

GENWORTH FINANCIAL INC

FORM 8-K (Current report filing)

Filed 04/04/05 for the Period Ending 03/30/05

Address	6620 WEST BROAD STREET RICHMOND, VA 23230
Telephone	804-281-6000
CIK	0001276520
Symbol	GNW
SIC Code	6311 - Life Insurance
Industry	Insurance (Life)
Sector	Financial
Fiscal Year	12/31

GENWORTH FINANCIAL INC

FORM 8-K (Unscheduled Material Events)

Filed 4/4/2005 For Period Ending 3/30/2005

CIK	0001276520
Fiscal Year	12/31

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

FORM 8-K

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

March 30, 2005
Date of Report
(Date of earliest event reported)

GENWORTH FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-32195
(Commission File Number)

33-1073076
(I.R.S. Employer
Identification No.)

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

23230
(Zip Code)

(804) 281-6000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

As previously reported, on March 14, 2005, Genworth Financial, Inc. (“Genworth”) entered into a stock purchase agreement (the “Stock Purchase Agreement”) among Genworth, GE Financial Assurance Holdings, Inc. (“GEFAHI”), General Electric Company (“GE”), General Electric Capital Corporation (“GE Capital”) and GEI, Inc. (“GEI”). Pursuant to the Stock Purchase Agreement, Genworth agreed to purchase from GEFAHI \$500 million of Genworth’s Class B Common Stock at a price per share equal to the net proceeds per share that GEFAHI received from the underwriters in a secondary offering of Genworth’s Class A Common Stock. On March 30, 2005, the secondary offering was consummated and pursuant to the Stock Purchase Agreement, Genworth repurchased 19,371,586 shares of Class B Common Stock from GEFAHI at a price of \$25.811 per share. Following the completion of the secondary offering and the stock repurchase, GEFAHI is the holder of all 243,216,559 shares of Genworth’s outstanding Class B Common Stock and the holder of approximately 51.7% of all of Genworth’s outstanding common stock. GEFAHI is a direct subsidiary of GEI and an indirect subsidiary of GE Capital and GE.

Pursuant to the Stock Purchase Agreement, Genworth entered into an amendment (the “Amendment”) to the Master Agreement (the “Master Agreement”), dated May 24, 2004, among Genworth, GEFAHI, GE, GE Capital and GEI. The Amendment adds a provision to the Master Agreement that provides that until the date that is at least 185 days after the date of the consummation of a sale by GEFAHI of shares of Genworth’s Class B Common Stock that results in GEFAHI owning less than 50% of Genworth’s outstanding common stock, Genworth will not, without the prior written consent of GE, (1) purchase, redeem or otherwise acquire or retire for value any shares of Genworth’s Class A Common Stock at a price per share that is less than the price per share received by GEFAHI in such sale by GEFAHI, (2) engage in any derivative security transaction with respect to shares of Genworth’s common stock (including a derivative security such as an option, warrant, convertible security, stock appreciation right, or similar right) that would be equivalent economically to a transaction of the type described in clause (1), or (3) agree to do any of the foregoing. The Amendment was executed and became effective concurrently with the closing of the stock repurchase on March 30, 2005.

In addition, pursuant to the Stock Purchase Agreement, GEFAHI delivered to Genworth, upon the closing of the stock repurchase on March 30, 2005, (1) an irrevocable consent to permit Genworth to effect acquisitions for consideration of up to \$1 billion at any time that GEFAHI owns 45% or less of Genworth’s outstanding common stock, and (2) an irrevocable proxy to permit Genworth to vote GEFAHI’s shares of Class B Common Stock in favor of an amendment to Genworth’s certificate of incorporation in the event that Genworth elects to amend its certificate of incorporation to permit such acquisitions without GE’s consent (collectively, the “Irrevocable Proxy and Irrevocable Consent”). Genworth’s certificate of incorporation currently provides that until the first date on which GE beneficially owns less than 20% of Genworth’s outstanding common stock, the prior affirmative vote or written consent of GE is required for any acquisition for consideration of more than \$700 million.

The foregoing summaries of the Amendment and the Irrevocable Proxy and Irrevocable Consent are qualified in their entirety by reference to the complete texts thereof, copies of which are filed as exhibits to this report.

Item 9.01. Financial Statements and Exhibits.

<u>Number</u>	<u>Description</u>
10.1	Amendment No. 1, dated as of March 30, 2005, to the Master Agreement, dated as of May 24, 2004, among Genworth Financial, Inc., GE Financial Assurance Holdings, Inc., General Electric Company, General Electric Capital Corporation and GEI, Inc.
10.2	Irrevocable Proxy and Irrevocable Consent, dated March 30, 2005, between Genworth Financial, Inc. and GE Financial Assurance Holdings, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 4, 2005

GENWORTH FINANCIAL, INC.

