Guardian Life Global Funding
$10,000,000,000
Global Debt Issuance Program

Guardian Life Global Funding, a special purpose statutory trust organized in series under the laws of the State of Delaware (the "Issuer"), may from time to time offer up to $10,000,000,000 (or the equivalent in one or more foreign currencies) (the "Authorized Amount") of its senior secured medium-term notes (the "Notes") pursuant to the global debt issuance program (the "Program") described in this Offering Memorandum (this "Offering Memorandum"). The Notes will be offered in separate series (each, a "Series" or "Series of Notes"), each of which may be comprised of one or more tranches (each, a "Tranche") issued within six months from the issue date of the first Tranche of the applicable Series of Notes. The specific terms of the Notes of any Series will be set forth in one or more applicable issue terms (each such document, the "Issue Terms"), which will complete this Offering Memorandum. The Issuer will use the net proceeds from the sale of each Series of Notes to purchase one or more funding agreements (each, a "Funding Agreement" and, together, the "Funding Agreements") from The Guardian Life Insurance Company of America, a mutual life insurance company domiciled in New York ("Guardian"). The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to (i) issue and sell the Notes, (ii) use the net proceeds from the sale of the Notes to purchase one or more Funding Agreements, (iii) pledge, assign its rights, title and interest and grant a security interest in the applicable Series Collateral (as defined herein) for any Series of Notes to the Indenture Trustee, and (iv) engage in only those other activities necessary or incidental thereto. The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Delaware Statutory Trust Act (the "Trust Act"). In connection with the issuance of each Series of Notes, the Issuer will create a separate series of beneficial interests in a segregated pool of assets of the Issuer (each, a "Series of the Issuer"). The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities. Any reference to a "Holder" or "Holders" herein refers to the person in whose name a Note is registered. This Offering Memorandum supersedes the Offering Memorandum dated March 24, 2025, as supplemented, in relation to the Program.

The Notes of each Series will:

- rank *pari passu* with respect to each other;
- be secured by one or more Funding Agreements;
- bear interest at a fixed or floating rate payable on such dates as set forth in the applicable Issue Terms, or bear no interest at all;
- mature 90 days or more from the date of issue;
- not be obligations of Guardian, any subsidiary or affiliate of Guardian or any other insurance company; and
- not benefit from any insurance guaranty fund coverage or any similar protection.

The Irish Stock Exchange plc, now trading as Euronext Dublin ("Euronext Dublin"), has approved this Offering Memorandum as a Listing Particulars. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List (the "Official List") and trading on its Global Exchange Market (the "GEM"). Such approval relates only to the Notes of any Series, which are to be admitted to trading on the GEM. The GEM is not a regulated market for the purposes of Directive 2014/65/EU (as amended or superseded, "MiFID II") or Regulation (EU) No. 600/2014 as it forms part of United Kingdom ("U.K.") domestic law ("U.K. MiFIR") by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (the "EUWA"). The Notes may also be offered to the public in any Member State of the European Economic Area (the "EEA") or in the U.K.; *provided* that the Notes of each Series will, except for Notes offered solely outside the EEA and the United Kingdom, be in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof.

For a discussion of certain factors that should be considered in connection with an investment in the Notes, see "Risk Factors" beginning on page 9.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state or foreign securities laws and, unless so registered, may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or foreign securities laws. Accordingly, the Notes will be offered and sold (a) in the United States of America, only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (b) in "offshore transactions" to persons other than "U.S. persons" (each as defined in Regulation S under the Securities Act). Prospective purchasers that are qualified institutional buyers are hereby notified that the Issuer may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See "Purchase and Transfer Restrictions."

This Offering Memorandum is not a Base Prospectus for purposes of Article 8 of Regulation (EU) 2017/1129 (as amended or superseded, the "EU Prospectus Regulation") or Regulation (EU) 2017/1129 as it forms part of U.K. domestic law by virtue of the EUWA (the "U.K. Prospectus Regulation"). This Offering Memorandum constitutes a "Listing Particulars" for the purpose of listing on the Official List and trading on the GEM.

Arranger for the Program
Deutsche Bank Securities

U.S. Purchasing Agents
Deutsche Bank Securities
BofA Securities
Goldman Sachs & Co. LLC
J.P. Morgan
Morgan Stanley
TD Securities
US Bancorp
Wells Fargo Securities

Non-U.S. Purchasing Agents
Deutsche Bank
BofA Securities
Goldman Sachs International
J.P. Morgan Securities
Morgan Stanley
TD Securities
Wells Fargo Securities

Offering Memorandum dated April 7, 2026

The price and amount of Notes to be issued under the Program, up to the Authorized Amount, will be determined by the Issuer and each relevant Purchasing Agent at the time of issue in accordance with prevailing market conditions**.**

NOTICE TO ARKANSAS RESIDENTS ONLY

The Notes may not be purchased by, offered, resold, pledged or otherwise transferred to an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers' mutual aid association or other Arkansas domestic company regulated by the Arkansas insurance department.

NOTICE TO INDIANA RESIDENTS ONLY

The Indiana Insurance Department has stated that Indiana domestic insurers should contact the Indiana Insurance Department before purchasing the Notes.

NOTICE TO EEA INVESTORS ONLY

Neither this Offering Memorandum nor any related Issue Terms is a prospectus for the purposes of Article 8 of the EU Prospectus Regulation and any relevant implementing measure in each Member State of the EEA. This Offering Memorandum and any related Issue Terms have been prepared on the basis that any offer of Notes in any Member State of the EEA will only be made to a legal entity which is a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "EU Prospectus Regulation") ("EU Qualified Investors"). Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of the offering contemplated in this Offering Memorandum and any related Issue Terms may only do so to EU Qualified Investors. Neither the Issuer nor the Purchasing Agents have authorized, nor do they authorize, the making of any offer of Notes other than to EU Qualified Investors in the EEA.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET

The Issue Terms in respect of any Series of Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "MiFID distributor") should take into consideration the target market assessment; however, an MiFID distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

EU PRIIPs / IMPORTANT - PROHIBITION ON SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not an EU Qualified Investor.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

In the U.K., this Offering Memorandum, any Issue Terms and any other documents or materials relating to the issue of the Notes are only being distributed to, and are only directed at (1) persons who are outside the United Kingdom, (2) persons who have professional experience in matters relating to investments and fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (3) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (4) any other persons to whom it may otherwise lawfully be communicated pursuant to the Order (each such person being referred to as a "relevant person"). Any investment or investment activity to which this Offering Memorandum and any Issue Terms relate is available only to relevant persons and will be engaged in only with relevant persons. This Offering Memorandum and any Issue Terms is directed only at relevant persons and must not be acted or relied on by persons who are not relevant persons.

This Offering Memorandum and any related Issue Terms have been prepared on the basis that any offer of Notes in the U.K. will only be made to a legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129, as amended, as it forms part of domestic law in the U.K. by virtue of the EUWA (the "U.K. Prospectus Regulation") ("U.K. Qualified Investors"). Accordingly, any person making or intending to make an offer in the U.K. of Notes which are the subject of the offering contemplated in this Offering Memorandum and any related Issue Terms may only do so to U.K. Qualified Investors in the U.K.

U.K. MiFIR PRODUCT GOVERNANCE/TARGET MARKET

The Issue Terms in respect of any Series of Notes may include a legend entitled "U.K MiFIR Product Governance" which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "U.K. MiFIR distributor") should take into consideration the target market assessment; however, a U.K. MiFIR distributor subject to the Financial Conduct Authority Handbook Product Intervention and Product Governance Sourcebook (the "U.K. MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the "U.K. MiFIR Product Governance Rules, any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the U.K. MiFIR Product Governance Rules.

U.K. PRIIPs / IMPORTANT - PROHIBITION ON SALES TO U.K. RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the U.K. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of U.K. domestic law by the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA"), and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of U.K. MiFIR; or (iii) not a U.K. Qualified Investor.

Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of U.K. domestic law by virtue of the EUWA (the "U.K. PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under the U.K. PRIIPs Regulation. This offering memorandum is not a prospectus for the purposes of the U.K. Prospectus Regulation.

RATINGS

Series of Notes to be issued under the Program will be rated or unrated. Where a Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Issue Terms.

The rating of the Program by Moody's Investors Services, Inc. ("Moody's") and the rating of the Notes by Moody's and S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("S&P") is based primarily upon the insurance financial strength rating of Guardian. The rating of the Notes will be monitored and is subject to reconsideration at the sole discretion of Moody's and S&P. Moody's and S&P will each change their rating of the Notes in accordance with any change in the financial strength rating of Guardian or with any change in the priority status under the state jurisdiction governing funding agreements issued by Guardian.

STABILIZATION

In connection with any Tranche of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the stabilizing manager(s) (the "Stabilizing Manager(s)") (or persons acting on behalf of any Stabilizing Manager) in the applicable Issue Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it shall, in any event, end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilizing or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in compliance with all relevant laws, guidelines and regulations. For a description of these activities, see "Plan of Distribution."

RESPONSIBILITY STATEMENT

Each of the Issuer and Guardian accepts responsibility for the information contained in this Offering Memorandum. Having taken all reasonable care to ensure that such is the case, and to the best of their knowledge, the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

NOTICE TO INVESTORS

The Notes will be offered from time to time by the Issuer to or through the Purchasing Agents (as defined herein) acting as principals or agents. The Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principals from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any such Purchasing Agent or, if so specified in the applicable Issue Terms, for resale at a fixed offering price. In the alternative, the Issuer may agree with a Purchasing Agent that such Purchasing Agent will utilize its reasonable efforts on an agency basis on the Issuer's behalf to solicit offers to purchase Notes at 100% of the principal amount thereof.

The Issuer is not a subsidiary or an affiliate of Guardian, or any of its subsidiaries or affiliates. The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Guardian or any of its subsidiaries or affiliates. The obligations of Guardian under the Funding Agreements will not be obligations of, and will not be guaranteed by, any other person. The Series Collateral for a Series of Notes is the sole source of distributions on the Notes of such Series.

Under the Purchase Agreement (as defined herein), each Purchasing Agent has made, or will make, certain representations, warranties and covenants to the Issuer and Guardian. See "Plan of Distribution." No representation or warranty is made or implied by any Purchasing Agent or any of their respective affiliates to purchasers of Notes, and none of the Purchasing Agents nor any of their respective affiliates makes any representation or warranty, or accepts any responsibility to purchasers of Notes, as to the accuracy or completeness of the information contained in this Offering Memorandum, except as described below. The Purchasing Agents do not take any responsibility for any acts or omissions of the Issuer or any other person (other than the relevant Purchasing Agent) in connection with any issue and offering of Notes under the Program.

Neither the delivery of this Offering Memorandum nor any applicable Issue Terms nor the offering, sale or delivery of any Note shall create, in any circumstances, any implication that (i) the information contained in this Offering Memorandum is true subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented, (ii) there have been no adverse changes in the financial situation of the Issuer or Guardian subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented or (iii) any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied, or, if different, the date indicated in the document containing such information.

This Offering Memorandum should be read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, should be read and construed in accordance with each applicable Issue Terms. Any statement contained in this Offering Memorandum or in any amendment or supplement hereto shall be deemed to be modified or superseded for the purpose of this Offering Memorandum to the extent that a statement contained in any applicable Issue Terms is inconsistent with, modifies or supersedes such statement.

Each of the Issuer and Guardian has confirmed to the Purchasing Agents that this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Issue Terms) does not and, at the time of sale and the issue date for a particular Tranche of Notes will not, contain any untrue statement of a material fact or fail to state any material fact necessary in order to make statements herein, in the light of the circumstances under which they were made, not misleading. The confirmation by each of the Issuer and Guardian is limited to the extent any untrue statements or omissions of material fact or alleged untrue statements or omissions were made in reliance upon and in conformity with any written information furnished by any of the Purchasing Agents to the Issuer or Guardian expressly for use in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Issue Terms).

The offering of the Notes is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. Each purchaser of Notes in making its purchase will be deemed to have made certain acknowledgments, representations, warranties, and agreements as set forth under "Purchase and Transfer Restrictions." The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered or sold except

pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or foreign securities laws.

The Notes may not be transferred to, or acquired or held by, or acquired with the "plan assets" of, any Plan or Plan Asset Entity or any Non-ERISA Plan (each as defined herein) or any entity the assets of which are treated as including the assets of a Non-ERISA Plan, unless the purchase, holding and disposition of the Notes by or on behalf of such plan or entity (i) in the case of a Plan or Plan Asset Entity, is exempt from the prohibited transaction provisions of Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), under Department of Labor Prohibited Transaction Class Exemption ("PTCE") 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption (as defined herein) or another applicable exemption, or (ii) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, will not violate any Similar Laws (as defined herein). See "ERISA and Other Benefit Plan Considerations" and "Purchase and Transfer Restrictions."

Because the primary assets of the Issuer will be one or more Funding Agreements issued by Guardian, there is a risk that the transfer of the Notes could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. See "Risk Factors—Risk Factors Relating to the Notes—If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced."

None of the Purchasing Agents will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. The Notes are subject to substantial restrictions on transfer as set forth under "Purchase and Transfer Restrictions." Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date (as defined herein) of such Notes.

Prospective purchasers should rely only on the information contained in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto, in relation to any Series of Notes, read and construed in accordance with each applicable Issue Terms). No person is authorized by the Issuer or Guardian in connection with any offering made hereby to give any written information or to make any representation other than as contained in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Issue Terms) and, if given or made, such written information or representation must not be relied upon as having been authorized by any of the Issuer, Guardian, the Arranger for the Program (as set forth on the cover of this Offering Memorandum) or any of the Purchasing Agents.

Neither this Offering Memorandum nor any amendment or supplement hereto nor any applicable Issue Terms constitutes an offer or an invitation to subscribe for or purchase any Notes in any jurisdiction in which it is unlawful to make such an offer or such an invitation to subscribe and should not be considered as a recommendation by any of the Issuer, Guardian or any of the Purchasing Agents that any recipient of this Offering Memorandum or any applicable Issue Terms should subscribe for or purchase any Notes. Each recipient of this Offering Memorandum, read as a whole with any amendment or supplement and each applicable Issue Terms, shall be taken to have made its own investigation and appraisal of the condition (financial and otherwise) of the Issuer and Guardian.

Notwithstanding anything expressed or implied to the contrary, each prospective purchaser, and each of their employees, representatives and agents, are hereby expressly authorized to disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Offering Memorandum and all materials of any kind (including opinions or other tax analyses) that are provided to any such persons relating to such tax treatment and tax structure; provided, that any such disclosure of the tax treatment and tax

structure and materials related thereto may not be made (i) in a manner that would constitute an offer to sell or the solicitation of an offer to buy the securities offered herein under applicable securities laws or (ii) when nondisclosure is reasonably necessary to comply with applicable securities laws. This authorization of tax disclosure is retroactively effective to the commencement of the first discussions between the offeror and the prospective purchaser regarding the transactions contemplated herein.

The Notes have not been approved or recommended by the U.S. Securities and Exchange Commission (the "SEC") or any other federal, state or foreign securities commission or securities regulatory authority or any insurance or other regulatory body. Furthermore, the foregoing authorities have not reviewed this document nor confirmed or determined the adequacy or accuracy of this document. Any representation to the contrary may be criminal.

PRESENTATION OF FINANCIAL INFORMATION

Except as otherwise noted herein, the financial information contained in this Offering Memorandum is based on the audited unconsolidated statutory financial statements of Guardian as of and for the years ended December 31, 2025, 2024 and 2023 (including the notes thereto, the "Statutory Financial Statements"). The Statutory Financial Statements were prepared in conformity with the statutory accounting practices ("SAP") prescribed by the New York State Department of Financial Services ("NYSDFS"). The Statutory Financial Statements were audited by Guardian's independent auditors. SAP differs in certain respects, which in some cases may be material, from accounting principles generally accepted in the United States ("GAAP"). Under SAP, Guardian presents its financial statements on a parent company basis only, such that the financial statements do not consolidate the assets and liabilities or results of its subsidiaries. Under this presentation, Guardian's investments in subsidiaries appear on its balance sheet generally on a net equity value basis, and dividends declared to the parent company by its subsidiaries appear on its income statement as net investment income. For a more detailed discussion of the accounting principles applicable to Guardian's financial statements and other financial information contained in this Offering Memorandum, see "Financial and Accounting Matters—Summary of Principal Differences Between SAP and GAAP."

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements that are intended to enhance the reader's ability to assess Guardian's future financial and business performance. Forward-looking statements include, but are not limited to, statements that represent Guardian's beliefs concerning future operations, strategies, financial results or other developments, and contain words and phrases such as "may," "expects," "should" or similar expressions. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond Guardian's control or are subject to change, actual results could be materially different and Guardian's results of operations, its financial condition and its liquidity could be adversely affected. The following uncertainties, among others, may have such an effect:

- Difficult conditions in the global capital markets and the economy.
- Risks relating to Guardian's investment portfolio.
- Significant market valuation fluctuations of Guardian's investments that are relatively illiquid.
- Differing interpretations in the methodologies, estimations and assumptions for the valuation of fixed maturity, equity and trading securities.
- Subjectivity in determining the amount of allowances and impairments taken on certain of Guardian's investments.
- A pandemic or other catastrophic event.
- Exposure to structured finance securities.
- Defaults of commercial mortgage loans and volatility in performance.
- Exposure to partnerships and unaffiliated limited liability company ("LLC") investments.
- Changes in interest rates and exposure to credit spreads.
- Risk of credit defaults.
- Impact of economic conditions on customers.
- Downgrades or potential downgrades in Guardian's ratings.

- Adverse regulatory developments.
- Litigation and regulatory investigations.
- Changes in tax laws and the interpretation thereof.
- Changes in accounting rules.
- The sensitivity of the amount of statutory capital Guardian must hold to factors outside of its control.
- Risks related to riders to variable annuity contracts that provide guaranteed benefits.
- Limited access to capital as a mutual insurance company.
- Inadequacy of reserves for policy benefits and claims.
- Unavailability of reinsurance or defaults by reinsurers.
- Losses due to defaults by others, including issuers of investment securities or reinsurance and derivative instrument counterparties.
- Significant competition in all of Guardian's business areas.
- Inability to attract or retain agents or key personnel.
- Deviations in mortality rates or persistency rates or other assumptions from pricing expectations.
- Risks related to surrender charge periods for fixed single premium deferred annuities.
- Impact of international tension between the United States and other nations, terrorist attacks, and ongoing military and other actions.
- A computer system failure or security breach.
- The insolvency of Guardian.
- Risks of locating administrative operations internationally.
- No direct contractual rights against Guardian and claims limited to the amount of the applicable Series Collateral.
- Payment of certain expenses will precede payments on the relevant Series of Notes in an Event of Default.
- Limited liquidity.
- Risks related to the Notes being deemed to be contracts of insurance or participations in the Funding Agreements.
- Inability to reinvest redemption proceeds in a security offering with a comparable return.
- Notes denominated in a foreign currency are subject to exchange rate and exchange control risks.

- Limited resources of the Issuer to make timely payments resulting in reliance on Guardian under the related Funding Agreement.

- Ratings do not reflect all risks of an investment.

Consequently, such forward-looking statements should be regarded solely as Guardian's current plans, estimates and beliefs. Guardian does not intend, and does not undertake, any obligation to update any forward-looking statements to reflect future events or circumstances after the date of such statements.

You should review carefully the section captioned "Risk Factors" in this Offering Memorandum for a more complete discussion of the risks of an investment in the Notes.

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OVERVIEW OF THE PROGRAM

The following is a brief description of the Program only and should be read in conjunction with the rest of this Offering Memorandum, any amendments or supplements hereto, and, in relation to the Notes, in conjunction with each applicable Issue Terms and, to the extent applicable, the Description of the Notes set out herein. "Guardian" refers to The Guardian Life Insurance Company of America, a mutual life insurance company domiciled in New York. Unless the context otherwise requires, references to the "Company" are to The Guardian Life Insurance Company of America, together with its subsidiaries. For a discussion of accounting principles applicable to the financial information in this Offering Memorandum, see "Financial and Accounting Matters" and the notes to the Statutory Financial Statements. In addition, see "Glossary" for an explanation of certain insurance and other terms used in this Offering Memorandum.

Issuer	Guardian Life Global Funding, a special purpose statutory trust organized in series under the laws of the State of Delaware which may, from time to time, offer up to $10,000,000,000 of the Notes.
Series of the Issuer.....	The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities. See "Description of the Issuer—The Issuer is Organized in Series."
Assets.....	The primary assets of the Issuer will be the Funding Agreements issued by Guardian. In addition, Guardian has agreed to pay certain expenses and other liabilities of the Issuer. See "Description of the Issuer—Expenses of the Issuer." Since Guardian will be the sole obligor under the Funding Agreements, the ability of the Issuer to meet its obligations, and the ability of the investors to receive payments from the Issuer, with respect to a particular Series of Notes, will be principally dependent upon Guardian's ability to perform its obligations under each Funding Agreement securing the Notes of the relevant Series. Despite this, investors will have no direct contractual rights against Guardian under any such Funding Agreement. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the applicable Series Collateral to the Indenture Trustee. Accordingly, recourse to Guardian under each such Funding Agreement and other components of the applicable Series Collateral will be enforceable only by the Indenture Trustee as a secured party on behalf of Holders of such Series of Notes and each other person on whose behalf the Indenture Trustee is or will be holding the applicable Series Collateral. The Funding Agreements will be held in a custodial account for the Indenture Trustee in the State of Delaware by Wilmington Trust, National Association (the "Collateral Custodian").
Arranger.....	Deutsche Bank Securities Inc.

Purchasing Agents	BofA Securities, Inc., Deutsche Bank AG, London Branch, Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC, Goldman Sachs International, J.P. Morgan Securities LLC, J.P. Morgan Securities plc, Merrill Lynch Canada Inc., Merrill Lynch International, Morgan Stanley & Co. International plc, Morgan Stanley & Co. LLC, TD Securities Inc., TD Securities (USA) LLC, The Toronto-Dominion Bank, U.S. Bancorp Investments, Inc., Wells Fargo Securities, LLC, Wells Fargo Securities International Limited, and, in addition to, or in lieu of, the foregoing, any other entity that may become a Purchasing Agent pursuant to the terms of the Purchase Agreement (each, a "Purchasing Agent").
Administrative Trustee	Pursuant to the Trust Agreement (as defined herein), Wilmington Trust, National Association will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer (the "Administrative Trustee"). The Administrative Trustee will not be obligated in any way to make payments under or in respect of the Notes. The Administrative Trustee has not participated in the preparation of this Offering Memorandum and is not affiliated with Guardian, the Trust Beneficial Owner, the Series Beneficial Owner, the Indenture Trustee or any of their respective affiliates.
Deposit	An amount of U.S. $1,000 contributed by the Trust Beneficial Owner (as defined below) to the Issuer (the "Deposit").
Trust Beneficial Owner and Series Beneficial Owner	GSS Holdings II, Inc. (the "Trust Beneficial Owner") is the sole owner of a beneficial interest in the Deposit (as defined in the Trust Agreement) which is a general asset of the Issuer and will be the sole beneficial owner of each Series of the Issuer (the "Series Beneficial Owner"). Neither the Trust Beneficial Owner nor the Series Beneficial Owner is affiliated with Guardian, the Administrative Trustee, the Indenture Trustee or any of their respective affiliates.
No Guarantee	The Issuer is not a subsidiary or affiliate of Guardian, or any of its subsidiaries or affiliates. The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Guardian or any of its subsidiaries or affiliates.
Notes	Up to an aggregate principal amount of $10,000,000,000 (or the equivalent in foreign or composite currencies) of Notes may be issued in multiple series. Each Series of Notes may be comprised of one or more Tranches issued on different issue dates within six months from the issue date of the first Tranche of the applicable Series of Notes. The Issuer may only issue a Tranche of Notes if Guardian has issued or will simultaneously issue one or more Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price, the amount and date of the first payment of interest and the denomination size may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects.
Indenture and Series Indentures	The Issuer will issue Notes in Series pursuant to the Indenture, dated as of April 18, 2016 (as amended or modified from time to time, the "Indenture"), among the Issuer, Citibank, N.A., London Branch in its capacity as Indenture Trustee, Paying Agent (the "Paying Agent"), Registrar (the "Registrar") and Transfer Agent (the "Transfer Agent") and a separate Series Indenture (as

	defined herein) by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture, which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. Any Tranche of Notes issued under a Series Indenture will constitute a single Series with any other Tranche(s) of Notes designated by the Issuer as being part of such Series.
Indenture Trustee	Citibank, N.A., London Branch (the "Indenture Trustee").
Paying Agent, Registrar and Transfer Agent	Citibank, N.A., London Branch
Irish Listing Agent	Arthur Cox Listing Services Limited.
Calculation Agent	Citibank, N.A., London Branch or as specified from time to time in the applicable Issue Terms. The Issuer reserves the right to terminate the appointment of a Calculation Agent at any time by giving no less than thirty (30) days' prior written notice and appoint a successor.
Additional Transfer Agents, Paying Agents and Listing Agents	As specified from time to time in the applicable Issue Terms.
Ratings	Financial strength ratings of Guardian as of February 28, 2026: (i) A.M. Best: A++ (ii) Moody's: Aa1 (iii) S&P: AA+ The foregoing ratings reflect each rating agency's opinion of Guardian's financial strength, operating performance and ability to meet its obligations to policyholders and are not evaluations directed toward the protection of investors. Therefore, such ratings should not be relied upon when making any investment decision and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.
Currency	Each Series of Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may be made in and/or linked to any currency or currencies other than the currency in which such Notes are denominated. All Tranches of Notes within the same Series will be denominated in and payments in respect thereof will be made in and/or linked to the same currency or currencies.
Maturities	Any maturity of 90 days or longer, as indicated in the applicable Issue Terms, or such other minimum or maximum maturity that may be allowed or required from time to time by the relevant central bank or equivalent body (however designated) or any laws or regulations applicable to the Issuer or the currency in which the relevant Notes are denominated. See "Description of the Notes—General—Maturities."
Issue Price	Notes may be issued at an issue price which is equal to, less than or more than their principal amount.
Form of Notes and Clearance	The Notes may be offered and sold in the United States only, outside the United States only or in and outside the United States simultaneously as part

of a global offering. Depending on where the relevant Notes are offered and in what currency the Notes are issued, the Notes will clear through one or more of The Depository Trust Company ("DTC"), Euroclear Bank SA/NV ("Euroclear") and/or Clearstream Banking, S.A. ("Clearstream, Luxembourg") or such other clearing system as may be specified in the applicable Issue Terms.

Notes sold pursuant to an offering made in the United States only will be issued in accordance with Rule 144A and will clear through DTC. Such Notes will initially be represented by one or more DTC Global Notes (as defined herein) deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes represented by DTC Global Notes will trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such Notes will therefore settle in same-day funds.

Except as described below, Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more Temporary Global Notes (as defined herein). Beneficial interests in a Temporary Global Note will be exchanged for one or more Permanent Global Notes (as defined herein) following the expiration of a period that commences upon the completion of the distribution of the Notes of the applicable Tranche and the date of the closing of the offering, whichever is later, as determined and certified by the applicable Purchasing Agent, and continues for 40 consecutive days (the "Distribution Compliance Period").

Except as described below, Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Notes, as described above, and upon exchange therefor will be represented by one or more Permanent Global Notes deposited (i) in the case of U.S. dollar denominated Notes with a common depositary for, and registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. dollar denominated Notes with a common depositary for, and registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as the case may be.

Subject to the Notes sold outside of the United States in accordance with Regulation S initially being represented by one or more Temporary Global Notes and the subsequent exchange of beneficial interests in each such Temporary Global Note for beneficial interests in one or more Permanent Global Notes, as described above, such Notes may be represented (i) solely by one or more DTC Global Notes deposited with a custodian for, and registered in the name of a nominee of, DTC or, (ii) alternatively, (a) by one or more DTC Global Notes so deposited and registered in respect of Notes sold in the United States and (b) by one or more separate Global Notes (as defined in the Indenture) deposited with a common depositary for, and registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as the case may be, in respect of Notes sold outside the United States.

Beneficial interests in a Global Note will be exchangeable for Definitive Notes (as defined herein) only if such exchange is permitted by applicable law (including, without limitation, Regulation S) and (i) any clearing corporation with which any Global Note is deposited and which is or whose nominee is the Holder of such Global Note shall have notified the Issuer that it or its nominee is unwilling or unable to continue as the depositary and Holder (as defined in the Indenture) of such Global Note and a successor

clearing corporation or nominee, as applicable, is not appointed within 90 days; (ii) an Event of Default (as defined herein) shall have occurred and the maturity of the Notes of such Series shall have been accelerated in accordance with the terms of the Indenture, the applicable Series Indenture and the Notes of such Series; or (iii) the Issuer shall have decided in its sole discretion that the Notes of such Series should no longer be evidenced solely by one or more Global Notes. The Definitive Notes issued in exchange for beneficial interests in any Global Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Notes shall be registered in the name or names of such person or persons as the relevant clearing system shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Global Note will not be entitled to receive physical delivery of Definitive Notes and will not be considered the registered Holders of such Notes for any purpose.

Pricing Options ..... The Issuer may issue Notes that bear interest as fixed-rate Notes ("Fixed Rate Notes") or floating-rate Notes ("Floating Rate Notes"). Such Notes will bear interest payable as set forth in the applicable Issue Terms. The Issuer may also issue Discount Notes and Amortizing Notes (each as defined herein).

Payments ..... The Issuer will be obligated to make payments of principal of, any premium and interest on any Notes in the currency in which such Notes are denominated. Unless the context otherwise permits or requires, in this Offering Memorandum: (i) "principal", with respect to Discount Notes, means such amounts as shall be due and payable as specified in the terms of the applicable Discount Notes; and (ii) "interest" with respect to a Discount Note which by its terms bears interest only after maturity, means interest payable after maturity. Subject to the provisions of the applicable Issue Terms, payments of principal of, any premium and interest on any other Global Notes will be made in the currency in which such Notes are denominated.

Redemption ..... If (a) Guardian is obligated to withhold or deduct any Taxes (as defined below) with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer, or (b) in the opinion of independent counsel selected by Guardian, as a result of any change in or amendment to United States tax laws (or any regulations or rulings thereunder) or any change in position of the U.S. Internal Revenue Service ("IRS") regarding the application or interpretation thereof (including, but not limited to, Guardian's receipt of a written adjustment from the IRS in connection with an audit) there is a material probability that (i) Guardian will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer or (ii) the Issuer is, or will be within 90 days of the date hereof, subject to more than a *de minimis* amount of Taxes, then Guardian may terminate, with respect to (a) and (b)(i), the applicable Funding Agreement and, with respect to (b)(ii), any Funding Agreement, and the Issuer will redeem the Notes of the related Series. See "Description of the Notes—Redemption and Repurchase of Notes—Tax Redemption."

Denominations of Notes ..... Subject to the provisions of the applicable Issue Terms or as otherwise provided below, the Notes of a Series will be issued, with respect to U.S. dollar-denominated Notes, in minimum denominations of $2,000 and integral

	multiples of $1,000 in excess thereof. Any Notes admitted to the Official List and trading on the GEM or on any other securities market in the EEA or in the United Kingdom will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue); and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Any Notes in respect of which the issue proceeds are received by the Issuer in the United Kingdom or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the United Kingdom and which have a maturity of less than one year must (a) (i) have a minimum denomination of £100,000 (or its equivalent in other currencies), and (ii) be issued only to persons (x) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (y) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (b) be issued in other circumstances that do not constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer.
Redenomination.....	If so specified in the applicable Issue Terms, the Issuer may redenominate Notes issued in the currency of a country that subsequently participates in the third stage of the European economic and monetary union, or otherwise participates in the European economic and monetary union in a manner with similar effect to such third stage, into Euro. The provisions relating to any such redenomination will be contained in the applicable Issue Terms.
Status of the Notes.....	The Notes of each Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the relevant Series of the Issuer and will rank equally among themselves without any preference. The Notes of each Series will be secured by, among other things, one or more Funding Agreements issued by Guardian to the Issuer. Willkie Farr & Gallagher LLP, special counsel for Guardian, has opined that in any rehabilitation, liquidation, or conservation of Guardian, under New York law as in effect on the date of this Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest would be accorded a priority equal to that of policyholders of Guardian (*i.e.*, would rank *pari passu* with the claims under insurance policies issued by Guardian) and superior to the claims of general creditors of Guardian.
Listing.....	This document has been approved by Euronext Dublin as an Offering Memorandum. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may be listed on another securities exchange or not listed on a regulated market or securities exchange. Each applicable Issue Terms will indicate whether or not the Notes of that Series will be listed, and, if the Notes will be listed, on which securities exchange. This Offering Memorandum constitutes a "Listing Particulars" for the purpose of listing on the Official List and trading on the GEM. If any European and/or national legislation is adopted and is implemented or takes effect in Ireland in a form that would require either Guardian or the Issuer to publish or produce its financial statements according to accounting principles that are materially different from NAIC SAP or that would

	otherwise impose requirements on either of Guardian or the Issuer that such entity in good faith determines are impracticable or unduly burdensome, Guardian or the Issuer may elect to de-list the Notes. Each of Guardian and the Issuer will use its reasonable efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system outside the EU, as the Issuer, Guardian and the relevant Purchasing Agent(s) may decide. If such an alternative admission is not available to Guardian or the Issuer, or is, in either such entity's opinion, unduly burdensome, an alternative admission may not be obtained. Notice of any de-listing and/or alternative admission will be given as described in "General Information—Notices" herein.
Taxation	Prospective purchasers of the Notes should carefully consider the tax consequences of the ownership and disposition of the Notes set forth under "U.S. Federal Income Tax Considerations" herein.
Use of Proceeds	The Issuer will use the proceeds from the sale of each Series of Notes issued under the Program, net of underwriting discounts and commissions or similar applicable compensation, to purchase one or more Funding Agreements from Guardian.
Purchase and Transfer Restrictions	The Notes have not been, and will not be, registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except as described under "Purchase and Transfer Restrictions" herein. The Notes will be offered and sold (a) in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (b) in "offshore transactions" to persons other than "U.S. persons" (each as defined in Regulation S under the Securities Act). In addition, because the primary assets of the Issuer are Funding Agreements issued by Guardian, there is a risk that the transfer of the Notes could subject the parties to the transfer to regulation under the insurance laws of the jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. See "Risk Factors—Risk Factors Relating to the Notes—If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced." Certain additional restrictions will apply to sales made in the United Kingdom and the Member States of the European Economic Area and Japan, Canada, Hong Kong and other restrictions may apply in connection with a particular issuance of Notes. See "Plan of Distribution."
ERISA and Other Benefit Plan Considerations	Prospective purchasers of the Notes should carefully consider the restrictions on purchases set forth under "Purchase and Transfer Restrictions" and "ERISA and Other Benefit Plan Considerations."
Absence of Market for the Notes	The Notes have no established trading market and there is no assurance that a secondary market will develop for the Notes. Although application has been made for the Notes to be admitted to the Official List and trading on the GEM,

	Notes may be listed on another securities exchange or not listed on a regulated market or securities exchange. None of the Purchasing Agents will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. The Notes are subject to substantial restrictions on transfer as set forth under "Purchase and Transfer Restrictions" herein. Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date of such Notes.
Governing Law	The Notes, the Indenture and the relevant Series Indentures will be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the ownership of, and security interest in, the relevant Funding Agreement(s) of the relevant Series of the Issuer or remedies under the Indenture and the relevant Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. The Trust Agreement and each Series Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware. Each Funding Agreement will be governed by, and construed in accordance with, the laws of the State of New York.
Other Information	Guardian may from time to time make certain information available on its website at www.guardianlife.com/financial-highlights. **The information contained on or connected to Guardian's website is not a part of this Offering Memorandum, and you should not rely on any such information in making your decision whether to purchase Notes**.
Risk Factors	Before investing, prospective investors should consider carefully all of the information set forth in this Offering Memorandum and, in particular, prospective investors should evaluate the risks described under "Risk Factors."

RISK FACTORS

Prospective investors should consider carefully, in addition to the other information contained in this Offering Memorandum, any amendment or supplement hereto and any applicable Issue Terms, the following factors before purchasing the Notes.

RISK FACTORS RELATED TO THE NOTES

Holders will not have any direct contractual rights against Guardian under any Funding Agreements and the claims of Holders are limited to the amount of the applicable Series Collateral.

The obligations of the Issuer under the Notes of a Series, the Indenture and the applicable Series Indenture are payable only from the Series Collateral for such Series of Notes. See "Description of the Notes—General—Security; Limited Recourse." If any Event of Default shall occur with respect to any Series of Notes, the right of the Holders of the Notes of such Series and the Indenture Trustee on behalf of such Holders and other persons for whose benefit the Indenture Trustee is or will be holding such Series Collateral, will be limited to a proceeding against such Series Collateral. None of the Holders of the Notes of such Series nor the Indenture Trustee on behalf of such Holders and other persons for whose benefit the Indenture Trustee is or will be holding such Series Collateral, will have the right to proceed against the Series Collateral for any other Series of Notes or against Guardian or the other Non-Recourse Parties (as defined in "Description of the Notes—Non-Recourse Enforcement") to enforce the Notes or in the case of any deficiency judgment remaining after foreclosure of any property including the Series Collateral. All claims of Holders of Notes of a Series in excess of amounts received by the relevant Series of the Issuer under each related Funding Agreement and other Series Collateral will be extinguished. In addition, Holders of a Series of Notes waive any defenses, claims or assertions of conflict of interest principles, duty of loyalty principles or other breach of fiduciary duties to the extent that any such conflict or breach arises from the performance by Wilmington Trust, National Association of express duties set forth in the Trust Agreement, any Series Trust Agreement or the Custodial Agreement (as defined herein) in its capacities of Administrative Trustee and Custodian.

Following an Event of Default under the relevant Series of Notes, payments of certain expenses will precede payments under the relevant Series of Notes.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee and each Agent as security with respect to the Notes of any Series, will be applied first to the payment of certain costs and expenses of the Administrative Trustee, the Custodian and the Indenture Trustee, each Agent and any of their predecessors and their respective agents and attorneys (the "Priority Payments") for all Series of Notes outstanding. The funds will next be applied to the payment of the amounts then due and unpaid on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes. The amounts remaining after the payment of the Priority Payments may be insufficient to satisfy in full the payment obligations the Issuer has to the Holders of Notes of a particular Series following the occurrence of an Event of Default.

There is no previous market for the Notes to be issued, and future liquidity of the Notes may be limited.

This document has been approved by Euronext Dublin as an Offering Memorandum. Application will be made to Euronext Dublin for any Series of Notes issued during the twelve months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. Moreover, no previous market exists for the Notes of any particular Series and no assurances can be given that any market will develop with respect to the Notes of any particular Series. The Purchasing Agents and Arranger are under no obligation to make a market in the Notes and to the extent that such market making is commenced, it may be discontinued at any time. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes, which may materially adversely affect the liquidity and trading prices for the Notes. There is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with liquidity of investment or that it will continue for any period of time. The Notes have not been and will not be registered under the Securities Act or any state or foreign securities law and transfers of Notes are subject to substantial transfer restrictions. A holder of Notes of any Series may not be able to liquidate its investment readily, and the Notes may not be readily accepted as collateral

for loans. It is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to offer, sell or transfer the Notes in a secondary market transaction or otherwise would be substantially impaired and, to the extent any such sale or transfer could be effected, the proceeds realized from such sale or transfer could be materially and adversely affected. Investors should proceed on the assumption that they may have to hold the Notes until their Stated Maturity Date. See "Purchase and Transfer Restrictions."

If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced.

The laws and regulations of the 50 states of the United States of America (the "United States") and the District of Columbia (the "Covered Jurisdictions") contain broad definitions of the activities that may constitute the business of insurance or the distribution of insurance products. Because the primary asset of the relevant Series of the Issuer will be one or more funding agreements issued by Guardian, it is possible that insurance regulators in one or more jurisdictions could take the position that (i) the issuance of the Notes by the relevant Series of the Issuer constitutes the indirect issuance of a funding agreement or other insurance product and (ii) the distribution, transfer, sale, resale or assignment of the Notes constitutes the production or sale of a funding agreement or other insurance product. If such a position were to be taken in any Covered Jurisdiction, the underlying activity and the persons conducting such activity (including the relevant Series of the Issuer, Guardian, a Purchasing Agent, an investor or such other person) could become subject to regulation under the insurance laws of one or more of the Covered Jurisdictions, which could, among other effects, require such persons to be subject to regulatory licensure or other qualification and levels of compliance that cannot practically be achieved. Failure to comply with such requirements could subject such persons to regulatory penalties. In addition, any such failure to comply with, or the threat of, any such regulation could reduce liquidity with respect to the Notes, prevent an investor from transferring the Notes and reduce the marketability and market value of the Notes. Therefore, any such regulation or threat of such regulation by any one or more Covered Jurisdictions could result in an investor either being unable to liquidate its investment in the Notes or, upon any such liquidation, receiving a value significantly less than the initial investment in the Notes.

Guardian believes that (1) the Notes should not be subject to regulation as participations in the Funding Agreement themselves or otherwise constitute insurance contracts under the insurance laws of the Covered Jurisdictions and (2) the Notes should not subject the Issuer, any investor or any person who acquires the Notes directly or indirectly from such investor and/or persons engaged in the sale, solicitation or negotiation or purchasing the Notes in the Covered Jurisdictions to regulation as doing an insurance business or engaging in the sale, solicitation or negotiation of insurance, as contemplated by the insurance laws in the Covered Jurisdictions by virtue of their activities in connection with the purchase, resale and/or assignment of the Notes. There are, however, variations in the insurance laws of the Covered Jurisdictions, subtle nuances in their application, and a general absence of any consistent pattern of interpretation or enforcement. Insurance regulatory authorities have broad discretionary powers in administering the insurance laws, including the authority to modify or withdraw a regulatory interpretation, impose new rules and take a position contrary to Guardian's. In addition, state courts are not bound by any regulatory interpretations and could take a position contrary to Guardian's. Consequently, there can be no assurance that the purchase, resale or assignment of the Notes will not subject the parties to such transaction to regulation or enforcement proceedings under the insurance laws of one or more Covered Jurisdictions.

If Notes are redeemed, an investor may not be able to reinvest the redemption proceeds in a security offering of comparable return.

The Issuer is required to redeem the Notes of a Series as described herein if Guardian exercises its right to terminate the Funding Agreement(s) related to such Series upon the occurrence of certain tax events. See "Description of the Notes—Tax Redemption." In case of any redemption of Notes, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes being redeemed. Guardian's termination right under the relevant Funding Agreement(s) also might adversely impact an investor's ability to sell the Notes.

Any Notes denominated in a foreign currency are subject to exchange rate and exchange control risks.

The information set forth below is directed to prospective purchasers who are U.S. residents. The Issuer disclaims any responsibility to advise prospective purchasers who are residents of countries other than the United States of any matters arising under foreign law that may affect the purchase of, or holding of, or receipt of payments on, the Notes. Such persons should consult their own legal and financial advisors concerning these matters.

An investment in a Note that is denominated or payable in, or the payment of which is linked to the value of, currencies other than U.S. dollars entails significant risks. These risks include the possibility of significant changes in rates of exchange between the U.S. dollar and the relevant foreign currencies and the possibility of the imposition or modification of exchange controls by either the United States or foreign governments. These risks generally depend on economic and political events over which the Issuer and Guardian have no control.

In recent years, rates of exchange between U.S. dollars and some foreign currencies have been highly volatile, and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Note. Depreciation against the U.S. dollar of the currency in which a Note is payable would result in a decrease in the effective yield of the Note below its coupon rate and could result in an overall loss. In addition, depending on the specific terms of a currency-linked Note, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in a loss of all or a substantial portion of the value of such Note.

Foreign exchange rates can either float or be fixed by sovereign governments. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. dollar and to each other. However, from time to time governments may use a variety of techniques, such as intervention by a country's central bank or the imposition of regulatory controls or taxes to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders. The Issuer will not make any adjustment or change in the terms of the Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. dollar or any applicable foreign currency. The holder of such Notes will bear those risks.

If the principal of, any premium or interest on, any Note are payable in a Specified Currency (as defined herein) other than U.S. dollars, which are not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to Holders of the Notes by making such payment in U.S. dollars on the basis of the most recently available bid quotation determined on the applicable determination date related to such payment from a leading foreign exchange bank in London or New York City selected by the applicable Paying Agent, for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment made under such circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an "Event of Default" under the Notes.

