EXHIBIT D

funds, were at risk for losses incurred in book years 2004 through 2008 because of the cross-collateralization structure of the trust accounts for the Atrium Agreements.

9. I have reviewed the letter from Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner, to Sandor Samuels, General Counsel of Countrywide Funding Corporation, dated August 6, 1997 (hereinafter, the "HUD Letter"). The HUD Letter states that the requirement of risk transfer is met in connection with an excess of loss arrangement "if the band of the reinsurer's potential exposure is such that a reasonable business justification would motivate a decision to reinsure that band." HUD Letter, Page 6. In my professional opinion, the Atrium Agreements met the requirements of the HUD Letter regarding risk transfer. As explained above, there are a number of business justifications that would motivate both UGI and Genworth to purchase reinsurance from a captive reinsurer such as Atrium.

10. I have also reviewed several of the Analysis of Excess-of-Loss reports that were prepared by Milliman, Inc. ("Milliman") for Atrium. For the reports that I reviewed, Milliman concluded that the reinsurance arrangements it reviewed, from an actuarial and financial point of view (A) had "a reasonable probability of a loss to the reinsurer" and (B) had "a net ceded premium which is reasonably related to the ceded risk." *See, e.g.,* Analysis of Excess-of-Loss Reinsurance Program, Genworth Book Year 2008B.

11. Protective Order [redacted] The Atrium Agreements clearly state that the reinsurer will continue to be liable, notwithstanding any termination. Both of the agreements allowed the insurer to seek relief if Atrium refused to honor its reinsurance