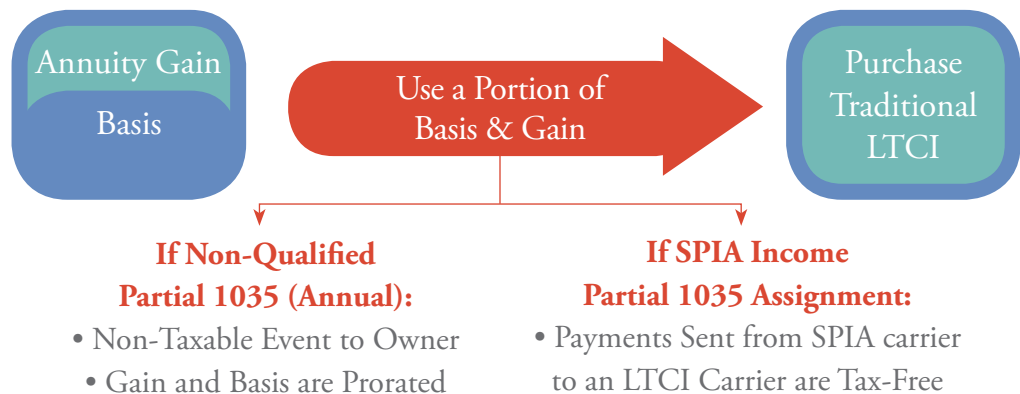


New Opportunities for Funding Long Term Care Insurance (LTCI)

There are new opportunities resulting from the Pension Protection Act of 2006 that allow annuity owners to use their non-qualified annuity to pay long term care insurance premiums tax-free.

Using a Non-Qualified Deferred or Immediate Annuity to Fund Traditional LTCI



LTCI Premiums from Non-Qualified Annuity as a Tax Free Exchange

Deferred Annuity* Partial 1035 exchanges from a new or existing non-qualified annuity to pay for tax qualified long term care insurance premiums are:

- Tax-free to the annuity owner
- Gain and basis within the annuity will be reduced pro rata.

Immediate Annuity Income from a non-qualified SPIA that is assigned to pay tax qualified long term care insurance premiums is tax-free regardless of how much of the income is gain or basis. These payments:

- Are considered a partial assignment of the SPIA contract in a 1035 exchange; and
- Will be reported as taxable amount \$0.00 (zero).

** If the annuity is within its surrender charge period and the amount transferred to fund a LTCI premium is greater than what is permitted under the contract's free withdrawal limit, or the annuity contract does not have a free withdrawal limit, the excess amount will be subject to a surrender charge.*

Implementation Process

The Genworth Financial companies (Genworth) are making it easy to facilitate these transfers.

If both the annuity and long term care insurance policy are issued/underwritten by Genworth, only a single request to set up annual partial 1035 exchanges will be required. If you wish to facilitate partial 1035 exchanges between two different insurance companies, please check with those companies as to their restrictions or requirements regarding partial 1035 exchanges.

Below are some common examples and, for Genworth to Genworth exchanges, the new forms required to facilitate a partial 1035 exchange.

Typical Steps to Complete Common Exchange Opportunities		
Annuity Type	Existing LTC Policy	New LTC Policy
Existing Fixed Deferred Annuity	Submit form 42923LTC	<ul style="list-style-type: none"> • Receive new LTCI policy and annual premium amount • Submit form 42923LTC with LTCI application referencing the existing annuity contract.
New Fixed Deferred Annuity	<ul style="list-style-type: none"> • Fill out application and all required forms to fund the new annuity contract • Submit form 42923LTC 	<ul style="list-style-type: none"> • Receive new LTCI policy and annual premium amount • Fill out application and all required forms to fund the new annuity contract • Receive new annuity contract • Submit form 42923LTC
Existing Immediate Annuity	<ul style="list-style-type: none"> • Contact Annuity Services if payee/income allocation changes required • Submit form 49787 to certify payee is a LTCI provider and assign applicable portion of SPIA 	<ul style="list-style-type: none"> • Receive new LTCI Policy and annual premium amount • Contact Annuity Services if payee/income allocation changes required • Submit form 49787 to certify payee is a LTCI provider and assign applicable portion of SPIA
New Immediate Annuity	<ul style="list-style-type: none"> • Fill out application and all required forms to fund the new annuity contract and make payee the LTC Insurance Company • Submit form 49787 to certify payee is an LTCI provider and assign applicable portion of SPIA • Submit with SPIA application 	<ul style="list-style-type: none"> • Receive new LTCI policy and annual premium amount • Fill out application and all required forms to fund the new annuity contract and make payee the LTC Insurance Company • Submit form 49787 to certify payee is an LTCI provider and assign applicable portion of SPIA • Submit with SPIA application