Furthermore, the Issuer may (if so specified in the applicable Issue Terms) without the consent of the Holder of any Note, redenominate all, but not less than all, of the Notes of any Series on or after the date on which the Member State of the European Union in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union, as more fully set out in the applicable Issue Terms.

Each prospective purchaser of Notes should consult its own financial, legal and tax advisors as to any specific risks entailed by an investment by such purchaser in Notes that are denominated in, or the payment of which is related to the value of, foreign currency, as such Notes are not an appropriate investment for purchasers who are unsophisticated with respect to foreign currency transactions.

An Event of Default under a Series of Notes may not constitute an "Event of Default" under the applicable Funding Agreement(s).

In certain circumstances, an Event of Default under a Series of Notes may not constitute an event of default under the applicable Funding Agreement(s). In such a case, it is possible that the obligations of the Issuer under any Series of Notes may be accelerated while the obligations of Guardian under the applicable Funding Agreement(s) may not be similarly accelerated. If this occurs, the Indenture Trustee may have no or limited ability to proceed against the applicable Series Collateral and Holders of Notes may not be paid in full or in a timely manner upon such acceleration. See "Description of the Notes—Events of Default" and "Description of Certain Terms and Conditions of the Funding Agreements—Events of Default" in this Offering Memorandum.

The Issuer has limited resources and therefore its ability to make timely payments with respect to a Series of Notes depends entirely on Guardian making payments under the related Funding Agreements.

The Issuer is a special purpose statutory trust created on April 11, 2016 under the laws of the State of Delaware and organized in series as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. The exclusive purposes of the Issuer are to (i) issue and sell the Notes, (ii) use the net proceeds from the sale of the Notes to acquire one or more Funding Agreements, (iii) pledge, collaterally assign and grant a security interest in the Series Collateral to the Indenture Trustee, and (iv) engage in only those other activities necessary or incidental thereto. The net worth of the Issuer on the date hereof is approximately $1,000 and is not expected to increase materially. The Issuer's principal assets are Funding Agreements issued by Guardian.

In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The Notes of each Series will be secured by, among other things, one or more Funding Agreements. No Notes of a Series will have any right to receive payments under a Funding Agreement related to any other Series. Accordingly, the Issuer will only be able to make timely payments with respect to a Series of Notes if Guardian has made all required payments under the Funding Agreement securing such Series of Notes.

In the event that any amount due with respect to a Funding Agreement is subject to withholding or deduction for or on account of any present or future Taxes (as defined below), Guardian is not required to make any payment to the Issuer with respect to such Taxes and the Issuer will be deemed for all purposes to have received cash in an amount equal to such withholding or deduction. Under this circumstance, each Holder of a Note of the related Series will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such Holder's interest in such Note as equitably determined by the Issuer and the Issuer will not actually pay, or cause to be paid, to such Holder all of the amounts which would have been receivable by such Holder in the absence of such Taxes. Any such withholding or deduction will not give rise to an Event of Default or any independent right or obligation to redeem the Notes of such Series.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Guardian or any of its subsidiaries or affiliates. None of these entities nor any agent, trustee or beneficial owner of the Issuer or of any Series of the Issuer is under any obligation to provide funds or capital to the Issuer generally or with respect to any Series of the Issuer, except with respect to certain indemnity obligations of Guardian. For more information on Guardian's indemnity obligations, see "Description of the Issuer—Expenses of the Issuer."

Holders of Notes below certain minimum denominations may not be able to receive Definitive Notes and in such situations may not be entitled to the rights in respect of such Notes.

Any Notes admitted to the Official List and trading on the GEM or on any other securities market in the EEA or in the United Kingdom will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof (the "Specified Denominations"). However, for so long as any Series of Notes is in global form and Euroclear and Clearstream, Luxembourg so permit, the Issue Terms may provide that such Series of

Notes in global form shall be tradeable in minimum denominations of €100,000 and integral multiples of €1,000 thereafter (or the equivalent thereof in another currency at the time of issue), although if a Global Note is exchanged for Definitive Notes, at the option of the relevant Holder, the Notes shall be tradeable only in principal amounts of at least €100,000. In these circumstances, a Holder holding Notes having a nominal amount which cannot be represented by a Definitive Note in the Specified Denomination will not be able to receive a Definitive Note in respect of such Notes and will not be able to receive interest or principal or be entitled to vote in respect of such Notes. As a result, a Holder who holds Notes in Euroclear or Clearstream, Luxembourg in an amount less than the Specified Denominations may need to purchase or sell, on or before the relevant date on which the Regulation S Temporary Global Note or Regulation S Permanent Global Note are to be exchanged for Definitive Notes, a principal amount of Notes such that the Holders of the Notes hold the Notes in an aggregate principal amount of at least the Specified Denominations.

Ratings of the Program and any rated Series of Notes may not reflect all risks of an investment in such Series of Notes and may change in accordance with the financial strength rating of Guardian.

In the event that the Program generally or a specific Series of Notes is rated by a credit rating agency, the ratings of the Program or such Series of Notes will primarily reflect the financial strength rating of Guardian and any change in the priority status of funding agreements under New York law. Any rating is not a recommendation to purchase, sell or hold any particular security, including the Notes. Such ratings do not comment as to the market price or suitability of the Notes for a particular investor. In addition, there can be no assurance that a rating will be maintained for any given period of time or that a rating will not be lowered or withdrawn in its entirety. The ratings of the Program or any rated Series of Notes issued under the Program may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, such Series of Notes.

Credit ratings may not reflect all risks.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Any Series of Floating Rate Notes could be adversely affected by regulation or reform, or potentially, elimination, of the reference rate, or "benchmark," linked to such Notes.

Interest on any Series of Floating Rate Notes may be determined by reference to a reference rate, or "benchmark," such as EURIBOR, SOFR or SONIA. For more information on the determination of interest on a Series of Floating Rate Notes, including the definitions of such Interest Rate Bases, see "Description of the Notes—Pricing Options—Floating Rate Notes." EURIBOR and certain other "benchmark" rates and indices have been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing benchmarks, with further changes anticipated. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Moreover, neither the Issuer nor Guardian have control over the methods used by the administrator of any benchmark in its calculation thereof, and cannot guarantee that any benchmark will not be discontinued or fundamentally altered in the future. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

The potential elimination or discontinuance of any benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest provisions described in "Description of the Notes—Pricing Options," or result in other consequences, in respect of any Notes linked to such benchmark. Furthermore, even prior to the implementation of any changes from benchmark reforms, uncertainty as to the nature of alternative reference rates and as to potential changes to a benchmark may adversely affect the trading market for securities based on that benchmark.

In the event that a published benchmark that is the Interest Rate Basis for a Series of Floating Rate Notes, or is the benchmark from which such Interest Rate Basis is derived, becomes unavailable, the rate of interest on that Series would be determined pursuant to the fallback arrangements described in "Description of the Notes—Pricing Options." These fallback arrangements include the possibility that the rate of interest could be determined by Guardian or set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative

reference rate may be adjusted (if required) in order to reduce or eliminate any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. Moreover, under the fallback arrangements, Guardian may in certain instances make technical, administrative or operational changes that they decide are appropriate to reflect the adoption of the successor rate or alternative reference rate, including as to the timing and frequency of determining rates and making payments of interest and other administrative matters. In certain circumstances the ultimate fallback of interest for a particular Interest Period or Interest Reset Date (as applicable) may result in the rate of interest for the last preceding Interest Period or Interest Reset Date (as applicable) being used. This may result in the effective application of a fixed rate for a Series of Floating Rate Notes based on the benchmark rate which was last observed.

The determination of a successor or alternative reference rate, the calculation of the interest rate on any Series of Floating Rate Notes by reference to such rate (including the application of any adjustment), any implementation of administrative changes and any other determinations, decisions or elections that may be made under the terms of any such Series of Floating Rate Notes in connection with the foregoing could adversely affect the value of such Notes, the return on such Notes and the price at which investors can sell such Notes. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of Guardian, the relevant fallback provisions may not operate as intended at the relevant time, and may be different from the fallback provisions adopted by swap dealers for derivative instruments linked to the benchmark, such that investors may be unable to appropriately hedge their interest rate risk.

In addition, the composition and characteristics of a successor or alternative reference rate will not be the same as those of the benchmark applicable to a Series of Floating Rate Notes, may not be the economic equivalent of such benchmark, there can be no assurance that such rate will perform in the same way as the applicable benchmark would have at any time and there is no guarantee that such rate will be a comparable substitute for the applicable benchmark (each of which means that a transition to a successor or alternative reference rate could adversely affect the value, return on, and price at which investors can sell, a Series of Floating Rate Notes affected by such a transition). Moreover, (i) any failure of such successor or alternative reference rate to gain market acceptance could adversely affect such Series of Floating Rate Notes, (ii) such successor or alternative reference rate may have a very limited history and the future performance of such successor or alternative reference rate may not be predictable based on historical performance, (iii) the secondary trading market for such Series of Floating Rate Notes linked to such successor or alternative reference rate may be limited and (iv) the administrator of such successor or alternative reference rate may make changes that could change the value of such rate or discontinue such rate and would have no obligation to consider the interests of holders of such Series of Floating Rate Notes in doing so.

The above matters or any other significant change to the setting or existence of any relevant reference rate could have a material adverse effect on the value or liquidity of, and the amount payable under, any Series of Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes.

An Investment in a Series of Floating Rate Notes Linked to SOFR Entails Risks Not Associated With an Investment in a Conventional Fixed Rate or Floating Rate Debt Security.

SOFR or other rates based on SOFR (such as Compounded SOFR) may be the Interest Rate Basis for the calculation of interest on a Series of Floating Rate Notes. References to SOFR-linked Floating Rate Notes include any Series of Floating Rate Notes using another Benchmark as the initial base rate when the rate of interest on that Series of Floating Rate Notes is or will be determined based on SOFR.

Neither the Issuer nor Guardian has any control over the determination, calculation or publication of SOFR or rates based on SOFR. There can be no guarantee that SOFR or rates based on SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in SOFR-linked Floating Rate Notes. The FRBNY notes on its publication page for SOFR that use of SOFR is subject to important limitations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. If the manner in which SOFR or rates based on SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on SOFR-linked Floating Rate Notes and the trading prices of SOFR-linked Floating Rate Notes. If SOFR declines to zero or becomes negative, it is possible that no interest will be payable on a Series of SOFR-linked Floating Rate Notes.

SOFR may be More Volatile than Other Benchmark or Market Rates.

Since the initial publication of SOFR, daily changes in this rate have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as the U.S. dollar London Interbank Offer Rate ("LIBOR"), during corresponding periods. In addition, although changes in Compounded SOFR (as defined herein) generally have been less volatile as changes in daily levels of SOFR, the return on, value of and market for floating rate Notes linked to SOFR ("SOFR-linked Floating Rate Notes") may fluctuate more than floating rate securities with rates that are linked to less volatile rates.

The Interest Payable on a Series of Floating Rate Notes Based on Compounded SOFR or Compounded Daily SONIA Will Be Determined Near the End of the Relevant Interest Period, Which May Adversely Affect the Liquidity and Trading Prices of Such Notes.

For any Series of Floating Rate Notes for which Compounded SOFR or Compounded Daily SONIA is the Interest Rate Basis, the interest rate applicable for any Interest Period will be determined near the end of such Interest Period, unlike Floating Rate Notes linked to a benchmark where the interest rate is determined at the beginning of the applicable Interest Period. As a result, investors holding Floating Rate Notes based on Compounded SOFR or Compounded Daily SONIA will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date, and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such Floating Rate Notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Series of Floating Rate Notes.

RISK FACTORS RELATED TO GUARDIAN

The Funding Agreements are unsecured obligations of Guardian. If the Funding Agreements were not treated as insurance contracts, they would be accorded the same priority in a liquidation or dissolution of Guardian as its other general unsecured obligations.

The Funding Agreements, which are the sole source of payments for the Notes of any Series, are unsecured obligations of Guardian and, in the event of Guardian's insolvency, will be subject to the provisions of Article 74 of the New York Insurance Law (the "Liquidation Act"), which establishes the priority of claims from the estate of an insolvent New York insurance company. Willkie Farr & Gallagher LLP, special counsel for Guardian, has opined that in any rehabilitation, liquidation, or conservation of Guardian, under New York law as it is in effect on the date of this Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest would be accorded a priority in liquidation equal to that of policyholders of Guardian (*i.e.*, would rank *pari passu* with the claims under insurance policies issued by Guardian) and superior to the claims of general creditors of Guardian. Such opinion of counsel is based upon certain facts, assumptions and qualifications (as set forth therein), is only an opinion and does not constitute a guarantee, and is not binding upon any regulator or court, including without limitation a regulator or court presiding over any rehabilitation, liquidation, or conservation of Guardian under New York insurance law. If the Funding Agreements were not treated as insurance contracts under New York law, they would be accorded the same priority in a liquidation or dissolution of Guardian as its other general unsecured obligations.

A downgrade or a potential downgrade in Guardian's financial strength ratings could harm its business.

Ratings are an important factor in the competitive position of life insurance companies. Rating agencies regularly review the financial performance and condition of insurers, including Guardian. As of February 28, 2026, the financial strength ratings for Guardian as assigned by S&P, Moody's and A.M. Best Company ("A.M. Best") were AA+, Aa1 and A++, respectively. These ratings indicate a rating agency's view of Guardian's ability to meet its obligations to its insureds. These ratings are of interest to policyholders, but are not ratings of the Notes offered hereby and do not reflect an evaluation of the safety and security of the Notes. Any rating is not a recommendation to purchase, sell, or hold any particular security, including the Notes. Such ratings do not comment as to market price or suitability for a particular investor.

The rating agencies assign ratings based upon consideration of several qualitative and quantitative factors, including the rated company's operating performance and investment results, risk profile and capital resources. The rating agencies may also consider factors that may be outside of the rated company's control, including changes to general economic conditions. A downgrade in Guardian's ratings could adversely affect, among other things, its ability to sell certain of its products, the rate of contract surrenders and withdrawals, the return on the insurance and annuity products it issues and, ultimately, the results of its operations and its ability to compete for attractive acquisition opportunities. Guardian cannot predict what actions rating agencies may take in the future that could adversely affect its business. As with other companies in the financial services industry, Guardian's ratings could be downgraded or withdrawn at any time and without any notice by any rating agency.

Guardian's investment portfolio and aspects of Guardian's business are subject to the full range of market risks, including credit, liquidity and equity markets and interest rate risks.

Guardian's investment portfolio consists primarily of investment grade bonds, mortgage loans and policy loans. The portfolio also contains or may contain other investments such as public common stock, private equity, real estate, bank loans, CMBS, derivatives and non-investment grade bonds. The main risks facing the portfolio are credit risk, liquidity risk, equity market risk and interest rate risk and real estate-related risks.

Credit risk is the risk that issuers of investments owned by Guardian may default or that other parties may not be able to pay amounts due to Guardian. Guardian seeks to manage credit risk by a risk management process that combines active fundamental credit analysis with quantitative risk management and by portfolio diversification across various asset types, industry sectors and issuers and, in some circumstances, by purchasing credit protection using credit derivatives or using credit replication.

Closely related to credit risk is counterparty risk, which is the risk that counterparties in over-the-counter ("OTC") derivatives transactions may not be able to make required payments. Guardian aims to reduce derivative counterparty risks by exchanging collateral with its counterparties. Additionally, Guardian uses OTC derivatives on a limited basis and has collateral agreements in place with all counterparties. As of December 31, 2025, the combined mark to market value of all of Guardian's OTC derivatives positions was $19.6 million, including ($25.2) million of foreign currency swaps, $27.9 million of equity index options (meaning that Guardian would receive from its counterparties that amount if all transactions are terminated on that date), $20.5 million of interest rate swaps, ($2.8) million of exchange traded futures, and ($0.8) million of currency forwards. The total notional value of these OTC derivative positions was $6,455 million, including $3,045 million of foreign currency swaps, $1,324 million of interest rate swaps, $1,230 million of equity index options gross notional, $669 million of exchange traded futures, and $186 million of currency forwards. Guardian held collateral from the counterparties of approximately $58 million.

Although Guardian attempts to carefully and actively manage these risks, there can be no assurance that they will be managed successfully. Credit and counterparty risk could be heightened during periods of extreme volatility or disruption in the financial and credit markets. A widening of credit spreads can increase the unrealized losses in Guardian's investment portfolio. The factors affecting the financial and credit markets could lead to other-than-temporary impairments of assets in Guardian's investment portfolio.

Liquidity risk is the risk that policyholder mortality experience, demands for life insurance policy loans and surrenders and withdrawals and other funding requirements are greater than the amount of available cash and assets that can readily be converted into cash. Although certain types of investments such as Treasury bonds and short-term investments can be converted to cash easily, investments which are not publicly traded, such as commercial mortgage loans, privately-placed fixed income securities, policy loans, limited partnership interests and equity real estate and certain mortgage-backed and asset-backed securities, generally cannot be as readily liquidated while other investments may be liquidated with higher than usual transaction costs in some market environments. Guardian attempts to manage liquidity risk by holding assets with what it views as sufficient liquidity to pay policyholder life insurance policy loans, surrenders, withdrawals and other cash outflow needs. However, there can be no assurances that Guardian will maintain sufficient liquidity to pay these amounts. Securities that are less liquid are also more difficult to value.

Equity market risk is the risk that stocks decline in value. Equity typically has more mark-to-market volatility than fixed income asset classes and, as a result, regulators assign higher capital charges for public equity investments.

The Guardian Insurance and Annuity Company, Inc. ("GIAC") is a writer of variable annuity products but has not sold attached living benefit guarantees since the first quarter of 2017. The account values and the value of associated guaranteed minimum death and income stream benefits of these products may be adversely affected by downturns in the capital markets, especially equity markets. However, effective November 1, 2022, GIAC entered into the Variable Annuity Reinsurance Treaty (as defined in "Business of Guardian — Reinsurance — Reinsurance with Unaffiliated Companies"), which is intended to mitigate this risk by ceding all of the guaranteed minimum income stream benefits and virtually all of the guaranteed minimum death benefits.

Currency foreign exchange ("FX") rate risk is the risk that changes in currency markets may increase FX volatility and result in mark-to-market losses for unhedged currency risk.

In order to attempt to reduce the effect of volatility from mark-to-market assets such as equity investments and FX exposure on its statutory surplus, Guardian currently employs a macro dynamic hedging program. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Information about Market Risk—Hedging Programs" for a description of this macro hedging program. There can be no assurances or guarantees that this macro dynamic hedging program will reduce Guardian's equity and FX market risk.

While the dynamic hedging program seeks to protect Guardian's capital from statutory mark-to-market investment losses in accordance with pre-specified risk guidelines, there are various risks that may impact the effectiveness of the program, including operational risks associated with the execution of the program, liquidity risks in the futures markets, availability of suitable instruments to replicate the options, model risks and basis risks between the futures and the underlying portfolios, continuity of trading in the futures markets in periods of distress, and changes in the relevant regulatory environment at the federal and state levels and the cost of hedging. In addition, the macro dynamic hedging program does not protect Guardian's assets that do not have a mark-to-market impact on capital. While the dynamic hedging program continued to be active, Guardian had no hedged positions at December 31, 2025.

Interest rate risk is the risk of loss due to changes in interest rates. Guardian attempts to manage interest rate risk with what it believes to be a rigorous asset/liability management program, including the use of derivatives. For example, policyholder life insurance policy loans and surrenders and withdrawals may be higher than expected when interest rates are high or increasing, or interest rates may drop so low as to make it difficult to support minimum interest rate guarantees. This latter situation is exacerbated when policyholder deposits are higher than expected. While actions may be taken to mitigate the potential effects of such policyholder options, it is impossible to eliminate all risk. Similarly, some assets may have prepayment rights or call options which might be exercised when interest rates are low and borrowers can benefit from refinancing at lower interest rates. The asset/liability management program attempts to identify such risks and to utilize various instruments, including derivatives, to offset those risks in a cost-effective manner, but there can be no assurances it will be sufficient to significantly reduce or eliminate such risks. See "—Changes in interest rates may adversely affect Guardian's business, results of operations, financial condition and liquidity."

Significant financial and credit market volatility, including as a result of the ongoing war in Ukraine, conflict and tensions in the Middle East and Asia, concerns around the U.S. deficit, developments in technology, including AI, changes in interest rates and credit spreads, credit defaults, market illiquidity, declines in equity prices, changes in currency exchange rates and declines in general economic conditions, either alone or in combination, could have a material adverse impact on Guardian's business, results of operations and financial condition, which could prevent Guardian from making payments under the applicable Funding Agreement(s) when scheduled. In addition, market volatility can make it difficult for Guardian to value certain of its assets, especially if trading becomes less frequent. Valuation may include assumptions or estimates that may have significant period-to-period changes that could have an adverse impact on Guardian's results of operations or financial condition, which could prevent Guardian from making payments under the applicable Funding Agreement(s) when scheduled.

Some of Guardian's investments are relatively illiquid and are in asset classes that could experience significant market valuation fluctuations.

Guardian holds certain investments that lack liquidity, such as privately placed fixed income securities, commercial and residential mortgage loans, investments in subsidiaries and affiliates, policy loans and equity real

estate, including real estate joint ventures and other limited partnership interests. These asset classes represented 46% of the carrying value of Guardian's total cash and invested assets as of December 31, 2025. Investments in partnerships and LLCs, which represented approximately 6.8% of the carrying value of Guardian's total cash and invested assets as of December 31, 2025, may produce investment income which fluctuates from period to period and are less predictable and more variable than may be the case with more conventional asset classes. In addition, many of these assets have limitations on redemptions and trading, which may cause them to be less liquid than more conventional asset classes, such as publicly traded bonds and equities.

In addition, as of December 31, 2025, Guardian had future funding commitments relating to investments in real estate, private equities, mortgage loans and private placements of $2,634 million. If Guardian were to require significant amounts of cash on short notice in excess of normal cash requirements or were required to return or post collateral in connection with its investment portfolio or derivatives transactions, Guardian could have difficulty selling these investments in a timely manner, be forced to sell them for less than it otherwise would have been able to realize, or both.

The reported value of Guardian's relatively illiquid types of investments, its investments in the asset classes described in the paragraph above and, at times, its higher quality, generally liquid asset classes, do not necessarily reflect the lowest current market price for the asset. If Guardian were forced to sell certain of its assets in a distressed market, there can be no assurance that it will be able to sell them for the prices at which it has recorded them and it could be forced to sell them at significantly lower prices. Moreover, Guardian's ability to sell such assets may be limited if other market participants are seeking to sell at the same time. See "—The determination of the amount of allowances and impairments taken on Guardian's investments is highly subjective and could materially impact its results of operations or financial position."

Guardian's valuation of fixed maturity, equity and trading securities may include methodologies that are subject to significant uncertainties and could result in changes to investment valuations that may materially adversely affect its results of operations or financial condition.

Guardian utilizes independent external pricing services such as ICE Data Services, Bloomberg and Markit for security pricing. During periods of market disruption, it may be difficult to value certain of Guardian's securities if trading becomes less frequent and/or market data becomes less observable. There may be certain assets or asset classes that were in active markets with significant observable data that become illiquid due to an adverse financial environment or volatile market conditions. As a result, valuations may include inputs and assumptions that are less observable or require greater estimation and judgment as well as valuation methods which are more complex. These values may not be ultimately realizable in a market transaction, and such values may change very rapidly as market conditions change and valuation assumptions are modified. Decreases in value may have a material adverse effect on Guardian's results of operations or financial condition, which could prevent Guardian from making payments under the applicable Funding Agreement(s) when scheduled.

The determination of the amount of allowances and impairments taken on Guardian's investments is highly subjective and could materially impact its results of operations or financial position.

The determination of the amount of allowances and impairments vary by investment type and is based on Guardian's periodic case-by-case evaluation and assessment of known and inherent risks associated with the respective asset class. Such evaluations and assessments are revised as conditions change and new information becomes available. Management updates its evaluations regularly and reflects changes in allowances and impairments in operations as such evaluations are revised. Such evaluations and assessments can change significantly from period to period, especially in times of high market volatility. Market volatility can make it more difficult to value Guardian's securities if trading in such securities becomes less frequent. In addition, a forced sale by holders of large amounts of a security, whether due to insolvency, liquidity or other issues with respect to such holders, could result in declines in the price of a security. There can be no assurance that management has accurately assessed the level of impairments taken and allowances reflected in the financial statements. Furthermore, additional impairments may need to be taken or allowances provided for in the future. Historical trends may not be indicative of future impairments or allowances.

The book value of Guardian's fixed income investments and the cost of equity securities is adjusted for impairments in value deemed to be other-than-temporary in the period in which the determination is made. The

assessment of whether impairments have occurred is based on management's case-by-case evaluation of the underlying reasons for the decline in fair value. The decision to record an other-than-temporary impairment or write-down is determined by management's assessment of the financial condition and prospects of a particular issuer, projections of future cash flows, and recoverability of the particular security, as well as evaluation of Guardian's ability and intent to hold the securities for a period of time to allow for a recovery of value. Management's conclusions on such assessments may ultimately prove to be incorrect as facts and circumstances change.

The review of Guardian's fixed income and equity securities for impairments includes an analysis of the total gross unrealized losses by three categories of securities: (i) securities where the estimated fair value had declined and remained below cost or amortized cost by less than 20%; (ii) securities where the estimated fair value had declined and remained below cost or amortized cost by 20% or more for less than twelve months; and (iii) securities where the estimated fair value had declined and remained below cost or amortized cost by 20% or more for twelve months or greater. At December 31, 2025, of Guardian's total gross unrealized losses of $4,455 million, approximately $1,889 million, or 42.4%, of the gross unrealized losses fall into category (i), approximately $30 million, or 0.7%, of the gross unrealized loss falls into category (ii) and approximately $2,536 million, or 56.9%, of the gross unrealized loss falls into category (iii).

In addition, Guardian's management considers a wide range of factors about the security issuer and uses its best judgment in evaluating the cause of the decline in the estimated fair value of the security and in assessing the prospects for near-term recovery. Inherent in management's evaluation of the security are assumptions and estimates about the operations of the issuer and its future earnings potential. Considerations in the impairment of a commercial mortgage include, but are not limited to, the following: (i) significant change in the occupancy level of the underlying property; (ii) significant change in the rental rates; (iii) bankruptcy filings of major tenants; (iv) catastrophic events; and (v) other subjective factors. There can be no assurance Guardian's management will correctly assess allowances and impairments on its investments, which could lead to investment losses that adversely affect its ability to make payments under the applicable Funding Agreement(s) when scheduled.

Defaults on commercial mortgage loans and volatility in performance may adversely affect Guardian's results of operations and financial condition.

Commercial mortgage loans face delinquency and default risk. In addition, future refinancing risks for commercial mortgage loans have resulted in declining values on certain of such instruments. Commercial mortgage loans are carried at amortized cost under SAP. Guardian establishes valuation allowances for estimated impairments as of the balance sheet date. Such valuation allowances are based on the excess carrying value of the loan over the present value of expected future cash flows discounted at the loan's original effective interest rate or the value of the loan's collateral if the loan is in the process of foreclosure or otherwise collateral dependent. Guardian also establishes allowances for loan losses when a loss contingency exists for pools of loans with similar characteristics, such as mortgage loans based on similar property types or loan to value risk factors.

As of December 31, 2025, Guardian held $7,997 million (carrying value) of commercial real estate mortgage loans. The fair value of Guardian's commercial mortgage loan portfolio as of December 31, 2025 was $7,932 million, and there were no loans that were either delinquent or in the process of foreclosure as of December 31, 2025. The performance of Guardian's commercial mortgage loan investments, however, may fluctuate in the future. An increase in the default rate of Guardian's commercial mortgage loan investments or a borrower's inability to refinance or pay off its loan at maturity could have an adverse effect on Guardian's results of operations and financial condition. In addition, 39% of the aggregate principal amount of Guardian's commercial mortgage loans are scheduled to mature in the next three years. If these loans are not refinanced or paid in full at maturity, Guardian's mortgage loan investments could be adversely affected.

Any geographic or sector concentration of Guardian's commercial mortgage loans may have adverse effects on its investment portfolios and, consequently, on its results of operations or financial condition. While Guardian seeks to mitigate this risk by having a broadly diversified portfolio, events or developments that have a negative effect on any particular geographic region or sector may have a greater adverse effect on its investment portfolios to the extent that the portfolio is concentrated.

Changes in interest rates may adversely affect Guardian's business, results of operations, financial condition and liquidity.

The profitability of the life insurance and annuity businesses of Guardian and its insurance subsidiaries is sensitive to interest rate changes, which could adversely affect Guardian's investment returns and results of operations. Periods of high or increasing rates have the potential to negatively affect Guardian's profitability in the following principal ways:

- In periods of increasing interest rates, life insurance policy loans, as well as surrenders and withdrawals on life insurance and annuity products may increase as policyholders seek investments with higher perceived returns. Net of reinsurance, as of December 31, 2025, GIAC had outstanding about $137 million of annuities that were subject to surrender at book value with minimal or no surrender charge or adjustment. This could result in cash outflows requiring GIAC to sell invested assets at a time when the prices of those assets are adversely affected by the increase in market interest rates, which could cause Guardian to suffer realized investment losses. As of December 31, 2025, GIAC had bond assets with a carrying value of $102 million maturing on or prior to December 31, 2026.

- The income from certain of the insurance and annuity products of Guardian and its insurance subsidiaries is derived from the spread between the crediting rate it is required to pay under the contracts and the rate of return it is able to earn on its general account investments supporting such contracts. When interest rates rise, Guardian may face competitive pressure to increase crediting rates on such contracts. Guardian may increase its crediting rates more quickly than corresponding changes to the rates it earns on its general account investments, thereby reducing its spreads in respect of such contracts. This risk is heightened in the current market and economic environment, in which many securities with higher yields are unavailable. An increase in interest rates would also adversely affect the fair values of Guardian's fixed income securities.

Periods of low interest rates have the potential to negatively affect Guardian's profitability in the following principal ways:

- Low interest rates tend to decrease the yield Guardian earns on its portfolio of fixed income investments. This could in turn compress the spreads Guardian and its insurance subsidiaries earn on products, such as universal life and certain annuities, on which they are contractually obligated to pay customers a fixed minimum rate of interest. Should new money interest rates continue to be sufficiently below guaranteed minimum rates for a long enough period, Guardian and its insurance subsidiaries may be required to pay policyholders or annuity owners at a higher rate than the rate of return they earn on their respective portfolios of investments supporting those products.

- In periods of low interest rates, Guardian generally must invest the proceeds from the maturity, redemption or sale of fixed income securities from its portfolio at a lower rate of interest than the rate it had been receiving on those securities. A low interest rate environment may also be likely to cause redemptions and prepayments to increase. In addition, in periods of low interest rates, it may be difficult to identify and acquire suitable investments for proceeds from new product sales or proceeds from the maturity, redemption or sale of fixed income securities from Guardian's portfolio, which could further decrease the yield it earns on its portfolio or cause Guardian to reduce the sales of some products.

- Certain variable annuities written by GIAC contain guaranteed minimum withdrawal benefit ("GMWB") riders. These GMWB riders guarantee a minimum level of withdrawal benefits irrespective of the investment performance of the underlying accounts of the variable annuities; as a result, below a certain level, GIAC would be exposed to the difference between the investment value and the guaranteed benefits. Therefore, any decline in interest rates could increase GIAC's exposure to liability for benefit claims under these riders; however, effective November 1, 2022 GIAC entered into the Variable Annuity Reinsurance Treaty, which is intended to mitigate this risk, in large part by reinsuring all of the GMWB riders.

Guardian's exposure to credit spreads could adversely affect its results of operations, financial condition and liquidity.

Guardian's exposure to credit spreads primarily relates to market price and cash flow variability associated with changes in credit spreads. A widening of credit spreads increases the net unrealized loss position of the fixed income investment portfolio and, if issuer credit spreads increase significantly or for an extended period of time, would likely result in higher other-than-temporary impairments. Credit spread tightening would reduce net investment income associated with new purchases of fixed income securities.

In addition, market volatility can make it difficult to value certain of Guardian's securities if trading becomes less frequent. As such, valuations of securities may include assumptions or estimates that may change significantly from period to period. This could increase the net unrealized loss position of Guardian's fixed income investment portfolio and increase other-than-temporary impairments, which could have a material adverse effect on Guardian's results of operations, financial condition or liquidity.

Sustained or significant deterioration in economic conditions could adversely affect Guardian's business.

Generally weak economic conditions, including a widening U.S. government deficit or reduced U.S. government spending and the ongoing war in Ukraine, may have a negative impact on Guardian's operating activities. Factors such as consumer spending, business investment, government spending, the volatility and strength of the capital markets and inflation affect the business and economic environment and, ultimately, the amount and profitability of Guardian's business. In economic conditions characterized by higher unemployment, lower family income, lower business investment and lower consumer spending, the demand for Guardian's financial and insurance products could be adversely affected. In addition, elevated incidence of claims and lapses or surrenders of policies may occur. Policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. Adverse changes in the economy could affect Guardian's earnings negatively and could have a material adverse effect on its business, results of operations and financial condition.

In addition, Guardian is susceptible to risks associated with the potential financial instability of the vendors on which Guardian relies to provide services or to whom it delegates certain functions. The same conditions that may affect Guardian's customers also could adversely affect its vendors, causing them to significantly and quickly increase their prices or reduce their output. Guardian's business depends on its ability to perform, in an efficient and uninterrupted fashion, its necessary business functions, and any interruption in the services provided by third parties could also adversely affect Guardian's cash flow, profitability and financial condition.

Guardian is subject to extensive regulation, which restricts its operations and imposes compliance costs.

Guardian and its insurance subsidiaries are subject to extensive regulatory oversight. Although Guardian endeavors to maintain all required licenses and approvals, its businesses may not fully comply with the wide variety of applicable laws and regulations or the relevant authority's interpretation of the laws and regulations, which may change from time to time. Also, state regulatory authorities have relatively broad discretion to grant, renew or revoke licenses and approvals. If Guardian does not have the requisite licenses and approvals or does not comply with applicable regulatory requirements, the insurance regulatory authorities could preclude or temporarily suspend Guardian from carrying on some or all of its activities or impose substantial fines. Further, insurance regulatory authorities have relatively broad discretion to issue orders of supervision, which permit such authorities to supervise the business and operations of an insurance company.

State insurance regulators and the National Association of Insurance Commissioners ("NAIC") continually reexamine existing laws and regulations and may impose changes in the future that put further regulatory burdens on insurers and that may have an adverse effect on Guardian's business, results of operations and financial condition, which could prevent Guardian from making payments under the applicable Funding Agreement(s) when scheduled. Guardian's business also could be adversely affected by regulations or changes in state law relating to standards of minimum capital requirements and solvency, including RBC measurements, asset and reserve valuation requirements, surplus limits, limitations on investments, limitations on transactions with affiliates, risk-based capital requirements and premium taxes or other regulatory or tax matters. In addition, from time to time regulators raise issues during

examinations or audits that could, if determined adversely, have a material impact on Guardian. Guardian cannot predict whether or when regulatory actions may be taken that could adversely affect its operations.

Guardian's insurance business is subject to regulation with respect to policy rates, minimum guarantees and related matters. In addition, assessments are levied against Guardian as a result of mandatory participation in various types of state guaranty associations, which are state associations designed to protect policyholders in the event of insolvencies of insurers. The amounts of such assessments are highly unpredictable and could increase significantly if there is an increase in the number or size of insurance companies which become insolvent or subject to rehabilitation. The amount of such assessments against Guardian was approximately $1.1 million, $13 million and $0.5 million for 2025, 2024 and 2023, respectively. These amounts may not be an indication of future levels of assessments. See "Business of Guardian—Regulation."

Guardian is domiciled in the State of New York, which accounts for more premium income volume for Guardian than any other state, approximately 16.06% in 2025, 16.64% in 2024 and 17.29% in 2023. Accordingly, changes in New York laws and regulations that apply to business written in New York can affect Guardian disproportionately relative to its competitors. Examples of such changes include increases in premium taxes and resulting retaliatory taxes, other types of assessments, potentially higher reserve and capital requirements and changes such as with respect to disclosure of producer compensation that might have a less direct effect.

Certain of Guardian's direct and indirect subsidiaries, as well as certain policies and contracts sold by them, are subject to various forms of regulation under the federal securities laws administered by the SEC. The Financial Industry Regulatory Authority, Inc. ("FINRA"), a securities self-regulatory organization for broker-dealers, as well as the states in which certain of Guardian's direct and indirect subsidiaries offer securities products, provide investment advisory services, or conduct other securities-related activities, also regulate aspects of Guardian's securities-related businesses. These subsidiaries could be restricted in the conduct of their securities-related businesses should they fail to comply with such laws and regulations. Legal proceedings and regulatory investigations and inquiries with respect to sales practices, compensation arrangements such as revenue sharing, sales to seniors, and other aspects of the mutual fund and variable annuity businesses are ongoing and expected to continue in the future and could result in legal precedents, as well as new industry-wide legislation, rules, or regulations that could significantly affect the financial services industry, including mutual fund and variable annuity companies affiliated with Guardian and the entities that sell Guardian products. Future laws and regulations, or the interpretation thereof, could materially and adversely affect Guardian's business, results of operations and financial condition.

The NAIC, as well as certain state regulators, have implemented or are considering implementing regulations that would apply an impartial standard of conduct to recommendations made in connection with the sale of certain annuities and, in the case of New York, life insurance policies. In particular, the NYSDFS amended Regulation 187, which applies a "best interest" standard to the sale of life insurance and annuity products in New York. The regulation generally requires a consumer's best interest, and not the financial interests of a producer or insurer, to influence a producer's recommendation as to which life insurance or annuity product a consumer should purchase. The amendments to Regulation 187 also impose a best interest standard on certain consumer in-force transactions. In addition, the NAIC adopted a revised annuity suitability model regulation to require a best interest standard for annuity transactions. Nearly all states have adopted the amended model regulation, including most of the domiciliary states of Guardian's insurance subsidiaries. Massachusetts also adopted a new regulation that imposes a fiduciary conduct standard on broker-dealers and agents. In April 2025, the North American Securities Administrators Association ("NASAA"), which represents state and provincial securities regulators in the United States, has adopted a Broker-Dealer Conduct Model Rule that is intended to account for revisions to federal conduct standards for broker-dealers and agents arising out of the SEC's adoption of Regulation Best Interest ("Reg BI") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other changes that have occurred in the financial services industry in recent years, including the blurring of brokerage and advisory service models. These state regulations may have an adverse effect on Guardian's business, results of operations and financial condition.

The SEC's Reg BI establishes a "best interest" standard of conduct for broker-dealers and associated persons when they make a recommendation to a retail customer of any securities transaction or investment strategy involving securities, including recommendations of types of accounts. As part of the rulemaking package, the SEC also adopted new rules and forms to require broker-dealers and investment advisers to provide a brief relationship summary, Form CRS, to retail investors. Guardian has developed policies, procedures and controls believed to be reasonably designed

to comply with the new rules. These new SEC rules will increase compliance costs related to Guardian's broker-dealers and investment advisers, and may have adverse effects on Guardian's business, results of operations and financial condition.

Some of the regulatory authorities that oversee Guardian's businesses are considering or may in the future consider new regulatory requirements intended to assure the stability of institutions under their supervision. These authorities may also seek to exercise their supervisory or enforcement authority in new or more robust ways. Federal and state regulatory agencies also frequently adopt changes to their regulations or change the manner in which existing regulations are applied. Guardian cannot predict the substance or impact of pending or future legislation, regulation or the application thereof. Any such changes could affect the way Guardian conducts its business and manages its capital, which in turn could materially affect its results of operations, financial condition and liquidity.

Compliance with applicable laws and regulations is time consuming and personnel-intensive, and changes in these laws and regulations may materially increase Guardian's direct and indirect compliance and other expenses of doing business, thus having a material adverse effect on its financial condition or results of operations.

The Dodd-Frank Act and resulting changes in federal laws and regulations continue to adversely affect Guardian's business, results of operations and financial condition.

In July 2010, Congress passed, and President Obama signed, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). Policy and rule-making conducted after the enactment of the Dodd-Frank Act have significantly changed financial regulation. The Dodd-Frank Act establishes a general framework for systemic regulation that has imposed requirements on many derivatives transactions, including mandatory clearing, exchange trading, margin and reporting requirements. Regulations with respect to swaps and other derivatives that are regulated by the Commodity Futures Trading Commission (the "CFTC") have been implemented, including with regards to initial margining of swaps, final implementation for Guardian of requirements that have been in effect since September 2022. Regulations for security-based swaps, which are regulated by the SEC, have been largely adopted and implemented. These regulations differ in many respects from those adopted by the CFTC, the prudential regulators and regulators in the European Union (the "EU"). As a result, it is possible that the implementation of SEC regulations could adversely impact Guardian's positions in security-based swaps, such as certain credit default swaps and equity swaps.

Guardian is required to post initial margin to its derivatives counterparties in respect to its swaps positions depending on the size of the swaps books of the broader Guardian group and the applicable threshold established by its counterparties. Guardian is subject to initial margin requirements if Guardian and its affiliated entities have "material swaps exposure," and Guardian may be required to post independent amounts as a commercial matter in other instances. The "material swaps exposure" rules, which are applicable to Guardian, require average daily aggregate notional exposure to uncleared swaps, uncleared security-based swaps, foreign exchange forwards and foreign exchange swaps for a specified prior period to be in excess of $8 billion. In addition, eligible collateral for initial margin for swaps, like that for variation margin, is restricted to cash and liquid securities (such as U.S. government securities, government-sponsored enterprise debt securities, certain sovereign debt and specified corporate debt, listed equities and funds).

To the extent that Guardian's swaps or security-based swaps counterparty collects commercially-agreed independent amounts from it, Guardian may request that the derivatives counterparty segregate all such initial margin at a custodian. If Guardian does not request segregation, the custodian or counterparty may commingle such assets or collateral with the custodian's or counterparty's own assets or collateral, and in the event of the bankruptcy or insolvency of the custodian or counterparty, such assets and collateral may be subject to the conflicting claims of the creditors of the relevant custodian or counterparty, which may result in a loss to Guardian.

Guardian currently posts variation margin to and collects variation margin from counterparties to swaps subject to regulation by the CFTC, U.S. prudential regulators and authorities in the EU.

In addition, where Guardian enters into certain swaps that are subject to mandatory clearing, Guardian will be required to execute such swaps on a registered exchange or trading platform.

Rules the SEC adopted on December 13, 2023 will require that each covered clearing agency have policies and procedures reasonably designed to require every direct participant of the agency to submit for clearing eligible secondary market transactions in US Treasury securities. The rule effectively requires such participants to clear eligible cash transactions in US Treasury securities by December 31, 2026, and eligible repurchase transactions in US Treasury securities by June 30, 2027. The potential effect of the rule on the US Treasury markets is uncertain.

In addition, regulations adopted by the prudential regulators that became effective in 2019 require certain bank-regulated counterparties and certain of their affiliates to include in qualified financial contracts, including many derivatives contracts, repurchase agreements and securities lending agreements, terms that delay or restrict the rights of counterparties, such as us, to terminate such contracts, foreclose upon collateral, exercise other default rights or restrict transfers of affiliate credit enhancements (such as guarantees) in the event that the bank-regulated counterparty and/or its affiliates are subject to certain types of resolution or insolvency proceedings. It is possible that these requirements in the market could adversely affect Guardian's ability to terminate existing derivatives agreements or to realize amounts to be received under such agreements. The Dodd-Frank Act and related federal regulations and foreign derivatives requirements expose us to operational, compliance, execution and other risks, including central counterparty insolvency risk.

Further, where Guardian enters into a swap with non-U.S. counterparties in the EU, the regulations of the home or resident country of such counterparty generally apply regulatory requirements with respect to such swap that are similar to those adopted by the CFTC, SEC and the prudential regulators pursuant to the Dodd-Frank Act. The European Market Infrastructure Regulation ("EMIR"), like the CFTC and SEC regulations in effect in the United States, requires reporting of derivatives and various risk mitigation techniques to be applied to derivatives entered into by parties that are subject to the jurisdiction of EMIR.

