% Owner**



**Strategic Investor**

**13% Owner**

## Regulatory Overview

**Product Is Mortgage Guarantee (vs. Insurance)**

**Regulated By Reserve Bank Of India (RBI) As Non-Bank Financial Company**

**Product Complies With Basel Capital Standards As Credit Risk Mitigant**

## Regulatory Overview

**JV Required: Maximum 49% Share Per Owner; No One Shareholder Can Control**

**Up-Front Capital Requirement Plus Additional Capital Based On Risk Taken**

**Monoline – Minimum 90% Gross Income From MG**

**No Commissions Or Rebates To Lenders**

# Comparison Of Insurance And Guarantee

<b>Element</b>	<b>Mortgage Insurance</b>	<b>Mortgage Guarantee (India Model)</b>
<b>Regulated As ...</b>	<b>Insurance</b>	<b>Financial Product</b>
<b>Claims Payment</b>	<b>Conditionality Allowed</b>	<b>Unconditional</b>
<b>Liquidity</b>	<b>Claim Proceeds Paid At Foreclosure</b>	<b>Proceeds Paid Closer To Default</b>

# MI / MG Value For Key Market Participants

## Consumer

**Puts People In Homes Sooner**

**Helps Distressed Homeowners With Workout Programs**

## Lender / Investor

**Prudently Grows Earning Assets With Expanded LTVs**

**Can Provide Capital Relief**

**Facilitates Securitization To Replenish Mortgage Funding**

## Regulatory

**Transfers Credit Risk Outside Banking System**

**Infuses Additional Private Capital Into System**

**Applies Underwriting Standards And Risk Monitoring**