If you have questions or need assistance with forms call your Genworth representative.

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Long term care insurance underwritten by:

Genworth Life Insurance Company, Richmond, VA

Genworth Life Insurance Company of New York, 666 Third Avenue, 9th Floor,
New York, NY 10017. Only Genworth Life of New York is licensed to conduct business in
New York.

Annuities Issued by:

Genworth Life and Annuity Insurance Company, Richmond, VA

Genworth Life Insurance Company, Richmond, VA

Genworth Life Insurance Company of New York, 666 Third Avenue, 9th Floor,
New York, NY 10017. Only Genworth Life of New York is licensed to conduct business in
New York.

All guarantees are based on the claims-paying ability of the issuing insurance company.

The Genworth Financial companies developed this guide to help you understand the ideas discussed. Any examples are hypothetical. They may not reflect your client's particular circumstances. Your clients should carefully read their contract, policy and prospectus(es), when applicable. What we say about legal or tax matters is our understanding of current law. We are not offering legal or tax advice. Tax laws and IRS administrative positions may change. We did not develop this guide for use in avoiding any IRS penalty and neither you nor your clients may use it for that purpose. Your clients should ask their independent tax and legal advisors for advice based on their particular circumstances.

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Genworth Life Insurance Company
 Genworth Life and Annuity Insurance Company
 Genworth Life Insurance Company of New York†
 Attn: Long Term Care New Business
 P.O. Box 40004
 Lynchburg, VA 24506-9911

Please print clearly using black ink.

DEFERRED ANNUITY TO LTC 1035 TRANSFER AUTHORIZATION

Use this form to authorize an exchange from a non-qualified annuity contract to a Long Term Care Insurance Policy.

Instructions:

- Only individual-owned annuity to individual-owned LTC policy or joint-owned annuity to shared LTC policy exchanges are permitted. The proposed/current LTC insured(s) must be the owner(s) of the annuity.
- Only annual mode is available with the 1035 partial exchanges program.
- Genworth Life Insurance Company, Genworth Life and Annuity Insurance Company, and Genworth Life Insurance Company of New York, will be referred to collectively as Genworth throughout.
- Note: For Immediate annuities (SPIAs) use form 49787.

A. EXCHANGES TO FUND A NEW LONG TERM CARE INSURANCE POLICY

I am applying for a new Genworth Long Term Care Insurance Policy and wish to fund it with 1035 exchange(s).

Applicant name

Applicant name

.....
 Please print

.....
 Please print

Instructions:

- The first payment (up to the full annual premium but not less than 3 month's premium*) must be included with the application. The balance of the first year's premium and subsequent annual premiums will be withdrawn from the designated annuity.
- Attach this form to the application and submit both to the address provided on the application.

* In states of NH (ages 65 and older) and CA, one month's premium must be submitted.

Premium information

1. Total annual premium: \$ Refer to application or illustration
2. Amount submitted with application: \$
3. Balance of first year's premium due: \$ Subtract line 2 from line 1
4. Subsequent annual premium to transfer: \$ Enter amount from line 1

Payment method requested

- Withdraw from the annuity each year for a fixed dollar amount of \$ and bill me for the difference, if any.
- Withdraw from the annuity each year for the maximum dollar amount due to keep the LTC policy in force:
 - Without regard to surrender or other charges (i.e. Surrender charges may be assessed)
 - For the maximum dollar amount possible without incurring a surrender charge or creating an excess withdrawal. I agree to pay the balance due, if any.
- This is a one time exchange. Apply the full annuity account value (estimated to be \$) to my policy. Cannot exceed 2 year's premium.