The Dodd-Frank Act also established the Financial Stability Oversight Council ("FSOC"), which has the authority to designate non-bank financial companies as systemically important financial institutions ("non-bank SIFIs"), thereby subjecting them to enhanced prudential standards and supervision by the Federal Reserve. The prudential standards for non-bank SIFIs include enhanced RBC requirements, leverage limits, liquidity requirements, single counterparty exposure limits, governance requirements for risk management, stress test requirements, special debt-to-equity limits for certain companies, early remediation procedures and recovery and resolution planning. The FSOC modified the designation process in 2019 and again in 2023. On November 3, 2023, FSOC issued final interpretive guidance on designating non-bank financial companies as non-bank SIFIs. First, FSOC would conduct a preliminary analysis using quantitative and qualitative information available to FSOC primarily through public and regulatory sources. Second, FSOC might consider details regarding the company's financial activities, legal structure, liabilities, counterparty exposures, resolvability, and existing regulatory oversight. There are currently no such non-bank financial companies designated as SIFIs, although if the FSOC were to designate Guardian as such, it would become subject to certain of these enhanced prudential standards. Other regulators, such as insurance regulators, may also adopt new or heightened regulatory safeguards as a result of actions taken by the Federal Reserve in connection with its supervision of non-bank SIFIs. There can be no assurance that any such new or enhanced regulation would not apply to Guardian.

In addition, the Dodd-Frank Act established the Federal Insurance Office ("FIO") within the U.S. Department of the Treasury, which has the authority, on behalf of the United States, to participate in the negotiations of international insurance agreements with foreign regulators, as well as to collect information about the insurance industry and recommend prudential standards. While not having a general supervisory or regulatory authority over the business of insurance, the director of the FIO performs various functions with respect to insurance, including serving as a non-voting member of FSOC and making recommendations to the FSOC regarding insurers to be designated for more stringent regulation.

Federal agencies have been given significant discretion in connection with rulemaking pursuant to the implementation of the Dodd-Frank Act. It is unclear what impact the current U.S. administration and the volatile political environment will have on potential changes to the Dodd-Frank Act and the resulting impact on Guardian's business, financial condition or results of operations. Guardian cannot currently identify the risks, if any, that may be posed to Guardian's business as a result of potential changes to, or legislative replacements for, the Dodd-Frank Act. Guardian cannot predict whether any such legislation or regulatory changes would be adopted, or what impact they would have on Guardian's business, financial condition or results of operations.

Litigation and regulatory investigations are common in the life insurance industry and may harm Guardian's business and financial strength and reduce its profitability.

Life insurance companies and their affiliated financial services businesses have historically been subject to substantial litigation, including the risk of individual and class action lawsuits, resulting from claims disputes or relating to suitability, sales or underwriting practices, product design, disclosure, claims and payment procedures, administration, denial or delay of benefits and breaches of fiduciary or other duties. Most of the actions seek substantial or unspecified compensatory and punitive damages and the probability and amount of liability, if any, may remain unknown for substantial periods of time. Guardian and its subsidiaries are also subject to various regulatory inquiries from time to time, such as information requests and books and record examinations, from state and federal regulators and other authorities. Guardian is, from time to time, a plaintiff or defendant in actions arising out of its insurance business. Litigation, as well as governmental, administrative or regulatory proceedings, inquiries or investigations may harm Guardian's business and financial strength and reduce its profitability. Moreover, even if Guardian ultimately prevails in the litigation, regulatory action or investigation, it could suffer significant harm to its reputation, which could have a material adverse effect on its business, results of operations and financial condition, including its ability to attract new customers, retain current customers and recruit and retain employees and agents.

Changes in tax laws and the interpretation thereof could adversely affect Guardian's business.

Congress has, from time to time, considered legislation that could adversely impact or change the manner of taxing the products Guardian sells and of calculating the amount of taxes paid by life insurance companies or other corporations, including Guardian. Changes to federal, state or other tax laws, or in the interpretation of applicable tax laws and regulations, could reduce Guardian's earnings and adversely affect Guardian's business, financial condition or results of operations.

The attractiveness to Guardian's customers of many of its products may be due, in part, to favorable tax treatment. Current federal income tax laws generally permit the tax-deferred accumulation of earnings on the premiums paid by the holders of life insurance and annuity products. Taxes, if any, are payable generally on income attributable to a distribution under the contract for the year in which the distribution is made. Death benefits under life insurance contracts may be received free of federal income tax. Congress has, from time to time, considered legislation that could have the effect of reducing or eliminating the benefit of such income tax deferral or otherwise affect the taxation of life insurance or annuity products. As a result, demand for certain of Guardian's life insurance and annuity products that offer income tax deferral could be negatively impacted. To the extent that legislation is enacted in the future to reduce the tax deferred status of life insurance or annuity products, limit the exclusion of death benefits from income, or reduce the taxation of competing products, all life insurance companies, including Guardian, could be adversely affected. Likewise, reductions in individual tax rates could reduce the attractiveness of tax deferral to Guardian's potential customers.

The Inflation Reduction Act ("IRA"), enacted on August 16, 2022, included a number of tax-related provisions, including a 15% corporate alternative minimum tax based on adjusted financial statement income, effective on January 1, 2023. As of December 31, 2025, management has determined that Guardian does not expect to be subject to the corporate alternative minimum tax in 2026. The "One Big Beautiful Bill Act" (the "OBBBA"), enacted on July 4, 2025, further modified various provisions of the U.S. Internal Revenue Code of 1986, as amended ("Code"), including certain provisions of the IRA.

Congress has from time to time considered material changes to, or a repeal of, the estate tax. Many of Guardian's products are sold to customers in order to help them meet their estate tax planning needs. To the extent that legislation is enacted in the future that would materially change, or repeal, the estate tax, sales of Guardian's products could be adversely affected.

Guardian files U.S. federal income tax returns along with various state and local income tax returns. From time to time, Guardian is subject to audits of its federal, state and local tax returns. Years 2014 and prior are closed for U.S. federal income tax audits. As of the date of this Offering Memorandum, Guardian is under examination by the Internal Revenue Service ("IRS") for tax years 2015-2023. There are a number of state and local governmental

audits in process. While Guardian does not expect any material changes as a result of pending audits, there can be no assurance that there will not be any such adjustments in the future.

New accounting rules, changes to existing accounting rules or the granting of permitted accounting practices to competitors could have an adverse effect on Guardian's results of operations and financial condition.

Guardian is required to comply with statutory accounting practices ("SAP"). SAP and various components of SAP (such as actuarial reserving methodologies) are subject to review by the NAIC and its task forces and committees, as well as state insurance departments, in an effort to address emerging issues and otherwise improve or alter financial reporting. Various proposals are currently, or have been previously, pending before committees and task forces of the NAIC, some of which, if enacted, could negatively affect the reporting of Guardian's financial condition and results of operations. The NAIC has approved a valuation manual containing a principle-based approach to the calculation of life insurance company reserves. Principle-based reserving ("PBR") is designed to better address reserving for products, including the current generation of products for which the previous formulaic basis for reserve determination did not work effectively. All states have adopted PBR, and it became effective in New York with the adoption of Insurance Regulation 213, which affirmed the New York Superintendent of Financial Services' (the "Superintendent") authority to deviate from the NAIC valuation manual to adjust the reserves of a Guardian insurance company if the NYSDFS determines that an alternative requirement would be in the best interest of New York policyholders. Regulation 213 adopted the NAIC valuation manual, but excluded certain provisions that were deemed to conflict with New York insurance law and regulation.

Guardian cannot predict whether any accounting reforms related to SAP or components of SAP will positively or negatively affect it.

In addition, the NAIC Accounting Practices and Procedures Manual provides that state insurance departments may permit insurance companies domiciled therein to depart from SAP by granting them permitted accounting practices. Guardian cannot predict what permitted and prescribed practices the NYSDFS may allow or mandate in the future, nor can Guardian predict whether or when the insurance departments of the domiciliary states of its competitors may permit them to utilize advantageous accounting practices that depart from SAP. As of the date of this Offering Memorandum, Guardian has not requested or used any such permitted practices for the statutory financial statements for the year ended December 31, 2025. Moreover, although states defer to interpretations of the insurance department of the state of domicile with respect to regulations and guidelines, neither the action of the domiciliary state regulator nor action of the NAIC is binding on a state. Accordingly, a state could choose to follow a different interpretation. Guardian can give no assurance that future changes to SAP or components of SAP will not have a negative impact on Guardian's results of operations or financial condition.

The amount of statutory capital that Guardian has and the amount of statutory capital it must hold can vary significantly from time to time and is sensitive to a number of factors outside of its control, including equity market and credit market conditions.

Insurance regulators and the NAIC prescribe accounting standards and statutory capital and reserve requirements for Guardian and its insurance company subsidiaries. The NAIC has established regulations that provide minimum capitalization requirements based on RBC formulas for both life and property and casualty companies. The RBC formula for life companies establishes capital requirements relating to insurance, business, asset and interest rate risks. The RBC regulations include equity, interest rate and expense recovery risks associated with variable annuities that contain death benefits or certain living benefits. As discussed below, effective November 1, 2022, pursuant to the Variable Annuity Reinsurance Treaty, the risks relating to the variable annuities were substantially mitigated.

In any particular year, statutory surplus amounts and RBC ratios may increase or decrease depending on a variety of factors, including the amount of statutory income or losses generated by Guardian (which itself is sensitive to equity market and credit market conditions), the amount of additional capital it must hold to support its business growth, changes in equity market levels, the value of certain fixed-income and equity securities in its investment portfolio, the value of certain derivative instruments that do not get hedge accounting treatment, changes in interest rates and foreign currency exchange rates, as well as changes to the NAIC RBC formulas. Most of these factors are

outside of Guardian's control. Increases in the amount of required statutory reserves reduce the statutory capital used to calculate Guardian's RBC ratios.

Guardian's statutory surplus and RBC ratios have a significant influence on its financial strength and claims paying ratings, which, in turn, are important to its ability to compete effectively. To the extent that Guardian's statutory capital resources are deemed to be insufficient to maintain a particular rating by one or more rating agencies, it may seek to raise additional capital. If it were not able to raise additional capital in such a scenario for any reason, any ratings downgrade that followed could have a material and adverse effect on its business, results of operations, financial condition and liquidity.

The NAIC and the International Association of Insurance Supervisors ("IAIS") have developed group capital calculations or group capital standards, which are in the process of being implemented and refined. In December 2020, the NAIC adopted a group capital calculation tool that uses an RBC aggregation methodology for all entities within the insurance holding company system, including non-U.S. entities. In November 2019, the IAIS adopted a global insurance capital standard ("ICS"), which underwent a five-year monitoring period from 2020 to 2024. IAIS member states will now start to implement the ICS into their domestic legislation. ICS will serve as the base group capital standard applicable to all internationally active insurance groups (as defined by the IAIS and designated by group regulators). Federal regulators and the NAIC continue to engage with the IAIS with respect to how such capital standard will interact with existing U.S. regulatory requirements and the NAIC's group capital calculation. Guardian cannot predict what impact these group capital standards may have on its operations. It is possible that Guardian or its affiliates may be required to hold additional capital, which may adversely affect Guardian's ability to do business.

Guarantees embedded in GMWB riders sold with variable annuity contracts could expose GIAC to certain risks.

Certain variable annuities written by GIAC prior to the first quarter of 2017 contain guaranteed minimum withdrawal benefit ("GMWB") riders. These GMWB riders guarantee a minimum level of withdrawal benefits irrespective of the investment performance of the underlying accounts of the variable annuities; as a result, below a certain level, GIAC will be exposed to the difference between the investment value and the guaranteed benefits. Therefore, any decline in capital markets (including equity and debt markets), interest rates or account values may increase GIAC's exposure to liability for benefit claims under these riders. The amount of statutory reserves related to GMWB is in part tied to the difference between the value of the underlying accounts and the guaranteed benefits. Even when GIAC is not immediately subject to guaranteed minimum withdrawal payments to annuity holders, it is required to establish this type of reserve to allow for declines in capital markets or account values. GIAC has mitigated this requirement by entering into the Variable Annuity Reinsurance Treaty pursuant to which GIAC reinsured virtually 100% of the variable annuity block that existed as of November 1, 2022, including all of its GMWB riders.

As a mutual insurance company, Guardian has limited access to capital, and the ability of its subsidiaries to pay dividends is restricted under applicable insurance laws.

Guardian is a mutual insurance company with no capital stock and no shareholders. Consequently, it is unable to access directly the public equity markets as a means to raise capital. As of December 31, 2025, Guardian had outstanding surplus notes in the aggregate principal amount of $1.5 billion and no other long-term indebtedness outstanding. In addition, the Issuer has issued $6.2 billion in funding agreement-backed notes, which are secured by funding agreements issued by Guardian. Guardian does not rely on dividends from its subsidiaries to meet its operating cash flow requirements or to service its obligations under the surplus notes. For the year ended December 31, 2025, Guardian received approximately $619 million in cash and non-cash dividends from its subsidiaries. Guardian records these dividends as net investment income. No assurances can be given that these subsidiaries will pay dividends to Guardian in the future.

Guardian has not historically relied on dividends from its subsidiaries to meet its operating cash flow requirements. Historically, Guardian has reinvested a substantial portion of its unrestricted earnings in Berkshire Life Insurance Company of America ("BLICOA"), First Commonwealth Insurance Company ("FCW") and GIAC. Substantially all of the statutory surplus of Guardian's life insurance subsidiaries, including BLICOA and GIAC, of approximately $752 million, $804 million and $837 million at December 31, 2025, 2024 and 2023, respectively, is subject to dividend restrictions imposed by statutory authorities. Under the laws of Delaware and Massachusetts, the

domiciliary states of GIAC and BLICOA, respectively, dividends in excess of unassigned funds require regulatory approval. In addition, BLICOA and GIAC must seek regulatory approval prior to paying a dividend whose fair market value together with other dividends within the preceding twelve months exceeds the greater of (i) 10% of the insurer's policyholder surplus as of the last day of December next preceding or (ii) the net gain from operations of the insurer for the twelve-month period ending the last day of December next preceding. Based on their respective statutory basis financial results as of December 31, 2025, Guardian's life insurance subsidiaries, including BLICOA and GIAC, would have been able to pay dividends to Guardian in 2025, 2024 and 2023 of up to $13 million, $30 million and $15 million, respectively without obtaining the prior approval of their domiciliary insurance regulators. Guardian Investor Services LLC ("GIS") and FCW are not subject to dividend restrictions imposed by statutory authorities but may pay dividends up to but not exceeding any accumulated earnings. For the year ended December 31, 2025, GIS paid Guardian a dividend of $592 million and for the year ended December 31, 2024, GIS paid Guardian a dividend of $91 million and for the year ended December 31, 2023, GIS paid Guardian a dividend of $85 million. As of December 31, 2025, FCW had accumulated earnings of $(361) million and will not be able to pay a dividend in 2026. As of December 31, 2024, FCW had accumulated earnings of $(217) million and was not able to pay any dividend in 2025. As of December 31, 2023, FCW had accumulated earnings of $(9) million and was not able to pay any dividend in 2024. For the years ended December 31, 2025, 2024 and 2023, Guardian received an aggregate of $619 million, $166 million and $110 million, respectively, in cash and noncash dividends from its subsidiaries. Guardian can make no assurance regarding the timing or amount of dividends, if any, that may be paid by these subsidiaries to Guardian in the future.

In addition to restrictions on the ability of Guardian's insurance subsidiaries to pay dividends to it, if Guardian needed access to additional capital for any reason, its ability to obtain such capital could be limited and the cost of any such capital could be significant if the securities and credit markets experience volatility or disruption. Guardian's access to additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the overall availability of credit to Guardian's industry, Guardian's credit ratings and credit capacity, as well as the possibility that lenders could develop a negative perception of Guardian's long- or short-term financial prospects. Similarly, Guardian's access to funds could be impaired if regulatory authorities or rating agencies took negative actions against Guardian, such as a ratings downgrade. If a combination of these factors were to occur, Guardian might not be able to successfully obtain additional financing, if needed. As such, Guardian could be forced to delay raising capital, or perhaps issue different types of capital than it would otherwise, less effectively deploy such capital, issue shorter tenor securities than it would prefer, or bear an unattractive cost of capital, which could decrease its profitability and significantly reduce its financial flexibility.

Guardian's reserves for future policy benefits and claims related to the company's current and future business as well as businesses Guardian may acquire in the future may prove to be inadequate.

Guardian's reserves for future policy benefits and claims may prove to be inadequate. Guardian establishes and carries, as a liability, reserves based on estimates of how much the company will need to meet policyholder obligations, including the payment of future benefits and claims. For Guardian's life insurance and annuity products, these reserves are calculated based on methodologies required by the NYSDFS for statutory reserves, using mortality tables specified by the NYSDFS, as well as minimum interest rates also specified by the NYSDFS, and contract language. Guardian also sets up reserves to meet policyholder obligations on group insurance and disability insurance. Claim reserves reflect a combination of actual experience and industry experience, as well as, where mandated, experience tables specified by state insurance departments. It cannot be determined with precision the ultimate amounts that will be paid, or the timing of payment of, actual benefits and claims or whether the assets supporting the policy liabilities will grow to the level assumed prior to payment of benefits or claims. Since Guardian cannot precisely determine the amount or timing of actual future benefits and claims, actual results could differ significantly from those assumed. Deviations from one or more of these estimates and assumptions could have a material adverse effect on Guardian's results of operations or financial condition. If Guardian concludes that reserves, together with future premiums, are insufficient for payments of benefits and expenses, Guardian may seek to increase premiums where it is able to do so.

Reinsurance may not be available, affordable or adequate to protect Guardian against losses.

As part of Guardian's overall risk management strategy, it purchases reinsurance for certain risks underwritten by Guardian's various business segments. While reinsurance agreements generally bind the reinsurer for the life of the business reinsured at generally fixed pricing, market conditions beyond Guardian's control determine

the availability and cost of the reinsurance protection for new business. In certain circumstances, primarily for certain life insurance coverage, the price of reinsurance for business already reinsured may also increase. Any decrease in the amount of reinsurance will increase Guardian's risk of loss and any increase in the cost of reinsurance will, absent a decrease in the amount of reinsurance, reduce Guardian's earnings. Accordingly, Guardian may be forced to incur additional cost for reinsurance or may not be able to obtain sufficient reinsurance on acceptable terms, which could adversely affect its ability to write future business or result in the assumption of more risk with respect to those policies Guardian issues.

Guardian reinsures its business with various reinsurers. In order to enter into a reinsurance treaty with Guardian or its subsidiaries, the reinsurer must meet various standards in terms of financial strength and ratings. Guardian reinsures its participating life business, universal life business and variable universal life business mortality risk on any face amount issued in excess of Guardian's general retention limit of $25 million per life (increased from $20M to $25M effective June 1, 2024). For term insurance, Guardian coinsured between 76% and 90% of all term life insurance business on a first dollar quota share basis until May 1, 2014. Starting May 1, 2014, Guardian cedes amounts in excess of $2 million per life of newly issued term life insurance to a pool of four reinsurers on an automatic yearly renewable term basis. Term life insurance business may also be ceded to the same four reinsurers on a facultative basis. Also, starting May 1, 2014, until terminated for new business effective December 31, 2018, Guardian has a coinsurance with funds withheld reinsurance agreement, with one reinsurer, covering 85% of its level term life insurance amounts net of the excess of $2 million retention on yearly renewable term reinsurance (originally 90%, but was recaptured and re-ceded at 85%). See "Business of Guardian—Reinsurance." Effective May 18, 2020, Guardian began selling its term life plans through GIAC in excess of $2 million per life to a pool of four reinsurers.

Ceded life insurance reinsurance treaties held by Guardian are provided by a number of reinsurers. 30% of Guardian's individual life insurance face amount is reinsured as of December 31, 2025. Of the face amount reinsured, about 94% is ceded to four third-party reinsurers. The remaining percentage of the face amount reinsured is spread among a number of other companies. Some of these agreements are closed to new business. However, the reinsurance treaties covering the closed blocks of business remain in force as to these closed blocks. Group long-term disability and individual disability income treaties reinsure monthly policy benefits in excess of a specific monthly income benefit; however, individual disability income policies issued on or after January 1, 2016 are not reinsured. GIAC entered into the Variable Annuity Reinsurance Treaty pursuant to which GIAC reinsured virtually 100% of the variable annuity block in force as of November 1, 2022, including all of its GMWB riders and virtually all of the variable annuity guaranteed minimum death benefits ("GMDB") riders. Effective October 5, 2020, GIAC coinsured 80% of new single premium immediate annuities ("SPIA") and deferred income annuities ("DIA") with one reinsurer. This reinsurance agreement will allow us to increase annuity income rates which would result in increasing sales. Subsequently, in 2023, GIAC entered an 80% coinsurance agreement on single premium deferred annuities ("SPDA") with the same reinsurer that offers the same competitive product offering advantages. On a much smaller scale, GIAC also has an 80% coinsurance agreement on fixed indexed annuities ("FIA"). Additionally, effective June 1, 2024, GIAC coinsured 100% of an approximately $1 billion block of SPIA and DIA with the same reinsurer and effective June 3, 2024 GIAC coinsured 90% of new SPIA, DIA, and SPDA with the same reinsurer .

Counterparties to Guardian's reinsurance arrangements and other contracts may fail to perform, which could adversely affect its results of operations and financial condition.

Guardian uses reinsurance to mitigate its risks in various circumstances. See "—Reinsurance may not be available, affordable or adequate to protect Guardian against losses." In general, reinsurance does not relieve Guardian of its direct liability to its policyholders, even when the reinsurer is liable to the cedant. Accordingly, Guardian bears credit risk with respect to its reinsurers. Guardian cannot provide assurance that its reinsurers will pay the reinsurance recoverables owed to it now or in the future or that they will pay these recoverables on a timely basis. A reinsurer's insolvency, inability or unwillingness to make payments under the terms of reinsurance agreements with Guardian could have an adverse effect on its results of operations and financial condition. Certain annuity reinsurance agreements require the transfer of substantial assets backing policyholder obligations to the reinsurers. These agreements include comfort trusts that segregate such assets on Guardian's behalf in the event Guardian needs to recapture the reinsurance.

Guardian is engaged in a highly competitive business. Competitive factors may adversely affect Guardian's market share and profitability.

The life insurance industry is highly competitive. There are a large number of life insurance companies in the United States, many of which offer insurance products similar to those marketed by Guardian and may have advantages over Guardian in one or more of the competitive factors listed below. In addition to competition from within the industry, insurers are increasingly facing competition from non-traditional sources in the financial services industry, including mutual fund companies, banks, securities brokerage houses and other financial services entities. Recent industry consolidation, including acquisitions of insurance and other financial services companies in the United States by international companies, has resulted in larger competitors with strong financial resources, marketing and distribution capabilities and brand identities. Some competitors also offer a broader array of products, have more competitive pricing or, with respect to other insurers, have higher claims paying ability ratings. National banks, which may sell annuity products of life insurers in some circumstances, also have pre-existing customer bases for financial services products.

Competitiveness in the insurance business is affected by various factors including, but not limited to, name recognition, price, financial strength ratings, size and strength of distribution force, range of product lines, product features, commission structure, product quality, servicing ability, investment performance and general reputation. There can be no assurance that Guardian will be able to compete successfully against current and future competitors or that competitive pressures faced by Guardian will not materially and adversely affect its business, operating results and financial condition. See "Business of Guardian—Group Benefits—Group Benefits Product Competition," "Business of Guardian—Individual Markets—Insurance Products—Individual Insurance Competition" and "Business of Guardian—Individual Markets—Individual Wealth Management and Retirement Savings— Individual Annuities Products and Services Competition."

The life insurance industry is rapidly evolving toward the use of information technology and data in underwriting risks rather than relying on the analysis of blood and urine samples. Guardian's competitive posture may be impacted if it does not keep pace with these changes or implements them incorrectly.

Many of Guardian's group insurance products are underwritten annually, and, accordingly, there is a risk that group purchasers may be able to obtain more favorable terms from competitors rather than renewing their existing coverage with Guardian. The effect of competition may, as a result, adversely affect the persistency of these and other products, as well as Guardian's ability to sell products in the future.

In addition, the investment management and securities brokerage businesses have relatively few barriers to entry and continually attract new entrants. Many of Guardian's competitors in these businesses offer a broader array of investment products and services and are better known than Guardian as manufacturers and sellers of annuities and other investment products.

If Guardian is unable to attract and retain independent agents, career agents, principal owners and key personnel, its ability to compete and its revenues could suffer.

Guardian's career agency force is the primary means by which it distributes life insurance and annuity products. In order to continue increasing life insurance and annuity sales, Guardian must attract, develop and retain those who are or can be productive career agents.

Insurance companies compete vigorously for productive agents. Guardian competes with other life insurance companies for agents primarily on the basis of its financial position, support services, compensation and product features. Such agents may promote products offered by other life insurance companies that may offer a larger variety of products than Guardian does. Guardian's competitiveness for such agents also depends upon the long-term relationships it develops with them. In addition, securing the future of Guardian's individual market distribution requires Guardian to continue to attract and recruit successful principal owners. If Guardian were unable to attract and retain sufficient agents or principal owners, its ability to compete and its results of operations or financial condition could be impacted.

The success of Guardian's businesses also largely depends on its ability to attract and retain key personnel. Strong competition exists for qualified personnel, including actuaries and portfolio managers, with demonstrated ability. Inability to attract key personnel, or attract and retain additional qualified personnel, could harm Guardian's results of operations and financial condition

Guardian's profitability may decline if mortality rates or persistency rates or other assumptions differ significantly from pricing expectations.

Guardian sets prices for many of its insurance and annuity products based upon expected claims and payment patterns, using assumptions for mortality, persistency (how long a contract stays in-force) and interest rates. In addition to the potential effect of natural or man-made disasters, significant changes in mortality could emerge gradually over time, due to changes in the natural environment, the health habits of the insured population, effectiveness of treatment for disease or disability, or other factors. In addition, Guardian could fail to accurately anticipate changes in other pricing assumptions, including changes in interest and inflation rates. Significant negative deviations in actual experience from Guardian's pricing assumptions could have a material adverse effect on the profitability of its products. Guardian's earnings are significantly influenced by the claims paid under its insurance contracts and will vary from period to period depending upon the amount of claims incurred.

Guardian's Individual Life Insurance business consists primarily of participating policies. A significant increase in death benefits could result in a reduction of the dividends paid to participating policyholders of Guardian. A reduction in these dividends could reduce Guardian's ability to compete with other issuers of participating policies.

There is only limited predictability of claims or persistency experience within any given month or year. Guardian's future experience may not match its pricing assumptions or its past results. As a result, Guardian's results of operations and financial condition could be materially adversely affected, which could prevent Guardian from making payments under the applicable Funding Agreement(s) when scheduled.

GIAC sells SPDAs that have a surrender charge period of up to seven years. SPDAs were sold starting in 1996. Sales of SPDA greatly increased in 2025 as this product has recently become a strategic focus for GIAC, although 80-90% of the associated financial exposure from these sales is reinsured with Commonwealth Annuity and Life Insurance Company. On a gross basis, this block has a total account value of $8.4 billion as of December 31, 2025. SPDA policies in issue years beyond surrender charge account for less than $90 million of the total account value. Generally, when policies are out of the surrender charge period policyholders are more likely to withdraw their funds because they can do so without penalty. Each year, additional fixed annuities will come out of their surrender charge period. Guardian has assumptions that anticipate this additional lapse experience when it initially prices these products. In some market conditions, an increase in surrenders could materially affect GIAC's financial condition or results of operations. The product also includes the option to annuitize at a guaranteed rate, which is conservatively priced.

GIAC also sells SPIAs and DIAs. SPIAs were sold starting in 2010, and DIAs were sold starting in 2013. SPIA includes a single initial premium, and annuitization commences within the first year. DIA includes an initial premium and allows for additional premium payments between the initial premium date and annuity commencement. DIA annuitization is deferred at least 24 months from the issue date or 13 months from the last premium deposit, whichever is later. Annuitization for both products can be in the form of a life contingent annuity, a life contingent annuity with a term certain period or an annuity for a term certain. As of December 31, 2025, total net statutory reserves for SPIA and DIA are $1.51 billion and $814.4 million, respectively. As with SPDA, sales of SPIA and DIA have greatly increased recently as this product has recently become a strategic focus for GIAC, and similarly, 80-90% of the associated financial exposure from these sales is reinsured with Commonwealth Annuity and Life Insurance Company.

GIAC also sells FIAs that have a surrender charge period of up to ten years. FIAs were sold starting in 2022. Guardian has a reinsurance agreement with American General Life Insurance Company that will reinsure 80% of the aggregated liabilities, while Guardian retains 20% of the liabilities. On a gross basis, this block has a total account value of $264 million as of December 31, 2025. FIAs include a single premium and value accumulation tied to the equity market. A hedging program, described later in this memo, offsets the market risk of this product. The product includes the option to annuitize at a guaranteed rate, which is conservatively priced. There are no FIA policies in

issue years beyond the surrender charge period. Generally, when policies are out of the surrender charge period policyholders are more likely to withdraw their funds because they can do so without penalty. Each year, additional fixed annuities will come out of their surrender charge period. FIA policyholders have the option to choose a guaranteed annual withdrawal benefit rider, allowing for an annual withdrawal without penalty up to the guaranteed annual withdrawal amount, even if the accumulation value is reduced to zero. As the accumulation value increases, so does the guaranteed annual withdrawal amount. Guardian has assumptions that anticipate the selection as well as the utilization of this benefit when it initially prices these policies. A market value adjustment is applied upon withdrawal or full surrender, mitigating the disintermediation risk. As this block grows larger, in some market conditions, an increase in withdrawals and/or surrenders could materially affect GIAC's financial condition or results of operations.

GIAC also sells a product called MarketPerform, which is a Registered Index-Linked Annuity ("RILA"), introduced in 2024. It is a single premium deferred variable annuity that has a 6-year surrender charge period. It is not reinsured. RILA is offered to policy owners of minimum age 18 and maximum age 85 (DB rider not available past 75). The single premium at issue may be allocated among multiple crediting strategies. Effective on each anniversary, the owner may reallocate all or a part of the contract value among the available interest crediting strategies.

The contract is offered with several Index Protection and Crediting Strategies (IPCS) as well as a Fixed Rate Strategy (FRS). Each IPCS consists of both a Protection Strategy and a Crediting Strategy. As of December 31, 2025:

- The Protection Strategy is a buffer rate, which is the maximum negative index performance that the client is protected against at the end of the term. Any negative index performance beyond the buffer rate will reduce the contract value allocated to that strategy.

- The Crediting Strategy is applicable when there is zero or positive index performance over the course of the term. There may be a cap on index performance, or, if the cap rate is declared to be uncapped, a participation rate that is greater than or equal to 100%. This may be paired with a spread that represents the minimum rate the index must return for interest to be credited to the contract, or, instead of the cap with participation, there may be a declared trigger rate that is credited regardless of index performance, as long as that performance is zero or positive.

Guardian invests policyholder assets in a mix of fixed income assets, equity index options, and equity futures contracts in order to target the index credit payoffs. A Return of Premium Death Benefit is available at no extra charge for contract issue ages 18-75. No living benefit is offered with MarketPerform. As of December 31, 2025, total statutory reserves for RILAs are $333.3 million.

Guardian has made, and expects to continue to make, strategic acquisitions, the success of which depends on numerous factors.

Guardian has acquired businesses and will continue to evaluate strategic acquisition opportunities that have the potential to support and strengthen its business. Guardian can give no assurances, however, that any acquisition opportunities will arise or, if they do, that they will be consummated, or that additional financing or capital, if needed, will be available on satisfactory terms. Guardian also cannot guarantee the success of any such acquisition. Guardian may not be able to achieve the synergies and other benefits that are expected from the integration of acquisitions as successfully or rapidly as projected, if at all. If Guardian fails to manage current and future acquisitions effectively, including failing to maintain or enhance the key business relationships and the reputations of acquired businesses, Guardian's results of operations could be adversely affected.

In addition, some of Guardian's acquired businesses have contracted with U.S., state and local governments. For this reason, any issue that compromises Guardian's relationship with governments could cause Guardian's revenue to decline. Among the key factors in maintaining Guardian's relationship with the governments it serves is its performance on contracts, the strength of its professional reputation and compliance with applicable laws and regulations. In addition, the mishandling or the perception of mishandling of sensitive or nonpublic information, including as a result of misconduct or other improper activities by Guardian's employees or subcontractors, or a failure

to maintain adequate protection against security breaches could harm Guardian's relationship with the governments it serves. Any harm to Guardian's relationship with the governments it serves could have an adverse effect on Guardian's business.

The impact of international tension between the United States and other nations, terrorist attacks and ongoing military and other actions may result in decreases in net income, revenue and assets under management and may adversely affect Guardian's investment portfolio.

The continued threat of terrorism both within the United States and abroad, the ongoing military and other actions and heightened security measures in response to these threats, and international tensions between the United States and other nations may cause disruptions to commerce, reduced economic activity and continued volatility in markets throughout the world. Such factors could affect Guardian's net income and revenue.

Guardian may also face increased death benefit claims as a result of war, terrorism or natural disaster. Although Guardian has contingency plans in place, a major terrorist act on the United States or natural disaster may materially disrupt Guardian's critical operations. Some of the assets in Guardian's investment portfolio may also be adversely affected by declines in the securities markets and economic activity as a result of these factors.

Guardian's financial results may be adversely impacted by climate change.

Climate change may increase the frequency of and severity of weather-related disasters and other health incidents, such as pandemics, and their effects may increase over time. Such changes may, among other effects, lead to disruptions in Guardian's operations or increase mortality rates. In addition, such changes and government responses thereto (such as carbon taxes or limits on carbon emissions) may have a material adverse effect on the economy as a whole, which may, among other effects, harm the value of investments Guardian holds or harm Guardian's counterparties, including reinsurers. Guardian's regulators may also increasingly focus their examinations on the management of climate-related risks.

Guardian cannot predict the long-term impacts from climate change and related regulation, which could have a material adverse effect on its business, results of operations and financial condition.

Guardian's efforts to meet environmental, social, and governance standards and to enhance the sustainability of its businesses may not meet investors' or regulators' expectations.

Some of Guardian's shareholders, investors and customers, or those considering such a relationship with Guardian, evaluate its business or other practices according to a variety of environmental, social, and governance ("ESG") standards and expectations. Some of Guardian's regulators have proposed ESG rules or announced that they intend to review Guardian's practices against ESG standards; others may yet do so. Further, Guardian defines its own corporate purpose, in part, by the sustainability of its practices and its impact on all of its stakeholders.

Guardian's investors or others may evaluate Guardian's practices by ESG criteria that are continually evolving and not always clear. These standards and expectations may also, as a whole, reflect contrasting or conflicting values or agendas. Guardian's decisions or priorities must also necessarily, and simultaneously, take account of several business goals and interests. Guardian's practices may also not change in the particulars or at the rate stakeholders expect. As a result, Guardian's efforts to conduct its business in accordance with some or all these expectations may involve tradeoffs. Guardian may fail to meet its commitments or targets, and its policies and processes to evaluate and manage ESG standards in coordination with other business priorities may not prove completely effective or satisfy investors, regulators, or others. Guardian may face adverse regulatory, investor, media, or public scrutiny leading to business, reputational, or legal challenges.

A pandemic, like the global outbreak of COVID-19, or other catastrophic events could adversely affect Guardian's results of operations and financial condition.

A severe pandemic, like the global outbreak of COVID-19, has caused, and a catastrophic event in the future, may cause significant volatility in global financial markets, disruptions to commerce and reduced economic activity.

While the long-term effects of a pandemic are difficult to assess or predict, the outbreak of any such pandemic, including governmental and non-governmental responses, plus changes in the public's behavior could have an adverse impact on Guardian's business. Certain segments of Guardian's investment portfolio may be adversely affected as a result of a global pandemic and uncertainty regarding its duration and outcome including an increased risk of defaults, downgrades and impairments. These events could have an adverse effect on Guardian's results of operations and cash flows in any period and, depending on their severity and duration, could also adversely affect Guardian's financial condition.

A computer system failure or security breach could disrupt Guardian's business, damage its reputation and adversely impact its profitability

Guardian relies on computer systems to conduct its business, including customer service, marketing and sales activities, manage its customer relationships and produce its financial statements. While Guardian has policies, procedures and backup plans designed to prevent or limit the effect of failure, its computer systems may be vulnerable to disruptions or breaches as the result of natural disasters, man-made disasters, criminal activity, cyberattacks, pandemics or other events beyond its control. The failure of Guardian's computer systems or those of third parties on which Guardian relies for any reason, or the failure of telecommunications or other critical infrastructure, could disrupt Guardian's operations, result in the loss of customer business and adversely impact its profitability.

Guardian retains confidential information on its computer systems, including customer information, nonpublic information and proprietary business information, and such information may also be stored on the systems of third parties to whom Guardian outsources certain functions or the systems of its career agents. Successful cyberattacks on any such system, including those of third parties with whom Guardian does business and shares information, may adversely impact Guardian's business. Guardian's career agents may also experience, and have experienced, breaches of their computer systems that resulted in the compromise of nonpublic information. Any compromise of the security of the computer systems on which Guardian retains confidential information, including the disclosure of nonpublic information, could damage Guardian's reputation, expose it to litigation or other enforcement action, increase regulatory scrutiny and require Guardian to incur significant technical, legal and other expenses.

Cybersecurity policies and practices have come under increased scrutiny by the NAIC and insurance regulators. For instance, New York's cybersecurity regulation, which applies to banking and insurance entities under the NYSDFS's jurisdiction, requires these entities to establish and maintain a cybersecurity program designed to protect consumers' private data and the confidentiality, integrity and availability of the licensee's information systems. On November 1, 2023, the NYSDFS adopted amendments to the cybersecurity regulation, which include significant changes, such as: (a) implementing additional governance and oversight measures, including that a senior governing body (e.g., the board of directors) must have sufficient understanding of cybersecurity-related matters and regularly review management reports about cybersecurity matters; (b) expanding the types of cybersecurity events that require timely notification to the NYSDFS; (c) mandating notifications to the NYSDFS within 24 hours of a covered entity's cyber-ransom payment; and (d) requiring enhancements to a covered entity's written policies and procedures related to remote access, vulnerability management, data retention and access privileges. These new requirements are now in effect. The NAIC adopted the Insurance Data Security Model Law (the "Cybersecurity Model Law"), which establishes standards for data security and for the investigation of and notification to insurance commissioners of cybersecurity events involving unauthorized access to, or the misuse of, certain nonpublic information. The Cybersecurity Model Law imposes significant regulatory requirements intended to protect the confidentiality, integrity and availability of information systems. A majority of states have adopted the Cybersecurity Model Law, including five domiciliary states of Guardian's insurance subsidiaries. See "Business of Guardian - Regulation - Cybersecurity and Privacy Regulation."

The use or anticipated use of artificial intelligence ("AI") technologies, including generative AI, by Guardian or third parties, may increase or create new operational risks.

AI technologies offer numerous potential benefits, such as creating or increasing operational efficiencies, and Guardian expects the use of AI and generative AI by it, third parties on its behalf, and other market actors, including competitors, to increase. However, the deployment of such technologies also poses certain risks, including that they may be misused, or the models or datasets on which the models are trained may be flawed or otherwise may function

in an unexpected manner. The speed at which the technology is being adopted, and the uncertainty regarding the scope and details of laws, regulations or standards governing its use, combined with the growing interest by various legislatures and regulators to address the development and deployment of AI technologies in a manner which may not be consistent across jurisdictions, increases these risks. Any misuse of such tools could expose Guardian to legal or regulatory risk, damage customer relationships or cause reputational harm, and any differences in regulatory regimes across jurisdictional borders could increase our compliance costs and make compliance more complicated. Guardian's competitors may also adopt AI or generative AI more quickly or more effectively than it does, which could cause competitive harm.

Guardian may not be able to protect its intellectual property and may be subject to infringement claims.

Guardian relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect its intellectual property. Although Guardian uses a broad range of measures to protect its intellectual property rights, third parties may infringe or misappropriate its intellectual property. Guardian may have to litigate to enforce and protect its copyrights, trademarks, patents, trade secrets and know-how or to determine their scope, validity or enforceability, which represents a diversion of resources that may be significant in amount and may not prove successful. Additionally, complex legal and factual determinations and evolving laws and court interpretations make the scope of protection afforded Guardian's intellectual property uncertain. The loss of intellectual property protection or the inability to secure or enforce the protection of its intellectual property assets could have a material adverse effect on its business and ability to compete.

Guardian also may be subject to costly litigation in the event that another party alleges its operations or activities infringe upon another party's intellectual property rights. Guardian may be subject to claims by third parties for breach of copyright, trademark, patent, trade secret or license usage rights. If Guardian were found to have infringed third-party intellectual property rights, Guardian could incur substantial liability, and in some circumstances could be enjoined from providing certain products or services to its customers or utilizing and benefiting therefrom, all of which could have a material adverse effect on its business, results of operations and financial condition.

Guardian is exposed to the impact of changes in interest rates on its pension funding obligations.

Guardian sponsors non-contributory defined benefit pension plans covering all eligible Guardian employees and career agents. These include tax-qualified plans, as well as nonqualified plans providing benefits to certain participants in excess of ERISA limits for qualified plans. The valuation of the defined benefit plan liabilities is sensitive to changes in interest rates. A significant decrease in interest rates has the potential to negatively impact Guardian's capital as changes in the fair value of the defined benefit plan liabilities are charged to capital.

On September 30, 2020, Guardian announced the decision to freeze future pension benefit accruals for all Home Office employees who have not reached the Rule of 75 as of December 31, 2020. The Rule of 75 is determined using 75 "points" when combining an employee's age plus years of service as of December 31, 2020. The announcement of the plan change resulted in a plan curtailment as defined in Statement of Statutory Accounting Principle No. 102, Accounting for Pensions, A Replacement of SSAP No. 89 ("SSAP 102"). A curtailment is an event that significantly reduces the expected years of future service or eliminates the future accrual or defined benefits for a significant number of employees. A curtailment was measured as of September 30, 2020, which is the date the changes were communicated to Plan participants, in accordance with the practical expedient described in SSAP 102. The curtailment resulted in a reduction in projected benefit obligations ("PBO") of $84 million which was offset against the Plan's unrecognized losses and recognized as a gain in surplus.

On February 21, 2017, Guardian announced a plan amendment to close the Home Office Employees' Retirement Plan to employees hired on or after January 1, 2018. Home Office employees hired on or after January 1, 2018 participate in a defined contribution plan.

Certain of Guardian's administrative operations are located internationally, subjecting Guardian to various international risks and increased compliance and regulatory risks and costs.

Certain of Guardian's administrative operations are located in India and, in the future, Guardian may seek to expand its operations in those or into other countries. As a result of these operations, Guardian may be exposed to economic, operating, regulatory and political risks in those countries, such as economic sanctions and other trade-related restrictions, foreign investment restrictions, substantial fluctuations in economic growth, high levels of inflation, volatile currency exchange rates and instability, including civil unrest, terrorist acts or acts of war, which could have an adverse effect on Guardian's business, financial condition and results of operations. Further, it may prove difficult for Guardian to achieve its goals and take advantage of growth opportunities due to a lack of comprehensive market knowledge. The political or regulatory climate in the United States could also change such that it would no longer be lawful or practical for Guardian to use international operations in the manner in which they are currently conducted. If Guardian had to curtail or cease operations in India or Canada and transfer some or all of these operations to another geographic area, Guardian would incur significant transition costs as well as higher future overhead costs that could adversely affect Guardian's results of operations.

In many foreign countries, particularly in those with developing economies, it may be common to engage in business practices that are prohibited by laws and regulations applicable to Guardian, such as the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), and similar anti-bribery laws. Any violations of the FCPA or other anti-bribery laws by Guardian, its employees, subsidiaries or local agents, could have an adverse effect on Guardian's business and reputation and result in substantial financial penalties or other sanctions.

USE OF PROCEEDS

The proceeds from the sale of each Series of Notes issued under the Program, net of Purchasing Agents' discounts or similar applicable compensation will be used immediately by the Issuer to purchase one or more Funding Agreements from Guardian.

DESCRIPTION OF THE ISSUER

This section provides an overview of the material provisions of the Trust Agreement, dated as of April 11, 2016 (the "Trust Agreement"), between the Administrative Trustee and the Trust Beneficial Owner and the Certificate of Trust (the "Certificate of Trust") filed with the Secretary of State of the State of Delaware on April 11, 2016. These documents are not restated in their entirety and prospective investors should read the actual documents.

