

# GENWORTH FINANCIAL INC

## FORM 8-K (Current report filing)

Filed 07/21/06 for the Period Ending 07/20/06

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

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

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**FORM 8-K**

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

**July 20, 2006**  
Date of Report  
(Date of earliest event reported)



**GENWORTH FINANCIAL, INC.**

(Exact name of registrant as specified in its charter)

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**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)

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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.**

On July 20, 2006, the Management Development and Compensation Committee of the Board of Directors of Genworth Financial, Inc. (the "Company") approved a policy regarding the Personal Use of Non-Commercial Aircraft (the "Policy").

The Policy states that the Company's non-commercial air travel options are generally intended for business-related travel for the Company's Chief Executive Officer (the "CEO") and its other executive officers and that the CEO and other executive officers are not permitted to use fractionally owned Company aircraft for personal travel, other than travel incidental to Company-related business or travel for a family emergency. The Policy sets forth the parameters, including certain annual dollar limits, regarding permitted incidental personal use.

The value of any such incidental personal use will be treated as imputed taxable income in accordance with applicable tax regulations, and no tax gross-ups will be paid in connection with any personal use of non-commercial aircraft by the CEO or other executive officers.

The CEO is also permitted under the Policy to use the Company's booking agent to arrange for personal chartered flights. The CEO will pay for the costs of any such personal chartered flights, and the Company will pay a minimal fee for the charter booking service.

The foregoing description of the Policy is a summary only and is qualified in its entirety by the terms of the Policy, which is attached hereto as Exhibit 10 and incorporated by reference into this Item 1.01.

**Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers**

At a meeting held on July 20, 2006, upon the recommendation of the Nominating and Corporate Governance Committee, the Company's Board of Directors increased the size of the Board to nine directors and elected Barrett A. Toan as a new independent director. At this meeting, the Board also appointed Mr. Toan to the Nominating and Corporate Governance Committee and the Legal and Public Affairs Committee.

Mr. Toan was the Chairman of Express Scripts, Inc. from November 2000 until his retirement in May 2006 and the Chief Executive Officer of Express Scripts, Inc. from March 1992 until his retirement in March 2005. Mr. Toan was an executive officer of Express Scripts, Inc. from May 1989 until his retirement and served as the President from October 1990 to April 2002. Prior thereto, Mr. Toan was an Executive Director and Chief Operating Officer of Sanus Health Plan of St. Louis. Mr. Toan continues to serve as a director of Express Scripts, Inc. and is also a director of Sigma-Aldrich Corporation. He also serves as a director on a number of charitable organizations, including the St. Louis Art Museum and Kenyon College. Mr. Toan received an M.P.A. from the Wharton School of Finance and Commerce at the University of Pennsylvania and a B.A. from Kenyon College.

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**Item 9.01. Financial Statements and Exhibits.**

<u>Number</u>	<u>Description</u>
10	Policy Regarding Personal Use of Non-Commercial Aircraft by Executive Officers

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**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.

GENWORTH FINANCIAL, INC.

DATE: July 21, 2006

By: /s/ Richard P. McKenney

Richard P. McKenney  
Senior Vice President –  
Chief Financial Officer

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**EXHIBIT INDEX**

<u>Number</u>	<u>Description</u>
10	Policy Regarding Personal Use of Non-Commercial Aircraft by Executive Officers

## PERSONAL USE OF NON-COMMERCIAL AIRCRAFT

Genworth Financial, Inc. (the “Company”) will employ two types of non-commercial air travel:

1. Use of a fractionally owned Company aircraft or similar aircraft; and
2. Chartered flights.

The non-commercial air travel options described above are generally intended for business-related travel by the Company’s Chief Executive Officer (the “CEO”) and its other executive officers. The CEO and other executive officers are not permitted to use fractionally owned Company aircraft for personal travel, other than travel incidental to Company-related business or travel for a family emergency, as described below.

### Permitted Incidental Personal Use of Non-Commercial Air Travel

The following types of personal use of non-commercial air travel are permitted and will be imputed as taxable income (described below under “Calculating Personal Use Costs”):

1. An executive officer, while traveling on Company business, is accompanied by a spouse, other family members, and/or other non-business-related guests.
2. An executive officer makes an additional stop/leg for personal reasons while traveling on Company business; provided, however, that the “Aggregate Incremental Costs” (defined below) associated with any such personal stop/leg may not exceed \$50,000 for any executive officer in a calendar year; and provided further, that the aggregate incremental cost for all executive officers does not exceed \$250,000 in a calendar year.
3. An executive officer uses Company-provided non-commercial aircraft for a family emergency.

The Management Development and Compensation Committee (the “Committee”) of the Company’s Board of Directors has approved any such personal use by the CEO. Any personal use by other executive officers is subject to approval by the CEO prior to the executive officer’s travel. The Committee will review the CEO’s and executive officers’ personal use on an annual basis.

### Charter Booking Service for Personal Travel

The CEO and other executive officers are not permitted to use fractionally owned Company aircraft for personal travel, other than incidental to Company-related business or for a family emergency, as described above.

The CEO is permitted to use the Company’s booking agent to arrange for personal chartered flights. The CEO will pay for the costs of any such personal chartered flights, and the Company will pay for the booking fees and/or fixed-costs related to providing the charter booking service through the Company’s booking agent.

The Committee has approved any such payments by the Company to its booking agent as compensation to the CEO.

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## **Calculating Personal Use Costs**

Personal use of non-commercial travel will be calculated and reported in accordance with SEC disclosure requirements, which as of the date of the adoption of this policy require the disclosure of perquisites and personal benefits on the basis of the “Aggregate Incremental Cost” to the Company. For the purposes of this computation, Genworth defines “Aggregate Incremental Cost” for personal use of non-commercial air travel as any direct operating costs to the Company attributable to the personal use, plus the cost to the Company of any tax deduction disallowance due to the personal use. In the case of personal use of fractionally owned Company aircraft, the direct operating costs would include: occupied hourly charge, fuel surcharge, Federal excise tax, landing, hangar and other airport fees, specialized catering fees, customs/immigration fees, ground transportation fees, passenger fees, and any flight-specific insurance costs. In light of the fact that the fractionally owned Company aircraft are used primarily for business travel, the direct operating costs would exclude the following: monthly management fees, non-flight-specific insurance costs, purchase costs/depreciation.

The value of personal use of non-commercial air travel pursuant to this policy will be imputed as taxable income on a quarterly basis for the executive officer and will be calculated and reported in accordance with IRS requirements, which as of the date of the adoption of this policy, is based on the current per-mile Standard Industry Fare Level (“SIFL”) rates established by the Department of Transportation. No tax gross ups will be paid in connection with any personal use by the CEO or other executive officers.