Note: Automatic annual withdrawals will be scheduled to occur 60 days prior to the regular premium billing date to ensure timely payment of premiums and to permit billing of the policyholder for any balance due on their normal billing schedule.

B. EXCHANGES TO FUND EXISTING LONG TERM CARE INSURANCE POLICY

I am funding an existing Genworth Long Term Care Insurance policy number:

Policyholder name

Policyholder name

.....
 Please print

.....
 Please print

Premium information

- First year premium to transfer: \$ Balance due to pay remainder of annual premium
- Subsequent annual transfers: \$ Full annual premium

Payment method requested

- Withdraw from the annuity each year for a fixed dollar amount of \$ and bill me for the difference, if any.
- Withdraw from the annuity each year for the maximum dollar amount due to keep the LTC policy in force:
 - Without regard to surrender or other charges (i.e. Surrender charges may be assessed)
 - For the maximum dollar amount possible without incurring a surrender charge or creating an excess withdrawal. I agree to pay the balance due, if any.
- This is a one time exchange. Apply the full annuity account value (estimated to be \$) to my policy. Cannot exceed 2 year's premium.

Note: Automatic annual withdrawals will be scheduled to occur 60 days prior to the regular premium billing date to ensure timely payment of premiums and to permit billing of the policyholder for any balance due on their normal billing schedule.

C. ANNUITY CONTRACT INFORMATION

Owner name	Street address	City	State	Zip code
Social Security number		Date of birth mm/dd/yyyy		
Joint owner name <i>If applicable</i>		Joint owner Social Security number <i>If applicable</i>		
Institution name	Street address	City	State	Zip code
Telephone number	Annuity contract number			
Estimated contract value				
\$				

D. TRANSFER AGREEMENT

1035 Exchange and LTC Premium Payments

I/We understand that the above requested transfer of funds from my/our existing annuity contract will be handled as 1035 exchange(s). I/We hereby authorize Genworth to process the required exchange(s) on a one time or recurring annual basis, withdrawing necessary funds from the above designated annuity contract(s) to fund the premiums of the Long Term Care Insurance Policy referenced above.

Other than the owner(s) mentioned herein, no person, firm or corporation, other than me and the issuing insurer, has an interest in said contract. No proceedings in insolvency or bankruptcy have been instituted by or against me.

I/We also understand and agree that the necessary withdrawals will occur automatically until I notify Genworth that I/We wish to terminate the withdrawals. I/We understand that, unless otherwise designated in the Payment Options section above, the automatic withdrawals will occur even if the annual withdrawal limit is exceeded and surrender charges are incurred. If such surrender charges are incurred, they will be subtracted from the contract value. I expressly represent that the sole purpose of this transaction is to effect a partial exchange of an annuity contract under section 1035(a) of the Internal Revenue Code. The Insurer has made no representation concerning the tax treatment of this transaction. I understand that the Insurer has no responsibility or liability for the validity of this transaction or for my tax treatment related to this transaction.

In the event that the requested annual withdrawal reduces the contract value below stated minimums, then a full transfer of remaining funds will occur and any excess funds will be applied to future premiums due. In such an event, I hereby assign and transfer without exception, limitation, or reservation to the Insurer, all assignable benefits, interest, property and rights in the contract referenced herein. I understand that by executing this assignment, I irrevocably waive all rights, claims and demands under the assigned contract. I understand that the Insurer will not treat this assignment as the equivalent of a cash payment. I further understand that no part of the value of the assigned contract will be treated as a premium/purchase payment until it is received by the Insurer.

Caution: Effecting an exchange of your annuity contract may adversely affect your rights and benefits. Please discuss with your Financial Advisor and refer to your prospectus and contract for a description of these rights and benefits.