GENERAL

The Issuer is a special purpose statutory trust created on April 11, 2016 under the laws of the State of Delaware pursuant to the Trust Agreement and the filing of the Certificate of Trust for the purpose of, among other things, issuing the Notes. The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to:

- enter into the transaction documents;
- issue and sell the Notes;
- use the net proceeds from the sale of the Notes to purchase one or more Funding Agreements;
- pledge, collaterally assign and grant a security interest in the Series Collateral to the Indenture Trustee; and
- engage in only those other activities necessary or incidental thereto.

The principal executive office of the Issuer is located at Guardian Life Global Funding, c/o: Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890, Attn: Corporate Trust Administration; its telephone number is (302) 636-6000; and its facsimile number is (302) 636-4140. The organization identification number of the Issuer is 6013334. The Issuer's LEI Code is 635400NHILJ5JEKILC36.

THE ISSUER IS ORGANIZED IN SERIES

The Trust Agreement provides that the Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act.

In connection with the issuance of each Series of Notes, the Issuer will:

- create a separate Series of the Issuer pursuant to a Series Trust Agreement (as defined in the Trust Agreement);
- issue and sell the Notes of such Series of Notes with respect to the applicable Series of the Issuer; and
- purchase each related Funding Agreement from Guardian and procure the other components of the Series Collateral with respect to the applicable Series of the Issuer. See "Description of the Notes—General—Security; Limited Recourse."

Accordingly, the applicable Series of Notes and the liabilities, obligations and expenses related thereto will constitute debt, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the applicable Series of the Issuer. The Series Collateral for the applicable Series of Notes will constitute the assets of, and be associated with, such Series of the Issuer.

Although the applicable Series of the Issuer will not be a separate legal entity, the Trust Act provides that, if the Issuer complies with all applicable statutory requirements, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. In addition, under the Trust Act, none of the debts, liabilities, obligations and expenses incurred,

contracted for or otherwise existing with respect to the Issuer generally or any other Series of the Issuer will be enforceable against the assets of such Series of the Issuer. Notice of this limitation on liabilities of each Series of the Issuer is set forth in the Certificate of Trust.

ADMINISTRATIVE TRUSTEE

Wilmington Trust, National Association will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer, and has agreed, under the terms of the Trust Agreement to provide certain administrative services to the Issuer generally and with respect to each Series of the Issuer until such time as the relevant Series Trust is terminated. A Series Trust shall be terminated following the payment to each of the Holders of the relevant series of Notes, and the Series Beneficial Owner of all amounts required to be paid to them pursuant to such series of Notes, the relevant Series Indenture, the Trust Agreement, the relevant Series Trust Agreement and other program documentation. Under the Trust Agreement, the Administrative Trustee may resign at any time upon 60 days' notice to the Trust Beneficial Owner and the Indenture Trustee and may also be removed by the Trust Beneficial Owner and the Indenture Trustee for cause in case of the Administrative Trustee being adjudged bankrupt or subject to analogous proceedings. The resignation or removal of the Administrative Trustee shall become effective upon appointment by the Trust Beneficial Owner and the Indenture Trustee of a successor Administrative Trustee and the acceptance of such appointment by the successor Administrative Trustee. The Administrative Trustee has not participated in the preparation of this Offering Memorandum and will not be obligated in any way to make any payments under or in respect of the Notes. The Administrative Trustee is not affiliated with Guardian, the Trust Beneficial Owner, the Series Beneficial Owner, the Indenture Trustee or any of their respective affiliates.

TRUST BENEFICIAL OWNER AND SERIES BENEFICIAL OWNER

The Trust Beneficial Owner will be the sole owner of a beneficial interest in the Trust generally and the Deposit of the Issuer. After the payment in full to the Holders of a Series of Notes of all amounts required to be paid to them and the satisfaction of all other expenses and liabilities of the relevant Series of the Issuer, GSS Holdings II, Inc., as the Series Beneficial Owner, will be entitled to receive any remaining Series Property (as defined in the Trust Agreement) of the relevant Series of the Issuer. As such, the Series Beneficial Owner will be the sole "beneficial owner" of each Series of the Issuer (as defined and used in Sections 3801(b) and 3806(b)(2) of the Trust Act). Neither the investment by the Trust Beneficial Owner nor any investment by the Series Beneficial Owner will be secured by the Series Collateral relating to any Series of Notes.

NO AFFILIATION

None of Guardian or any of its officers, directors, subsidiaries or affiliates owns any beneficial interest in the Issuer nor has any of these persons or entities entered into any agreement with the Issuer other than:

- a license agreement pursuant to which, among other things, Guardian has granted to the Issuer a non-exclusive license to use the name "Guardian Life" as provided therein in connection with the Program;
- the Support Agreement (as defined herein);
- the Second Amended and Restated Purchase Agreement dated September 9, 2021 (the "Purchase Agreement"), among the Issuer, Guardian and the Purchasing Agents; and
- the Funding Agreements and certain other documents contemplated by the Program in connection with the issue and sale of the Funding Agreements and the Notes of each Series.

None of Guardian, its officers, directors, subsidiaries or affiliates is affiliated with the Trust Beneficial Owner, the Series Beneficial Owner, the Administrative Trustee or the Indenture Trustee.

RECORDS AND FINANCIAL STATEMENTS

As required by the Trust Act:

- separate and distinct records (directly or indirectly, including through a nominee or otherwise) will be maintained for each Series of the Issuer; and
- the assets associated with each such Series of the Issuer will be held in such separate and distinct records and maintained separately from the assets of the Issuer generally and from the assets of each other Series of the Issuer.

Delaware law does not require that the Issuer, either generally or with respect to any Series of the Issuer, prepare financial statements. The Issuer has not prepared financial statements as of the date of this Offering Memorandum, and it is not anticipated that any such financial statements will be prepared with respect to the Issuer generally or with respect to any Series of the Issuer.

EXPENSES OF THE ISSUER

The Issuer has entered into a Support and Expenses Agreement, dated as of April 18, 2016 (the "Support Agreement"), with Guardian, pursuant to which Guardian has agreed to indemnify the Issuer with respect to any and all of the costs, losses, damages, claims, actions, suits, expenses (including reasonable fees and expenses of counsel), disbursements, taxes, penalties and liabilities of any kind or nature of the Issuer, other than the following: (i) any obligation of the Issuer to make any payment to any Holder in accordance with the terms of the Notes; (ii) any obligation or expense of the Issuer to the extent that such obligation or expense has actually been paid utilizing funds available to the Issuer from payments under the applicable Funding Agreements; (iii) except for any amounts payable to the Administrative Trustee or the Custodian, any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to any insurance regulatory or other governmental authority asserting that: (a) the Notes are, or are deemed to be, (1) participations in the Funding Agreements or (2) contracts of insurance; or (b) the offer, purchase, sale and/or transfer of the Notes (1) constitute the conduct of the business of insurance or reinsurance in any jurisdiction or (2) require the Issuer, any Purchasing Agent, or any Holder to be licensed as an insurer, insurance agent or broker in any jurisdiction; (iv) any withholding taxes imposed on or with respect to payments made under any Funding Agreement, the Indenture, any Series Indenture or any Note; and (v) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to the acts or failures to act of any Service Provider (as defined in the Support Agreement) to the extent that such Service Provider would not be entitled to indemnification or payment from the Issuer in connection with any such act or failure to act pursuant to the terms of any agreement between the Issuer and such Service Provider in effect on the date of the Support Agreement.

CUSTODIAL AGREEMENT

The Issuer has entered into a Custodial Agreement, dated as of April 18, 2016 (the "Custodial Agreement") with Wilmington Trust, National Association, as custodian (the "Custodian") and the Indenture Trustee, pursuant to which the Issuer and the Indenture Trustee have appointed the Custodian as custodian for the Issuer with respect to each Funding Agreement that is pledged and collaterally assigned to the Indenture Trustee pursuant to the Indenture and each relevant Series Indenture, and that comes into the physical custody or possession of the Custodian under the Custodial Agreement.

CAPITALIZATION OF THE ISSUER

The following table presents the Issuer's capitalization as of December 31, 2025, prepared in conformity with GAAP.

	As of December 31, 2025
Debt:	
Short-Term Debt[(1)]	$ 0
Long-Term Debt[(1)]	6,150,000,000
Total Debt	$ 6,150,000,000
Equity:	
Paid in Capital	$ 1,000
Retained Earnings	$ 0
Accumulated Other Comprehensive Income	$ 0
Total Equity	$ 1,000
Total Capitalization	$ 6,150,001,000

(1) See "Liquidity and Capital Resources— Funding Agreement-Backed Notes."

CAPITALIZATION OF GUARDIAN

As a mutual insurance company, Guardian has no capital stock and no shareholders. Guardian's participating policyholders generally have certain rights to receive policyholder dividends declared by the Board of Directors. Such declarations are at the full discretion of the Board of Directors. These policyholders also have certain rights to vote in the election of directors as provided by the laws of the State of New York. They and certain other policyholders may have rights to receive distributions in a proceeding for the rehabilitation, liquidation, conservation or dissolution of Guardian.

Guardian's balance sheet includes its surplus and an AVR. The amount by which the admitted assets of Guardian exceed its liabilities is referred to as surplus. The AVR stabilizes surplus from fluctuations in the value of the investment portfolio (other than fluctuations in the value of certain fixed income investments due to interest rate changes) of Guardian.

The following table sets forth the actual capitalization of Guardian as of December 31, 2025, prepared in accordance with Statutory Accounting Practices ("SAP"). The AVR is included in the following table even though such reserve is shown as a liability on Guardian's balance sheet. This treatment is consistent with the general view of the insurance industry and SAP. In addition, such reserve is included as part of total adjusted capital for risk-based capital purposes.

	December 31, 2025
Debt:	**$ in millions**
Short-Term Debt	$ -
Medium Term Debt	-
Long-Term Debt	-
Total Debt	-
AVR	1,647
Surplus:	
Surplus Notes	1,503
Policyholders' Surplus	8,462
Total Surplus	$ 9,965
Surplus and AVR	$ 11,612

BUSINESS OF GUARDIAN

Founded on July 10, 1860 and incorporated in the State of New York, Guardian is one of the largest U.S. mutual life insurance companies based on statutory surplus of $10.0 billion, $9.3 billion and $9.1 billion, as of December 31, 2025, 2024 and 2023, respectively, according to peer data compiled by the NAIC. A mutual life insurance company is a life insurer that is owned by its policyholders rather than shareholders, with profits typically returned to policyholders in the forms of dividends. Guardian provides life insurance and a wide range of other offerings, directly or through its subsidiaries, including group benefits, disability, wealth management and retirement savings products and services. Guardian provides its products and services to individuals, corporations and other institutions in all 50 states of the United States and the District of Columbia. Guardian's major subsidiaries include BLICOA, FCW, GIAC and GIS. As of December 31, 2025, 2024 and 2023, Guardian had total assets of $93.8 billion, $86.8 billion and $80.3 billion, respectively. As of December 31, 2025, 2024 and 2023, respectively, Guardian had total life insurance in-force of $830 billion, $806.7 billion and $775.9 billion, respectively. For the years ended December 31, 2025, 2024 and 2023, Guardian generated total premium income of $11.3 billion, $10.5 billion and $10.1 billion, respectively. For the years ended December 31, 2025, 2024 and 2023, Guardian's net gain from operations totaled $2.8 billion, $2.2 billion and $2 billion, respectively and net income totaled $800 million, $181 million and $362 million, respectively. Guardian's insurance financial strength/claims paying ability is rated AA+ by S&P, Aa1 by Moody's, and A++ by A.M. Best. S&P, Moody's, and A.M. Best currently report a stable outlook for Guardian's insurance financial strength/claims paying abilities rating. These ratings are of interest to policyholders, but are not ratings of the Notes offered hereby and do not reflect an evaluation of the safety and security of the Notes.

Guardian, together with its subsidiaries, is a financial services group that seeks to provide attractive value for policyholders and customers by providing a wide array of differentiated products and services, while aiming to achieve strong financial results. In pursuing this strategy, Guardian's guiding principle is to enable its customers' well-being, including financial protection and physical and mental health offerings. To achieve this goal, Guardian focuses on developing and distributing a broad portfolio of insurance and financial protection products and services, maintaining what it believes to be prudent underwriting standards and rigorous expense control, and pursuing asset/liability management practices that it considers conservative.

The following table consolidates financial information from the Statutory Financial Statements, as well as from the statutory financial information of BLICOA and GIAC and the GAAP financial information of FCW and GIS.

Consolidated Financial Highlights

	2025	2024	2023
(in billions)			
Income Highlights			
Premiums, fees, and other income	$ 13.5	$ 12.7	$ 12.0
Operating Income before taxes & dividends	$ 2.5	$ 2.4	$ 2.1
Balance Sheet Highlights			
Total Assets	$ 106.0	$ 98.6	$ 96.2
Total Surplus	$ 10.0	$ 9.3	$ 9.1
Capital	$ 12.6	$ 11.7	$ 11.4
Policyholder Benefits			
Benefits paid to policyholders	$ 7.4	$ 7.4	$ 6.6
Policyholder dividends declared	$ 1.7	$ 1.6	$ 1.4
Other Financial Highlights			
Life insurance in-force	$ 986.2	$ 935.8	$ 878.9
Assets Under Administration[(1)]	$ 189.2	$ 171.5	$ 162.4

(1) Assets Under Administration consolidates total General Account assets from statutory financial statements of Guardian, BLICOA and GIAC, and GAAP financial statements of FCW and GIS along with separate accounts, pension & other, PAS and third-party real estate.

Guardian believes that its key strengths will enable it to capitalize on a variety of opportunities in the U.S. life insurance, financial protection, and well-being markets. These strengths include:

Commitment to mutual status. This commitment allows Guardian to focus on meeting the needs of its policyholders by making long-term financial strength and stability and the payment of competitive dividends its primary objectives. As a mutual insurance company, Guardian does not have shareholders and believes that it does not experience the same short-term earnings pressures as its publicly-traded life insurance peers, permitting it to manage product development, risk and investments on a long-term economic basis.

Diversified product portfolio that meets a wide array of needs. Guardian believes that the diversity of its product portfolio allows it to meet the needs of its clients, both at the individual and group level. Guardian also believes that its diversified product portfolio improves its ability to be financially successful in many different market environments by providing diversification of earnings and reducing the level of volatility in its financial results. Guardian has paid dividends to policyholders every year since 1868.

Industry-leading products targeted at high-quality customer base. Guardian believes that it is a product leader in many areas where it writes business, in particular among its targeted core customer base of affluent individuals, small and mid-sized businesses with fewer than 5,000 employees. Guardian's participating whole life insurance products, which have represented approximately 87% of Guardian's individual life premium income over the past five years, offer a competitive base product together with attractive riders and a competitive dividend scale, making Guardian the fourth largest writer of participating whole life premium in the industry in 2025, according to the 2025 LIMRA Sales Report. In addition, Guardian's high net worth customer base has resulted in larger average premiums per policy than most of its peers; according to the 2025 LIMRA Sales Report, Guardian's average whole life only premium per policy sold was $14,134 while the peer group's average was $8,462. This peer group includes Massachusetts Mutual Life Insurance Company, New York Life Insurance Company and The Northwestern Mutual Life Insurance Company. Guardian believes its term and universal life and individual disability income products are also attractive in terms of benefit features and price. Additionally, Guardian aims to provide competitive group benefits to employees of small and mid-sized businesses. Guardian's Group Insurance products support nearly 13 million members across more than 130,000 employers. The Group business leverages the strength and breadth of market-leading products (with an average of 3.5 products sold per case) with a focus on digital experiences and removing barriers to purchasing, enrolling, and benefit utilization.

Highly productive principal owner system. Guardian's distribution model for individual products is focused on career agents (commonly referred to as 'financial professionals'), supervised by principal owners and career development "managers" in 46 independently owned general agencies (commonly referred to as 'firms') and Guardian-managed agencies. This is a critical element of Guardian's business model. Guardian's career agent system consists of over 2,900 active financial professionals as of December 31, 2025 and enjoys one of the highest retention rates in the industry. Guardian's four-year average financial professional retention as of December 31, 2025 was 25% versus the overall 15% four-year average of the companies that participated in the 2023 LIMRA Agent Production and Retention Study. Guardian believes the benefits of a career agent model include the commitment of financial professionals to the long-term protection of their clients and the long-term financial success, financial strength and stability of Guardian, as well as the commitment of financial professionals to their communities and the small businesses located there. Guardian seeks to supplement its proprietary distribution model through selective partnerships with third-party distribution organizations, with an emphasis on firms providing access to retirement income solutions and executive benefits. These partnerships are intended to expand Guardian's reach to a broader customer base and support its long-term growth objectives.

In addition, the group insurance distribution model is focused on providing differentiated access to small- and mid-sized employers through brokers, general agents, and regional and national distribution partners, supported by a broad broker reach with over 13,900 active group brokers and benefit consultants (as of December 31, 2025). By leveraging partners with deep employer connectivity and established platforms, Guardian can efficiently extend its Group Benefits offerings, deepen market penetration, and reinforce its position as a leading provider for small and mid-sized employers.

Long-term track record of growth and profitability. Guardian has historically experienced strong operating results and has been profitable every year since 2003 based on net income. In 2025, Guardian generated total revenues of $15.9 billion, net gain from operations of $2.8 billion and net income of $800 million. In addition, from 2004 to 2025, Guardian's total revenue and policyholder surplus increased at a compound annual growth rate of approximately 4.2% and 6%, respectively.

Strong balance sheet with a conservative investment portfolio and solid levels of capitalization. Guardian believes that it has strong financial strength and capitalization, as evidenced by its strong insurance financial strength/claims paying ability ratings from the rating agencies and its regulatory capital ratios, which historically have been in excess of the levels required by regulatory authorities. S&P, Moody's and A.M. Best currently report a stable outlook for Guardian's financial strength rating. Guardian also believes that its investment portfolio is conservative and well-diversified. Guardian maintains a high quality fixed income portfolio, with approximately 94% of the securities in its bond portfolio, as of December 31, 2025, rated investment grade.

Strong Enterprise Risk Management. Guardian believes that it has a strong risk management culture, internal controls and reporting and oversight system. Guardian employs experienced asset class specialists that actively manage credit and portfolio risk. Furthermore, Guardian maintains what it considers to be a low product risk profile with focus on participating life insurance and a conservative set of product guarantees.

Accomplished and deep management team. Guardian's management team is composed of well-respected, seasoned executives with extensive experience in the insurance industry.

CORPORATE STRATEGY

Guardian's strategic objective is to maintain a high level of financial strength and to provide a strong and consistent policyholder dividend. Guardian intends to achieve its objective by pursuing the following strategies:

Being customers' trusted mutual partner by delivering financial security and well-being solutions how, when and where its customers prefer. By making mutuality relevant at a personal level, Guardian focuses on solutions that fit its customers' needs through holistic planning and a comprehensive suite of solutions. Specific customer segments are targeted via appropriate channels leveraging technology to deliver products and service more efficiently.

Commitment to long-term strategic growth. Guardian's "Journey to '30" is a multi-year strategy and roadmap that outlines its bold ambitions for 2030. As Guardian continues to transform and scale its business, the strategy centers on becoming a trusted partner in insurance, wealth management, and benefits - supporting a lifetime of mind, body, and wallet well-being. Growth in retirement solutions, an increased focus on wealth management, and continued modernization of technology are core pillars underpinning Guardian's "Journey to '30."

Focus on profitable growth and expanded distribution. Guardian continues to pursue opportunities to drive profitable growth, including improving its products, expanding distribution and enhancing its service capabilities. Guardian has invested significant resources in expanding and strengthening its proprietary distribution system and the management team remains committed to distribution excellence to generate profitable growth for the company. This includes expanding distribution partnerships to reach more potential customers, particularly in the retirement solution markets, and expanding into the worksite market, where consumers are increasingly purchasing insurance products. As part of this focus, products that did not meet risk-adjusted profit targets metrics have been discontinued.

Modernized investments operating model. Guardian's reimagined general account enables customers to access new asset classes, strong yield generation, and fee-based revenue streams - all while maintaining its commitment to risk management and conservative investment philosophy. Guardian established innovative partnerships with Janus Henderson, HPS, and Hamilton Lane to improve efficiency and lower costs, unlock embedded value in Guardian's general account, and improve returns and access.

Leveraging AI, automation, and technology as an end-to-end enabler. Guardian is committed to using cutting-edge technology to unlock operational efficiency, improve business productivity, and increase engagement

with its customers and agents. Guardian is actively redesigning business processes and leveraging technology to serve customers better, faster, and more effectively than before.

Pursue strong risk management and underwriting standards. Guardian believes that it has a conservative, low-risk approach to operations and underwriting and actively manages product and investment risk. Consistent with its history as a mutual insurance company, Guardian is committed to pursuing strong capitalization and liquidity and a conservative investment philosophy. Guardian believes it utilizes appropriately conservative underwriting practices in its insurance businesses.

Continue to deliver superior service. Guardian seeks to develop and maintain long-term relationships with customers through its career agent system and sales organizations, including principal owners, financial professionals, brokers, group sales representatives and wholesalers. Guardian believes it has established a reputation for high-quality service to its customers and distribution partners and has been recognized by such organizations as J.D. Power and DALBAR.

Living Guardian's purpose to inspire well-being. Guardian's customers are at the center of everything Guardian does. Guardian is committed to inspiring well-being for the people and communities Guardian serves by providing products and services that promote financial, physical, and emotional health and help Guardian's customers build a better future for themselves and their families.

Focus on environmental, social, and governance. Guardian considers ESG-related matters throughout the organization with a focus on transparency and continuous improvement, including in areas such as operations, investments, product offerings, workforce, leadership and corporate social responsibility.

The principal product lines of Guardian and its major subsidiaries are organized into two segments set forth below:

- *Individual Markets* products include individual life insurance, individual disability income insurance and fixed and indexed annuity products. Individual life insurance products include participating whole life insurance, universal life insurance, term life insurance and variable universal life insurance. Individual disability income insurance products, which are sold by BLICOA, include individual disability income insurance and multi-life disability income insurance. Individual Markets also includes certain wealth management and retirement savings products, which aim to meet an individual's needs through products, sold by GIAC. These products focus on individual fixed annuities. Fixed annuity products are offered through GIAC and include payout annuity products like Single Premium Immediate Annuity ("SPIA"), Deferred Income Annuity ("DIA") and accumulation products like Single Premium Deferred Annuity ("SPDA"), also known as Multi-Year Guaranteed Annuity ("MYGA"). In the fast-growing segment of indexed annuity products, GIAC offers a Fixed Index Annuity ("FIA") and a Registered Index Linked Annuity ("RILA"). As part of Guardian's strategy to provide holistic planning services with a focus on protection, Guardian also offers a full array of wealth management services through its wholly owned dually registered broker-dealer and registered investment adviser Park Avenue Securities LLC ("PAS").

- *Group Benefits* products include dental, vision, life, AD&D, short- and long-term disability, absence management administration and supplemental products such as accident, cancer and critical illness insurance.

Guardian distributes its individual products and wealth management offerings primarily through a career agent force, which consists of agencies managed by principal owners, career development managers, or principal directors, consisting of financial professionals and brokers who sell products directly to the customer. Guardian also distributes its annuity and employer-sponsored individual disability products through partnerships with third party distributors. Guardian distributes its group products through group sales representatives, brokers, benefit consultants and its career agents. As of December 31, 2025, Guardian had over 140 group sales professionals and over 110 account managers, and over 13,900 active group brokers and benefit consultants.

The following table sets forth Guardian's and its subsidiaries' statutory selected summary financial data by main product line of business for the periods indicated. Certain of the financial information used to prepare the following table is not derived from the Statutory Financial Statements contained in this Offering Memorandum. The

Statutory Financial Statements are prepared in accordance with SAP and, therefore, are presented on a parent company basis only, such that the Statutory Financial Statements do not consolidate the assets and liabilities or results of Guardian's subsidiaries. See "Financial and Accounting Matters—Summary of Principal Differences Between SAP and GAAP." The following table consolidates financial information from the Statutory Financial Statements, as well as from the statutory financial information of BLICOA and GIAC and the GAAP financial information of FCW and GIS. Guardian is not the issuer of the Notes offered hereby, and none of its subsidiaries (including BLICOA, GIAC, FCW and GIS) are in any way obligated with respect to the Notes.

	2025	2024	2023	2022	2021
Premium Income :					
Individual Insurance:					
Individual Life Insurance	$ 5,856	$5,365	$ 5,239	$ 5,073	$ 4,748
Individual Disability Income Insurance	823	783	751	721	696
Individual Annuity	818	(169)	595	168	98
Group Benefits Insurance	5,521	5,159	4,884	4,838	4,435
Other	158	200	215	(7,131)	108
Total premium income	$ 13,176	$11,338	$ 11,684	$ 3,669	$ 10,085
Net Investment Income:					
Individual Insurance:					
Individual Life Insurance	$ 3,005	$2,846	$ 2,512	$ 2,201	$ 2,263
Funding Agreement	395	242	160	106	105
Individual Disability Income Insurance	324	303	271	252	251
Individual Annuity	198	175	156	140	168
Group Benefits Insurance	197	185	155	139	161
Other	191	180	269	293	250
Total investment income	$ 4,310	$ 3,931	$ 3,523	$ 3,131	$ 3,198
Net Income:					
Individual Insurance:					
Individual Life Insurance	$ (40)	$ (133)	$ (125)	$ (401)	$ (139)
Funding Agreement	97	66	21	(32)	1
Individual Disability Income Insurance	93	125	89	48	71
Individual Annuity	21	31	(34)	43	(63)
Group Benefits Insurance	401	457	411	540	251
Other	189	(288)	13	(127)	168
Total net income	$ 761	258	$ 375	$ 71	$ 289

2025 CONSOLIDATED STATUTORY RESERVES

The 2025 consolidated statutory reserves by main product line were: individual life insurance $58,169 million; individual disability income insurance $5,047 million; individual annuity $3,679 million; Group Benefits insurance $2,184 million; and other products $304 million.

INDIVIDUAL MARKETS

Insurance Products

Guardian's Individual Markets line of business provides a wide range of products and services through a network of principal owners, principal directors, career development managers, and financial professionals, independent brokers, broker-dealers and banks.

The principal products and services offered by the Individual Markets line of business include participating whole life insurance, universal life insurance, term life insurance, variable universal life insurance, individual disability income insurance and annuities, along with a comprehensive wealth management offering.

Many of these products offer a range of riders that provide such benefits as waiver of premium, accidental death benefits, paid-up additions of insurance, accelerated death benefits and long-term care benefits.

Set forth below is a description of the Individual Markets line of business principal insurance products:

Underwritten Individual Financial Protection Products

Whole Life. Whole life insurance is a participating product that provides guaranteed minimum death benefits and guaranteed cash values in return for periodic premium payments of a fixed amount. Guardian offers several types of whole life products, including products with premium due for the life of the insured and products with guaranteed limited payment periods. Guardian also offers survivorship whole life, a product that pays a death benefit upon the death of the second of two insureds. In 2025, 94% of the individual life products segment premium income was participating whole life insurance premium income. In 2015, Guardian began offering an Index Participation Feature for certain new sales of whole life insurance. Contractholders may elect to allocate 0 to 100% of the dividend associated with the policy's cash value of paid up additions to be based on the return of an S&P 500 index subject to a cap and a 4% guarantee.

Disability Income. Individual disability income insurance, which is sold by BLICOA, can help offset a portion of lost earnings, ensure continued retirement contributions, cover small business operating costs and facilitate partnership buy-outs when an individual becomes disabled. Individual disability income policies are typically sold to individual policyholders in single sale transactions. They are also sold to small groups of individuals through the multi-life disability income market.

Term Life. Term life insurance provides life insurance protection for a fixed period and has no cash value. GIAC offers a variety of term insurance products designed to meet varying client needs. Almost all term life insurance products allow conversion within a specified time period to one of Guardian's other permanent life insurance products.

Universal Life. Universal life insurance offers flexible premiums and death benefits, with Guardian and GIAC crediting net premiums (net of specified sales charges) to policy account values backed by their general accounts and subject to interest credits and policy charges. GIAC also offers secondary guarantee (0% of life sales in 2025) and survivorship universal life, and Guardian offers universal life insurance for the bank-owned life insurance market ("BOLI") for corporate benefit plans, which has grown to 7% of Guardian's total life insurance sales in 2025.

Variable Universal Life. GIAC's variable universal life insurance offers flexible premiums and death benefits. Net premiums are allocated to a fixed account backed by GIAC's general account, separate account investment options, or an index-linked interest option, with policyholders bearing investment risk for separate account values, all net of monthly policy charges. Products may include short- and longer-term secondary guarantees, and GIAC maintains a legacy variable universal life product for the corporate-owned life insurance market ("COLI") with new sales generally limited to incremental coverage for existing employees of existing policyholders.

Individual Markets Product Pricing and Management

Guardian seeks to price Individual Markets products to produce an appropriate return on invested capital consistent with Guardian's financial strength objectives. Guardian attempts to achieve long-term value for policyholders by competitively managing the key financial fundamentals for each product, including investment earnings, expenses, policy persistency, mortality and morbidity (the incidence and duration of disability). For participating whole life products, Guardian reflects actual experience in dividends, which generally represent premium refunds resulting from more favorable investment, mortality and expense experience than was reflected in the original policy pricing.

Individual Insurance Principal Markets, Marketing and Distribution

Sales of Guardian's Individual Markets products are primarily targeted at affluent and emerging affluent market segments including professionals, business owners, small- and mid-sized businesses, corporations, banks, principals and partners. Products are designed to solve fundamental as well as complex financial concerns, including estate planning, business succession planning and the funding of certain employee benefit plans.

As of December 31, 2025, Guardian sells its Individual Markets products primarily through 46 independently owned firms and Guardian-managed agencies that oversee over 2,900 financial professionals. Guardian is investing substantially to enable its principal owners, career development managers and financial professionals to run their businesses more effectively and better serve their customers. With increased competition in a highly regulated financial services arena, Guardian believes that continued success requires increased distribution productivity and capacity. Guardian also serves clients through existing relationships with banks and broker-dealers, including Park Avenue Securities LLC ("PAS"), a dually registered broker-dealer and registered investment adviser that Guardian wholly owns. PAS provides securities brokerage and investment management services.

Guardian has implemented a program to help facilitate ownership transfers in the firms owned by its principal owners, with the goal of ensuring smooth ownership transitions and continued success in the future for successful firms.

Individual Markets Underwriting

Guardian balances the risk assessment process to ensure an evaluation of relative risks that seeks profitable new business and competitive product performance. Underwriting risk represents the exposure to loss resulting from actual policy experience such as mortality or morbidity risk being worse than expected in product pricing assumptions. Guardian attempts to reduce this underwriting risk through what it believes to be appropriately conservative evaluation of the risks. Guardian also attempts to reduce this underwriting risk through the judicious use of reinsurance, although there can be no assurances this reinsurance will mitigate the risks as planned. In addition, Guardian's reinsurers may not perform as required, or its reinsurance may otherwise be inadequate. For a description of Guardian's reinsurance, see "—Reinsurance."

Individual Insurance Competition

The life insurance industry is highly competitive. There are a large number of life insurance companies in the United States, many of which offer individual insurance products similar to those marketed by Guardian. In addition to competition within the industry, insurers are increasingly facing competition from non-traditional sources in the financial services industry, including asset management companies, banks, securities brokerage houses and other financial services entities, many of which provide alternative investment and savings vehicles for consumers. Federal legislative initiatives are affecting the financial services industry, thereby changing the environment in which Guardian competes.

Guardian competes for large life insurance sales with many other financially strong companies. The process for negotiating large sales may involve clients' advisors, consultants, attorneys and accountants. In addition, there is substantial competition for smaller sales due to the large number of companies and agents in these markets nationwide.

According to the LIMRA 2025 U.S. Retail Individual Life Insurance Participant Report, Guardian ranks fourth among participating whole life insurance companies. The four largest participating whole life writers account for approximately 45% of the overall whole life market. According to the LIMRA Disability Income Sales—U.S. survey, the five largest writers of individual disability insurance participating in the survey, including BLICOA, which ranked second in 2025, account for a majority of the premiums earned in the market.

Individual Wealth Management and Retirement Solutions

GIAC provides retirement solutions through its Individual Markets Division. This line of business provides financial products and programs for individuals saving for or living in retirement. In addition, many financial

professionals are registered representatives and/or investment advisor representatives of Guardian's dually registered broker-dealer and registered investment adviser subsidiary, PAS, and in that capacity provide wealth management services and retirement savings products to their clients.

Below is a description of GIAC's principal retirement-focused insurance products:

Single Premium Deferred Annuity or Multi-Year Guaranteed Annuity. GIAC's SPDAs are designed for more conservative investors and guarantee a set interest rate for a fixed period of time. GIAC currently offers a single premium deferred annuity with three-, four-, five-, and six-year rate periods, so customers can choose a range of time periods that are best suited for their needs. The products currently offer an additional interest rate step-up of 0.10% for premiums in excess of $100,000.

Single Premium Immediate Annuities. GIAC's SPIAs are designed to provide the customer, in exchange for a lump sum premium payment, with a guaranteed stream of income payments set to begin no later than the end of the 12th month after the contract is issued and guaranteed to last for the customer's lifetime (or joint lifetime) or for a set period of time. The customer does not have access to the single premium payment other than through the stream of guaranteed payments to be provided by GIAC, aside from the most recent version of the product, which does allow for an early one-time market-value adjusted withdrawal of up to 80% of the "term certain" portion of the income stream.

Deferred Income Annuities. GIAC's DIAs are designed to provide the customer with a stream of income payments set to begin between 24 months and 40 years (subject to age restrictions) after the initial premium payment and guaranteed to last for the customer's lifetime (or joint lifetime) or a set period of time. Premium payments may be made at any time up to 13 months prior to the date that annuity payments are scheduled to begin. Each premium payment has a separate annuity payment stream, but all payment streams are aggregated when payments begin. The customer does not have access to the premium payments other than through the stream of guaranteed payments to be provided by GIAC.

Fixed-Index Annuities. FIAs are individual contracts which typically allow for a single premium which may be directed to a crediting strategy tied to the positive performance of an equity index like the S&P 500, but without participating in the negative performance. The contract owner is not directly invested in the index itself. The crediting strategy and resulting contract value are backed by the insurer's general account. All FIAs allow the owner at a later date to annuitize the contract to receive regular income payments for a specified time period and/or for his or her lifetime (or the lifetime of two people).

GIAC currently offers an individual FIA contract that is available in every U.S. state and the District of Columbia. The FIA has a ten-year surrender charge period. This contract offers a living benefit rider.

Living Benefit Riders. As of February 17, 2017, GIAC no longer offers variable annuities with living benefit riders, and contractual risks relating to these riders were ceded pursuant to the Variable Annuity Reinsurance Treaty. As of March 7, 2022, GIAC offers a fixed-index annuity with a living benefit rider.

Registered Indexed-Linked Annuity. Guardian's RILA "MarketPerform" is designed to help individuals build their retirement assets with a level of protection by limiting exposure to market risk, enabling individuals to take advantage of market growth while offering protection against declines in exchange for a portion of the upside, and providing the opportunity for individuals to choose among a range of investment options. Individuals do not directly invest in the index itself. The crediting strategy and resulting contract value are backed by the insurer's general account.

Variable Annuities. Variable annuities, not currently offered by GIAC, are individual contracts which allow for either a single premium or flexible premiums, which may be directed to a fixed account backed by the insurer's general account or among a number of separate account investment options for which the investment risk is borne by the contract holder. All VAs allow the owner at a later date to annuitize the contract to receive regular income payments for a specified time period and/or for his or her lifetime (or the lifetime of two people) and many VAs offer other living benefit riders that can result in higher income payments. As described below, effective November 1, 2022,

GIAC reinsured substantially all of its VA contracts by entering into the Variable Annuity Reinsurance Treaty with Talcott.

At December 31, 2025, GIAC's total VA assets, net of the general account coinsurance and separate account modified coinsurance, totaled $2.57 million.

Individual Annuities Principal Markets, Marketing and Distribution

GIAC's individual registered annuities are distributed by PAS as the principal underwriter. Registered annuities are offered at the retail level by PAS as well as through selling agreements with outside registered broker-dealers. The FIA contract is only offered through PAS. Other fixed annuities are offered directly by GIAC through its financial representatives and through third party distribution partnerships with outside insurance agencies and in some instances, outside registered broker dealers.

Individual Annuities Products and Services Competition

GIAC annuity sales are primarily made up of fixed and indexed annuities (SPIA, DIA, SPDA, FIA and RILA). There are several large life insurance companies that offer annuity products similar to those marketed by GIAC. GIAC has designed its annuity products with the aim of being competitive in the marketplace.

Wealth Management Products

PAS is a full-service broker-dealer and SEC-registered investment adviser, dually registered with FINRA and the SEC, that was established in 1999 to support Guardian's individual insurance and retirement businesses by providing a comprehensive range of wealth management products and services to support clients' short- and long-term financial goals. PAS does not engage in investment banking, proprietary trading, or market-making activities.

PAS offers a range of investment and advisory products to individual retail clients, including mutual funds, exchange-traded funds, individual equity and fixed income securities, fee-based advisory programs, alternative investment offerings, structured products, retirement planning and accounts for individuals and businesses, education savings solutions, access to private market investments for eligible clients, and cash management services. PAS also distributes annuity and insurance products issued by Guardian and other insurance companies for income and risk management purposes.

Wealth Management Principal Markets, Marketing and Distribution

PAS's products and services are distributed primarily through a national network of affiliated financial professionals, with the majority being Guardian agents or advisors. These financial professionals offer retail investment and advisory services directly to individual clients, including mass affluent, high net worth, and retirement focused households. PAS's investment products and advisory services are offered at the retail level through its affiliated financial professionals and, in certain cases, through selling agreements with third party product sponsors. Custody, clearing, and settlement services for client accounts are provided by third party custodians.

Wealth Management Products and Services Competition

PAS operates in a highly competitive retail wealth management market. Competitors include national wirehouse firms, independent and regional broker dealers, and registered investment advisory firms that offer similar investment products and advisory services. PAS seeks to remain competitive through the breadth of its investment platform, access to both third party and Guardian issued products, and its integration of investment management with insurance and retirement planning solutions.

GROUP BENEFITS

Insurance Products

Guardian entered the group insurance business in 1957, and Guardian's current Group Benefits products provide a wide range of employee benefits in all 50 states and the District of Columbia. The products are distributed predominantly through independent brokers throughout the country.

The principal products in the Group Benefits line of business include dental, vision, life insurance, AD&D, short-term disability, long-term disability, absence management administration and supplemental health products such as accident, hospital indemnity, cancer and critical illness. Group Benefits products are marketed on an employer funded, an employee contributory and on a voluntary (*i.e.*, employee pay all) basis. Each Group Benefits product contains a wide range of plan design variables and options to serve the varying employee benefit needs of customers and prospective customers. In addition, Guardian's group business provides dental and vision benefits.

Below is a description of the principal Group Benefits products:

Dental: Dental insurance is a term insurance product that covers the cost of dental services, subject to policy provisions such as co-payments, co-insurance and annual maximums. Guardian's primary dental product is a PPO product that provides comprehensive benefits to covered individuals. As of December 31, 2025, Guardian maintains a network of over 142,000 individual dentists throughout the United States. Currently, 64.3% of these dentists are directly contracted with Guardian and the remainder are in the network via partnerships with other dental networks. Through various state specific subsidiaries, Guardian also markets DHMO products in California, Florida, Illinois, Indiana, Michigan, Missouri, New Jersey, New York, Ohio, Colorado and Texas.

Vision: Vision insurance is a term insurance product that covers the cost of eye exams and vision aids, subject to policy provisions such as co-payments, co-insurance, and annual maximums. Guardian's primary vision product is a PPO product that provides comprehensive benefits to covered individuals. Guardian has partnerships with three alternative vision networks, Vision Services Plan and Davis Vision, to support the PPO product.

Life Insurance: Group life insurance is a basic term product that provides a death benefit for a fixed period and has no cash value. The product typically provides extended coverage by waiving premium for disabled employees.

Accidental Death and Dismemberment: AD&D is a term product that provides a death or dismemberment benefit when the cause of the death or dismemberment is due to an accident, as opposed to a health or disease related occurrence. Since death or dismemberment caused by accident is generally less frequent than death or dismemberment caused by health or disease in the adult population covered by group benefit insurance products, the premium for this coverage is relatively low.

Short-Term Disability: Group short-term disability insurance replaces a portion of lost earnings due to disability. While Guardian offers a range of options, the typical short-term disability policy replaces 50-70% of income after an individual is disabled for a week. Benefits are payable as long as the individual remains disabled, up to a maximum of typically 13 or 26 weeks, depending on the product.

Long-Term Disability: Group long-term disability insurance replaces a portion of lost earnings due to disability for a longer period of time than is covered by short-term disability. While Guardian offers a range of options, the typical long-term disability policy replaces 50-70% of income after an individual is disabled typically for 90 or 180 days, depending on the product. Benefits are payable as long as the individual remains disabled, typically until normal retirement age.

Critical Illness: Critical illness is a term product that provides lump sum benefits for the diagnosis of serious conditions such as cancer, heart attack, kidney failure and stroke. Guardian's critical illness plan pays benefits directly to the member and does not coordinate with any medical insurance the member may have. Critical illness serves as a supplement to an employee's medical plan and is typically marketed on a voluntary basis.

Accident: Accident insurance is a term product that provides indemnity benefits upon the occurrence of accidental injuries. Guardian's accident plan pays benefits directly to the member, regardless of the cost of treatment, and does not coordinate with any medical insurance the member may have. Typical coverage includes payments to the member upon use of ambulance services, emergency room visits and hospitalization as well as diagnosis of fractures, burns and lacerations. Accident insurance serves as a supplement to an employee's medical plan and is typically marketed on a voluntary basis.

Cancer: Cancer insurance is a term product that provides a lump sum benefit for the diagnosis of cancer as well as additional benefits when the member undergoes treatment. Guardian's cancer plan pays benefits directly to the member, regardless of the cost of treatment, and does not coordinate with any medical insurance the member may have. Typical coverage includes payments to the member for cancer related hospitalization, surgery, radiation and chemotherapy. Cancer insurance serves as a supplement to an employee's medical plan and is typically marketed on a voluntary basis.

Hospital Indemnity: Hospital indemnity insurance is a term product that provides fixed benefit payments and pays benefits directly to the member when the member undergoes a hospital stay, needs ambulance services and other specified medical services. The product serves as a supplement to an employee's medical plan and is typically marketed on a voluntary basis.

Mental Wellness: Mental wellness benefits improve the overall mental well-being of employees through a comprehensive set of services that include in-person and virtual therapy, mental health assessments, mindfulness exercises and life coaching. Guardian has a partnership with Spring Health, among others, to offer this benefit to its group customers. Spring Health's services are clinically proven to drive faster recovery times, reduce absenteeism, and improve overall well-being.

Absence Management Products: Absence management products provide employers with solutions to administer and manage employee leave programs, including statutory paid family and medical leave, the federal Family and Medical Leave Act, and employer-defined leave policies. These products support income replacement benefits and job-protected leave for qualifying events such as an employee's own serious health condition, bonding with a new child, caring for a family member, or other covered circumstances, subject to applicable laws, policy provisions, and benefit limits. Guardian offers insured, self-funded administrative, and coordination solutions designed to help employers comply with complex federal, state, and local leave requirements while integrating leave administration with disability benefits and broader workforce absence programs.

Employer Funded Disability Plan Administration: Guardian provides employers with administrative services for their uninsured self-funded disability benefit programs.

Group Insurance Product Pricing and Management

Guardian seeks to price each Group Benefits product to produce an appropriate return consistent with Guardian's financial objectives. Guardian's group insurance products are term insurance and the pricing factors for each product line are updated regularly and the price for each group client is periodically adjusted, typically on an annual basis, subject to client renewal. Generally, Guardian sets renewal rate increases to reflect trends in morbidity and mortality on Guardian's block of business. Guardian renews over 87% of the inforce customers annually. Guardian maintains what it believes to be competitively priced products by managing what it considers key fundamentals, including underwriting, expense management and claim costs.

Group Benefits Principal Markets, Marketing and Distribution

Sales of Guardian's Group Benefits products are primarily targeted to employers with two to 5,000 employees. The Group Benefits portfolio has a wide range of options to serve the needs of varying customer segments.

Guardian sells its Group Benefits products primarily through independent brokers. As of December 31, 2025, Guardian maintains a staff of over 140 group sales professionals plus over 110 account managers located in 18 offices

across the country who cultivate and manage relationships with independent brokers. As of December 31, 2025, over 13,900 brokers have group insurance product business in force with Guardian.