By: /s/ Richard P. McKenney

Richard P. McKenney
Senior Vice President –
Chief Financial Officer

EXHIBIT INDEX

<u>Number</u>	<u>Description</u>
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10.2	Irrevocable Proxy and Irrevocable Consent, dated March 30, 2005, between Genworth Financial, Inc. and GE Financial Assurance Holdings, Inc.

AMENDMENT NO. 1 TO MASTER AGREEMENT

This Amendment No. 1, dated as of March 30, 2005 (this “Amendment”), to the Master Agreement dated as of May 24, 2004 (the “Master Agreement”), is by and among General Electric Company, a New York corporation (“GE”), General Electric Capital Corporation, a Delaware corporation (“GECC”), GEI, Inc., a Delaware corporation (“GEI”), GE Financial Assurance Holdings, Inc., a Delaware corporation (“GEFAHI”, and collectively with GE, GECC and GEI, the “GE Parties”), and Genworth Financial, Inc., a Delaware corporation (“Genworth”).

RECITALS

WHEREAS, on May 24, 2004, the GE Parties and Genworth entered into the Master Agreement;

WHEREAS, on March 14, 2005, the GE Parties and Genworth entered into that certain Stock Purchase Agreement (the “Stock Purchase Agreement”); and

WHEREAS, pursuant to Section 6.11 of the Stock Purchase Agreement, the parties desire to amend Section 6.18 of the Master Agreement as set forth herein;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, in the Stock Purchase Agreement and in the Master Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Defined Terms. Capitalized terms used herein and not otherwise defined shall have their respective meanings set forth in the Master Agreement.

2. Section 6.18 is deleted in its entirety and replaced with the following:

Section 6.18 Repurchases by Genworth.

(a) Prior to the Trigger Date, without GE’s prior written consent, Genworth shall not, and shall cause the other members of the Genworth Group not to, purchase, redeem or otherwise acquire or retire for value any shares of Class A Common Stock or any warrants, options or other rights to acquire Class A Common Stock other than (1) the repurchase of Class A Common Stock deemed to occur upon exercise of stock options to that extent that shares of Class A Common Stock represent a portion of the exercise price of the stock options or are withheld by Genworth to pay applicable withholding taxes and (2) the repurchase of Class A Common Stock deemed to occur to the extent shares of Class A Common Stock are withheld by Genworth to pay applicable withholding taxes in connection with any grant or vesting of restricted stock.

(b) Until the date that is at least 185 days after the date of consummation of a sale by GEFAHI of shares of Class B Common Stock that results in GEFAHI owning less than fifty percent (50%) of the outstanding Genworth Common Stock (a “Trigger Transaction”), neither Genworth nor any other member of the Genworth Group may (nor may Genworth or any other member of the Genworth Group agree to), without the prior written consent of GE:

(i) purchase, redeem or otherwise acquire or retire for value any shares of Class A Common Stock at a price per share that is less than the price per share received by GEFAHI in the Trigger Transaction, or

(ii) engage in any derivative security transaction with respect to shares of Genworth Common Stock (including a derivative security such as an option, warrant, convertible security, stock appreciation right, or similar right) that would be equivalent economically to a transaction of the type described in clause (i) above.

3. Effect on the Master Agreement .

(a) On and after the date hereof, each reference in the Master Agreement to “this Agreement,” “hereunder,” “herein” or words of like import shall mean and be a reference to the Master Agreement as amended hereby.

(b) Nothing contained herein invalidates or shall release or impair any covenant, condition, agreements or stipulation in the Master Agreement, except as herein supplemented, consolidated and modified by this Amendment. The Master Agreement, except as herein supplemented, consolidated and modified, shall continue in full force and effect.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any party for any default under the Master Agreement, as the Master Agreement shall be amended by this Amendment, nor constitute a waiver of any provision of the Master Agreement, except as herein supplemented, consolidated and modified by this Amendment.

4. Governing Law . This Amendment shall be governed by and construed and interpreted in accordance with the Laws of the State of New York irrespective of the choice of Laws principles of the State of New York other than Section 5-1401 of the General Obligations Law of the State of New York.

5. Counterparts . This Amendment may be executed in one or more counterparts, and by the different parties hereto 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 Amendment by facsimile shall be as effective as delivery of a manually executed counterpart of any such Amendment.

[signatures appear in following page]

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

GENERAL ELECTRIC COMPANY

By: /s/ Kathryn A. Cassidy

Name: Kathryn A. Cassidy
Title: Vice President and Treasurer

GENERAL ELECTRIC CAPITAL CORPORATION

By: /s/ Kathryn A. Cassidy

Name: Kathryn A. Cassidy
Title: Senior Vice President,
Corporate Treasury and
Global Funding Operation

GEI, INC.

By: /s/ Kathryn A. Cassidy

Name: Kathryn A. Cassidy
Title: Senior Vice President and Treasurer

GE FINANCIAL ASSURANCE HOLDINGS, INC.