Owner name <i>Please print</i>	Proposed Insured name <i>Please print</i>		
Owner signature	Date mm/dd/yy	Proposed Insured signature	Date mm/dd/yy

If you are a Trustee, Attorney-in-Fact, Guardian, Conservator or other Fiduciary, you must sign in your capacity (e.g., Jane Smith, Trustee) and attach relevant legal documentation.

I authorize the transaction described herein and affirm that the Insurer is participating in this transaction at my request. I confirm the elections made herein. All statements made in this form are true to the best of my knowledge and belief.

Signature of joint owner, if any, is required.

Owner signature <i>Sign in capacity</i>	Date mm/dd/yy	Joint owner signature <i>Sign in capacity</i>	Date mm/dd/yy
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Mailing instructions (If a new Long Term Care policy is being funded, please attach this form to the application and return both to the address provided on the application. If funding an existing Long Term Care policy, return this form to the address below:

Regular First Class Mail:

Genworth
Attn: Long Term Care New Business
P.O. Box 40004
Lynchburg, VA 24506-9911

Overnight Delivery

Genworth
Attn: Long Term Care New Business
3100 Albert Lankford Drive
Lynchburg, VA 24501-4948



Genworth®
Financial

Genworth Life & Annuity
Genworth Life
Genworth Life of New York
3100 Albert Lankford Drive
Lynchburg, VA 24501
Phone: 800 352.9910
Fax: 804 484.7198
genworth.com

Immediate annuity to long term care funding request

from Genworth Life and Annuity Insurance Company,
Genworth Life Insurance Company,
and Genworth Life Insurance Company of New York†

As of January 1, 2010, a non-qualified immediate annuity directly funding a Long Term Care insurance policy (LTCI policy) as defined in Section 7702B of the Internal Revenue Code will be reported as a non-taxable 1035 Exchange.

The Genworth Financial Companies, its affiliates and representatives do not provide tax advice. The discussion of tax matters and reporting in this material is our interpretation of current tax law and is not intended as tax advice. We reserve the right to change the information reporting described below to comply with forms and instructions issued by the Internal Revenue Service.

You should consult a tax professional for information relating to your particular situation.

Page 1 of 1

1. Tax treatment information

Use this form to certify that all or the specified portion of your non-qualified immediate annuity payment will directly fund a LTCI policy.

We will report the portion of your immediate annuity payment directly funding a LTCI policy with a taxable amount: 0 (zero).


To qualify for 1035 Exchange tax treatment, the insurance company issuing your LTCI policy must be listed as the Payee for the specified portion of your immediate annuity payment funding your LTCI policy.

If, at any time, you change the payee, and your immediate annuity payment is no longer funding a LTCI policy, normal tax reporting rules will apply.

Normal tax reporting rules apply to any portion of your immediate annuity payment that *is not* directly funding a LTCI policy and will receive a separate Form 1099-R.

For 1035 Exchange purposes, immediate annuity payments funding a LTCI policy are treated as an assignment of a portion of the immediate annuity contract.

2. Payee information

 Please indicate the insurance company that will receive your immediate annuity payments to fund a LTCI policy.

Payee name

.....

3. Signature section

Your immediate annuity contract consists of the right to receive a series of periodic payments. As each annual long term care insurance premium becomes due, the undersigned assigns to the Payee, indicated above, the portion of the immediate annuity contract represented by the corresponding immediate annuity payment(s) that will be used to pay for long term care insurance during the year(s) premium are due.

The undersigned hereby certify that immediate annuity payments directed to the Payee indicated above will fund a Long Term Care insurance policy as described above.

Owner signature

Date of signature

X

.....

Joint owner signature (if applicable)

Date of signature

X

.....

Contract number (for existing contract Owners)

.....

New Contracts: Submit with your immediate annuity application

Existing Contracts: Fax or mail to Annuity Services

Fax: 804 484.7198
Attn: Annuity Services

Mail: 3100 Albert Lankford Dr.
Lynchburg, VA 24501
Attn: Annuity Services