In addition, Guardian maintains a group of over 140 contracted enrollers across the country. These individuals are part of the sales process and conduct employee enrollment meetings for Group Benefits products that are sold on a voluntary basis.

Group Benefits Product Underwriting

Guardian's underwriting is balanced and performed at the issuance of new business and the renewal of in-force policies. Underwriting risk reflects the exposure to actual loss experience adversely deviating from product pricing assumptions, specifically morbidity and mortality assumptions. Most underwriting is at the group level, reflecting prior claim experience, group demographics and plan design parameters.

Group Benefits Product Competition

The group insurance product industry is highly competitive, with a mix of national and regional competitors that vary by product type and employer size segment. In general, dental insurance tends to have more regional competition, as the product strength is often associated with the local provider network. There are also many dental insurers that compete in multiple regions throughout the country. Group life and disability competitors tend to be more national in scope, although some tend to focus on specific employer size segments.

Guardian competes through its long-term relationships with brokers in markets throughout the country, a wide and flexible product portfolio, a large dental network and superior customer service.

INVESTMENT MANAGEMENT

Guardian has modernized its general account using partnerships to improve access, efficiency, and return while maintaining a conservative investment philosophy and strong risk governance. Investment advisory services are provided to Guardian and its affiliates through Guardian's internal investment management staff, its subsidiaries, and strategic partnerships with third-party asset managers, including HPS Investment Partners ("HPS"), a subsidiary of BlackRock, Inc., Janus Henderson Group plc ("Janus Henderson"), and Hamilton Lane. Guardian's investment management activities are primarily focused on managing the general account assets of Guardian and its subsidiaries.

Guardian has established strategic partnerships with HPS, Janus Henderson and Hamilton Lane to support the management of its general account assets. These arrangements have enabled Guardian to (i) monetize a portion of the embedded value in its general account through minority ownership interests and revenue-sharing arrangements, (ii) expand asset origination capabilities and access differentiated investment opportunities and investment talent, and (iii) enhance portfolio efficiency and reduce costs by transferring certain investment execution activities to asset managers with greater scale. The Office of the Chief Investment Officer ("CIO") is responsible for establishing and implementing Guardian's investment objectives, investment strategy, asset allocation, and asset-liability management framework. The invested assets of Guardian's general account increased from $40.6 billion as of December 31, 2014 to $86.0 billion as of December 31, 2025.

Each of Guardian's third-party partners manage a specified portion of Guardian's general account assets in exchange for passive minority equity interests and revenue-sharing rights in such asset management businesses. HPS manages Guardian's public high yield, collateralized loan obligation ("CLO") investments, investment-grade private credit, and real estate debt and equity assets. Janus Henderson manages Guardian's investment-grade public fixed income assets, including public investment-grade corporate securities and public securitized credit. Hamilton Lane manages Guardian's private equity limited partner interests. In connection with the transition of these asset classes, certain Guardian investment professionals joined the respective partner firms to support continuity in asset management and to enhance those firms' insurance-focused investment capabilities.

Guardian and its subsidiaries pursue investment objectives designed to (i) preserve financial strength and support credit ratings, (ii) generate competitive long-term returns to support policyholder dividends, and (iii)

implement a long-term asset allocation strategy consistent with Guardian's liability profile. Guardian's asset-liability management framework is intended to align the risk and return characteristics of the investment portfolio with the nature and duration of its liabilities, taking into account income generation, yield, liquidity, cash flow requirements, and diversification considerations.

Park Avenue Institutional Advisers LLC ("PAIA"), a subsidiary of GIS, manages certain of Guardian's general account assets. In 2024, PAIA assigned its rights and obligations as collateral manager for all CLO special purpose vehicles it managed to HPS. Guardian holds equity interests in certain CLOs managed by HPS and may, from time to time, make additional investments in equity, debt, or subordinated debt interests issued by such CLOs.

ESG factors can affect the risk and return profile of certain investments. Accordingly, Guardian considers relevant ESG factors, among other investment considerations, in connection with investment decision-making for its general account portfolio.

REINSURANCE

Guardian enters into reinsurance agreements with other insurance companies in the normal course of business to manage its overall risk and capital profile. Total life premium ceded for the years ended December 31, 2025, 2024 and 2023 was $764 million, $850 million and $695 million, respectively. Premiums ceded to reinsurers are reported as a reduction of premium revenue in the Statement of Operations. The reinsurance agreements create no right or legal relationship between the reinsurer and the insured, owner or beneficiary of any insurance policy reinsured under these agreements. Guardian remains liable to the insured for the payment of benefits and must make such payments if the reinsurer cannot meet its obligations under the reinsurance agreements.

Guardian participates in both automatic reinsurance and facultative reinsurance. Automatic reinsurance is reinsurance in which the ceding company is obligated to cede, and the reinsurer is obligated to assume, risks which meet specific criteria based on the provisions of the reinsurance agreement and the ceding company's underwriting. Facultative reinsurance is reinsurance of individual risks at the option of the reinsurer and the ceding company, whether under a treaty of reinsurance or by negotiation with respect to an individual risk. Automatic reinsurance can be ceded to a pool of reinsurers on a first dollar quota-share or excess of retention basis. Under first dollar quota-share arrangements the ceding company retains a certain percentage of the risk on each policy, in a given class of business, and cedes the remaining portion to a pool of reinsurers based on predetermined shares. In an excess of retention arrangement, the ceding company keeps amounts up to its maximum capacity (full retention limit) on any one life and cedes the remaining amount to one or more reinsurers.

Mortality Reinsurance

Guardian's maximum retention limit is generally $25 million of death benefit per single life and $30 million for joint-life, with lower limits for certain ages and rating classes. Any death benefit in excess of the $25 million retention is ceded to a pool of reinsurers under excess of retention arrangements. Guardian may selectively retain a greater amount of coverage on two individuals in connection with joint and last survivorship policies.

For term policies, Guardian's maximum retention is currently $2 million of death benefit per life. Any death benefit in excess of the $2 million retention is ceded to a pool of reinsurers under excess of retention arrangements. Guardian previously coinsured between 76% and 90% of all term life insurance business on a first dollar quota share basis until May 1, 2014. Starting May 1, 2014, Guardian ceded amounts in excess of $2 million per life of newly issued term life insurance to a pool of four reinsurers on an automatic yearly renewable term basis. Since May 18, 2020, GIAC cedes amounts in excess of $2 million per life of newly issued term life insurance to a pool of reinsurers on an automatic yearly renewable term basis. Term life insurance business may also be ceded to the same reinsurers on a facultative basis.

Beginning May 1, 2014, until terminated for new business December 31, 2018, Guardian had coinsurance with funds withheld under a reinsurance agreement covering 90% of Guardian's level term life insurance amounts net of the excess of $2 million retention. Effective October 1, 2024, Guardian recaptured this treaty and entered into a coinsurance with funds withheld reinsurance agreement covering 85% of Guardian's level term life insurance amounts

net of the excess $2 million retention. The prior coinsurance with funds withheld reinsurance agreement was originally reinsured at a 90% quota share but was recaptured and re-ceded at 85%. In 2025, Guardian expanded this reinsurance agreement to also include 2019 and 2020 level term policies.

As of December 31, 2025, Guardian ceded $167 billion of individual participating whole life, individual universal life and individual term death benefit to reinsurers, or 30% of the total individual life death benefit coverage in-force. Claims ceded to reinsurers are reported as a reduction of benefits payments to policyholders and beneficiaries in the Statement of Operations.

Guardian has excess coverage reinsurance on the group life and AD&D business, covering combined life and AD&D claims on an individual in excess of $1 million, which mitigates Guardian's exposure to a large claim. Guardian entered into a participating Yearly Renewable Term reinsurance treaty effective October 1, 2021, to reinsure the mortality risks of the group life block on a 50% quota share basis that increased to 90% on October 1, 2022. This coverage mitigates the risk exposure to a particular event (such as a terrorist scenario) and therefore reduces Group Benefits' economic capital. Guardian renewed its catastrophic risk coverage for basic life and AD&D coverage for $250 million after a $50 million deductible, effective January 1, 2025, with reinstatement provisions for multiple losses.

Morbidity Reinsurance

Historically, BLICOA's retention on individual disability income policy monthly benefits has varied from $4,000 to $10,000 per life on policies issued before January 1, 2016. Amounts in excess of BLICOA's retention limits were reinsured with third-party reinsurers. For policies issued on or after January 1, 2016, BLICOA has ceased external reinsurance of new business and BLICOA and Guardian retain 100% of the risk. In addition, BLICOA maintains an excess of loss reinsurance arrangement on a closed block of non-cancelable disability income insurance.

BLICOA has coinsurance treaties with two companies to which it cedes 90% of the risks for all of its long-term care products. BLICOA stopped writing long-term care insurance in 2012 and as of December 31, 2025 has $27.48 million of direct premium in-force ($2.75 million net premium).

Guardian has reinsurance on selected group products. Group life and AD&D insurance are reinsured for excess of a certain face amount on an individual certificate.

Asset-Intensive Reinsurance

Effective November 1, 2022, GIAC entered into a Coinsurance and Modified Coinsurance Agreement (the "Variable Annuity Reinsurance Treaty") with Talcott Resolution Life Insurance Company, a Connecticut domiciled life insurance company that is licensed in Delaware ("Talcott"). Pursuant to the Variable Annuity Reinsurance Treaty, virtually all of the general account liabilities, including all of the general account liabilities relating to the living benefit riders, relating to substantially all of the variable annuity contracts and certain payout annuity contracts in force as of November 1, 2022 were reinsured on a coinsurance basis and all of the separate account liabilities relating to such variable annuity contracts were reinsured on a modified coinsurance basis to Talcott.

Guardian expects that the Variable Annuity Reinsurance Treaty will mitigate balance sheet and income statement risk relating to substantially all of its in force book of variable annuity contracts as of November 1, 2022, including risks associated with sustained volatility in capital markets and policyholder withdrawals. Talcott's obligations under the Variable Annuity Reinsurance Treaty are secured by a book value comfort trust that is subject to daily monitoring and monthly and, in certain cases, daily rebalancing based on changes in the ceded reserves, equity and interest rate movements and trust assets. The quality and concentration of the trust assets are subject to weekly monitoring to confirm compliance with specified trust asset investment guidelines. In certain circumstances following capital adequacy and certain other events, the trust converts from a book value comfort trust to a fair market value trust pursuant to which Talcott must ensure that the assets in the trust have a fair market value equal to the required trust balance. As of the date of this Offering Memorandum and based on information available on the applicable rating agency websites, the financial strength ratings of Talcott from S&P, Moody's and A.M. Best are BBB+, Baa1, A- respectively.

GIAC has reinsurance agreements with Commonwealth Annuity and Life Insurance Company ("Commonwealth") (a subsidiary of Global Atlantic Financial Group) to reinsure SPIA policies issued on and after October 5, 2020, DIA policies issued on and after November 16, 2020, SPDA policies issued on or after April 11, 2023, and a $1 billion block transaction for in-force SPIA and DIA on June 3, 2024. GIAC currently cedes 90% quota share of fixed annuity premiums to Commonwealth. There are two separate book value comfort trusts held at Commonwealth that are rebalanced monthly to cover the ceded statutory reserves, with both trusts required to hold book value of assets equal to at least 104% of ceded reserves with an adjustment for unamortized interest maintenance reserve ("IMR") and commissions.

Reinsurance with Affiliates

Guardian has a first dollar quota-share coinsurance/modified coinsurance and subsequent first dollar quota-share yearly renewable term agreement with GIAC whereby Guardian assumes 90% of the risks on certain variable life and variable universal life policies sold by GIAC.

Guardian has two coinsurance treaties in effect with BLICOA: (1) effective concurrently since the creation of BLICOA in 2001, Guardian cedes 100% of its direct individual disability business to BLICOA; and (2) effective as of January 1, 2013, Guardian assumes 80% of BLICOA's net individual disability business which includes the business ceded to BLICOA in the treaty referenced in clause (1) above, as well as business written directly by BLICOA.

Guardian also has a quota-share coinsurance/modified coinsurance agreement with BLICOA whereby Guardian assumes the risk on certain universal life policies sold by BLICOA. Guardian assumes the excess of BLICOA's retention on certain universal life policies on a yearly renewable term basis. Guardian has a quota-share coinsurance agreement with BLICOA whereby Guardian assumes 5-10% of the risk on certain term life policies sold by BLICOA as a participant in BLICOA's term reinsurance pool. All lines covered by the agreements with BLICOA are closed to new business.

Reinsurance Risk Management and Counterparty Risk

The first step in the reinsurance risk management process is focused on mitigating the risk that Guardian would have to recapture the reinsured business, done mainly by ensuring that there is a low probability of a counterparty default. The diligence process starts with each reinsurer's financial strength rating from multiple rating agencies and allows for a modification based on internal credit analysis by Guardian's Investments department. The second step in the reinsurance risk management process is to ensure the impact to Guardian's capital position would be manageable if for some reason the counterparty did default and Guardian had to recapture the business.

Guardian manages counterparty risk from its reinsurers through its Ceded Reinsurer Credit Policy, which is monitored by the Insurance Counterparty Risk Committee on a quarterly basis. Counterparty risk limits are established within the policy based on the potential impact to Guardian's Total Adjusted Capital ("TAC"). A counterparty in the highest rated tier (*i.e.*, least likely to default) is subject to a 10% of TAC limit, with the limit declining in line with creditworthiness. In addition, there is an aggregate guideline on enterprise-wide reinsurance exposure of 33% of TAC. As of December 31, 2025, enterprise-wide reinsurance exposure was well within the aggregate TAC limit.

Asset-intensive reinsurance ("AIR") deals create additional complexities for ceding companies under recapture scenarios, specifically due to the volume of gross exposure involved and the criticality of asset risk management by the reinsurer. Guardian has established a framework and governance process to ensure that the individual and aggregate risk exposure to AIR remains within its risk appetite. For AIR, the first step of the reinsurance risk management process also includes extensive due diligence on the reinsurer's asset manager to assess their performance track record, as well as their ability to originate high quality assets. Guardian focuses on contractual rights to take possession of the assets if the liabilities are recaptured by either having them placed in a collateralized comfort trust or through a funds withheld agreement, and investment guidelines are established which require the reinsurer to only invest in assets that meet Guardian's risk appetite. Guardian's Investments department performs independent monitoring of the reinsurers' compliance with trust guidelines for each applicable reinsurance agreement.

The potential impact to Guardian's RBC ratio upon an event of recapture is an additional constraining test that was introduced to manage counterparty risk of AIR deals, which limits exposure on deals where assets trusts are in place to minimize TAC impact, but material required risk-based capital ("RBC") would be needed to support the recaptured liabilities. A counterparty in the highest rated tier is subject to a -30 point limit on Guardian's RBC ratio, with the limit declining in line with creditworthiness.

As of December 31, 2025, Guardian's two largest reinsurance counterparties accounted for 51% and 16%, respectively, of the outstanding individual life insurance reinsurance in-force by face amount. As of December 31, 2025, measured by reference to reserve credit taken by Guardian, Guardian's five largest life reinsurers had financial strength ratings from S&P of A+ or better. These five companies represented more than 99% of Guardian's ceded life reinsurance reserve credit. In addition, Guardian has counterparty risk related to asset intensive reinsurance transactions. These transactions are supported with collateral in a trust or funds withheld accounts which mitigate the counterparty risk.

Pricing and Other Considerations

Prices on reinsurance can, subject to treaty terms on notification, be increased on both yearly renewable term and coinsurance business. Guardian's treaties generally require a six-month advance notice to change prices. Although reinsurers have historically tended to prospectively increase rates on yearly renewable term agreements or decrease allowances under coinsurance treaties, which results in a less favorable financial result for the ceding company, reinsurers can increase rates on both a prospective and retrospective basis. Although unusual, a reinsurer may notify a company that subject to the notification period, it will not accept any new business at any price. More typically, a reinsurer will notify a company that after a certain date, given appropriate notice, either yearly renewable term rates or coinsurance allowances will change for any new business under the treaty. If this situation were to occur for either existing or new business, Guardian has the right to find other reinsurers and renegotiate the treaty, either with the existing reinsurers or with new parties. There are no guarantees that rates charged by reinsurers will not increase in the future, either for new or existing business.

LEGAL PROCEEDINGS

Guardian is involved in litigation arising in and out of the normal course of business, which seek both compensatory and punitive damages. Guardian is not currently litigating nor is it aware of any pending legal actions or allegations that should reasonably give rise to a materially adverse impact to its financial position or liquidity. However, the outcome of litigation cannot be foreseen with certainty.

Guardian is subject to governmental and administrative proceedings and regulatory inquiries, examinations and investigations in the ordinary course of its business. Guardian has cooperated with these regulatory agencies and has responded to information requests and comments.

These examinations, inquiries and investigations have included industry-wide reviews of abandoned property and escheatment issues, illustrations and replacements of life insurance and annuities, underwriting practices involving prescription drug use or social media presence, and the standards of conduct in the sale of life insurance and annuities. In connection with certain of these matters, Guardian has been contacted by the SEC, FINRA, the NYSDFS, the New York Attorney General and other regulatory authorities.

Guardian believes that it is reasonable to expect that regulatory inquiries, examinations and investigations into the financial services industry will continue for the foreseeable future. It is the opinion of management that the ultimate resolution of these matters will not materially impact Guardian's financial position or liquidity. The outcome of a particular matter may be material to Guardian's operating results for a particular period depending upon, among other things, the size of the matter and level of Guardian's income for the period.

REGULATION

Insurance Regulation

General. Guardian, NAIC number 64246, is licensed to transact its insurance business in, and is subject to regulation and supervision by, all 50 states of the United States and the District of Columbia. Guardian and its insurance subsidiaries are licensed, regulated and supervised in all jurisdictions where they conduct insurance business. The extent of such regulation varies. However, most jurisdictions have laws and regulations requiring the licensing of insurers and their agents and setting standards of solvency, reserves, reinsurance, capital adequacy and business conduct to be maintained by licensed insurance companies, and may regulate withdrawal from certain markets. In addition, statutes and regulations usually require the approval of policy forms and, for certain lines of insurance, the approval of rates. Such statutes and regulations in certain states also prescribe the permitted types and concentration of investments. Guardian, along with each of its insurance subsidiaries, is required to file detailed annual financial statements with supervisory agencies in each of the jurisdictions in which Guardian or such insurance subsidiary does business and its operations and accounts are subject to periodic examination by such authorities. Guardian's operations and accounts are also subject to examination by such agencies. The primary purpose of this insurance industry regulation is to protect policyholders, not holders of any securities. Guardian is also subject to federal and state laws and regulations affecting the conduct of Guardian's businesses.

The New York Insurance Law limits the sales commissions and certain other marketing expenses that may be incurred in connection with the sale of individual life insurance policies and annuity contracts issued in any state by Guardian, BLICOA and GIAC. Some group insurance products also have restrictions on commissions, although the restrictions are more limited in nature. The NYSDFS requires the filing of information on agent compensation program structure and amounts on an annual basis.

State insurance regulatory authorities and other state enforcement agencies may from time to time make inquiries regarding Guardian's compliance with laws and regulations regarding the conduct of its insurance business. Guardian and its subsidiaries endeavor to respond to such inquiries in an appropriate way and to take corrective action if warranted. Based upon regulatory inquiries that have been made, it is Guardian's opinion that any regulatory proceedings which might be initiated following such inquiries are not likely to have a material adverse effect on Guardian's financial condition or results of operations.

Holding Company Regulation. Guardian is subject to the New York Insurance Law which governs insurance companies and their subsidiaries and affiliates, in particular, Article 17 of the New York Insurance Law. That article places certain restrictions on transactions between Guardian and its subsidiaries and other affiliates. In addition, the NYSDFS requires reports and notifications of transactions involving Guardian and its subsidiaries and other affiliates. Some of these transactions are subject to prior approval by the NYSDFS.

Guardian's insurance subsidiaries are subject to regulation under the insurance holding company laws of their domiciliary jurisdiction. The insurance holding company laws and regulations vary from jurisdiction to jurisdiction, but generally require each controlled insurance company to register with state regulatory authorities and to file with those authorities certain reports, including information concerning their capital structure, ownership, financial condition, certain intercompany transactions and general business operations, and reports on the enterprise risk management and governance of Guardian.

The New York Insurance Law and the regulations thereunder also restrict the aggregate amount of investments Guardian may make in non-life insurance subsidiaries and provide for periodic reporting on all of its subsidiaries.

Risk Management. All states have adopted the NAIC's Risk Management and Own Risk and Solvency Assessment Model Act, which requires insurers that exceed specified premium thresholds to maintain a framework for managing the risks associated with their entire holding company group, including non-insurance companies. In addition, at least annually, the insurer must prepare a summary report (the "ORSA Report") regarding its internal assessment of risk management and capital adequacy for the entire holding company group. ORSA Reports are filed on a confidential basis with the insurance holding company group's lead state regulator and made available to other domiciliary regulators within the holding company group. Guardian filed its latest ORSA Report in September 2025.

The NAIC's Corporate Governance Annual Disclosure Model Act, which has also been adopted by all states, requires insurers, such as Guardian, to adopt a corporate governance framework that is appropriate for their complexity and to annually file detailed information regarding their corporate governance policies.

Unclaimed Property Laws. Guardian is subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment of unclaimed or abandoned funds, and is subject to audit and examination for compliance with these requirements.

Guaranty Funds. All 50 states of the United States and the District of Columbia have insurance guaranty fund laws requiring insurance companies doing business within those jurisdictions to participate in guaranty associations. Guaranty associations are organized to cover, subject to limits, contractual obligations under insurance policies and certificates issued under group insurance policies, issued by impaired or insolvent life insurance companies. These associations levy assessments, up to prescribed limits, on each member insurer doing business in a particular state on the basis of its proportionate share of the premiums written by all member insurers in the lines of business in which the impaired or insolvent insurer is engaged. Some states permit member insurers to recover assessments paid through full or partial premium tax offsets, usually over a period of years. Assessments levied against Guardian by guaranty associations during each of the past five years have not been material. Guardian cannot accurately predict the amount of any future such assessments.

Policy and Contract Reserve Sufficiency Analysis. Under the New York Insurance Law, Guardian is required to conduct annually an analysis of the sufficiency of all life insurance and annuity statutory reserves. Each year Guardian must submit an opinion of a qualified actuary stating that Guardian's statutory reserves, when considered in light of the assets held with respect to such reserves, make good and sufficient provision for Guardian's associated contractual obligations and related expenses. If reserves are viewed as being inadequate, Guardian must set up additional reserves by moving funds from surplus. As part of Guardian's 2025 statutory annual statement, Guardian provided an actuarial opinion without qualifications regarding these reserve requirements as of December 31, 2025.

Risk-Based Capital. Section 1322 of the New York Insurance Law requires that New York-domiciled life insurers report their RBC based on a formula calculated by applying factors to various asset, premium and reserve items. The formula takes into account the risk characteristics of the insurer, including asset risk, insurance risk, interest rate risk and business risk. Section 1322 imposes broad confidentiality requirements on those engaged in the insurance business (including insurers, agents, brokers and others) and on the NYSDFS as to the use and publication of RBC data.

Section 1322 gives the Superintendent explicit regulatory authority to require various actions by, or take various actions against, insurers whose total adjusted capital does not exceed certain RBC levels. As of December 31, 2025, Guardian's total adjusted capital was in excess of each RBC level that might require Guardian to take remedial action.

BLICOA, GIAC and certain FCW subsidiaries are also subject to RBC requirements, while FCW itself, not being an insurer, is not. As of December 31, 2025, the total adjusted capital of each of BLICOA, GIAC and the relevant FCW subsidiaries was in excess of each RBC level that might require BLICOA, GIAC or such FCW subsidiary to take some remedial action.

The NAIC approved RBC revisions for corporate bonds, real estate equity and longevity risk that took effect at year-end 2021 and they had a modest net negative impact on Guardian's RBC ratio. The NAIC also approved an RBC update for mortality risk that took effect at year-end 2022, which had a modest net positive impact on Guardian's RBC ratio.

On August 13, 2023, the NAIC adopted an interim solution related to the accounting treatment of an insurer's negative interest maintenance reserve ("IMR") balance, which may occur when a rising interest rate environment causes an insurer's IMR balance to become negative as a result of bond sales executed at a capital loss. Previous statutory accounting guidance required the non-admittance of negative IMR, which can result in lower reported surplus and RBC ratios. Interpretation 23-01, Net Negative (Disallowed) Interest Maintenance Reserve, the NAIC's interim statutory accounting guidance, which is effective until December 31, 2026, permits an insurer with a company action level RBC ratio greater than 150% (or authorized control level RBC greater than 300%) to admit negative IMR for an

amount up to 10% of its general account capital and surplus, subject to certain restrictions and reporting obligations. The NAIC is developing a long-term solution for the accounting treatment of negative IMR, and an NAIC ad hoc group meets regularly to discuss various IMR-related topics.

Formed in early 2025, the NAIC Risk-Based Capital Model Governance (EX) Task Force is charged with a number of tasks related to the oversight and governance of the RBC framework, and in December 2025 adopted guiding principles which address the purpose and use of, and standards for maintaining and updating, RBC. In 2026, this task force is also undertaking to identify gaps in the RBC framework that could pose a risk to regulators' assessment of solvency, and developing a governance process for retrospective and future adjustments to RBC.

The NAIC has undertaken a principles-based bond project, which includes consideration of factors to determine whether an insurer's investment in an asset-backed security qualifies for reporting on its statutory financial statement as a bond on Schedule D-1 as opposed to Schedule BA (other long-term investment assets), the latter of which has a higher risk charge. The NAIC adopted a new, principles-based definition of a bond that is effective in certain statutory accounting guidance as of January 1, 2025. This will result in new reporting and disclosure requirements and may lead to categorical changes in the regulatory reporting and RBC charges associated with these investments. The NAIC is also reviewing the RBC treatment of collateralized loan obligations ("CLOs"), as discussed below under "—Regulation of Investments," and on August 16, 2023, the NAIC increased the RBC factor for structured security residual tranches from 30% to 45%, which is effective for year-end 2024 RBC filings. The NAIC is currently reviewing the RBC treatment of CLOs and has indicated that it plans to consider new factors for the life RBC formula in 2026.

The NAIC has expressed concerns related to the filing exempt status for certain securities or loans, such as CLOs, which generally allows the use of a credit rating provider's ("CRP") rating for purposes of capital assessment as opposed to requiring review by the Securities Valuation Office ("SVO"). In November 2024, the NAIC adopted an amendment to the Purposes and Procedures Manual (the "P&P Manual") effective January 1, 2026, which sets forth procedures for the SVO staff to identify and evaluate a filing exempt security with an NAIC designation determined by a rating that appears to be an unreasonable assessment of investment risk. The procedures include, without limitation, sending an information request to insurers that hold the security under review and determining whether the NAIC designation is three or more notches different than the SVO's assessment, which allows the SVO to request the removal of the CRP credit rating from the filing exempt process. At any time during the process, an alternate CRP credit rating may be requested and if one is received, it will be incorporated in the filing exempt process.

In 2023, the NAIC's Financial Condition (E) Committee launched a holistic review of the insurance regulatory framework related to insurer investment risk regulation. The primary objective is to enhance the insurance regulatory framework in order to strengthen oversight of insurers' investments. More specifically, the NAIC is focused on the SVO's discretion to review NAIC designations for individual investments, the appropriate extent of SVO reliance on CRPs and oversight of the development of new RBC charges for CLOs and other structured securities. The proposed changes to modernize investment oversight include: (i) reducing or eliminating "blind" reliance on CRPs while continuing to utilize them by implementing a due diligence framework that oversees the effectiveness of CRPs and (ii) bolstering the SVO's portfolio risk analysis capabilities by investing in a risk analytics tool and adding specialized personnel. Effective January 1, 2026, the NAIC has replaced the formed Valuation of Securities (E) Task Force with a new Invested Assets (E) Task Force and three working groups related to the oversight of insurance company investments and credit rating provider matters.

The NAIC developed a group capital calculation ("GCC") tool using an RBC aggregation methodology for all entities within an insurance holding company system, including non-U.S. entities. In 2020, the NAIC amended the Insurance Holding Company System Regulatory Act and Regulation to adopt the GCC Template and Instructions and to implement the annual GCC filing requirement with an insurance group's lead state regulator. The filing requirement becomes effective when the holding company amendments are adopted by the state where an insurance group's lead state regulator is located. New York State adopted the amendments, effective as of August 23, 2023. Guardian cannot predict what impact this regulatory tool may have on its business.

Statutory Examinations. As part of their routine regulatory oversight process, state insurance departments conduct periodic detailed examinations of the books, records and accounts of insurers domiciled in their states.

These examinations are generally conducted in cooperation with the insurance departments of multiple other states under guidelines promulgated by the NAIC. In June 2025, the NYSDFS completed its last statutory examination of Guardian for the five-year period ended December 31, 2023. There were no material findings.

Various state insurance departments also periodically examine non-domestic insurance companies conducting business in their states, including Guardian and its insurance subsidiaries. The purpose of these periodic examinations is to evaluate the companies' compliance with state insurance laws and regulations and to determine if operations are consistent with the public interest of the policyholders resident in the state conducting the examination.

NAIC Ratios. On the basis of statutory financial statements filed by life insurance companies with state insurance regulators, the NAIC calculates annually 12 financial ratios to assist state insurance regulators in monitoring the financial condition of life insurers. State insurance regulators review this statistical report, which is available to the public, together with an analytical report, prepared by and available only to state insurance regulators, to identify insurance companies that appear to require immediate regulatory attention. A "usual range" of results for each ratio is used as a benchmark. In general, departure from the "usual range" on four or more of the ratios can lead to inquiries from individual state insurance departments. Guardian had no ratios outside the "usual range" in 2025, 2024 and 2023.

Surplus and Capital. The New York Insurance Law requires Guardian to maintain at least $150,000 in surplus. In addition to this minimum, there are also risk-based capital requirements, as discussed above. Guardian and its insurance subsidiaries are subject to supervision by the regulators in each jurisdiction in which they are licensed to transact business. These regulators have discretionary authority, in connection with the continued licensing of Guardian or any of its insurance subsidiaries, to limit or prohibit its sales to policyholders if such regulators determine that any such insurer has not maintained the minimum surplus or capital required or that such insurer's further transaction of business would be hazardous to policyholders.

Annuity Suitability. The NAIC and certain state regulators have considered, or are currently considering, implementing regulations that would apply an impartial conduct standard to recommendations made in connection with certain annuities and, in the case of New York, life insurance policies. In particular, the NYSDFS amended Regulation 187 to add a "best interest" standard for the sale of life insurance and annuity products in New York. The regulation generally requires a consumer's best interest, and not the financial interests of a producer or insurer, to influence a producer's recommendation as to which life insurance or annuity product a consumer should purchase. In addition, the amendments to Regulation 187 impose a best interest standard on certain consumer in-force transactions. The NAIC also adopted a revised annuity suitability model regulation to require a best interest standard for annuity transactions. Several states have adopted the amended model regulation, including most of the domiciliary states of Guardian's insurance subsidiaries. Guardian is continually assessing the impact of the amendment regulations on its business since such changes may have an adverse effect on its business, results of operations and financial condition.

Reserves for Policy Benefits. The NAIC has approved a valuation manual containing a principle-based approach to the calculation of life insurance reserves. Principle-based reserving ("PBR") is designed to better address reserving for life insurance and annuity products, including the current generation of products for which the previous formulaic basis for reserve determination did not work effectively. All states have adopted PBR, and it became effective in New York with the adoption of Insurance Regulation 213, which affirmed the Superintendent's authority to deviate from the NAIC's valuation manual to adjust the reserves of a New York life insurance company if the NYSDFS determines that an alternative requirement would be in the best interest of New York policyholders.

Principle-Based Reserving (VM 22). On August 13, 2025, the NAIC adopted a PBR framework for non-variable annuities, similar to VM-20 for life insurance business and VM-21 for variable annuities, located in Section VM-22 of the NAIC Valuation Manual ("VM-22"). The framework for non-variable annuities applies to valuation dates on or after January 1, 2026 and companies have a three-year optional implementation period before the VM-22 PBR requirements become mandatory to all applicable blocks of business. The ultimate financial impact from PBR on Guardian is uncertain, but could result in slightly more volatile and less predictable reserve and capital levels for these products.

FABN Disclosures. The NAIC's Macroprudential (E) Working Group (the "Working Group") met in July 2025 to begin what will be an ongoing discussion between the NAIC and industry about funding agreements and Funding Agreement-Backed Note programs ("FABNs"). The Working Group noted that while the NAIC does not

believe FABN activity poses any outsized risk for individual insurers or the industry in the aggregate, the NAIC does not currently receive the reporting necessary to quantify and monitor FABN activity. To address this, in November 2025, the Working Group exposed for comment a draft NAIC memorandum recommending a blanks proposal to obtain disclosures for funding agreements that support FABNs, including the Notes on this Program. The memorandum also recommends that a new disclosure be incorporated to *SSAP No. 52—Deposit-Type Contracts*, and that Exhibit 7 (Deposit-Type Contracts) to the Annual Statement be revised to incorporate new footnote disclosures related to FABN programs. The Working Group explained that its goal is to implement these new reporting requirements for year-end 2026.

Policyholder Dividend Requirements. New York Insurance Law Section 4219 limits the amount of surplus attributable to participating business that a domestic life insurance company may accumulate. As of December 31, 2025, Guardian was in compliance with such limit. Guardian distributes amounts of divisible surplus annually in the form of dividends on Guardian's participating policies in accordance with dividend scales approved annually by Guardian's Board of Directors.

Regulation of Investments. Each of Guardian and its insurance subsidiaries is subject to state laws and regulations that require diversification of its investment portfolios and limit the amount of investments in certain asset categories, such as below-investment-grade fixed income securities, equity real estate, mortgages, other equity investments, foreign investments and derivatives. Failure to comply with these laws and regulations would cause investments exceeding regulatory limitations to be treated as non-admitted assets for purposes of measuring statutory surplus, and, in most instances, require divestiture. Guardian believes its investments and those of each insurance subsidiary are currently in compliance with all such laws and regulations.

In recent years, the NAIC has been focused on enhancing regulatory oversight of insurers' investments in complex assets, such as leveraged loans and CLOs. In March 2023, the NAIC adopted an amendment to the P&P Manual to assign risk weights to CLOs based on its own modeling, as opposed to credit ratings. Under the amendment, effective as of January 1, 2026, the NAIC's Structured Securities Group ("SSG") will model CLO investments and evaluate tranche level losses across all debt and equity tranches under a series of calibrated and weighted collateral stress scenarios to assign NAIC designations that minimize RBC arbitrage. The NAIC's goal is to ensure that the aggregate RBC factor for owning all tranches of a CLO is the same as that required for owning all of the underlying loan collateral.

The NAIC has also been focused on insurers' use of ratings by nationally recognized statistical rating organizations and other CRPs for rating certain of their investments, instead of submitting such investments to the SVO. Certain investments are subject to an exemption from filing with the SVO if they have been assigned a current, monitored rating by certain approved CRPs that meet specified requirements. The NAIC's designation of an investment held by an insurance company affects the RBC charge applied to such investment and therefore impacts the insurer's overall RBC ratio.

New York Insurance Regulation 210. Insurance Regulation 210 establishes standards for the determination and any readjustment of non-guaranteed elements ("NGEs") that may vary at the insurer's discretion for life insurance policies and annuity contracts delivered or issued for delivery in New York State. The regulation requires insurers to notify policyholders at least 60 days prior to any adverse change in NGEs and, with respect to life insurance policies, to notify the NYSDFS at least 120 days prior to any such changes. In addition, the regulation requires insurers to file annually with the NYSDFS a listing of any adverse changes in the current scale of NGEs of any existing policy that occurred in the prior calendar year.

Risk Transfer Analysis of Combination Yearly Renewable Term and Coinsurance Reinsurance Agreements. On December 11, 2025, the NAIC adopted revisions to *SSAP No.61—Life, Deposit-Type and Accident and Health Reinsurance* which require combining reinsurance contracts that include both yearly renewable term and coinsurance portions to be evaluated for risk transfer on an overall basis (as well as for each component individually). The revisions are effective immediately for new and amended contracts, and subject to reporting on or before December 31, 2026 for existing contracts.

Revised Statutory Reporting Requirements for Reinsurance. On May 22, 2025, the NAIC's Statutory Accounting Principles (E) Working Group ("SAPWG") adopted revised annual statement reporting schedules for life

insurers to require reporting entities to identify assets that are subject to a funds withheld or modified coinsurance (modco) arrangement in connection with reinsurance. In addition, SAPWG adopted revisions to SSAP No. 1-Accounting Policies, Risks & Uncertainties, and Other Disclosures, which expand restricted asset reporting to capture information on modco and funds withheld assets that are related to or affiliated with the reinsurer for disclosure in all quarterly and annual financial statements. The revisions are meant to capture everything affiliated with the reinsurer and the entire restricted asset disclosure will be required in all quarterly and annual financial statements. This update is effective for year-end 2025, with initial quarterly reporting required in the first quarter of 2026.

Actuarial Guideline for Reinsurance Asset Adequacy Testing. On August 13, 2025, the NAIC adopted an actuarial guideline (AG 55) requiring disclosure related to reserve adequacy for reserves reported in an insurer's annual statement. The guideline requires gross asset adequacy testing for long-duration insurance business that relies heavily on asset returns (*i.e.*, "asset-intensive reinsurance transactions") within the scope of the guideline, for direct-to-offshore reinsurance, that either meet certain size-based thresholds or result in significant reinsurance collectability risk (as determined by the cedent's appointed actuary). Such asset adequacy testing is to be performed using a cash flow testing methodology. The actuarial guideline requires disclosure by the ceding insurer, meaning that it will not require that additional reserves be posted at the reinsurer level (although the ceding insurer may decide to post reserves). Domestic regulators will continue to have the authority to take action on known issues, or issues that may become known as part of such new reporting (including requiring that additional reserves be held). As of December 31, 2025, no business ceded by Guardian falls under AG 55.

Tax

Federal Income Taxation. Congress has, from time to time, considered legislation that could adversely impact the manner of taxing the products Guardian sells and of calculating the amount of taxes paid by life insurance companies or other corporations, including Guardian. Changes to federal, state or other tax laws, or in the interpretation of applicable tax laws and regulations, could reduce Guardian's earnings and adversely affect Guardian's business, financial condition or results of operations.

The attractiveness to Guardian's customers of many of its products may be due, in part, to favorable tax treatment. Current federal income tax laws generally permit the tax-deferred accumulation of earnings on the premiums paid by the holders of life insurance and annuity products. Taxes, if any, are payable generally on income attributable to a distribution under the contract for the year in which the distribution is made. Death benefits under life insurance contracts may be received free of federal income tax. Congress has, from time to time, considered legislation that could have the effect of reducing or eliminating the benefit of such income tax deferral or otherwise affect the taxation of life insurance or annuity products. As a result, demand for certain of Guardian's life insurance and annuity products that offer income tax deferral could be negatively impacted. To the extent that legislation is enacted in the future to reduce the tax deferred status of life insurance or annuity products, limit the exclusion of death benefits from income, or reduce the taxation of competing products, all life insurance companies, including Guardian, could be adversely affected. Likewise, reductions in individual tax rates could reduce the attractiveness of tax deferral to Guardian's potential customers.

The Inflation Reduction Act ("IRA"), enacted on August 16, 2022, included a number of tax-related provisions, including a 15% corporate alternative minimum tax based on adjusted financial statement income, effective on January 1, 2023. As of December 31, 2025, management has determined that Guardian does not expect to be subject to the corporate alternative minimum tax in 2026. The "One Big Beautiful Bill Act" (the "OBBBA"), enacted on July 4, 2025, further modified various provisions of the Code, including certain provisions of the IRA.

Congress has from time to time, considered material changes to, or a repeal of, the estate tax. Many of Guardian's products are sold to customers in order to help them meet their estate tax planning needs. To the extent that legislation is enacted in the future that would materially change, or repeal, the estate tax, sales of Guardian's products could be adversely affected.

See "Risk Factors—Risk Factors Related to Guardian—Changes in tax laws and the interpretation thereof could adversely affect Guardian's business."

Cybersecurity and Privacy Regulation

The cybersecurity practices of licensed entities have come under increased scrutiny by insurance regulators. For example, New York's cybersecurity regulation requires banking and insurance entities under the jurisdiction of the NYSDFS to establish and maintain a cybersecurity program designed to protect consumers' private data. Covered entities, such as Guardian, must assess risks associated with their information systems and establish and maintain a cybersecurity program designed to address such risks and to protect the confidentiality, integrity, and availability of such systems and data. Specifically, the regulation requires that such a program must include: (i) controls relating to the governance framework for a cybersecurity program; (ii) risk-based minimum standards for technology systems for data protection; (iii) minimum standards for cyber breach responses, including notice to the NYSDFS of material events; and (iv) identification and documentation of material deficiencies, remediation plans and an annual certification of regulatory compliance.

On November 1, 2023, the NYSDFS adopted amendments to the cybersecurity regulation following several public comment periods on exposure drafts. The amendments include significant changes, such as: (a) implementing additional governance and oversight measures, including that a senior governing body (e.g., the board of directors) must have sufficient understanding of cybersecurity-related matters and regularly review management reports about cybersecurity matters; (b) expanding the types of cybersecurity events that require timely notification to the NYSDFS; (c) mandating notifications to the NYSDFS within 24 hours of a covered entity's cyber-ransom payment; and (d) requiring enhancements to a covered entity's written policies and procedures related to remote access, vulnerability management, data retention and access privileges. These new requirements are now in effect. Guardian cannot predict what effect the amended regulation will have on its business or compliance costs.

The NAIC's Insurance Data Security Model Law (the "Cybersecurity Model Law") establishes standards for data security and for the investigation of and notification to insurance commissioners of cybersecurity events involving unauthorized access to, or the misuse of, certain nonpublic information. The Cybersecurity Model Law imposes regulatory requirements intended to protect the confidentiality, integrity, and availability of information systems. A majority of states have adopted the Cybersecurity Model Law, including five domiciliary states of Guardian's insurance subsidiaries.

The California Consumer Privacy Act (the "CCPA"), which took effect on January 1, 2020, gives California residents expanded rights to access, and request deletion of, the personal information that a business has collected about them; to opt out of certain sales of personal information; and to know further detail on the business's use, sourcing and sharing of that personal information. Additionally, on November 3, 2020, California voters passed via ballot initiative that adopted the California Privacy Rights Act (the "CPRA"), amending the CCPA to impose additional obligations on companies that collect California residents' personal information, including to provide a right to correct personal information, additional protections for certain uses of sensitive personal information, and certain limitations on data use and on data sharing that does not involve a sale. Failure to comply with the CCPA could result in regulatory fines. The CCPA also grants a private right of action, following a data breach, if the breach is attributable to a failure to maintain reasonable data security procedures. The CPRA also established the California Privacy Protection Agency ("CPPA"), which is charged with adopting rules for and enforcing the CCPA. The CPPA has promulgated regulations pursuant to CCPA that detail certain of the business' obligations, including with respect to automated-decision making, cybersecurity audits, and the treatment of personal information collected by insurance Companies. The CCPA does not apply to data subject to the Gramm-Leach-Bliley Act (and certain California financial privacy laws); Guardian expects that such exceptions will apply to a significant portion of Guardian's business.

Several other states have enacted or are considering comprehensive privacy legislation that may extend to Guardian's operations in those states. However, several of these state laws include entity-wide exemptions for financial institutions that are subject to the privacy protections in the Gramm-Leach-Bliley Act or similar, state-level financial privacy laws, but will have impact on the operations of any non-financial institutions owned by Guardian.

The NAIC is also working to update the Privacy of Consumer Financial and Health Information Model Law ("Model Law 672"). The NAIC had initially intended to replace Model Law 672 and another privacy model law; however, after the NAIC's Privacy Protections (H) Working Group ("PPWG") received a large number of comments to the proposed new model law in November 2023, it changed course in favor of updating Model 672. The draft amendments to Model Law 672 have been released in iterations throughout 2024 and 2025; the updated Model Law

672 is expected to be finalized at the NAIC's Fall Meeting in December 2026. Guardian cannot predict whether the updated Model Law 672 may be finalized, what form it may take, or if the insurance laws of the relevant states will be amended to incorporate such updates.

