

GENWORTH MI CANADA INC.

COMPENSATION AND NOMINATING COMMITTEE MANDATE

1. Purpose And Scope

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Genworth MI Canada Inc. (“Genworth Canada” or the “Company”) shall exercise the responsibilities and duties set forth below, including but not limited to, making recommendations with respect to all forms of compensation to be granted to senior executives as described in Section 4 below, and recruiting and identifying individuals qualified to become new Board members.

2. Membership

Number of Members

The Committee shall be composed of three or more members of the Board.

Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. Meetings

Number of Meetings

The Committee shall meet as many times as required to carry out its duties and responsibilities.

Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

Attendance of Non-Members

The Committee may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. The Committee shall have available to it a senior member of the Company’s (or one of the Company’s subsidiary’s) human relations personnel, who, at the request of the Committee, may serve as secretary of Committee meetings and assist the Committee in the preparation of its reports.

Procedure

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

4. Duties and Responsibilities

Subject to the powers and duties of the Board, the Board has delegated the following powers and duties to be performed by the Committee on behalf of and for the Board:

Compensation

To fulfil its responsibilities and duties the Committee shall:

- (a) review and approve corporate goals and objectives relevant to Chief Executive Officer (“CEO”) compensation;
- (b) evaluate the CEO’s performance in light of those corporate goals and objectives, and make recommendations to the Board with respect to the CEO’s compensation level based on its evaluation;
- (c) review the recommendations to the Committee of the CEO respecting the appointment, compensation and other terms of employment of the Chief Financial Officer, all senior management reporting directly to the CEO and all other officers appointed by the Board and, if advisable, approve and recommend for Board approval, with or without modifications, any such appointment, compensation and other terms of employment;
- (d) recommend to the Board the remuneration (fees and/or retainer) to be paid to and the benefits to be provided to directors;
- (e) review executive compensation disclosure before the issuer publicly discloses this information;
- (f) administer and interpret the Company’s share compensation arrangements and its policies respecting the grant of options and other share-based compensation or the sale of shares thereunder, and review and recommend for approval of the Board the grant of options and other share-based compensation thereunder and the terms thereof, and determine any delegation of the ability to make grants of options and other share-based compensation;
- (g) review the Company’s pension and retirement arrangements in light of the overall compensation policies and objectives of the company;
- (h) review on a periodic basis the terms of and experience with the Company’s executive compensation programs for the purpose of determining if they are properly co-ordinated and achieving the purpose for which they were designed and administered;
- (i) oversee the Company’s compliance with any rules promulgated by a regulatory body prohibiting loans to officers and directors of the Company; and

- (j) prepare an annual report for inclusion in the Company's management information circular to shareholders respecting the process undertaken by the Committee in its review and preparing a recommendation in respect of CEO compensation.

Nominating

To fulfil its responsibilities and duties the Committee shall:

- (a) develop and update a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills and experience of the Board members, retirement dates and the strategic direction of the Company, and report to the Board thereon as required by the Board;
- (b) undertake as required by the Board an examination of the size of the Board, with a view to determining the impact of the number of directors, the effectiveness of the Board, and recommend to the Board, if necessary, a reduction or increase in the size of the Board;
- (c) endeavour, in consultation with the Chair, to ensure that an appropriate system is in place to evaluate the effectiveness of the Board as a whole as well as the committees of the Board with a view to ensuring that they are fulfilling their respective responsibilities and duties;
- (d) in consultation with the Chair and the CEO, as required, recruit and identify individuals qualified to become new Board members and recommend to the Board new director nominees for the next annual meeting of shareholders;
- (e) in consultation with the Chair, annually or as required, recommend to the Board, the individual Directors to serve on the various Committees;

In connection with the Committee's evaluation of the Board, each director will be requested to provide his or her assessment of the effectiveness of the Board and each committee.

In making its recommendations above, the Committee shall consider the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee will bring to the boardroom. The Committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as a Board member.

The Committee may also recommend for Board approval the removal of a director from the Board or from a Board Committee if he or she is no longer qualified to serve as a director under applicable requirements or for any other reason the Committee considers appropriate.

5. Access to Management and Outside Advisors

The Committee shall have unrestricted access to management and employees of the Company. The Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Company. The Company shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.

7. Mandate Review

The Committee shall review and assess the adequacy of this Mandate at least annually to ensure compliance with any rules of regulations promulgated by any regulatory body and recommend to the Board for its approval any modifications to this Mandate as considered.