By: /s/ Kathryn A. Cassidy

Name: Kathryn A. Cassidy
Title: Senior Vice President

GENWORTH FINANCIAL, INC.

By: /s/ Joseph J. Pehota

Name: Joseph J. Pehota
Title: Senior Vice President –
Business Development

EXHIBIT 10.2

GE Financial Assurance Holdings, Inc.
6620 West Broad Street
Richmond, VA 23230

March 30, 2005

Genworth Financial, Inc.
6620 West Broad Street
Richmond, VA 23230

Irrevocable Consent and Irrevocable Proxy

Reference is made to (1) the Stock Purchase Agreement, dated as of March 14, 2005 (the “Stock Purchase Agreement”), among GE Financial Assurance Holdings, Inc. (“GEFAHI”), General Electric Company, General Electric Capital Corporation, GEI, Inc. and Genworth Financial Inc. (“Genworth”), and (2) Genworth’s Amended and Restated Certificate of Incorporation (the “Certificate”). Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Certificate. This Irrevocable Consent and Irrevocable Proxy is delivered pursuant to and in accordance with Section 6.12 of the Stock Purchase Agreement.

Section 1. Irrevocable Consent. Notwithstanding anything to the contrary set forth in Article IV, Section 3(f) of the Certificate, GEFAHI hereby agrees that, from and after the time that GEFAHI ceases to beneficially own more than forty-five percent (45%) of the outstanding shares of Common Stock (the “Acquisitions Operative Date”), the amount set forth in clause (iii) of such Section 3(f) shall be deemed to be \$1.0 billion, rather than \$700 million, and the definition of “Permitted Acquisition” shall be deemed to have been modified accordingly. Prior to such time, if any, as the Certificate is amended to reflect the foregoing, the holders of all of the outstanding shares of the Class B Common Stock shall be deemed, as a result of the delivery of this instrument, to have irrevocably consented separately as a class, effective as of the Acquisitions Operative Date, to any action or transaction covered by clause (ii) or (iii) of such Section 3(f) that, but for the provisions of this

instrument, would have required the prior affirmative vote or written consent of the holders of a majority of the outstanding shares of the Class B Common Stock, voting or consenting separately as a class. Prior to the occurrence of any action or transaction covered by clause (ii) or (iii) of such Section 3(f) that, but for the provisions of this instrument, would have required the prior affirmative vote or written consent of the holders of a majority of the outstanding shares of the Class B Common Stock, voting or consenting separately as a class, GEFAHI shall deliver, at Genworth's request, a written consent in its capacity as the holder of all of the outstanding shares of the Class B Common Stock confirming that it has consented separately as a class to any such action or transaction.

Section 2. Irrevocable Proxy. GEFAHI hereby irrevocably grants to and appoints Genworth to be GEFAHI's proxy and attorney-in-fact (with full power of substitution),

for and in the name, place and stead of GEFAHI, to vote, act by or execute a written consent or grant a consent, proxy or approval in respect of all shares of Class B Common Stock that GEFAHI owns, controls or has the right to vote at one or more meetings of the stockholders of Genworth solely for the purpose of approving an amendment (an “ Amendment ”) to the Certificate to provide that the prior affirmative vote or written consent of the holders of a majority of the outstanding shares of the Class B Common Stock voting separately as a class shall no longer be required for Genworth to effect any action or transaction to which GEFAHI as the holder of the Class B Common Stock has consented pursuant to Section 1 hereof. GEFAHI affirms that this irrevocable proxy is coupled with an interest and may under no circumstances be revoked; provided, however, that such proxy is granted only with respect to the matter contained in this Section 2. GEFAHI’s irrevocable proxy shall automatically terminate upon the effective time of the Amendment in accordance with the Delaware General Corporation Law.

Section 3. Effectiveness . This Irrevocable Consent and Irrevocable Proxy shall become effective as of the date hereof.

Section 4. Assignment . This Irrevocable Consent and Irrevocable Proxy shall be binding on GEFAHI’s successors and assigns, including any entity that is a transferee of GEFAHI and comes within the definition of “GE” in the Certificate.

Section 5. Governing Law . The Irrevocable Consent and Irrevocable Proxy shall be governed by, and construed in accordance with, the laws of the State of Delaware.

[Signature appears on the following page]

IN WITNESS WHEREOF, the undersigned has caused this Irrevocable Consent and Irrevocable Proxy to be duly executed as of the date first written above.

GE FINANCIAL ASSURANCE HOLDINGS, INC.

By: /s/ Kathryn A. Cassidy

Name: Kathryn A. Cassidy
Title: Senior Vice President

Acknowledged and agreed as of
the date first written above:

GENWORTH FINANCIAL, INC.

By: /s/ Joseph J. Pehota

Name: Joseph J. Pehota
Title: Senior Vice President –
Business Development

End of Filing

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