Innovation and Technology

As a result of increased innovation and technology in the insurance sector, the NAIC and insurance regulators are focused on the use of "big data" techniques, such as the use of artificial intelligence, machine learning and automated decision-making. In December 2023, the NAIC's Innovation, Cybersecurity and Technology (H) Committee (the "(H) Committee") adopted the Model Bulletin on the Use of Artificial Intelligence Systems by Insurers (the "AI Bulletin") after exposing a draft for comment. More than 20 states have adopted, and others may adopt, the AI Bulletin, which outlines how insurance regulators should govern the development, acquisition and use of artificial intelligence technologies, as well as the types of information that regulators may request during an investigation or examination of an insurer in regard to artificial intelligence systems. The (H) Committee also formed a new task force in 2024 that is charged with creating a regulatory framework for the oversight of insurers' use of third-party data and models.

Further, the NAIC and state insurance regulators have been focused on addressing unfair discrimination in the use of consumer data and technology, and some states have passed laws targeting unfair discrimination practices. For instance, in 2021, Colorado enacted a law which prohibits insurers from using external consumer data and information sources ("ECDIS"), as well as algorithms or predictive models that use ECDIS, in a way that unfairly discriminates based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity or gender expression. In August 2023, the Colorado Division of Insurance adopted the first regulation under the law, effective on November 14, 2023, requiring life insurers to adopt a governance and risk management framework for the use of artificial intelligence, machine learning and other technologies that utilize "external consumer data." In December 2024, the Colorado Division of Insurance expanded the scope of this regulation to private passenger automobile insurers and health benefit plan insurers. It is expected that Colorado will also promulgate governance and testing regulations for additional lines of insurance. Similarly, on July 11, 2024, the NYSDFS adopted a final circular letter concerning how insurers should develop and manage their use of external consumer data and artificial intelligence systems in underwriting and pricing so as not to harm consumers.

Guardian expects big data to remain an important issue for the NAIC and state insurance regulators. It cannot predict which regulators will adopt the AI Bulletin, or what, if any, changes to laws or regulations may be enacted with regard to "big data" or artificial intelligence technologies.

Securities Regulation

Certain of Guardian's direct and indirect subsidiaries, and certain policies and contracts offered by them, are subject to various forms of regulation under the federal securities laws administered by the SEC, state securities laws and FINRA rules. Certain of Guardian's direct and indirect subsidiaries, such as PAS, Park Avenue Investment Advisory, LLC, and PAIA are investment advisers registered with the SEC under the Investment Advisers Act of 1940, as amended. In addition, PAS is a broker-dealer registered with the SEC under the Exchange Act, and is a member of, and subject to regulation by, FINRA.

In addition, certain separate accounts of GIAC related to its variable insurance products and a variety of mutual funds advised or subadvised by PAIA are registered under the Investment Company Act of 1940, as amended. The separate account interests under the variable products issued through these registered separate accounts and shares offered by these registered mutual funds are registered under the Securities Act. Federal and state securities regulatory authorities, state attorneys general and FINRA from time to time make inquiries regarding compliance by Guardian and its subsidiaries with securities and other laws and regulations regarding the conduct of their securities businesses. Guardian endeavors to respond to such inquiries in an appropriate way and to take corrective action if warranted.

These laws and regulations are primarily intended to benefit investors in the securities markets and generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the carrying on of business for failure to comply with such laws and regulations. In such event, the possible regulatory sanctions include the suspension of individual employees or associates, limitations on the activities in which the regulated entity may

engage, suspension or revocation of an investment adviser's or broker-dealer's registration as an adviser or broker-dealer, censure and fines. Guardian's direct and indirect subsidiaries may also be subject to similar laws and regulations in the states in which they conduct securities-related activities.

Federal Initiatives and Legislation

Federal Insurance Initiatives. The U.S. federal government does not directly regulate the business of insurance, although the Dodd-Frank Act generally provides for enhanced federal supervision of financial institutions, including insurance companies in certain circumstances, and financial activities that represent a systemic risk to financial stability or the U.S. economy. At the present time, Guardian does not know of any federal proposals or legislative initiatives that, if enacted, would adversely impact its business, results of operations or financial condition. See "Risk Factors—Risk Factors Related to Guardian. Guardian is subject to extensive regulation, which restricts its operations and imposes compliance costs" and "Risk Factors—Risk Factors Related to Guardian—The Dodd-Frank Act and certain other potential changes in federal laws and regulations may adversely affect Guardian's business, results of operations and financial condition."

The Dodd-Frank Act significantly changed financial regulation in the United States. It established a general framework for systemic regulation that imposes many requirements on many derivatives transactions, including mandatory clearing, exchange trading, margin and reporting requirements. Regulations with respect to swaps and other derivatives that are regulated by the CFTC have been implemented, including with regards to initial margining of swaps, final implementation for Guardian of requirements that have been in effect since September 2022. Regulations for security-based swaps, which are regulated by the SEC, have been largely adopted and implemented. These regulations differ in many respects from those adopted by the CFTC, the prudential regulators and regulators in the EU. As a result, it is possible that the implementation of SEC regulations could adversely impact Guardian's positions in security-based swaps, such as certain credit default swaps and equity swaps.

Guardian is required to post initial margin to its derivatives counterparties in respect to its swaps positions depending on the size of the swaps books of the broader Guardian group and the applicable threshold established by counterparties. Guardian is subject to initial margin requirements if Guardian and its affiliated entities have "material swaps exposure," and Guardian may be required to post independent amounts as a commercial matter in other instances. The "material swaps exposure" rules, which are applicable to Guardian, require average daily aggregate notional exposure to uncleared swaps, uncleared security-based swaps, foreign exchange forwards and foreign exchange swaps for a specified prior period to be in excess of $8 billion. In addition, eligible collateral for initial margin for swaps, like that for variation margin, is restricted to cash and liquid securities (such as U.S. government securities, government-sponsored enterprise debt securities, certain sovereign debt and specified corporate debt, listed equities and funds).

To the extent that Guardian's swaps or security-based swaps counterparty collects commercially-agreed independent amounts from it, Guardian may request that the derivatives counterparty segregate all such initial margin at a custodian. If Guardian does not request segregation, the custodian or counterparty may commingle such assets or collateral with the custodian's or counterparty's own assets or collateral, and in the event of the bankruptcy or insolvency of the custodian or counterparty, such assets and collateral may be subject to the conflicting claims of the creditors of the relevant custodian or counterparty, which may result in a loss to Guardian.

Guardian currently posts variation margin to and collects variation margin from counterparties to swaps subject to regulation by the CFTC, U.S. prudential regulators and authorities in the EU.

In addition, where Guardian enters into certain swaps that are subject to mandatory clearing, Guardian will be required to execute such swaps on a registered exchange or trading platform.

Rules the SEC adopted on December 13, 2023 will require that each covered clearing agency have policies and procedures reasonably designed to require every direct participant of the agency to submit for clearing eligible secondary market transactions in US Treasury securities. The rule effectively requires such participants to clear eligible cash transactions in US Treasury securities by December 31, 2026, and eligible repurchase transactions in US Treasury securities by June 30, 2027. The potential effect of the rule on the US Treasury markets is uncertain.

Further, where Guardian enters into a swap with non-U.S. counterparties in the EU, the regulations of the home or resident country of such counterparty generally apply regulatory requirements with respect to such swap that are similar to those adopted by the CFTC, SEC and the prudential regulators pursuant to the Dodd-Frank Act. The EMIR, like the CFTC and SEC regulations in effect in the United States, requires reporting of derivatives and various risk mitigation techniques to be applied to derivatives entered into by parties that are subject to the jurisdiction of EMIR.

The Dodd-Frank Act also established the FSOC, which has authority to designate non-bank financial companies as non-bank SIFIs, thereby subjecting them to enhanced prudential standards and supervision by the Federal Reserve. The prudential standards for non-bank SIFIs include enhanced RBC requirements, leverage limits, liquidity requirements, single counterparty exposure limits, governance requirements for risk management, stress test requirements, special debt-to-equity limits for certain companies, early remediation procedures and recovery and resolution planning. The FSOC modified the designation process for non-bank SIFIs in 2019, and again in 2023. On November 3, 2023, FSOC issued final interpretive guidance on designating non-bank financial companies as non-bank SIFIs. First, FSOC would conduct a preliminary analysis using quantitative and qualitative information available to FSOC primarily through public and regulatory sources. Second, FSOC might consider details regarding the company's financial activities, legal structure, liabilities, counterparty exposures, resolvability, and existing regulatory oversight. There are currently no such non-bank financial companies designated as SIFIs, although if the FSOC were to designate Guardian as such, it would become subject to certain of these enhanced prudential standards. Other regulators, such as insurance regulators, may also adopt new or heightened regulatory safeguards as a result of actions taken by the Federal Reserve in connection with its supervision of non-bank SIFIs. There can be no assurance that any such new or enhanced regulation would not apply to Guardian.

In addition, the Dodd-Frank Act established the FIO within the U.S. Department of the Treasury, which has the authority, on behalf of the United States, to participate in the negotiation of international insurance agreements with foreign regulators, as well as to collect information about the insurance industry and recommend prudential standards. While not having general supervisory or regulatory authority over the business of insurance, the director of the FIO performs various functions with respect to insurance, such as serving as a non-voting member of FSOC and making recommendations to the FSOC regarding insurers to be designated for more stringent regulation.

Federal agencies have been given significant discretion in connection with rulemaking related to the implementation of the Dodd-Frank Act. It is unclear what impact volatile political environment (including the current U.S. administration) will have on potential changes to the Dodd-Frank Act and the resulting impact on Guardian's business, financial condition or results of operations. Guardian cannot currently identify the risks, if any, that may be posed to Guardian's business as a result of potential changes to, or legislative replacements for, the Dodd-Frank Act. Guardian cannot predict whether any such legislation or regulatory changes would be adopted, or what impact they would have on Guardian's business, financial condition or results of operations.

Federal legislation and administrative policies in other areas, including employee benefit plan regulation and individual retirement account regulation, federal taxation and securities regulation, could significantly affect the insurance industry and the costs faced by its participants.

USA PATRIOT Act. Title III of the USA PATRIOT Act of 2001 (the "PATRIOT Act") amends the Money Laundering Control Act of 1986 and the Bank Secrecy Act to expand Anti-Money Laundering ("AML") and financial transparency laws applicable to financial services companies, including some categories of insurance companies. The PATRIOT Act, among other things, seeks to promote cooperation among financial institutions, regulators and law enforcement entities in identifying parties that may be involved in terrorism, money laundering or other illegal activities. To the extent required by applicable laws and regulations, Guardian and certain of its subsidiaries that are deemed "financial institutions" under the PATRIOT Act have adopted anti-money laundering programs that include policies, procedures and controls to detect and prevent money laundering, designate a compliance officer to oversee the program, provide for on-going employee training, and ensure periodic independent testing of the program. Guardian's AML programs, to the extent required, also establish and enforce customer identification programs and provide for the monitoring and the reporting to the Treasury of certain suspicious transactions.

Employee Benefits and Pension Legislative Developments. On September 27, 2010, President Obama signed the Small Business Jobs Act of 2010 ("SBJA"). SBJA focuses mainly on credits for small businesses but has a major

pension provision which permits participants to transfer money from a pre-tax account to a Roth account within a "qualified plan." On July 6, 2012, President Obama signed the Moving Ahead for Progress in the 21st Century Act ("MAP-21") which, among other things, affects pension funding by changing the mechanism for determining interest rates to be used for funding pension plans; it also increased pension benefit guaranty corporation ("PBGC") premiums.

The Supreme Court in United States v. Windsor (2013) found that Section 3 of the Defense of Marriage Act ("DOMA"), which provides that the word "marriage" means only a legal union between one man and one woman as husband and wife, and the word "spouse" refers only to a person of the opposite sex who is a husband or a wife is unconstitutional because it violates the principles of equal protection. The impact of any of the above may have a positive impact on the demand for retirement vehicles.

On December 20, 2019, President Trump signed into law the Setting Every Community Up for Retirement Enhancement Act of 2019 (the "SECURE Act"). The SECURE Act contains a number of provisions that affect the administration and operation of ERISA plans and IRAs, including provisions that encourage additional retirement savings and lifetime income options, promote the adoption of retirement plans by small employers, provide lifetime income portability, and accelerate the distribution of retirement benefits of deceased retirees. Many provisions of the SECURE Act became effective for plan years beginning after December 31, 2019.

The SECURE 2.0 Act of 2022 ("SECURE 2.0"), signed into law on December 29, 2022, makes significant changes to existing law for retirement plans by building upon provisions in the SECURE Act. SECURE 2.0 introduces new requirements and considerations for plan sponsors that are intended to expand coverage, increase savings, preserve income, and simplify plan rules and administrative procedures. Among other provisions, SECURE 2.0 directs the DOL to review its current interpretive bulletin regarding ERISA plan sponsors' selection of annuity providers for purposes of transferring plan sponsor benefit plan liability to such annuity providers. Such review could result in the DOL's imposition of new or different requirements on plan sponsors or on annuity providers or could make such selection process more difficult for the parties involved.

ERISA Considerations

Until December 31, 2016, Guardian and its subsidiaries issued certain investment products and services to employee benefit plans governed by ERISA, including group annuity contracts and funding agreements designed to fund tax-qualified retirement plans such as 401(k), profit-sharing and other participant directed plans, as well as defined benefit plans. This block of business was purchased by Ameritas Life Insurance Corp. ("Ameritas") under an Asset Purchase Agreement entered into by a Guardian subsidiary and Ameritas on September 1, 2016. Pursuant to that Asset Purchase Agreement and other ancillary agreements between the parties, Ameritas has undertaken to novate these group annuity contracts and funding agreements and will assume the obligations and liabilities associated with them. As of December 2019, all of these contracts and agreements have been novated to Ameritas. ERISA provides (among other requirements) standards of conduct for employee benefit plan fiduciaries, including investment managers and investment advisers with respect to the assets of such plans, and holds fiduciaries liable if they fail to satisfy fiduciary standards of conduct. Generally, Guardian and its subsidiaries have maintained policies and procedures that are intended to limit the circumstances in which Guardian or any of its subsidiaries could be deemed a fiduciary with respect to plans governed by ERISA, or to the extent that they may be deemed to have such fiduciary status, to ensure compliance with applicable ERISA requirements.

Since 2015, the U.S. Department of Labor (the "DOL") has made multiple attempts to establish regulations to change the definition of "fiduciary" for purposes of ERISA and parallel provisions of the Code, when a financial professional, including an insurance producer, provides investment advice, and proposed amendments to various existing prohibited transaction exemptions ("PTEs"), including PTE 84-14, that financial professionals rely on when they make investment recommendations to retirement investors. In November 2024, the DOL formally withdrew its defense of the latest lawsuits challenging its fiduciary regulation. It is unclear whether the DOL will pursue another fiduciary regulation. Guardian is monitoring these developments.

Annuity contracts and funding agreements that were issued prior to December 31, 2016 by Guardian's insurance subsidiaries may include a "fixed option" that accrues interest and is backed by the general account of the insurance subsidiary. In 1993, the United States Supreme Court issued an opinion in John Hancock Mutual Life

Insurance Co. v. Harris Trust and Savings Bank ("Harris Trust"), holding that certain contract holder funds held by John Hancock Mutual Life Insurance Company in its general account under a participating group annuity contract were "plan assets," and therefore subject to ERISA's fiduciary provisions. However, under Section 401(b)(2) of ERISA, if an insurance company issues a guaranteed benefit policy to a plan, the assets of the plan are deemed to include the policy, but do not, solely by reason of the issuance of the policy, include any assets of the insurance company. Section 401(b)(2)(B) of ERISA defines the term "guaranteed benefit policy" to mean an insurance policy or contract to the extent such policy or contract provides for benefits the amount of which is guaranteed by the insurer. Guardian's insurance subsidiaries intend that the "fixed option" component of their annuity contracts and funding agreements qualify as guaranteed benefit policies as defined by Section 401(b)(2)(B) as further interpreted by court decisions and the DOL.

Certain lawsuits have been brought under ERISA by employer sponsors of tax-qualified retirement plans investing through group annuity contracts that offer a selection of variable investment options funded by mutual funds. Plaintiffs have alleged, inter alia, that the insurance company defendants are fiduciaries with respect to plans, and as fiduciaries, the insurance company defendants breached their fiduciary duties and engaged in prohibited transactions by receiving certain compensation from mutual funds as a result of plan investments through the annuity contracts. The ultimate impact of the case law in this area remains uncertain. Although group variable contracts and funding agreements issued to retirement plans by Guardian's insurance subsidiaries have some features that may be similar to the features of group annuity contracts that are the subject of this litigation, neither Guardian nor any of its insurance subsidiaries are aware that similar litigation is threatened or has been filed involving any group annuity contracts or funding agreements issued by the insurance subsidiaries. Guardian and its insurance subsidiaries are continuing to monitor whether legal developments resulting from these lawsuits warrant new or different compliance policies and procedures for this line of business.

Environmental Regulation

As an owner and operator of real property, Guardian is subject to extensive federal, state and local environmental laws and regulations. Inherent in such ownership and operation is the risk that there may be potential environmental liabilities and costs in connection with any required remediation of such properties. Guardian routinely conducts environmental assessments for real estate Guardian is acquiring for investment and before taking title to real property through securing mortgages Guardian holds. In addition, certain federal and state laws have provisions that can protect a mortgage lender, such as Guardian or BLICOA, from environmental liability to governmental entities in connection with properties acquired by foreclosure, if the mortgage lender observes the required procedures under those laws and otherwise meets the legal criteria for these protections. Based on these environmental assessments, Guardian believes that any costs associated with compliance with such environmental laws and regulations or any remediation of such properties would not have a material adverse effect on Guardian's financial position or results of operations.

Guardian, and certain of its subsidiaries, hold equity stakes in entities that could potentially be subject to environmental liabilities. Guardian believes, based on its assessment of the businesses and properties of these entities and Guardian's level of involvement in the operation and management of such entities, Guardian would not be subject to any material environmental liabilities with respect to these investments. However, unexpected environmental liabilities can arise.

Climate Change and Financial Risks

Climate risk has come under increased scrutiny by insurance regulators and other regulatory agencies. In New York, the NYSDFS expects both New York domestic insurers, such as Guardian, and foreign authorized insurers to manage material climate risks by taking actions that are proportionate to the nature, scale and complexity of their business. The NYSDFS issued separate guidance for New York domestic insurers, which contains more detailed expectations for such insurers, such as (i) ensuring that the board of directors understands relevant climate risks; (ii) performing regular reviews of the insurer's procedures that are designed to manage climate risks; and (iii) incorporating climate risks into its financial risk management (e.g., enterprise risk management ("ERM") and ORSA). New York domestic insurers have implemented certain corporate governance changes and developed plans to implement organizational structure changes (e.g., clearly defining roles and responsibilities related to managing

climate risk). With respect to the NYSDFS' more complex expectations (e.g., using scenario analysis when developing business strategies), the regulator will issue additional guidance on the implementation timelines.

The NYSDFS also amended the regulation that governs ERM, applicable to New York domestic and foreign authorized insurers, to require an insurance group's ERM function to address certain additional risks, including climate change risk.

The NAIC adopted a new standard for insurance companies to report their climate-related risks as part of its annual Climate Risk Disclosure Survey, which applies to insurers that meet the reporting threshold of $100 million in countrywide direct premium and are licensed in one of the participating jurisdictions. The new disclosure standard is aligned with the international Task Force on Climate-Related Financial Disclosures' (TCFD) framework for reporting climate-related financial information, which represents the international benchmark for this type of disclosure.

In addition, the FIO is assessing how the insurance sector may mitigate climate risks and help achieve national climate-related goals pursuant to its authority under the Dodd-Frank Act, as discussed above. On June 27, 2023, the FIO released a report titled *Insurance Supervision and Regulation of Climate-Related Risks*, which evaluates climate-related issues and gaps in insurer regulation. The report urges insurance regulators to adopt climate-related risk-monitoring guidance in order to enhance their regulation and supervision of insurers.

Diversity and Corporate Governance

In New York, the NYSDFS issued a circular letter in 2021 stating that it expects the insurers it regulates to make diversity of their leadership a business priority and a key element of their corporate governance. The NYSDFS includes diversity-related questions in its examination process. The NAIC is examining practices in the insurance industry in order to determine how barriers are created that disadvantage or discriminate against people of color or historically underrepresented groups. NAIC goals include improving access to different types of insurance products in minority communities, addressing issues related to affordability, and providing guidance to regulators on ways to improve insurance access and the understanding of insurance in underserved communities.

International Operations

Guardian performs select operational functions in several locations in India through its Guardian India subsidiary (formerly Data Telesis). Functions performed include data entry, new business processing, billing, call center and scheduling. Guardian India provides services to Guardian and its affiliates, but no outside parties.

PROPERTIES

Set forth below is a description of the properties as of February 13, 2026.

Guardian's current real estate office portfolio consists of six hub locations totaling approximately 682,803 rentable square feet (rsf), with total rental obligations in excess of $35 million. Locations are as follows: Bethlehem, Pennsylvania, consisting of 281,745 rsf with a lease that expires on May 31, 2036; a sublease at 10 Hudson Yards in New York, New York for 148,318 rsf that expires on June 29, 2036; a 91,319 rsf office in Holmdel, New Jersey with a lease that expires on December 31, 2032; an owned facility in Pittsfield, Massachusetts consisting of 136,677 rsf located on approximately 45.9 acres of land, occupied by Guardian's wholly owned subsidiary, BLICOA; an 11,830 rsf office in Boston, Massachusetts with a lease that expires on October 31, 2029; and a 12,914 rsf office in Stamford, Connecticut with a lease that expires on May 31, 2028.

Guardian also has eleven leased locations totaling approximately 67,951 rsf supporting its corporate sales operations, satellite corporate operations, and subsidiary operations. Such leases generally have terms of three to five years, inclusive of renewal options. Guardian's aggregate annual rental obligations under these leases are approximately $2.6 million.

In addition, Guardian leases office space at two locations in India (Chennai and Gurgaon) comprising an aggregate of 184,204 rsf, with aggregate annual rental obligations of approximately $2.7 million. Guardian also owns a 17,642 rsf office suite in Chennai, and annual operating expenses for this facility are approximately $0.2 million.

Guardian also has twenty leased locations totaling approximately 63,286 rsf supporting its agency operations (for those offices that have not yet become principal owners). Such leases generally have terms of three to five years, with renewal options. Guardian's aggregate annual rental obligations under these leases are approximately $2.2 million.

In addition, Guardian is listed as a guarantor on eight general agency site leases totaling approximately 101,137 rsf, with aggregate annual rental obligations of approximately $4.4 million.

As part of its efforts to reduce its real estate footprint, Guardian has subleased all or a portion of nine locations, generating aggregate annual sublease income of approximately $2.7 million.

Guardian believes that its owned and leased properties are suitable and adequate to support its current business operations.

EMPLOYEES AND AGENTS

As of January 1, 2026, Guardian and its subsidiaries employed approximately 7,600 people. In addition, as of December 31, 2025, over 2,900 full-time career agents are engaged in the sale of Guardian's products. Approximately 43 entities have selling and servicing agreements for GIAC annuities (including PAS) and 293 broker-dealer entities have servicing agreements for GIAC annuities. Guardian believes that its employee relations are generally good.

OTHER INFORMATION

Guardian may from time to time make certain information available on its website at www.guardianlife.com/financial-highlights. **The information contained on or connected to Guardian's website is not a part of this Offering Memorandum, and you should not rely on any such information in making your decision whether to purchase Notes**.

FINANCIAL AND ACCOUNTING MATTERS

The financial information included herein has been prepared in conformity with the statutory accounting practices prescribed by the New York State Department of Financial Services ("NYSDFS").

SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN SAP AND GAAP

SAP is different in some respects from financial statements prepared in accordance with GAAP. The more significant differences between SAP and GAAP are that, under SAP, (1) costs related to acquiring business, principally commissions and certain policy issue expenses, are charged to income in the year incurred; (2) life insurance and annuity reserves are based on statutory mortality and interest requirements, without consideration of withdrawals and company experience, aside from 0.2% of these reserves which fall under principle-based reserving; (3) life insurance enterprises are required to establish a formula-based asset valuation reserve ("AVR") by a direct charge to surplus to offset potential investment losses; (4) realized gains and losses resulting from changes in interest rates on fixed income investments are deferred in the IMR and amortized into investment income over the remaining life of the investment sold; (5) bonds are carried principally at amortized cost; (6) certain reinsurance transactions are accounted for as reinsurance for statutory purposes and as financing transactions under GAAP, and assets and liabilities are reported net of reinsurance for statutory purposes and gross of reinsurance for GAAP; (7) certain "non-admitted assets" (furniture and office equipment, leasehold improvements, capitalized internally developed non-operating system software and prepaid pension costs) must be excluded under statutory reporting through a charge to surplus; (8) investments in common stock of Guardian's wholly-owned and majority owned subsidiaries are accounted for using the equity method, where earnings of such subsidiaries are recognized in surplus, that is, only when dividends are

distributed is income recognized; (9) gross deferred tax assets and changes in deferred tax assets ("DTAs") and liabilities ("DTLs"), except those relating to changes in unrealized gains and losses, are recognized as a separate component of surplus. Deferred tax assets not meeting certain criteria are non-admitted; (10) investments in Other invested assets, where Guardian has a controlling financial interest, are accounted for using the equity method for statutory purposes and consolidated under GAAP; and (11) if in the aggregate, Guardian has a net negative cash balance, it is reported as a negative asset for statutory purposes and recorded as a liability under GAAP.

INVESTMENT RESERVES

In compliance with SAP, Guardian maintains both an AVR and an IMR. The AVR is intended to stabilize policyholders' surplus against market fluctuations in the value of equities and credit related declines in the value of bonds, mortgage loans, public equity, private equity and real estate investments. The level of the AVR is based on both the type of investment and its credit rating. In addition, the reserves required for similar investments, for example, fixed maturity securities, differ according to the credit ratings of the investments, which are based upon ratings established periodically by the Securities Valuation Office of the NAIC ("SVO"). Guardian, in keeping with the New York Insurance Law and SAP, includes the reserve when determining its total adjusted capital for risk-based capital purposes. Changes in the AVR are recorded directly to surplus. The IMR defers net after-tax realized capital gains (losses) which result from changes in the overall level of interest rates for fixed income investments and amortizes these net capital gains (losses) into income over the remaining stated life of the investments sold. Guardian uses the group method of calculating the IMR. Net realized after-tax capital losses of ($400) million and ($311) million as of December 31, 2025 and 2024, respectively, were (transferred out of) or deferred into the IMR. Amortization of the IMR into net investment income amounted to ($10) million for the year ended December 31, 2025 and $10 million for the year ended December 31, 2024.

Realized investment gains and losses are reported in income based upon specific identification of securities sold. Realized losses include valuation adjustments for other-than-temporary declines in investments. Unrealized investment gains and losses on financial instruments carried at fair value represent changes in the reported fair value and are recorded directly to surplus.

POLICYHOLDER DIVIDENDS AND OTHER EXPERIENCE CREDITS

Guardian determines the amount of dividends payable to eligible participating policyholders. These dividends have the effect of reducing the cost of insurance to policyholders and should be distinguished from the dividends paid on shares of capital stock by other types of business corporations or by stock life insurance companies. Policies on which such dividends may be payable are referred to as eligible participating policies; policies on which such dividends are not payable are referred to as non-participating policies. However, for some participating policies where no dividends are anticipated to be paid and for nonparticipating policies, adjustments may be made to non-guaranteed premiums, policy credits and charges to reflect changes to actual mortality, investment results and expenses.

Divisible surplus in excess of the amount Guardian's Board of Directors determines to be necessary to meet its policy obligations (reserves) and contingencies (such as worsening mortality or economic conditions) and to operate and grow its business is distributed in the form of dividends on Guardian's eligible participating policies. The amount and allocation of that distribution is at the discretion of the Board of Directors. The determination of the dividend scale is made after review of actual experience and reflects the traditional three-factor approach, considering dividend interest rate, mortality and expense. Guardian's Board of Directors receives the dividend scale report and recommendation from Guardian's Chief Actuary at its regular November Board meeting. The Board has an opportunity to review the report, ask questions of the Chief Actuary, and request additional information. It is the Board's responsibility to approve the following year's dividend scale. Once Board approval is received, Guardian implements the scale for the following year and all policy illustrations reflect the new scale.

RESERVES FOR POLICY BENEFITS

SAP prescribes methods for valuing obligations under in-force policies and contracts. Those valuations are reflected in the "Reserves for policy benefits" line of the financial statements. Changes in reserves for policy benefits are generally charged against earnings in the income statement. Statutes, regulations and actuarial professional

standards require Guardian to analyze the sufficiency of these reserves, using various interest rate scenarios in the context of statutory accounting practices on an annual basis.

SEPARATE ACCOUNTS

Guardian does not sell products which require separate account assets or liabilities. Any such products are sold by GIAC. Separate account assets and liabilities represent segregated funds administered and invested by GIAC for the benefit of individual and group variable annuity, variable life, and other insurance used by policyholders to meet specific insurance and investment objectives. Separate account assets consist principally of marketable securities reported at fair value and are not available to satisfy liabilities that arise from any other business of GIAC. GIAC receives administrative and investment advisory fees from these accounts.

Separate accounts reflect two categories of risk assumption: non-guaranteed separate accounts, for which the policyholder assumes the investment risk; and guaranteed separate accounts, for which GIAC contractually guarantees either a minimum return or minimum account value to the policyholder. Premium income, benefits and expenses of the separate accounts are included in GIAC's Statutory Statements of Income. Investment income and realized and unrealized capital gains and losses on the assets of separate accounts accrue to policyholders and, accordingly, are not recorded in the Statutory Statements of Income.

GIAC may transfer investments from the general account to seed separate accounts. Investments transferred to separate accounts are transferred at fair market value on the date the transaction occurs. Gains related to the transfer are deferred to the extent that GIAC maintains a proportionate interest in the separate account. The deferred gain is recognized as GIAC's ownership decreases or when the separate account sells the underlying asset during the normal course of business. Losses associated with these transfers are recognized immediately.

ACCOUNTING FOR EMPLOYEE BENEFIT PLANS

Guardian sponsors non-contributory defined benefit pension plans covering eligible employees as defined by the terms of the plan. These include tax-qualified plans, as well as non-qualified plans that provide benefits to certain participants in excess of ERISA limits for qualified plans. Guardian's policy is to fund the obligations of qualified plans in accordance with ERISA requirements. In 2020, Guardian froze future pension benefit accruals for Home Office employees who did not reach the Rule of 75, determined using 75 "points" when combining an employee's age plus years of service as of December 31, 2020.

In addition to pension benefits, Guardian provides certain health care, dental and life insurance benefits ("Post-Retirement Benefits") for retired employees. Substantially all employees may become eligible for these benefits if they reach retirement age while working for Guardian. On June 30, 2020, Guardian announced the decision to eliminate the post-Medicare HRA subsidy for all Home Office employees that retire after December 31, 2020. The announcement of the plan change resulted in a plan amendment as defined in Statement of Statutory Accounting Principle No. 92, Accounting for Postretirement Benefits Other Than Pensions, A Replacement of SSAP No. 14 ("SSAP 92"). The plan was remeasured as of June 30, 2020, which is the month end closest to the date the changes were communicated to Plan participants, in accordance with the practical expedient described in SSAP 92. The amendment resulted in a reduction in PBO of $67 million which offset existing unrecognized prior service costs of $14 million with the remaining $53 million recognized as a new prior service credit and recognized as a gain in surplus.

In accordance with NAIC SAP, the costs associated with these required benefits are expensed over the period that the participant provides services to Guardian, including recognition of assets and liabilities based on the funded status of the related plans. Pension assets are then non-admitted and thereby excluded from surplus.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the statutory financial statements, and the reported amounts of revenues and expenses during those reporting periods. The most significant estimates include those used in determining the carrying values of investments and derivatives, the amount of investment valuation reserves on mortgage loans, other-than-temporary impairments and reserves for policy benefits. Future events, including but not limited to changes in the levels of mortality, morbidity, interest rates, persistency, asset valuations and asset defaults, could cause actual results to differ from the estimates used in the statutory financial statements. Although some variability is inherent in these estimates, management believes the amounts presented are appropriate.

For a complete discussion of accounting policies and practices, see the notes to the Statutory Financial Statements included in the Offering Memorandum.

Carrying Values of Investments and Derivatives. Investments are valued in accordance with methods prescribed by the SVO. Guardian obtains the fair value of financial instruments held in its portfolio from a number of sources, which are measured at fair value, as described in the Statutory Financial Statements. These sources include published market quotes for active market exchange traded instruments, third-party pricing vendors, investment banks which are lead market makers in certain markets and broker quotes. Guardian also uses internal valuation models that use market observable inputs when available and Guardian derived inputs when external inputs are not available or deemed to be inaccurate.

Bonds are stated principally at amortized cost with bond premiums and discounts amortized using the scientific interest method. Those bonds which are rated 6 by the NAIC are reported at the lower of amortized cost or fair value. Mortgage-backed bonds are carried at amortized cost using the interest method considering anticipated prepayments at the date of purchase. Significant changes in future anticipated cash flows from the original purchase assumptions are accounted for using the retrospective adjustment method with Public Securities Association standard prepayment rates. Guardian has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from issuers or broker-dealers through

information services or internal estimates and are believed to be consistent with current interest rates and the economic environment.

Preferred stocks which are rated 4, 5 or 6 by the SVO are stated at the lower of cost or fair value.

Common stocks of unaffiliated companies are stated at fair value, which is based on quoted market prices. For common stocks without quoted market prices, fair value is estimated using independent pricing services or internally developed pricing models. Investments in subsidiaries and affiliates are included in common stocks and are valued at equity in the underlying net assets. Undistributed earnings or losses of subsidiaries and unrealized appreciation or depreciation on common stocks are reflected as unrealized capital gains and losses directly in surplus.

Mortgage loans are valued at amortized cost. Valuation reserves are established for potential declines in the value of the mortgage loans. Fair value is determined based upon the present value of the scheduled future cash flows of each loan based on the average term to maturity discounted at the appropriate U.S. Treasury rate, adjusted for the current market spread for a similar quality mortgage.

Real estate, which Guardian has the intent to hold for the production of income, and real estate occupied by Guardian are carried at cost, less any valuation adjustment, encumbrances and accumulated depreciation of buildings and other improvements using a straight line method over the estimated useful life of the improvements. Depreciation expense is included in net investment income.

Derivative financial instruments for hedged assets and liabilities, which include those used in the equity hedging program, are carried at estimated fair value, which is based primarily upon quotations obtained from independent sources. Changes in the fair value of these open hedge positions are recorded as unrealized capital gains and losses in surplus. Gains and losses realized on the termination, closing, expiration or assignment of contracts are recorded as realized capital gains and losses. Amounts receivable and payable are accrued.

Investment Valuation Reserves on Mortgage Loans. When, based upon current information and events, it is probable that Guardian will be unable to collect all amounts of interest and principal due according to the contractual terms of the mortgage loan agreement, a valuation allowance is established for the excess of the carrying value of the mortgage loan over its fair value. Collectability and estimated recoveries are assessed on a loan-by-loan basis considering all events and conditions relevant to the loan. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revisions as more information becomes available, as changes occur in the market or as negotiations with the borrowing entity evolve. Changes to the valuation allowance are recorded as unrealized capital losses in surplus.

Other-than-Temporary Impairments. The carrying values of bonds, mortgage-backed and asset-backed securities are written down to fair value when a decline in value is considered to be other-than-temporary. Guardian considers the following factors in the evaluation of whether a non-interest related decline in value is other-than-temporary: (a) the financial condition and near-term prospects of the issuer; (b) the likelihood that Guardian will be able to collect all amounts due according to the contractual terms of a debt security in effect at the date of acquisition; (c) Guardian's ability and intent to hold the investment for a period of time sufficient to allow for an anticipated recovery in value; and (d) the period and degree to which the market value has been below cost. Guardian considers the following factors in the evaluation of whether an interest related decline in value is other-than-temporary: (a) Guardian's near term intent to sell; (b) Guardian's contractual and regulatory obligations; and (c) Guardian's ability to hold the investment until anticipated recovery of the cost of the investment. Guardian conducts a semi-annual management review of all bonds including those in default, not-in-good standing or valued below 80% of cost. Guardian also considers other qualitative and quantitative factors in determining the existence of other-than-temporary impairments including, but not limited to, unrealized loss trend analysis and significant short-term changes in value. If the impairment is other-than-temporary, a direct write-down is recognized in realized capital losses and a new cost basis is established.

The cost basis of common stocks is adjusted for impairments deemed to be other-than-temporary. Guardian considers the following factors in the evaluation of whether a decline in value is other-than-temporary: (a) the financial condition and near-term prospects of the issuer; (b) Guardian's ability and intent to hold the investment for a period of time sufficient to allow for an anticipated recovery in value; and (c) the period and degree to which the

market value has been below cost. Guardian conducts a semi-annual management review of issuers whose common stock is not-in-good standing or valued below 80% of cost. Guardian also considers other qualitative and quantitative factors in determining the existence of other-than-temporary impairments including, but not limited to, unrealized loss trend analysis and significant short-term changes. If the impairment is other-than-temporary, a direct write-down to fair value is recognized in realized capital losses and a new cost basis is established.

For mortgage loans, when an event occurs resulting in an impairment that is other-than-temporary, a direct write-down is recognized in realized capital losses and a new cost basis is established. An impairment is deemed other-than-temporary when foreclosure proceedings or other procedures leading to the acquisition of the collateral are initiated, the acquisition of the collateral is probable and a reasonable estimate of the collateral value has been determined.

For real estate, depreciated cost is adjusted for impairments whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable, with the impairment being included in realized capital losses.

For partnerships and limited liability companies, when it appears probable that Guardian will be unable to recover the outstanding net capital contributed (cost) of an investment, or there is evidence indicating an inability of the investee to sustain earnings to justify the cost of the investment, an other-than-temporary impairment is recognized in realized capital losses for the excess of the cost over the estimated fair value of the investment. The estimated fair value is determined by assessing the value of the partnership's or limited liability company's underlying assets, cash flow, current financial condition and other market factors. Distributions not deemed to be a return of capital are recorded in net investment income when received provided there are undistributed earnings in the partnerships or limited liability companies.

Reserves for policy benefits. Policyholders' reserves provide amounts adequate to discharge estimated future obligations in excess of estimated future premium on policies in-force. The reserves are established using actuarial methods based on mortality and morbidity experience tables and valuation interest rates prescribed by the NYSDFS. Actual future experience will differ from assumptions used to determine these reserves.

Reserves for life insurance contracts are developed using accepted actuarial methods computed principally on the Net Level Premium Method, the New Jersey Reserve Method and the Commissioners' Reserve Valuation Method bases using the American Experience and the 1941, 1958, 1980, 2001 and 2017 Commissioners' Standard Ordinary mortality tables with assumed interest rates. Reserve methods, mortality tables and assumed interest rates vary with issue year generations of contracts. Reserves for disability riders associated with life contracts are calculated using morbidity rates from the 1952 Period 2 Intercompany Disability Table.

Individual disability income insurance policy reserves are generally calculated using the two-year preliminary term, net level premium and fixed net premium methods and actuarially accepted morbidity tables, using the 1964 Commissioners' Disability Table and the 1985 Commissioners' Individual Disability Table A with assumed interest rates in accordance with applicable statutes and regulations.

Disabled life claim reserves are generally calculated using actuarially accepted methodologies and actuarially accepted morbidity tables, using 1985 Commissioners' Individual Disability Tables A and C modified with factors to generate reserves that are more conservative, with assumed interest rates in accordance with applicable statutes and regulations.

Unpaid claims and claim expense reserves are related to disability and long-term care claims with long-tail payouts. Unpaid disability claim liabilities are projected based on the most recent disability payment paid prior to the valuation date. Claim expense reserves are based on an analysis of the unit expenses related to the processing and examination of new and ongoing claims. Interest accrued on reserves is calculated by applying NAIC prescribed interest rates to the average reserves by incurral year.

Tabular interest, tabular less actual reserves released and tabular cost for all life and annuity contracts and supplementary contracts involving life contingencies are determined in accordance with NAIC Annual Statement

Instructions. Traditional life, and term products issued before 2019, use a formula that applies a weighted-average interest rate determined from a seriatim valuation file to the mean average reserves. Universal life, variable life, group life insurance, annuity and supplemental contracts use a formula which applies a weighted-average credited rate to the mean account value. Reserves for term policies and riders issued since 2019 use the valuation methods specified in Valuation Manual ("VM") 20. Reserves for Universal Life with secondary guarantees issued since 2020 also use the valuation methods specified in Valuation Manual ("VM") 20.

Guardian waives deduction of deferred fractional premium at death and returns any portion of the final premium beyond the date of death. Reserves are computed using continuous functions to reflect these practices. The larger of legally computed reserves and cash surrender values on a policy-by-policy basis are held as liabilities.

The same reserve methods applied to standard policies are used for the substandard reserve calculations that are based on a substandard mortality rate (a multiple of standard reserve tables).

Reserves for group life waiver and long-term disability ("LTD") reported claims are determined on *a seriatim* basis. Life waiver of premium reserves are determined using the 1970 Inter-company Group Life Disability Table for claimants disabled prior to 2009, the 2005 Group Term Life Waiver Table for claimants disabled on or after January 1, 2009 until December 31, 2022, and the 2023 Group Term Life Waiver Table for claimants disabled on or after January 1, 2023; interest rates are 4.0% for claims incurred in 2012 or earlier, 3.5% for claims incurred between 2013 and 2020, 3.0% for claims incurred between 2021 and 2024, and 3.5% for claims incurred in 2025 or later. LTD reserves are determined using the 1987 Commissioners' Group Disability Table and Table 95a; interest rates vary by the year the claim was incurred, typically ranging from 2.0% to 5.0%. Group short-term disability, vision and dental claims incurred but not yet reported reserves are estimated based on Guardian's historical experience. Group reserves include reasonable allowances for potential adverse deviation.

SELECTED HISTORICAL STATUTORY FINANCIAL INFORMATION OF GUARDIAN

The table presented below sets forth selected financial information for Guardian which has been compiled on an unconsolidated basis and determined in accordance with SAP. For a description of the accounting principles applicable to this financial information and certain differences between SAP and GAAP, see "Financial and Accounting Matters—Summary of Principal Differences Between SAP and GAAP." Prospective investors should read the table below in conjunction with "Financial and Accounting Matters," and Guardian's statutory financial statements. The selected financial information for Guardian as of and for each of the years ended December 31, 2025, 2024 and 2023 has been derived from the annual audited statutory financial statements.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results may differ from estimates. The results for past accounting periods are not necessarily indicative of the results to be expected for any future accounting period.

The following table sets forth Guardian's Statements of Income Data and Balance Sheet Data.

	Years Ended December 31,		
	2025	2024	2023
	($ in Millions)		
Condensed Financial Information			
Statements of Income Data:			
Total revenue	$ 15,864	$ 14,503	$ 13,471
Dividends to policyholders	1,706	1,566	1,382
Gain from operations before federal income taxes	1,067	652	571
Net income	800	181	362
Balance Sheet Data:			
Total admitted assets	$ 93,785	$ 86,825	$ 80,266
Total liabilities	$ 83,820	$ 77,537	$ 71,194
Surplus:			
Surplus notes	1,503	1,502	$ 1,501
Policyholders' Surplus	8,462	7,786	7,571
Total Surplus	9,965	9,288	9,072
AVR	1,647	1,567	1,492
Total surplus and AVR	$ 11,612	$ 10,855	$ 10,564

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion below is prepared in conformity with SAP and the accounting practices prescribed by the NYSDFS. See "Financial and Accounting Matters—Summary of Principal Differences Between SAP and GAAP."

GENERAL

This disclosure should be read in conjunction with the Statutory Financial Statements (including the notes thereto) and "Selected Historical Statutory Financial Information of Guardian." This section reviews the financial condition of Guardian at December 31, 2025, 2024 and 2023, Guardian's results of operations for the years ended December 31, 2025, 2024 and 2023, and factors that may affect Guardian's future financial performance.

Guardian, together with its subsidiaries, is a diversified financial services group that seeks to provide attractive value for policyholders and customers by providing a wide array of differentiated products and services, while aiming to achieve strong financial results. In pursuing this strategy, Guardian's guiding principle is to enable its customers to obtain financial success while protecting their families and businesses. To achieve this goal, Guardian focuses on developing and distributing a broad portfolio of financial products and services, maintaining what it believes to be prudent underwriting standards and rigorous expense control, and pursuing asset/liability management practices that it considers conservative.

Guardian's statutory net income was $800 million for the year ended December 31, 2025, $181 million for the year ended December 31, 2024 and $362 million for the year ended December 31, 2023. As of and for the year ended December 31, 2025, Guardian had $93.8 billion in total statutory assets, net gain from operations (before dividends to policyholders and taxes) of $2.8 billion, over 1 million individual policies in-force, and $829.5 billion of life insurance in-force.

Guardian's insurance financial strength/claims paying ability, is rated AA+ by S&P, Aa1 by Moody's, and A++ by A.M. Best. S&P, Moody's, and A.M. Best currently report a stable outlook for Guardian's insurance financial strength rating. Each rating agency independently assigns ratings based on its own separate review and takes into account a variety of factors, which are subject to change, in making its decision. Accordingly, there can be no assurance of the ratings that will be afforded Guardian or the Notes in the future. These ratings are of interest to policyholders, but are not ratings of the Notes offered hereby and do not reflect an evaluation of the safety and security of the Notes.

BASIS OF PRESENTATION

The preparation of financial statements requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. The most significant estimates include those used in determining the carrying values of investments and derivatives, the liability for future policyholders' reserves and deposit-type contracts, and the amount of investment valuation reserves on mortgage loans, real estate held for sale, other-than-temporary impairments and the liability for taxes. Future events including, but not limited to, changes in the levels of mortality, morbidity, interest rates, persistency and asset valuations, could cause actual results to differ from the estimates used in the financial statements. Although some variability is inherent in these estimates, management believes the amounts presented are appropriate. Guardian has reclassified certain prior year balances to conform to the current year presentation. With respect to an individual line item, a discussion of changes between the end of one period and another may be omitted to the extent such item has not changed materially.

The discussion below regarding Guardian's results of operations is based on the Statutory Financial Statements of Guardian included elsewhere in this Offering Memorandum. Those financial statements have been prepared on the basis of SAP prescribed by the NYSDFS. Under SAP, results of subsidiaries are not consolidated with the results of Guardian on a line-by-line basis, but rather are generally recorded at their underlying net equity value as affiliated common stock investments, with the current year change in net equity value, less dividends paid and

contributions from Guardian reflected in unrealized capital gains and losses through surplus. Dividends received from subsidiaries are included in Guardian's net investment income. See "Financial and Accounting Matters."

ANALYSIS OF RESULTS OF OPERATIONS—FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023.

The following table sets forth the components of statutory net income for the years ended December 31, 2025, 2024 and 2023.

	Years Ended December 31,		
	2025	2024	2023
	($ in Millions)		
Revenue:			
Premiums, annuity considerations and fund deposits	$ 11,329	$ 10,516	$ 10,115
Net investment income	4,204	3,435	2,997
Amortization of IMR	(10)	10	33
Other income	341	542	326
Total revenue	$ 15,864	$ 14,503	$ 13,471
Benefits and expenses:			
Benefit payments to policyholders and beneficiaries	6,140	6,232	5,401
Net increase to policy benefit reserves	3,240	2,686	2,966
Commissions and operating expenses	3,711	3,367	3,151
Total benefits and expenses	$ 13,091	$ 12,285	$ 11,518
Gain from operations before dividends and federal income taxes	2,773	2,218	1,953
Dividends to policyholders	(1,706)	(1,566)	(1,382)
Gain from operations before federal income taxes	1,067	652	571
Federal income tax benefit/(expense)	(28)	(114)	(90)
Net gain from operations	$ 1,039	$ 538	$ 481
Net realized capital (losses) after taxes and transfers to IMR	(239)	(357)	(119)
Net income	$ 800	$ 181	$ 362

Net Income

Total revenue increased $1.4 billion from $14.5 billion in 2024 to $15.9 billion in 2025, driven primarily by higher premiums, annuity considerations and fund deposits and higher net investment income. Total benefits and expenses increased $0.8 billion from $12.3 billion in 2024 to $13.1 billion in 2025, due to higher net increase to policy benefit reserves and higher commissions and operating expenses, partially offset by lower benefit payments to policyholders and beneficiaries. Net realized capital losses after taxes and transfers to IMR increased in 2025. See "—Net Realized Capital Gains After Tax and Transfers to IMR".

Total revenue increased $1 billion from $13.5 billion in 2023 to $14.5 billion in 2024, driven primarily by higher premiums, annuity considerations and fund deposits and higher net investment income. Total benefits and expenses increased $0.8 billion from $11.5 billion in 2023 to $12.3 billion in 2024, due to higher benefit payments to policyholders and beneficiaries and higher commissions and operating expenses, partially offset by lower net increase to policy benefit reserves. Net realized capital losses after taxes and transfers to IMR increased in 2024.

Premium income, annuity considerations and fund deposits

Selected premium income, annuity considerations and fund deposits information is presented below:

	Years Ended December 31,			$ Change	% Change	$ Change	% Change
	2025	2024	2023	2025 vs. 2024	2025 vs. 2024	2024 vs. 2023	2024 vs. 2023
	($ in Millions)			($ in Millions)		($ in Millions)	
Premium income:							
Whole life	$ 5,369	$ 5,139	$ 4,991	$ 230	4.5%	$ 148	3.0%
Disability	656	626	601	30	4.8%	25	4.2%
Term, universal, and variable life	320	88	137	232	263.6%	(49)	(35.8%)
Group Benefits	4,983	4,662	4,385	321	6.9%	277	6.3%
Reinsurance and Other	1	1	1	-	-%	-	-%
Total	$ 11,329	$ 10,516	$ 10,115	$ 813	7.7%	$ 401	4.0%

For the year ended December 31, 2025, premium income as compared to the year ended December 31, 2024 increased $813 million, primarily due to an increase in Term life and Whole life premiums due to natural growth and an increase in Group Benefits premiums. The increase in Group Benefits premiums was primarily due to an increase in life and health products from persistency and in-group growth.

For the year ended December 31, 2024, premium income as compared to the year ended December 31, 2023 increased $401 million, primarily due to an increase in Whole life premiums due to natural growth and an increase in Group Benefits premiums. The increase in Group Benefits premiums was primarily due to an increase in life and health products from persistency and in-group growth.

Net Investment Income

The components of net investment income are set forth below:

	Years Ended December 31		
	2025	2024	2023
		($ in Millions)	
Net investment income:			
Bonds	$ 2,556	$ 2,300	$ 2,152
Preferred stocks	7	2	0
Common stocks—subsidiaries and affiliates	7	6	-
Common stocks—unaffiliated	10	9	7
Mortgage loans	378	336	265
Policy loans	424	386	317
Real estate	84	85	78
Derivatives and other invested assets	1,028	576	424
Cash, cash equivalents and short-term investments	93	93	82
Total gross investment income	$ 4,587	$ 3,793	$ 3,325
Investment expenses	(383)	(358)	(328)
Net investment income	$ 4,204	$ 3,435	$ 2,997
Amortization of IMR	(10)	10	33
Net investment income including IMR amortization	**$ 4,194**	**$ 3,445**	**$ 3,030**

For the year ended December 31, 2025, net investment income, including IMR amortization, increased $749 million primarily due to increased investment income from the bond and mortgage loan portfolios and investment income related to affiliated other invested assets which is reflected in the Derivatives and other invested assets category. This increase was partially offset by higher investment expenses.

For the year ended December 31, 2024, net investment income, including IMR amortization, increased $415 million primarily due to increased investment income from the bond and mortgage loan portfolios, private equity investments which is reflected in the Derivatives and other invested assets category as well as income generated by policy loans and cash, cash equivalents and short-term investment positions. This increase was partially offset by higher investment expenses.

Guardian calculates the yield on its investment portfolio before federal income taxes as (a) two times gross investment income divided by (b) the beginning and ending balance of invested assets minus (c) gross investment income. After deducting all investment expenses, the net annualized yields were 5.21% for the year ended December 31, 2025, 4.59% for the year ended December 31, 2024 and 4.28% for the year ended December 31, 2023.

Bond gross investment income increased $256 million in 2025 as compared to 2024 due to increased average assets. Bond gross investment income increased $148 million in 2024 as compared to 2023 due to increased average assets offset by decreased prepayment fees associated with private placements and called or tendered bonds. Average bond asset balances were $55.3 billion, $52.5 billion and $51.6 billion in 2025, 2024 and 2023, respectively. Average bond portfolio yields increased from 4.17% in 2023 to 4.38% in 2024 and increased to 4.62% in 2025. Prepayment fees on private placements, which are included in gross investment income, were $0 million in 2025, $4 million in 2024 and $2 million in 2023. Prepayment fees on called or tendered bonds, which are included in gross investment income, were $3 million in 2025, $10 million in 2024 and $3 million in 2023.

Income from common stocks— unaffiliated increased by $2 million in 2025, as compared to 2024 Income from common stocks— unaffiliated increased by $2 million in 2024, as compared to 2023.

Mortgage loan gross investment income increased $42 million in 2025 as compared to 2024 due to increased average mortgage loan assets. Mortgage loan gross investment income increased $71 million in 2024 as compared to 2023 due to increased average mortgage loan assets and partially offset by decreased mortgage prepayment fees. Average mortgage portfolio yields were 4.70% in 2025, 4.64% in 2024 and 4.07% in 2023. Mortgage prepayment fees, which are included in gross investment income, were $1 million in 2025, $2 million in 2024 and $0.3 million in 2023.

The $38 million increase in policy loan gross investment income in 2025 as compared to 2024 is primarily due to an increase in the asset balance which rose $504 million in 2025. The $69 million increase in policy loan gross investment income in 2024 as compared to 2023 is primarily due to an increase in the asset balance which rose $963 million in 2024.

Real estate income decreased slightly by $1 million in 2025 as compared to the prior year. Real estate income increased slightly by $7 million in 2024 as compared to the prior year.

In 2025, the increase in derivatives and other invested assets gross investment income of $452 million was primarily due to a $452 million increase in investment income related to affiliated other invested assets as compared to 2024. In 2024, the increase in derivatives and other invested assets gross investment income of $152 million was primarily due to a $50 million increase in investment income related to affiliated other invested assets and a $96 million increase in private equity income distributions in 2024 as compared to 2023.

The cash, cash equivalents and short-term investment gross investment income was unchanged in 2025 as compared to 2024. The cash, cash equivalents and short-term investment gross investment income increased by $11 million in 2024 as compared to 2023 due to short-term interest rates rising significantly during 2024.

Amortization of IMR decreased $20 million in 2025 as a result of bond sale losses being generated in 2025. Amortization of IMR decreased $23 million in 2024 as a result of bond sale losses being generated in 2024.

Other income

Other income, which includes miscellaneous income, commissions and expense allowances on reinsurance ceded, and reserve adjustments on reinsurance, decreased $201 million for the year ended December 31, 2025, as

compared to December 31, 2024. The variance is driven by a decrease in commissions and expense allowance on reinsurance ceded compared to December 31, 2024, which had been elevated due to the initial consideration for a new funds withheld reinsurance agreement. At the current year end, commissions and expenses have normalized and are consistent with prior quarters, reflecting the absence of those one-time impacts recognized in December 31, 2024.

Other income, which includes miscellaneous income, commissions and expense allowances on reinsurance ceded, and reserve adjustments on reinsurance, increased $216 million for the year ended December 31, 2024, as compared to December 31, 2023. The increase is primarily due to a new reinsurance coinsurance funds withheld treaty effective October 1, 2024, on 2014 term block. Guardian entered into a Block transaction reinsurance agreement on an 85% quota share coinsurance funds withheld basis with a reinsurer on October 1, 2024. This Block was previously reinsured with another reinsurance company at a 90% quota share and was recaptured concurrently with the new agreement. The increase is also due to the transfer of the related investment income or returns for the intercompany reinsurance under which GIAC cedes its variable life products to Guardian.

Benefit payments to policyholders and beneficiaries

Benefit payments to policyholders and beneficiaries decreased $92 million for the year ended December 31, 2025 as compared to December 31, 2024. The decrease is primarily due to a decrease in surrenders this year and favorable mortality experience in 2025 with fewer large claims in individual life partially offset by increase in group benefits claims for dental, vision, and short-term disability due to growth in business.

Benefit payments to policyholders and beneficiaries increased $831 million for the year ended December 31, 2024 as compared to December 31, 2023. The increase is primarily due to an increase in surrenders this year, increase in group benefits claims for all health products due to growth in business and growth in individual life due to growing in force business.

Additions to policy benefit reserves

Net additions to policy benefit reserves increased $554 million in the year ended December 31, 2025 compared to the year ended December 31, 2024. The policyholders' reserves increased primarily as a result of Individual Life growth in inforce business and BOLI sales in 2025.

Net additions to policy benefit reserves decreased $280 million in the year ended December 31, 2024 compared to the year ended December 31, 2023. The policyholders' reserves decreased primarily as a result of Individual Life lower reserve growth as a result of increase in surrenders, Individual Disability decrease in claim reserves and Group decrease in life waiver of premium reserve and LTD active lives reserves due to assumption changes.

Commissions and operating expenses

Commissions and operating expenses increased $344 million in the year ended December 31, 2025 compared to the year ended December 31, 2024, due to higher increase in interest on $3.0 billion issuance of funding agreements, $500 million in new FHLB funding agreement, Group Benefits premium growth and product mix, individual life higher sales and renewal premiums from prior year, and higher general expenses.

Commissions and operating expenses increased $216 million in the year ended December 31, 2024 compared to the year ended December 31, 2023, due to higher Group Benefits premium growth and product mix, commissions and expense allowances due to higher sales and higher general expenses.

Dividends to Policyholders

Dividends to policyholders increased $140 million for the year ended December 31, 2025 as compared to the year ended December 31, 2024, due to natural growth.

Dividends to policyholders increased $184 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023, due to natural growth.

Guardian Federal Income Tax Expense

Federal income tax expense on operations decreased $86 million for the year ended December 31, 2025 as compared to the year ended December 31, 2024, primarily due to tax deductions from previously capitalized domestic R&E expense as a result of changes in tax law in addition to affirmative adjustments recorded in current year.

Federal income tax expense on operations increased $24 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023, primarily due to increase in operating income and lower investment tax credits.

Capital (Losses) Gains After Tax and Transfers to IMR

Net realized capital (losses) gains after taxes and transfers to IMR were comprised of the following:

	Years Ended December 31,		
	2025	2024	2023
		($ in Millions)	
Total net realized capital gains (losses) after taxes and transfers from/(to) IMR			
Bonds	$ (533)	$ (457)	$ (473)
Common stocks—subsidiaries and affiliates	(132)	(217)	-
Common stocks—unaffiliated	-	(7)	-
Real estate	-	(3)	-
Derivatives and other invested assets	(18)	(30)	(26)
Net realized capital gains (losses) before deferral to the IMR	$ (683)	$ (714)	$ (499)
Capital gains tax (expense)/benefit	44	46	59
Transfer from/(to) IMR	400	311	321
Total net realized capital losses after tax benefit/(expense) and transfers from/(to) IMR	$ (239)	$ (357)	$ (119)

The book values of investments are written down when a decline in value is considered to be other-than-temporary. Impairments during 2025, 2024 and 2023 totaled $169 million, $264 million and $88 million, respectively. Of the $169 million for 2025, $132 million relates to an affiliated entity, $14 million relates to impairments that reduced surplus which was driven primarily by bonds, and $23 million relates to private equities. Of the $264 million for 2024, $212 million related to an affiliated entity, $17 million relates to impairments that reduced surplus which was driven primarily by bonds. The remaining $33 million related to $10 million in investment tax credit investments and $23 million in private equities. Of the $88 million for 2023, $33 million relates to impairments that reduced surplus which was driven primarily by bonds. The remaining $55 million related to $40 million in investment tax credit investments and $15 million in private equities. Guardian employs a systematic methodology to evaluate other-than-temporary impairments. The methodology to evaluate declines in value utilizes a quantitative and qualitative process to attempt to evaluate available evidence concerning the declines in a disciplined manner. See “Financial and Accounting Matters—Critical Accounting Policies.”

Net realized capital losses after taxes and transfers from IMR decreased $118 million in 2025 as compared to 2024, primarily from the $85 million decrease in realized losses in affiliated common stock in 2025 as compared to 2024.

Net realized capital losses after taxes and transfers from IMR increased $238 million in 2024 as compared to 2023, primarily from the $217 million increase in realized losses in affiliated common stock in 2024 as compared to 2023.

Realized capital gains after tax and transfers to IMR do not reflect the changes in AVR and other investment reserves, which are recorded as a change in surplus.

Bonds: Net realized capital losses after IMR decreased by $13 million in 2025 as compared to 2024 in the course of normal trading activity during 2025. Net realized capital losses after IMR decreased by $6 million in 2024 as compared to 2023, primarily due to normal trading activity in a rising interest rate environment during 2024.

There were $14 million in other-than-temporary impairments in the bond portfolio during 2025. There were $14 million in other-than-temporary impairments in the bond portfolio during 2024. There were $33 million in other-than-temporary impairments in the bond portfolio during 2023.

Derivative and other invested assets:

Derivative instruments and other invested assets had realized (losses) of ($18) million in 2025 compared to realized (losses) of ($30) million in 2024. There were ($23) million in other-than-temporary impairments in 2025 in this category as compared to ($33) million in 2024. There was a $0 million realized gain on an affiliated LLC investment in 2025 as compared to a $3 million realized gain in 2024. There were realized losses of ($1) million on private equity investments as compared to ($1) million of realized losses in 2024. Foreign currency generated ($1) million in realized losses in 2025 as compared to ($4) million realized losses in 2024. Currency swaps generated realized gains of $5 million in 2025 as compared to gains of $9 million in 2024. In addition, there were realized losses on futures contracts of ($3) million in 2025 as compared to realized losses of ($3) million on future contracts in 2024.

Derivative instruments and other invested assets had realized (losses) of ($30) million in 2024 compared to realized (losses) of ($26) million in 2023. There were ($33) million in other-than-temporary impairments in 2024 in this category as compared to ($55) million in 2023. There was a $3 million realized gain on an affiliated LLC investment in 2024 as compared to $12 million in 2023. There were realized losses of ($1) million on private equity investments as compared to ($3) million of realized losses in 2023. There were realized losses on foreign currency of ($4) million in 2024 as compared to $10 million realized gains in 2023. Currency swaps generated realized gains of $9 million in 2024 as compared to a gain of $10 million in 2023. In addition, realized losses on future contracts were ($3) million in 2024 as compared to no realized gains/(losses) on future contracts in 2023.

For a description of Guardian's hedging program and its limitations, see "Financial and Accounting Matters - Critical Accounting Policies" and "Quantitative and Qualitative Information about Market Risk - Hedging Programs."

For 2025, $400 million of net after-tax losses were transferred out of the IMR primarily from the sales of bonds during 2025 in the normal course of business. For 2024, $311 million of net after-tax losses were transferred out of the IMR primarily from the sales of bonds during 2024 in the normal course of business. For 2023, $321 million of net after-tax losses were transferred out of the IMR primarily from the sales of bonds during 2023 in the normal course of business. Gains/losses transferred from or deferred to the IMR are amortized into income over the estimated life of the investment sold.

STATEMENT OF FINANCIAL POSITION

The following table sets forth Guardian's assets, liabilities and surplus:

	As of December 31,		
	2025	2024	2023
		($ in Millions)	
Balance Sheet Data:			
Total assets	$ 93,785	$ 86,825	$ 80,266
Total liabilities	$ 83,820	$ 77,537	$ 71,194
Total surplus	$ 9,965	$ 9,288	$ 9,072

Assets

Total assets as of December 31, 2025 increased $7.0 billion, or 8.0%, as compared to December 31, 2024. The major component of the increase in assets was invested assets.

Total assets as of December 31, 2024 increased $6.6 billion, or 8.2%, as compared to December 31, 2023. The major component of the increase in assets was invested assets.

Total invested assets as of December 31, 2025 increased $6.4 billion, or 8.0%, as compared to December 31, 2024, driven by increases in bonds, mortgage loans, common and preferred stocks, policy loans, and other invested assets, partially offset by cash, cash equivalents and short-term investments and real estate.

Total invested assets as of December 31, 2024 increased $6.2 billion, or 8.4%, as compared to December 31, 2023, driven by increases in bonds, mortgage loans, policy loans, other invested assets and cash, cash equivalents and short-term investments.

Bonds at December 31, 2025 of $57.7 billion increased 9%, or $4,805 million, from $52.9 billion at December 31, 2024. Bond impairments were the same in 2025 as compared to 2024. Bonds at December 31, 2024 of $52.9 billion increased 1.5%, or $773 million, from $52.1 billion at December 31, 2023. Bond impairments decreased by $19 million in 2024 as compared to 2023.

Bonds in NAIC Classes 1 and 2 represented 63.2%, 62.6% and 66.6% of total general invested assets as of December 31, 2025, 2024 and 2023, respectively. The percentage of total invested assets representing bond investments in NAIC Classes 3 through 6 was 3.8%, 3.9% and 4.4%, as of December 31, 2025, 2024 and 2023, respectively. See "—Investments" for more discussion of NAIC investment classes.

Preferred stocks at December 31, 2025 of $333 million increased 110.8%, or $175 million, from $158 million at December 31, 2024. Preferred stocks at December 31, 2024 of $158 million increased 100%, or $158 million, from $0 million at December 31, 2023.

Common stocks of subsidiaries and affiliates held by Guardian as of December 31, 2025 decreased $33 million as compared to December 31, 2024, or 3.1% consisting of a $97 million increase in the value of life insurance subsidiaries and a $129 million decrease in other affiliated common stocks. Common stocks of subsidiaries and affiliates held by Guardian as of December 31, 2024 decreased $22 million as compared to December 31, 2023, or 2% consisting of a $142 million increase in the value of life insurance subsidiaries and a $164 million decrease in other affiliated common stocks. There was $94 million contributed to common stock affiliates during 2025, $123 million in return of capital during 2025 and $0 million in non-admitted common stock affiliates. There was $88 million contributed to common stock affiliates during 2024, $6 million in return of capital during 2024 and $0 million in non-admitted common stock affiliates.

Common stocks of unaffiliated entities as of December 31, 2025 increased $137 million as compared to December 31, 2024, or 98.6%. There were no net realized gains or losses recognized from common stock dispositions. Net unrealized gains from stocks were $17 million. There were no other-than-temporary impairments during 2025.

Common stocks of unaffiliated entities as of December 31, 2024 increased $32 million as compared to December 31, 2023, or 30%, as the portfolio continues to remain small after the portfolio sale during the first quarter of 2024. Net realized (losses) recognized from common stock dispositions were $(7) million. Net unrealized gains from stocks were $3 million. There were no other-than-temporary impairments during 2024.

Mortgage loans as of December 31, 2025 increased $1,160 million as compared to December 31, 2024, or 15.5%, including $2,197 million in new investments, rollovers and additional funding, which were more than the $1,037 million of paydowns, sales and full payoffs.

Mortgage loans as of December 31, 2024 increased $432 million as compared to December 31, 2023, or 6.1%, including $880 million in new investments, rollovers and additional funding, which were more than the $447 million of paydowns, sales and full payoffs.

Policy loans as of December 31, 2025 increased $504 million as compared to December 31, 2024, or 8.3%, due to an increase in policyholders' utilization of policy loans. Policy loans as of December 31, 2024 increased $963 million as compared to December 31, 2023, or 19%, due to an increase in policyholders' utilization of policy loans.

Properties held for the production of income at December 31, 2025 of $252 million decreased by $11 million from $263 million at December 31, 2024. This decrease was primarily due to depreciation in the amount of $21 million in 2025. There was also $10 million in capital expenditures during 2025. Real estate occupied by the company is $0 million as of December 31, 2025. Depreciation expense recorded during 2025 totaled $21 million and the decrease in encumbrances was $0 million. As of December 31, 2025, industrial and other buildings in the general account represented 15% of Guardian's real estate portfolio compared to 14% for the same property type as of December 31, 2024.

Properties held for the production of income at December 31, 2024 of $263 million decreased by $17 million from $280 million at December 31, 2023. This decrease was primarily due to depreciation in the amount of $21 million in 2024. There was also $7 million in capital expenditures during 2024. Real estate occupied by the company is $0 million as of December 31, 2024. Depreciation expense recorded during 2024 totaled $21 million and the decrease in encumbrances was $3 million. As of December 31, 2024, industrial and other buildings in the general account represented 14% of Guardian's real estate portfolio compared to 12.3% for the same property type as of December 31, 2023.

Partnerships and LLCs as of December 31, 2025 increased $16 million as compared to December 31, 2024, or 0.3%, as a result of capital contributions made to new and existing partnerships and appreciation in the underlying assets. Partnerships and LLCs had $23 million in other-than-temporary impairments as of December 31, 2025. During 2025, there were $912 million contributed to new or existing partnerships. In addition, during 2025, there were $776 million of returns of capital. There were no real estate joint/private equity ventures sold during 2025.

Partnerships and LLCs as of December 31, 2024 increased $597 million as compared to December 31, 2023, or 11%, as a result of capital contributions made to new and existing partnerships and appreciation in the underlying assets. Partnerships and LLCs had $34 million in other-than-temporary impairments as of December 31, 2024. During 2024, there were $949 million contributed to new or existing partnerships. In addition, during 2024, there were $256 million of returns of capital. There were no real estate joint/private equity ventures sold during 2024.

Derivatives and other invested assets at December 31, 2025 were $3,180 million, $2,957 million at December 31, 2024 and $1,267 million at December 31, 2023. This balance mainly represents the value of foreign currency swaps, collateral held as a result of the securities lending program and a small number of unsettled trades at December 31, 2025 relating to bond and stock trading activity. It also includes $688 million in investments in surplus note debentures of other insurance companies at December 31, 2025.

Guardian uses derivative financial instruments in the ordinary course of business to attempt to manage risks, primarily to reduce equity, interest rate and currency risk. For a description of these hedging programs and their limitations, see "—Quantitative and Qualitative Information about Market Risk—Hedging Programs." The vast majority of Guardian's investment risk is not hedged. Guardian may use a combination of derivatives and fixed income investments to create synthetic investment positions. These combined investments are created opportunistically when they are economically more attractive than the replicated instrument or when the replicated instrument is unavailable. To a much lesser extent, some of these combinations are considered replicated asset transactions as defined under statutory accounting principles.

Cash, cash equivalents and short-term investments decreased by $582 million at December 31, 2025 compared to December 31, 2024. Cash, cash equivalents and short-term investments increased by $1,557 million at December 31, 2024 compared to December 31, 2023.

Investment income due and accrued at December 31, 2025 was $649 million. Investment income due and accrued at December 31, 2024 was $571 million. Investment income due and accrued at December 31, 2023 was $546 million.

Other than invested assets increased $567 million from $7.259 billion at December 31, 2024 to $7.826 billion at December 31, 2025, primarily due to an increase in funds held or deposited with reinsured companies, disallowed interest maintenance reserve, and investment income due or accrued, partially offset by current federal and foreign income tax recoverable and interest.

Other than invested assets increased $395 million from $6.864 billion at December 31, 2023 to $7.259 billion at December 31, 2024, primarily due to an increase in funds held or deposited with reinsured companies, disallowed interest maintenance reserve, investment income due or accrued, deferred premiums, agent's balances and installments booked but deferred and not yet due, and net deferred tax assets.

Liabilities

Total liabilities as of December 31, 2025 increased $6.283 billion, or 8.1%, as compared to December 31, 2024, primarily due to increases in reserves for policyholder benefits and higher policyholder dividends payable and other contract liabilities.

Total liabilities as of December 31, 2024 increased $6.343 billion, or 8.9%, as compared to December 31, 2023, primarily due to increases in reserves for policyholder benefits and higher policyholder dividends payable and other contract liabilities and other liabilities.

The increase in reserves for policy benefits of $3.240 billion at December 31, 2025 as compared to December 31, 2024 is primarily related to increases in Individual Life reserves driven primarily by continued growth of inforce business.

The increase in reserves for policy benefits of $2.686 billion at December 31, 2024 as compared to December 31, 2023 is primarily related to increases in Individual Life reserves driven primarily by continued growth of inforce business and Individual Disability reserves driven by normal business activity.

Policyholder dividends payable and other contract liabilities increased $2.625 billion at December 31, 2025 as compared to December 31, 2024, primarily due to higher deposit type contract reserves resulting from $14.447 billion in maturing funding agreements with $16.999 billion in new issuances.

Policyholder dividends payable and other contract liabilities increased $1.869 billion at December 31, 2024 as compared to December 31, 2023, primarily due to higher deposit type contract reserves resulting from $1.788 billion in maturing funding agreements with $3.347 billion in new issuances.

AVR increased $79 million, or 5%, at December 31, 2025 as compared to December 31, 2024, primarily due to the required basic contributions that are required by the AVR formula which were mainly offset by the large

unrealized losses generated by the private equity portfolio. The mortgage reserve increased by $10 million from $94 million at December 31, 2024 to $104 million at December 31, 2025.

AVR increased $75 million, or 5%, at December 31, 2024 as compared to December 31, 2023, primarily due to the required basic contributions that are required by the AVR formula which were mainly offset by the large unrealized losses generated by the private equity portfolio. The mortgage reserve increased by $11 million from $83 million at December 31, 2023 to $94 million at December 31, 2024.

Surplus

Surplus increased $677 million from $9.288 billion at December 31, 2024 to $9.965 billion at December 31, 2025. The increase in surplus was primarily due to net income of $800 million, partially offset by decrease in unrealized capital losses of ($48) million and lower asset valuation reserves of ($79) million.

Surplus increased $216 million from $9.072 billion at December 31, 2023 to $9.288 billion at December 31, 2024. The increase in surplus was primarily due to net income of $181 million, increases in net deferred taxes of $105 million, and increase in unrealized capital gains (losses) of $97 million, partially offset by lower asset valuation reserve of ($75) million and change in non-admitted assets of ($91) million.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Guardian manages its liquidity position by matching its exposure to cash demands with adequate sources of cash and other liquid assets. Guardian's principal sources of liquidity are operating cash flows and holdings of cash, cash equivalents and other readily marketable assets. Historically, Guardian has consistently experienced net positive cash flows from operations. Guardian's primary cash flow sources include investment income, principal repayments on invested assets, and insurance premiums.

Cash, cash equivalents and short-term investments decreased $582 million, or 21.2%, as of December 31, 2025 as compared to December 31, 2024. Cash, cash equivalents and short-term investments increased $1,557 million, or 130.7%, as of December 31, 2024 as compared to December 31, 2023.

Net cash provided from operations for the year ended December 31, 2025 was $4.444 billion. For the year ended December 31, 2025, net cash used in investing activities amounted to $7.589 billion and net cash from financing increased to $2.563 billion. Net cash provided from operations increased $871 million, or 24.4%, to $4.444 billion in 2025 as compared to 2024. The increase is primarily attributable to higher net investment income of $690 million, higher premiums and other income received of $787 million, partially offset by lower other income of $167 million lower other, net of $4 million, lower benefits and loss related payments of $211 million, lower dividends paid of $182 million and lower commissions, expenses and taxes paid of $42 million.

Net cash provided from operations for the year ended December 31, 2024 was $3.573 billion. For the year ended December 31, 2024, net cash used in investing activities amounted to $3.551 billion and net cash from financing increased to $1.535 billion. Net cash provided from operations increased $157 million, or 4.6%, to $3.573 billion in 2024 as compared to 2023. The increase is primarily attributable to higher net investment income of $471 million, higher premiums and other income received of $524 million, higher other income of $201 million and higher other, net of $38 million partially offset by lower benefits and loss related payments of $753 million, lower dividends paid of $136 million and lower commissions, expenses and taxes paid of $188 million.

Excess operating cash flow is used to purchase investments. Purchases of investments were $16.1 billion, $10 billion and $7.9 billion for the years ended December 31, 2025, December 31, 2024 and December 31, 2023, respectively, while sales and maturities of investments and receipts from repayments of loans were $9.1 billion, $7.5 billion and $4.8 billion, respectively, resulting in a net cash outflow of $7.1 billion, $2.5 billion and $3.2 billion, respectively.

Guardian utilizes what it believes to be sophisticated asset/liability analysis techniques in the management of the investments supporting its liabilities. Additionally, Guardian tests the adequacy of the projected cash flows provided by assets to meet all of its future policyholder and other obligations. Guardian performs these studies using stress tests regarding future credit and other asset losses, market interest rate fluctuations, claim losses, and other considerations. The result provides a view of the adequacy of the underlying assets, reserves, and capital. Guardian analyzes a variety of scenarios modeling potential demands on liquidity, taking into account the provisions of policies and contracts in force, its cash flow position, and the volume of cash and readily marketable securities in its portfolio. Guardian attempts to proactively manage its liquidity position on an ongoing basis to meet cash needs while minimizing adverse impacts on investment returns.

In most scenarios that Guardian has tested, operating cash flow is sufficient to satisfy its obligations. Guardian believes that even in extreme scenarios tested, obligations can be met in the modeled stress tests through operating cash flows and the sale of some of Guardian's liquid assets. These stress test scenarios assume no new business that would result in immediate positive cash flow. In addition, if Guardian was in a stress situation, some uses of cash could be suspended, including new investments in illiquid instruments. However, given the inherent limitations and underlying assumptions of quantitative modeling, there can be no assurances of Guardian's ability to maintain sufficient liquidity under actual liquidity needs. See "Risk Factors—Risk Factors Related to Guardian—Guardian's investment portfolio and aspects of Guardian's business are subject to the full range of market risks, including credit, liquidity and equity markets and interest rate risks" and "—Some of Guardian's investments are relatively illiquid and are in asset classes that could experience significant market valuation fluctuations."

FHLB Membership

Guardian became a member of the Federal Home Loan Bank of New York ("FHLBNY") in February 2018. Membership provides Guardian with access to FHLBNY's financial services, including the ability to obtain collateralized loans and to issue collateralized funding agreements.

Guardian's capacity to borrow from the FHLBNY is limited to 5% of its prior year-end statutory net admitted assets, excluding separate account assets, under New York state insurance law. Based on Guardian's net admitted assets as of December 31, 2025, Guardian's borrowing capacity is more than $4.7 billion. FHLBNY borrowings and funding agreements must be collateralized by qualifying mortgage-related assets or U.S. Treasury securities, the fair value of which must be maintained at specified levels relative to outstanding borrowings and dependent on collateral type. As of the date of this Offering Memorandum, Guardian has approximately $3.2 billion of outstanding borrowings from the FHLBNY.

Liquidity Risks

Liquidity risk is the risk that Guardian will not have access to sufficient funds to meet its liabilities when due. Guardian believes that its product mix contributes to its strong liquidity position. Guardian's blocks of variable life insurance and VA contracts limit its liquidity risk because the customer bears most of the investment risk for these types of products. A primary liquidity concern for Guardian is the risk of early contract owner and policyholder life insurance policy loans and surrenders and withdrawals. Guardian closely evaluates and manages this risk. As a matter of policy, virtually all of Guardian's life insurance and annuity products contain surrender charges for varying durations or fair value adjustments, reducing the risk that customers will seek surrenders and withdrawals or life insurance policy loans during the periods when surrender charges or fair value adjustments are in place. Surrender charges or fair value adjustments help Guardian to better plan the maturities of its invested assets by reducing the risk that future outflows will exceed anticipated levels.

Guardian's principal sources of liquidity to meet unexpected cash outflows are its portfolio of liquid assets and its net operating cash flow. Liquid assets include cash, cash equivalents, short-term investments and other readily marketable public securities. Furthermore, Guardian monitors and manages cash flows over a one-year horizon in order to attempt to maximize investment returns relative to client obligations and to reduce the number, length of time and severity of asset and liability cash flow mismatches. See "—Investments" for a more detailed discussion of the investment portfolio.

Dividends from Subsidiaries

Guardian has not historically relied on dividends from its subsidiaries to meet its operating cash flow requirements. Historically, Guardian has reinvested a substantial portion of its unrestricted earnings in BLICOA, FCW and GIAC. Substantially all of the statutory surplus of Guardian's life insurance subsidiaries, including BLICOA and GIAC, of approximately $752 million, $804 million and $837 million at December 31, 2025, 2024 and 2023, respectively, is subject to dividend restrictions imposed by statutory authorities. Under the laws of Delaware and Massachusetts, the domiciliary states of GIAC and BLICOA, respectively, dividends in excess of unassigned funds require regulatory approval. In addition, BLICOA and GIAC must seek regulatory approval prior to paying a dividend whose fair market value together with other dividends within the preceding twelve months exceeds the greater of (i) 10% of the insurer's policyholder surplus as of the last day of December next preceding or (ii) the net gain from operations of the insurer for the twelve-month period ending the last day of December next preceding. Based on their respective statutory basis financial results as of December 31, 2025, Guardian's life insurance subsidiaries, including BLICOA and GIAC, would have been able to pay dividends to Guardian in 2025, 2024 and 2023 of up to $13 million, $30 million and $15 million, respectively without obtaining the prior approval of their domiciliary insurance regulators. Guardian Investor Services LLC ("GIS") and FCW are not subject to dividend restrictions imposed by statutory authorities but may pay dividends up to but not exceeding any accumulated earnings. For the year ended December 31, 2025, GIS paid Guardian a dividend of $592 million and for the year ended December 31, 2024, GIS paid Guardian a dividend of $91 million. For the year ended December 31, 2023, GIS paid Guardian a dividend of $85 million. As of December 31, 2025, FCW had accumulated earnings of $(361) million and was not able to pay a dividend in 2025. As of December 31, 2024, FCW had accumulated earnings of $(217) million and was not able to pay a dividend in 2024. As of December 31, 2023, FCW had accumulated earnings of $(9) million and was not able to pay a dividend in 2023. For the years ended December 31, 2025, 2024 and 2023, Guardian received an aggregate of $619 million, $166 million and $110 million, respectively, in cash and noncash dividends from its subsidiaries. Guardian can make no assurance regarding the timing or amount of dividends, if any, that may be paid by these subsidiaries to Guardian in the future.

Capital Resources

The NAIC has an RBC model to compare total adjusted capital with a standard design in order to reflect an insurance company's risk profile. RBC is calculated at year end for regulatory purposes, and Guardian estimates RBC on an interim basis. Although Guardian believes that there is no single appropriate means of measuring capital needs, Guardian feels that the NAIC approach to RBC measurement is reasonable and conservative, and Guardian manages its capital position with significant attention to maintaining adequate total adjusted capital relative to RBC. Guardian's total adjusted capital was well in excess of all RBC standards at December 31, 2025, 2024 and 2023. Guardian believes that it enjoys a strong capital position in light of its risks and that it is well-positioned to meet policyholder and other obligations.

Existing Surplus Notes

Guardian has issued various Surplus Notes (the "Notes") to unrelated third parties pursuant to Rule 144A under the Securities Act of 1933, as amended, and are administered by The Bank of New York Mellon as fiscal agent. Interest on each of the Notes is scheduled to be paid semiannually on the interest paid dates listed in the table below. All of the Notes are unsecured and subordinated to all present and future indebtedness, policy claims and other creditor claims of Guardian. Under New York Insurance Law, the Notes are not part of the legal liabilities of Guardian. The Notes do not repay principal prior to maturity, and each payment of interest or principal may be made only with the prior approval of the Superintendent and only out of surplus funds that the Superintendent determines to be available for such payments under New York Insurance Law. Provided that approval is granted by the Superintendent, the Notes may be redeemed at the option of Guardian (in whole or in part) at the "make-whole" redemption price equal to the greater of the principal amount of the Notes to be redeemed, or the sum of the present value of the remaining scheduled interest and principal payments, excluding the accrued interest as of the date on which the Notes are to be redeemed, discounted to the redemption date on a semi-annual basis at an adjusted treasury rate plus varying basis points. The Surplus Note issuances were not structured in a manner where typical cashflows have been reduced or eliminated.

The following table summarizes the Notes issued by Guardian:

Date Issued	Interest Rate	Principal Balance	Cash Proceeds Received	Maturity Date	Face (Par) Value of Note	Carrying Value of Note	Interest Paid Dates		Interest Paid	
									Current Year 12/31/25	Interest Paid Life-to-date 12/31/25
10/6/2009[1]	7.375%	400	392	9/30/2039	233	232	March 31	September 30	17	376
6/19/2014	4.875%	450	445	6/19/2064	450	449	June 19	December 19	22	252
1/24/2017[1]	4.850%	350	344	1/24/2077	579	526	January 24	July 24	28	233
1/22/2020	3.700%	300	294	1/22/2070	300	297	January 22	July 22	11	61
Total Surplus Notes		$ 1,500	$ 1,475		$ 1,562	$ 1,503			$ 78	$ 923

(1) Guardian completed an exchange in which it issued additional 1/24/2017 Notes ("2017 Notes") in exchange for redeemed 10/6/2009 Notes ("2009 Notes"). They were settled predominately on December 27, 2017 with a minimal amount settling on January 8, 2018. The 2009 Notes had a principal balance of $167 million (carrying value $166 million) and the additional 2017 Notes had a principal balance of $229 million (carrying value $171 million). Of the $64 million discount at the time of the exchange, $5 million pertaining to inducement for note holders to exchange their notes was recorded as an expense on the transaction date along with an increase to the carrying value of the 2017 Notes. The remaining $59 million will be charged to the Statutory Basis Statements of Operations over the life of the 2017 Notes.

Funding Agreement-Backed Notes

The following table summarizes the Funding Agreement-Backed Notes outstanding under the Program:

FABN Deal Name	Face Amount	Maturity Date	Fixed Interest Rate
Guardian Life Global Funding 2020-2	400	7/6/2027	1.400%
Guardian Life Global Funding 2020-3	500	11/19/2027	1.250%
Guardian Life Global Funding 2021-1	300	5/13/2026	1.250%
Guardian Life Global Funding 2021-2	300	9/16/2028	1.625%
Guardian Life Global Funding 2022-1	350	3/29/2027	3.246%
Guardian Life Global Funding 2022-2	450	10/28/2027	5.550%
Guardian Life Global Funding 2023-1	400	10/2/2028	5.737%
Guardian Life Global Funding 2024-1	500	9/26/2029	4.179%
Guardian Life Global Funding 2025-1	700	4/28/2030	4.798%
Guardian Life Global Funding 2025-2	550	9/5/2028	4.066%
Guardian Life Global Funding 2025-3	450	9/5/2032	4.673%
Guardian Life Global Funding 2025-4	650	10/6/2030	4.327%
Guardian Life Global Funding 2025-5	600	12/11/2030	4.402%

Pursuant to the Program, the Issuer used the proceeds from each sale of FA-Backed Notes to purchase a funding agreement from Guardian, which secure the obligations of the relevant FA-Backed Notes. The Issuer is not a

subsidiary or affiliate of Guardian, or any of its subsidiaries or affiliates. While the funding agreements are unsecured obligations of Guardian, the FA-Backed Notes are not obligations of, and will not be guaranteed by, Guardian or any of its subsidiaries or affiliates. Guardian paid $1.024 billion and $393 million of principal and interest on the funding agreements securing the outstanding FA-Backed Notes in the years ended December 31, 2025 and 2024, respectively. Return of principal represented $900 million and $300 million and interest represented $124 million and $93 million in the years ended December 31, 2025 and 2024, respectively.

INVESTMENTS

General

At December 31, 2025, Guardian had $86 billion of invested assets in its general account, an increase of $6.4 billion from December 31, 2024. At December 31, 2024, Guardian had $79.6 billion of invested assets in its general account, an increase of $6.2 billion from December 31, 2023. Guardian manages the portfolio of invested assets to support the general account liabilities in light of liability characteristics and risk management considerations.

The following table sets forth Guardian's invested assets in the general account as of the dates indicated:

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
Bonds:						
Public bonds	$ 35,193	40.9%	$ 34,048	42.8%	$ 34,890	47.5%
Private placement bonds	16,294	19.0%	12,986	16.3%	12,600	17.2%
Affiliated Bonds	350	0.4%	350	.5%	150	0.2%
CMBS	1,918	2.2%	1,823	2.3%	1,851	2.5%
Non-Agency RMBS	762	0.9%	820	1.0%	836	1.1%
Agency RMBS	18	0.0%	20	0.0%	23	0.0%
Asset backed securities/CLO	3,136	3.6%	2,819	3.5%	1,743	2.4%
Total bonds	57,671	67.1%	52,866	66.4%	52,093	71.0%
Preferred Stock	333	0.4%	158	.2%	0	0%
Common stocks—subsidiaries and affiliates	1,040	1.2%	1,073	1.3%	1,095	1.5%
Common stocks—unaffiliated	276	0.3%	139	.2%	107	0.1%
Mortgage loans	8,622	10.0%	7,462	9.4%	7,030	9.6%
Policy loans	6,573	7.6%	6,069	7.6%	5,106	7.0%
Real estate	252	0.3%	263	.3%	280	0.4%
Partnerships and LLCs	5,846	6.8%	5,832	7.3%	5,233	7.1%
Derivatives	118	0.1%	211	.3%	107	0.1%
Other invested assets[(1)]	3,062	3.6%	2,745	3.5%	1,160	1.6%
Cash, cash equivalents and short-term investments	2,166	2.5%	2,748	3.5%	1,191	1.6%
Total investments	**$ 85,959**	**100.0%**	**$ 79,566**	**100.0%**	**$ 73,402**	**100.0%**

(1) This line item consists primarily of receivables from broker on securities sold and investments in surplus note debentures of other insurance companies and collateral held as a result of securities lending. Carrying value of investments is discussed in the Critical Accounting Policies section.

Impairments

Impairments during 2025, 2024 and 2023 totaled $169 million, $264 million and $88 million, respectively. Of the $169 million for 2025, $132 million related to an affiliated entity, $14 million relates to impairments that reduced surplus which were driven primarily from a high yield bank loan. The remaining $23 million relates to private equities. Of the $264 million for 2024, $212 million related to an affiliated entity, $17 million relates to impairments that reduced surplus which were driven primarily from private placement bonds and high yield bank loans. The remaining $33 million relates to primarily $10 million in investment tax credit investments and $23 million for private equities. Of the $88 million for 2023, $33 million relates to impairments that reduced surplus which were driven primarily from a private placement bond, high yield bank loans and emerging market bonds. The remaining $55 million relates to primarily $40 million in investment tax credit investments and $15 million for private equities.

Guardian's Investment Strategy

Guardian's principal investment objective is to invest prudently for the long-term and deliver competitive dividends and financial security for its policyholders. Guardian's investment philosophy starts with sound asset

allocation strategies, thereby seeking to optimize expected long-term returns within well-defined risk parameters, while benefiting from diversification strategies designed to reduce risk.

Guardian's Office of the CIO defines and executes investment objectives, investment strategy, asset-liability management and asset allocation under its strategic partnership model. Guardian's credit managers underwrites positions utilizing internal ratings and avoids any overreliance on rating agencies or quantitative risk models. Additionally, Guardian's asset liability investment management process carefully integrates asset maturities in a manner consistent with its view of prudent funding of insurance liabilities. Guardian's process is designed to optimize risk/reward profiles and deliver consistent financial results, although this cannot be assured.

Bonds

Bonds consist primarily of government backed securities and high-quality marketable corporate debt securities. Guardian invests a significant portion of its investment funds in high quality publicly traded bonds in order to maintain and manage liquidity and reduce the risk of default in the portfolio.

The NAIC SVO rates investment credit risk based upon the issuer's credit profile. NAIC rating designations range from 1 to 6. An NAIC designation of 1 denotes obligations of the highest quality in which credit risk is at its lowest and the issuer's credit profile is stable; whereas an NAIC designation of 6 is assigned to obligations that are in or near default. Classes 1 and 2 are investment grade, and Classes 3, 4, 5 and 6 are non-investment grade.

The following table sets forth the SVO ratings for Guardian's bond portfolio along with what it believes are the equivalent rating agency designations.

Total Portfolio Credit Quality

		December 31,								
		2025			2024			2023		
		($ in Millions)								
NAIC Classes	Rating Agency Equivalent Designation	Carrying Value	Estimated Fair Value	% of Carrying Value	Carrying Value	Estimated Fair Value	% of Carrying Value	Carrying Value	Estimated Fair Value	% of Carrying Value
1	Aaa/Aa/A.....	$ 34,096	$ 31,251	59.1%	$ 29,115	$25,447	55.1%	$ 28,248	$ 25,324	54.2%
2	Baa	20,270	19,223	35.1%	20,674	18,722	39.1%	20,637	18,687	39.6%
3	Ba	1,552	1,545	2.7%	1,402	1,380	2.6%	1,292	1,255	2.5%
4	B.....	1,611	1,608	2.8%	1,523	1,512	2.9%	1,568	1,551	3.0%
5	Caa and lower....	139	123	0.2%	115	96	.2%	324	260	0.6%
6	In or near default	3	3	0%	37	38	.1%	24	26	0.1%
	Total	**$ 57,671**	**$53,753**	**100.0%**	**$ 52,866**	**$ 47,194**	**100.0%**	**$ 52,093**	**$ 47,103**	**100.0%**

The tables below set forth the NAIC SVO ratings for Guardian's publicly traded and privately placed portfolios.

Publicly Traded Credit Quality

NAIC Classes	Rating Agency Equivalent Designation	December 31, 2025 Carrying Value	2025 Estimated Fair Value	2025 % of Carrying Value	2024 Carrying Value	2024 Estimated Fair Value	2024 % of Carrying Value	2023 Carrying Value	2023 Estimated Fair Value	2023 % of Carrying Value
		($ in Millions)								
1	Aaa/Aa/A	$ 28,010	$ 25,338	67.7%	$ 25,198	$ 21,823	63.4%	$ 24,425	$ 21,787	61.9%
2	Baa	10,771	10,038	26.0%	11,918	10,495	30%	12,370	10,983	31.3%
3	Ba	1,001	1,003	2.4%	976	976	2.5%	804	806	2.0%
4	B	1,453	1,461	3.5%	1,476	1,473	3.7%	1,550	1,540	3.9%
5	Caa and lower	139	123	0.3%	115	96	.3%	320	257	0.8%
6	In or near default	3	3	0.0%	37	38	.1%	24	26	0.1%
	Total	**$ 41,377**	**$ 37,966**	**100.0%**	**$ 39,720**	**$ 34,901**	**100.0%**	**$ 39,493**	**$ 35,399**	**100.0%**

Privately Placed Credit Quality

NAIC Classes	Rating Agency Equivalent Designation	December 31, 2025 Carrying Value	2025 Estimated Fair Value	2025 % of Carrying Value	2024 Carrying Value	2024 Estimated Fair Value	2024 % of Carrying Value	2023 Carrying Value	2023 Estimated Fair Value	2023 % of Carrying Value
		($ in Millions)								
1	Aaa/Aa/A	$ 6,086	$ 5,914	37.4%	$ 3,917	$ 3,625	29.8%	$ 3,823	$ 3,537	30.3%
2	Baa	9,498	9,184	58.3%	8,756	8,226	66.6%	8,267	7,703	65.6%
3	Ba	551	542	3.4%	426	404	3.2%	488	449	3.9%
4	B	159	147	1.0%	47	39	.4%	18	11	0.2%
5	Caa and lower	0	0	0%	0	0	0%	4	4	-%
6	In or near default	0	0	0%	0	0	0%	0	0	0.0%
	Total	**$ 16,294**	**$ 15,787**	**100.0%**	**$ 13,146**	**$ 12,294**	**100.0%**	**$ 12,600**	**$ 11,704**	**100.0%**

Guardian utilizes its investments in the privately placed portfolio to enhance the value of the overall portfolio, increase diversification, and obtain higher yields than can be earned by investing in comparable quality public market securities. To control risk when utilizing privately placed securities, Guardian relies upon broader access to management information, stronger negotiated protective covenants, call protection features, and a higher level of collateralization than can customarily be achieved in the public market. The strength of the privately placed portfolio is demonstrated by the predominance of NAIC Class 1 and 2 securities.

The following tables summarize Guardian's fixed income securities by maturity.

Fixed Income Securities By Maturity

	December 31, 2025 Amort. Cost	2025 % of Total	2025 Fair Value	2025 % of Total	2025 Gains/ (Losses)	2024 Amort. Cost	2024 % of Total	2024 Fair Value	2024 % of Total	2024 Gains/ (Losses)	2023 Amort. Cost	2023 % of Total	2023 Fair Value	2023 % of Total	2023 Gains/ (Losses)
	($ in Millions)					($ in Millions)					($ in Millions)				
Due in one year or less	$ 1,578	2.7%	$ 1,567	2.9%	$ (11)	$ 1,606	3.0	$ 1,593	3.4	$ (13)	$ 860	1.7%	$ 849	1.8%	$ (11)
Due after one year through five years	11,130	19.3%	11,037	20.5%	(93)	11,608	21.9	11,246	23.8	(362)	11,504	22.1%	11,022	23.4%	(482)
Due after five years through ten years.	9,571	16.6%	9,372	17.4%	(199)	8,816	16.7	8,319	17.6	(497)	9,905	19.0%	9,275	19.7%	(630)
Due after ten years.	24,910	43.2%	21,525	40.0%	(3,385)	21,500	40.7	17,138	36.3	(4,362)	21,535	41.3%	18,118	38.5%	(3,417)
Subtotal(1)	47,189	81.8%	43,501	80.9%	(3,688)	43,530	82.30	38,296	81.1	(5,234)	43,804	84.1%	39,264	83.4%	(4,540)
Sinking fund bonds, mortgage-backed securities and asset-backed securities(2)	10,484	18.2%	10,252	19.1%	(232)	9,336	17.7	8,898	18.9	(438)	8,302	15.9%	7,839	16.6%	(463)
Total	**$ 57,673**	**100.0%**	**$ 53,753**	**100.0%**	**$ (3,920)**	**$52,866**	**100.0%**	**$ 47,194**	**100.0%**	**$ (5,672)**	**$ 52,106**	**100.0%**	**$ 47,103**	**100.0%**	**$ (5,003)**

(1) Includes convertible bonds, public and private corporates, U.S. government/agencies, tax exempt and taxable municipals, non-U.S. bonds, and bank loans.

(2) Includes agency and non-agency RMBS pass-throughs, asset-backed securities, commercial mortgage-backed securities, and CMOs.

Guardian attempts to diversify its investment portfolio across asset type, industry and issuer in order to reduce the risk of adverse events affecting a single asset type, industry or issuer from having a material negative impact on the portfolio. Additionally, Guardian does not own any Collateralized Debt Obligations ("CDOs"), Structured Investment Vehicles ("SIVs"), or Asset Backed Commercial Paper. Fixed income securities were diversified by asset category of issuer at December 31, 2025, 2024 and 2023 as set forth in the following tables.

Composition of Fixed Income Securities Portfolio

	December 31, 2025				
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)
			($ in Millions)		
U.S. Treasury securities	$ 42	0.1%	$ 43	0.1%	$ 1
U.S. Government Agencies	-	-	-	-	-
Obligations of States and Political Subdivisions	999	1.7%	980	1.8%	(19)
Debt Securities Issued by Foreign Governments	1,218	2.1%	1,172	2.2%	(46)
Corporate Securities:					
U.S. Corporate	36,865	63.9%	33,430	62.2%	(3,435)
Foreign Corporate	9,922	17.2%	9,543	17.8%	(379)
Residential Mortgage-Backed Securities:					
Government Agency	18	0.0%	17	0.0%	(1)
Non Agency RMBS	762	1.3%	758	1.4%	(4)
CMBS	1,918	3.3%	1,863	3.5%	(55)
Asset-Backed Securities	3,555	6.2%	3,569	6.6%	14
Collateralized Loan Obligations	2,372	4.1%	2,378	4.4%	6
Total	**$ 57,671**	**100.0%**	$ **53,753**	**100.0%**	**$ (3,918)**

	December 31, 2024				
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)
			($ in Millions)		
U.S. Treasury securities	$ 42	0.1%	$ 42	0.1%	$ 0
U.S. Government Agencies	-	-	-	-	-
Obligations of States and Political Subdivisions	1,086	2.1%	1,055	2.3%	(31)
Debt Securities Issued by Foreign Governments	835	1.6%	753	1.6%	(82)
Corporate Securities:					
U.S. Corporate	35,757	67.6%	30,957	65.6%	(4,800)
Foreign Corporate	9,664	18.3%	9,030	19.1%	(634)
Residential Mortgage-Backed Securities:					
Government Agency	20	0.0%	18	0.0%	(2)
Non Agency RMBS	820	1.6%	795	1.7%	(25)
CMBS	1,823	3.4%	1,709	3.6%	(114)
Asset-Backed Securities	617	1.2%	618	1.3%	1
Collateralized Loan Obligations	2,202	4.2%	2,217	4.7%	15
Total	$ 52,866	**100.0%**	$ 47,194	**100.0%**	$ (5,672)

	December 31, 2023				
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)
			($ in Millions)		
U.S. Treasury Securities	$ 33	0.1%	$ 33	0.1%	$ 0
U.S. Government Agencies	-	-	-	-	-
Obligations of States and Political Subdivisions	1,210	2.3%	1,240	2.6%	30
Debt Securities Issued by Foreign Governments	861	1.6%	793	1.7%	(68)
Corporate Securities:					
U.S. Corporate	35,966	69.0%	31,909	67.7%	(4,057)
Foreign Corporate	9,570	18.4%	8,899	18.9%	(671)
Residential Mortgage-Backed Securities:					
Government Agency	23	0.0%	22	0.0%	(1)
Non Agency RMBS	836	1.6%	794	1.7%	(42)
CMBS	1,851	3.6%	1,680	3.6%	(171)
Asset-Backed Securities	304	0.6%	296	0.6%	(8)
Collateralized Loan Obligations	1,439	2.8%	1,437	3.1%	(2)
Total	$ 52,093	**100.0**%	$ 47,103	**100.0**%	$ (4,990)

Guardian's corporate credit portfolio is well diversified. Guardian has aggregate per issuer limits to attempt to limit the maximum exposure to an issuer to a set percentage of the securities portfolio. This reduces the impact of default risk or of a single issuer having a material negative impact on the portfolio.

Mortgage-Backed and Other Asset-Backed Securities (Structured Securities)

Asset Backed, Commercial Mortgage Backed, Collateralized Loan Obligations and Residential Mortgage Backed Securities (Structured Securities) of $8.6 billion consist mainly (91% as of December 31, 2025) of Asset Backed as well as CMBS and CLO's of generally high quality, which are supported by well diversified collateral.

Asset Backed, Commercial Mortgage Backed, Collateralized Loan Obligations and Residential Mortgage Backed Securities (Structured Securities) of $5.5 billion consist mainly (88.7% as of December 31, 2024) of Agency and Non-Agency RMBS as well as CMBS and CLO's of generally high quality, which are supported by well diversified collateral.

Asset Backed, Commercial Mortgage Backed, Collateralized Loan Obligations and Residential Mortgage Backed Securities (Structured Securities) of $4.5 billion consist mainly (93.2% as of December 31, 2023) of Agency and Non-Agency RMBS as well as CMBS and CLO's of generally high quality, which are supported by well diversified collateral. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Results of Operations—For the Years Ended December 31, 2025, 2024 and 2023—Net Realized Capital Gains After Tax and Transfers to IMR" for additional information regarding RMBS held in Guardian's investment portfolio.

As of December 31, 2025, Guardian had no direct subprime exposure through the origination of residential mortgage loans or purchases of unsecuritized whole-loan pools. As of December 31, 2025, December 31, 2024 and December 31, 2023, Guardian had Agency (Fannie Mae or Freddie Mac) mortgage backed exposure with a carrying value of $18 million, $20 million and $23 million, respectively.

The following tables show the types of mortgage-backed and asset-backed securities held as of December 31, 2025, 2024 and 2023.

	December 31, 2025											
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	Total
	($ in Millions)					Carrying Value ($ in Millions)						
Residential Mortgage-Backed Securities:												
Government Agency	$ 18	0.2%	$ 17	0.2%	$ (1)	$ 18	$ -	$ -	$ -	$ -	$ -	$ 18
Non-Agency RMBS	762	8.8%	758	8.8%	(4)	637	9	19	6	88	3	762
CMBS	1,918	22.2%	1,863	21.7%	(55)	1,910	8	-	-	-	-	1,918
Asset Backed Securities (ABS)	3,555	41.2%	3,569	41.6%	14	2,699	856	-	-	-	-	3,555
Collateralized Loan Obligations (CLO)	2,372	27.5%	2,378	27.7%	6	2,296	44	31	1	-	-	2,372
Total	**$ 8,625**	**100.0%**	**$ 8,585**	**100.0%**	**$ (40)**	**$ 7,560**	**$ 917**	**$ 50**	**$ 7**	**$ 88**	**$ 3**	**$ 8,625**

	December 31, 2024											
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	Total
	($ in Millions)					Carrying Value ($ in Millions)						
Residential Mortgage-Backed Securities:												
Government Agency	$ 20	0.4%	$ 19	0.3%	$ (1)	$ 20	$ -	$ -	$ -	$ -	$ -	$ 20
Non-Agency RMBS	820	15.0%	795	14.9%	(25)	676	6	39	56	34	9	820
CMBS	1,823	33.2%	1,709	31.9%	(114)	1,816	8	-	-	-	-	1,824
Asset Backed Securities (ABS)	617	11.2%	618	11.5%	1	525	92	-	-	-	-	617
Collateralized Loan Obligations (CLO)	2,202	40.2%	2,217	41.4%	15	2,144	57	-	-	-	-	2,201
Total	**$ 5,482**	**100.0%**	**$ 5,358**	**100.0%**	**$ (124)**	**$ 5,181**	**$ 163**	**$ 39**	**$ 56**	**$ 34**	**$ 9**	**$ 5,482**

	December 31, 2023											
	Carrying Value	% of Total	Fair Value	% of Total	Gains/ (Losses)	NAIC 1	NAIC 2	NAIC 3	NAIC 4	NAIC 5	NAIC 6	Total
	($ in Millions)					Carrying Value ($ in Millions)						
Residential Mortgage-Backed Securities:												
Government Agency	$ 23	0.5%	$ 22	0.5%	$ (1)	$ 23	$ -	$ -	$ -	$ -	$ -	$ 23
Non-Agency RMBS	$ 836	18.8%	$ 794	18.8%	$ (42)	$ 706	$ 4	$ 33	$ 54	$ 39	$ -	$ 836
CMBS	$ 1,851	41.6%	$ 1,680	39.7%	$ (171)	$ 1,851	$ -	$ -	$ -	$ -	$ -	$ 1,851
Asset Backed Securities (ABS)	$ 304	6.8%	$ 296	7.0%	$ (8)	$ 261	$ 43	$ -	$ -	$ -	$ -	$ 304
Collateralized Loan Obligations (CLO)	$ 1,439	32.3%	$ 1,436	34.0%	$ (3)	$ 1,371	$ 68	$ -	$ -	$ -	$ -	$ 1,439
Total	**$ 4,453**	**100.0%**	**$ 4,228**	**100.0%**	**$ (225)**	**$4,212**	**$ 115**	**$ 33**	**$ 54**	**$ 39**	**$ -**	**$ 4,453**

Bond Portfolio Surveillance and Under-Performing Investments

Generally, bonds are valued at amortized cost using the constant yield interest method. Bond transactions are recorded on a trade date basis, except for private placement bonds which are recorded on the funding date.

The fair value of bonds is based on values provided by the NAIC's SVO when available. If SVO values are not available, quoted market values provided by other third-party organizations are used. If quoted market values are unavailable, fair value is estimated by discounting expected future cash flows using current market rates applicable to yield, credit quality, and maturity of the investment or using quoted market values for comparable investments.

Guardian actively manages portfolio risks and provides a daily mark-to-market valuation for all of its public securities. Daily total rates of return are calculated on this actively managed portfolio and a performance attribution review is performed on a quarterly basis. Credit risk analysis is ongoing.

To identify underperforming investments, Guardian conducts a semi-annual management review of all bonds including those in default, not-in-good standing, or valued below 80% of cost. In addition, a credit report is provided quarterly with other investment related materials and reviewed with the Investment Committee of the Board. Guardian considers the following factors in the evaluation of whether a non-interest related decline in value is other-than-temporary: (a) the financial condition and near-term prospects of the issuer; (b) the likelihood that Guardian will be

able to collect all amounts due according to the contractual terms of a debt security in effect at the date of acquisition; (c) its ability and intent to hold the investment for a period of time sufficient to allow for an anticipated recovery in value and (d) the period and degree to which the market value has been below cost. Guardian considers the following factors in the evaluation of whether an interest related decline in value is other-than-temporary: (a) its near-term intent to sell; (b) its contractual and regulatory obligations and (c) its ability to hold the investment until anticipated recovery of the cost of the investment.

Additionally, Guardian considers qualitative and quantitative factors such as material declines in issuer revenues or margins, significant uncertainty regarding the issuer's industry, debt service coverage or cash flow ratios that fall below industry-specific thresholds, violation of financial covenants, trading of public securities at a substantial discount due to specific credit concerns, and other subjective factors that relate to the issuer.

Guardian actively reviews the bond portfolio to estimate the likelihood and amount of financial defaults or write-downs in the portfolio and to make timely decisions as to the potential sale or renegotiation of terms of specific investments.

Guardian employs a systematic methodology to evaluate declines in fair value below book value. The methodology to evaluate declines in fair value utilizes a quantitative and qualitative process ensuring that available evidence concerning the declines is evaluated in a disciplined manner. The book values of investments are written down to fair value when a decline in value is considered to be other-than-temporary. See "—Impairments."

Common Stocks

Guardian's common stocks include investments in public equities, mutual funds, and the net equity in unconsolidated subsidiaries and affiliates. Investments in insurance subsidiaries are stated at underlying statutory surplus adjusted for unamortized goodwill.

The table below details the carrying value of common stocks of Guardian's unaffiliated and affiliated companies as of the dates indicated:

	As of December 31,		
	2025	**2024**	**2023**
		($ in Millions)	
Common Stocks - Unaffiliated[(1)]	$ 276	$ 139	$ 107
Investment in Affiliates:			
BLICOA	$ 208	$ 209	$ 200
GIAC	689	601	484
Park Avenue Life Insurance Company	72	62	47
Other Affiliated Companies	71	201	364
Total Investment in Affiliates:	**$ 1,040**	**$ 1,073**	**$ 1,095**

(1) See "—Statement of Financial Position—Assets" for a discussion of the change in common stocks during 2025 as compared to 2024 and 2023.

Mortgage Loans

Mortgage loans represented 10% of the total investments in the general account as of December 31, 2025, 9.4% of the total investments in the general account as of December 31, 2024 and 9.6% of the total investments in the general account as of December 31, 2023. Mortgage loans collateralized by commercial real estate properties represent 93% of the portfolio and residential mortgage loans that Guardian holds through qualifying statutory trusts established under Delaware law represent 7% of the portfolio at December 31, 2025. Mortgage loans collateralized by commercial real estate properties represented 100% of the portfolio at December 31, 2024 and December 31, 2023.

Guardian's commercial mortgage loan portfolio, which includes mezzanine loans, consisted of fixed and floating rate loans on completed, income-producing properties.

As of December 31, 2025, 2024 and 2023, 99%, 99% and 99%, respectively, of the commercial mortgage loan portfolio consisted of bullet loans. Bullet loans are loans that do not fully amortize over their term.

Guardian had 23 bullet loans totaling $577 million scheduled to mature during 2025. As of December 31, 2025, 22 loans were paid in full for $561 million, and 1 loan totaling $16 million was extended. Past experience with regard to bullet maturities, however, is not necessarily indicative of future results. Guardian had no mortgage loans with a valuation allowance as of December 31, 2025.

The maturities of Guardian's commercial mortgage loans are well-diversified as per the table below, and Guardian carefully monitors and manages them in light of its liquidity position.

The following tables set forth the commercial mortgage loan portfolio by maturity:

Commercial Loans by Maturity

	As of December 31, 2025		
Year of Maturity	**Carrying Value ($ in millions)**	**Number of Loans**	**Percent**
2026	$ 656	25	8.2%
2027	1,074	52	13.4%
2028	1,396	44	17.5%
2029	1,473	49	18.4%
2030	984	22	12.3%
2031	888	43	11.1%
2032	644	23	8.1%
2033	419	8	5.2%
2034	131	10	1.6%
2035	200	3	2.5%
2036	9	1	0.1%
2037	123	4	1.5%
2038	0	0	0.0%
Total	$ 7,997	284	100.0%

	As of December 31, 2024		
Year of Maturity	**Carrying Value ($ in millions)**	**Number of Loans**	**Percent**
2025	$ 577	22	7.7%
2026	1,051	35	14.1%
2027	860	46	11.5%
2028	676	22	9.1%
2029	1,206	32	16.2%
2030	740	20	9.9%
2031	896	43	12.0%
2032	630	22	8.4%
2033	422	8	5.7%
2034	126	10	1.7%
2035	159	2	2.1%
2036	15	2	0.2%

Year of Maturity	As of December 31, 2025 Carrying Value ($ in millions)	Number of Loans	Percent
2037	104	4	1.4%
2038	0	0	0.0%
Total	$ 7,462	268	100.0%

Year of Maturity	As of December 31, 2023 Carrying Value ($ in millions)	Number of Loans	Percent
2024	$ 320	12	4.6%
2025	564	24	8.0%
2026	978	34	13.9%
2027	890	47	12.7%
2028	701	23	10.0%
2029	966	26	13.7%
2030	574	18	8.2%
2031	887	43	12.6%
2032	456	16	6.5%
2033	393	8	5.6%
2034	73	3	1.0%
2035	114	22	1.6%
2036	16	2	0.2%
2037	98	4	1.4%
Total	$ 7,030	262	100.0%

The following tables set forth the commercial mortgage loan portfolio by property type and geographic distribution:

Commercial Loans by Property Type

	December 31, 2025 Carrying Value	2025 % of Total	2024 Carrying Value	2024 % of Total	2023 Carrying Value	2023 % of Total
	($ in Millions)					
Office	$ 267	3.3%	$ 336	4.5%	$ 344	4.9%
Apartments	4,007	50.1%	3,616	48.5%	3,356	47.7%
Industrial & other	2,261	28.3%	1,970	26.4%	1,739	24.8%
Retail	1,280	16.0%	1,352	18.1%	1,373	19.5%
Hotels	182	2.3%	188	2.5%	218	3.1%
Total	**$ 7,997**	**100.0%**	**$ 7,462**	**100.0%**	**$ 7,030**	**100.0%**

Commercial Loans by Geographic Distribution

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
New England[1]	$ 161	2.0%	$ 250	3.4%	$ 237	3.4%
Mid Atlantic[2]	1,048	13.1%	927	12.4%	783	11.1%
South Atlantic[3]	1,932	24.2%	1,967	26.4%	1,834	26.1%
East North Central[4]	414	5.2%	435	5.8%	414	5.9%
East South Central[5]	250	3.1%	130	1.7%	87	1.2%
West North Central[6]	289	3.6%	214	2.9%	180	2.6%
West South Central[7]	1,258	15.7%	1,178	15.8%	1,174	16.7%
Mountain[8]	983	12.3%	566	7.6%	549	7.8%
Pacific[9]	1,662	20.8%	1,795	24.0%	1,772	25.2%
Total	**$ 7,997**	**100.0%**	**$ 7,462**	**100.0%**	**$ 7,030**	**100.0%**

(1) New England states are CT, MA, ME, NH, RI and VT.
(2) Mid-Atlantic states are PA, NJ and NY.
(3) South Atlantic states are DE, DC, FL, GA, MD, NC, SC, VA and WV.
(4) East North Central states are IL, IN, MI, OH and WI.
(5) East South Central states are AL, KY, MS and TN.
(6) West North Central states are IA, KS, MN, MO, NE, ND and SD.
(7) West South Central states are AR, LA, OK and TX.
(8) Mountain Region states are AZ, CO, ID, MT, NV, NM, UT and WY.
(9) Pacific Region states are AK, CA, HI, OR and WA.

Guardian's commercial mortgage whole loan exposure to Nevada ($145 million), Arizona ($243 million), Florida ($942 million) and California ($1,500 million) totaled $2,830 million. This represents 35% of the total commercial mortgage whole loan portfolio and this aggregation has an average loan-to-value ("LTV") of 59% as compared to 62% for the entire commercial mortgage whole loan portfolio. These loans are performing well with no delinquencies.

The following tables set forth the commercial loan portfolio by LTV range, year of origination and delinquency rate:

Commercial Mortgage Loans by LTV Range[1]

	As of December 31, 2025			
	Carrying Value	Number of Loans	Average Loan Amount	Percent of Portfolio
50% LTV or below	$ 1,736	100	$ 17.4	21.7%
51%-60% LTV	2,101	74	28.4	26.3%
61%-70% LTV	2,589	76	34.1	32.4%
71%-75% LTV	1,181	23	51.3	14.8%
75%-80% LTV	390	11	35.5	4.9%
Greater than 80% LTV	0	0	0	0.0%
Total	**$ 7,997**	**284**	**$ 28.2**	**100.0%**

	As of December 31, 2024			
	Carrying Value	Number of Loans	Average Loan Amount	Percent of Portfolio
50% LTV or below	$ 1,487	91	$ 16.3	19.9%

	As of December 31, 2025			
51%-60% LTV	2,016	73	27.6	27.0%
61%-70% LTV	2,600	74	35.1	34.9%
71%-75% LTV	829	21	39.4	11.1%
75%-80% LTV	530	9	58.9	7.1%
Greater than 80% LTV	0	0	0	0.0%
Total	**$ 7,462**	**268**	**$ 27.8**	**100.0%**

	As of December 31, 2023			
	Carrying Value	**Number of Loans**	**Average Loan Amount**	**Percent of Portfolio**
50% LTV or below	$ 1,549	92	$ 16.8	22.0%
51%-60% LTV	2,259	83	27.2	32.1%
61%-70% LTV	2,522	68	37.1	35.9%
71%-75% LTV	700	19	36.8	10.0%
75%-80% LTV	0	0	0	0.0%
Greater than 80% LTV	0	0	0	0.0%
Total	**$ 7,030**	**262**	**$ 26.8**	**100.0%**

(1) The LTV represents the year end 2025 loan balance divided by the value of the property utilizing the most recent property financial statements. The value of the property is based on the 2023 year end property net operating income divided by a market capitalization rate. 2025 financial information for such properties is not generally available until the second or third quarter of 2026.

The following tables set forth the carrying value of the commercial loan portfolio by property type and vintage:

Carrying Value of Commercial Mortgage Loans

	As of December 31, 2025									
	2017 & Prior	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
					($ in Millions)					
Office	$ 40	$ 44	$ 15	$ 46	$ 101	$ -	$ -	$ 21	$ -	$ 267
Apartments	350	173	318	103	679	795	282	280	1,027	4,007
Industrial	69	99	60	-	92	730	550	239	422	2,261
Retail	457	-	145	97	335	116	23	75	32	1,280
Hotels	76	-	106	-	-	-	-	-	-	182
Other	-	-	-	-	-	-	-	-	-	-
Total	**$ 992**	**$ 316**	**$ 644**	**$ 246**	**$ 1,207**	**$ 1,641**	**$ 855**	**$ 615**	**$ 1,481**	**$ 7,997**

	As of December 31, 2024									
	2016 & Prior	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
					($ in Millions)					
Office	$ 93	$ 14	$ 44	$ 15	$ 47	$ 102	$ -	$ -	$ 21	$ 336
Apartments	371	127	272	404	104	672	817	569	280	3,616
Industrial	1	70	214	60	10	92	711	550	239	1,947
Retail	210	353	17	147	98	339	118	23	47	1,352
Hotels	80	-	-	108	-	-	-	-	-	188
Other	23	-	-	-	-	-	-	-	-	23
Total	**$ 778**	**$ 564**	**$ 547**	**$ 734**	**$ 259**	**$ 1,205**	**$ 1,646**	**$ 1,142**	**$ 587**	**$ 7,462**

	As of December 31, 2025									
	As of December 31, 2023									
	2015 & Prior	2016	2017	2018	2019	2020	2021	2022	2023	Total
	($ in Millions)									
Office	$ 85	$ 10	$ 11	$ 74	$ 16	$ 47	$ 102	$ -	$ -	$ 344
Apartments	116	244	235	246	448	119	645	757	546	3,357
Industrial	44	0	83	199	60	11	92	685	545	1,719
Retail	175	102	350	17	148	100	342	120	19	1,373
Hotels	-	84	-	-	109	-	-	-	25	218
Other	19	-	-	-	-	-	-	-	-	19
Total	**$ 439**	**$ 440**	**$ 679**	**$ 536**	**$ 781**	**$ 277**	**$ 1,181**	**$ 1,562**	**$ 1,135**	**$ 7,030**

Residential Mortgage Loans

Guardian invests in residential mortgage loans held through qualifying statutory trusts established under Delaware law. The largest concentrations of residential real estate mortgage loans are for properties located in California and Florida ($126 million or 20.08% and $91 million or 14.51%) at December 31, 2025. Guardian estimates the fair value of residential real estate mortgage loans to be $630 million at December 31,2025. The minimum and maximum range of lending rates on new residential real estate mortgage loans were between 6.00% and 9.75% purchased during 2025. The maximum percentage of any single residential real estate mortgage loan to the value for loans that purchased in 2025 was 80.0% at origination date. Residential real estate mortgage loans represent 100% of the assets held in the qualifying statutory trusts at December 31, 2025. These loans are all in good standing at December 31, 2025. Guardian also invests in residential mortgage loan pools, which may contain mortgages of subprime credit quality.

Mortgage Loan Portfolio Surveillance and Under-Performing Investments

Guardian actively monitors, manages, and directly services its commercial mortgage loan portfolio. Guardian performs or reviews all aspects of loan origination and portfolio management, including lease analysis, property transfer analysis, economic and financial reviews, tenant analysis, and management of default and bankruptcy proceedings.

Guardian's $8 billion commercial mortgage loan portfolio as of December 31, 2025 is well-diversified geographically and by property type. Guardian's underwriting seeks to effectively protect the company from cyclical market challenges. The portfolio's current delinquency rate is 0%. Guardian utilized what it considers to be conservative underwriting and valuation standards in originating loans and anticipates that the portfolio should continue to perform well relative to the industry. In monitoring and evaluating the portfolio, Guardian has used internally developed models and stress tests, including interest rate shock and severe recession scenarios. Guardian recently stress tested the individual loan values in the $8 billion commercial mortgage whole loan portfolio by employing increased vacancy rates and higher capitalization rates reflective of deteriorating market conditions. Even under these stress tests, the majority of the assets that secure Guardian's mortgages continue to support the debt service, with a minimal amount of projected loss. However, given the inherent limitations and underlying assumptions of quantitative modeling, there can be no assurances of Guardian's ability to maintain sufficient liquidity under actual liquidity needs.

Guardian revalues underperforming properties each year and reinspects these properties at least every other year based on internal quality ratings. The criteria used to determine whether a current or potential problem exists includes borrower bankruptcies, major tenant bankruptcies, requests for restructuring, delinquent tax payments, late payments, loan-to-value or debt service coverage deficiencies, and overall vacancy levels.

There were no current or potential problem mortgage loans consisting of restructured mortgage loans as of December 31, 2025, 2024 and 2023. There were no commercial mortgage loans in process of foreclosure or in default as of December 31, 2025, 2024 and 2023. The AVR contains a mortgage loan component, which totaled $104 million, $94 million and $83 million as of December 31, 2025, 2024 and 2023, respectively. See "Investment Reserves."

Real Estate

Guardian's real estate portfolio includes real estate properties it occupies and real estate it originally acquired as investments or through foreclosure or deed in lieu of foreclosure. As of December 31, 2025, Guardian had two properties in its portfolio that were acquired via deed in lieu of foreclosure which totaled $56.6 million. No properties were foreclosed on during 2025. As of December 31, 2024, Guardian had two properties in its portfolio that were acquired via deed in lieu of foreclosure which totaled $57.6 million. No properties were foreclosed on during 2024. As of December 31, 2023, Guardian had 3 properties in its portfolio that were acquired via deed in lieu of foreclosure which totaled $66 million. One property was acquired through deed in lieu of foreclosure during 2023.

The following tables illustrate the diversity of Guardian's real estate portfolio by property type and geographic distribution:

Real Estate Property by Property Type (Excludes Home Office Properties)

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
Office	$ 101	40.1%	$ 103	39.4%	$ 115	41.1%
Apartments	113	44.8%	123	46.6%	131	46.8%
Industrial & other	38	15.1%	37	14.0%	34	12.1%
Retail	-	-	-	-	-	-
Hotels	-	-	-	-	-	-
Total	$ 252	100.0%	$ 263	100.0%	$ 280	100.0%

Real Estate by Geographic Distribution (Excludes Home Office Properties)

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
New England[(1)]	$ 75	29.8%	$ 80	30.3%	$ 85	30.4%
Mid Atlantic[(2)]	-	-	-	-	-	-
South Atlantic[(3)]	77	30.6%	79	30.1%	82	29.3%
East North Central[(4)]	19	7.5%	19	7.3%	27	9.6%
East South Central[(5)]	-	-	-	-	-	-
West North Central[(6)]	-	-	-	-	-	-
West South Central[(7)]	15	6.0%	16	6.2%	17	6.1%
Mountain[(8)]	-	-	-	-	-	-
Pacific[(9)]	66	26.2%	69	26.1%	69	24.6%
Total	$ 252	100.0%	$ 263	100.0%	$ 280	100.0%

(1) New England states are CT, MA, ME, NH, RI and VT.
(2) Mid-Atlantic states are PA, NJ and NY.
(3) South Atlantic states are DE, DC, FL, GA, MD, NC, SC, VA and WV.
(4) East North Central states are IL, IN, MI, OH and WI.
(5) East South Central states are AL, KY, MS and TN.
(6) West North Central states are IA, KS, MN, MO, NE, ND and SD.
(7) West South Central states are AR, LA, OK and TX.
(8) Mountain Region states are AZ, CO, ID, MT, NV, NM, UT and WY.
(9) Pacific Region states are AK, CA, HI, OR and WA.

As of December 31, 2025, Guardian's real estate portfolio consisted of 16 properties with a statement value of $252 million, of which $0 million was occupied by Guardian. As of December 31, 2024, Guardian's real estate portfolio consisted of 16 properties with a statement value of $263 million, of which $0 million was occupied by Guardian. As of December 31, 2023, Guardian's real estate portfolio consisted of 17 properties with a statement value of $280 million, of which $0 million was occupied by Guardian. The portfolio uses leverage to increase return, with $344 million, $344 million and $347 million in third party non-recourse debt outstanding as of December 31, 2025, 2024 and 2023, respectively.

Guardian reviews individual property valuations on an annual basis. Internal valuations are conducted by Guardian's Asset Managers. Appropriate appraisal valuation methodologies are employed on a case-by-case basis (including Income Approach, Sales Comparison Approach and Cost Approach). Guardian reviews these valuations for technical accuracy, methodology, and the appropriateness of the assumed rates of return. Generally, external valuations are conducted on an ad hoc basis as determined by management or joint venture ownership requirements. As of December 31, 2025, Guardian's real estate and other invested asset AVR totaled $824 million.

Private Equity Limited Partnership Investments by Type (Includes Derivatives)

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
Private Equity Investments	$ 3,886	65.2%	$ 3,488	57.7%	$ 3,100	58.1%
Real Estate Investments	168	2.8%	196	3.2%	209	3.9%
Mortgage Debt Funds	738	12.4%	741	12.3%	627	11.7%
Other Alternative Investments	323	5.4%	400	6.6%	280	5.2%
Affiliated LLCs	849	14.2%	1,218	20.2%	1,124	21.1%
Total	**$ 5,964**	**100.0%**	**$ 6,043**	**100.0%**	**$ 5,340**	**100.0%**

Real Estate Joint Ventures by Property Type

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
Office	$ 49	29.2%	$ 15	7.8%	$ 15	7%
Apartments	68	40.5%	76	38.6%	91	44%
Industrial & other	51	30.4%	70	35.9%	67	32%
Retail	-	-	35	17.7%	36	17%
Hotels	-	-	-	-	-	-
Total	**$ 168**	**100.0%**	**$ 196**	**100.0%**	**$ 209**	**100.0%**

Real Estate Joint Ventures by Geographic Distribution

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
New England[1]	$ -	-	$ 1	0.3%	$ 1	1%
Mid Atlantic[2]	49	29.2%	59	30.3%	65	31%
South Atlantic[3]	66	39.3%	76	38.8%	75	36%
East North Central[4]	-	-	-	-	-	-
East South Central[5]	2	1.2%	-	-	-	-
West North Central[6]	17	10.1%	19	9.6%	23	11%

	December 31,					
	2025		2024		2023	
	Carrying Value	% of Total	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)					
West South Central[7]	34	20.2%	35	17.7%	38	18%
Mountain[8]	-	-	-	-	-	-
Pacific[9]	-	-	6	3.4%	7	3%
Other	-	-	-	-	-	-
Total	**$ 168**	**100.0%**	**$ 196**	**100.0%**	**$ 209**	**100.0%**

(1) New England states are CT, MA, ME, NH, RI and VT.
(2) Mid-Atlantic states are PA, NJ and NY.
(3) South Atlantic states are DE, DC, FL, GA, MD, NC, SC, VA and WV.
(4) East North Central states are IL, IN, MI, OH and WI.
(5) East South Central states are AL, KY, MS and TN.
(6) West North Central states are IA, KS, MN, MO, NE, ND and SD.
(7) West South Central states are AR, LA, OK and TX.
(8) Mountain Region states are AZ, CO, ID, MT, NV, NM, UT and WY.
(9) Pacific Region states are AK, CA, HI, OR and WA.

Derivatives

Derivative instruments are used to manage Guardian's exposure to fluctuations in interest rates, foreign currency risk, and equity market risk. A variety of derivative instruments are used, including futures, swaps, and equity index options, among others.

The following table summarizes the notional amount and estimated fair value by derivative type for the periods indicated:

Derivative Financial Instruments

	Notional Amount			Estimated Fair Value Asset/(Liability)		
	December 31,			December 31,		
	2025	2024	2023	2025	2024	2023
	($ in Millions)					
Foreign currency swaps	$ 3,045	$ 2,612	$ 2,348	$ (25.2)	$ 194	$ 96
Currency forwards	186	-	-	(0.8)	-	-
Credit default swaps	-	-	-	-	-	-
Exchange traded futures[1]	669	449	302	(2.8)	-	-
Equity Index Options	1,230	904	680	27.9	5	5
Interest rate swaps	1,324	-	-	20.5	-	-
Option floor	1	-	-	-	-	-

(1) Futures fair value (Variation Margin) is settled daily in full.

Policy Loans

Policy loans are permitted to the extent of such policy's contractual limits. Policy loans represent loans to a policyholder on the security of the cash surrender value of the policy. As of December 31, 2025, December 31, 2024 and December 31, 2023, the policy loan balance was $6.573 billion, $6.069 billion and $5.106 billion, respectively. All policy loans are at fixed interest rates. The interest rates range from 3.5% to 8.0%, with over 66% of the loans at 8.0%.

Cash, Cash Equivalents and Short-term Investments

Cash includes amounts on deposit with banks. Cash equivalents are stated at amortized cost and consist of liquid investments having maturities of three months or less at time of purchase. Short-term investments, including

money market funds, are stated at cost or amortized cost and consist primarily of investments having maturities greater than three months from date of purchase, but less than one year to maturity. Fair values for such investments approximate carrying value. The following table details cash, cash equivalents and short-term investments for the periods indicated.

Cash, Cash Equivalents and Short-term Investments

	December 31,		
	2025	**2024**	**2023**
	($ in Millions)		
Cash in banks	$ 194	$ 171	$ (65)
Cash Equivalents:			
Repos and commercial paper	1,967	1,888	1,220
Total Cash and Cash Equivalents	2,161	2,059	1,155
Short-Term Investments:			
Money market funds and treasury bills	5	689	36
Totals	**$ 2,166**	**$ 2,748**	**$ 1,191**

INVESTMENT RESERVES

Guardian establishes and records write-downs or investment reserves in accordance with statutory practice.

Guardian determines the fair value of bonds in accordance with principles established by the SVO using criteria that include the net worth and capital structure of the borrower, the value of the collateral, the presence of additional credit support, and its evaluation of the borrower's ability to compete in a relevant market.

In the case of real estate and commercial mortgage loans, Guardian makes borrower and property-specific assessments as well.

In compliance with regulatory requirements, Guardian maintains an AVR. The AVR is a contingency reserve to offset potential losses of stocks, real estate investments, partnerships and LLCs, as well as credit-related declines in bonds, mortgage loans and derivatives.

As of December 31, 2025, the AVR totaled $1,647 million, which represents a 5% increase from December 31, 2024. As of December 31, 2024, the AVR totaled $1,567 million, which represents a 5% increase from December 31, 2023.

QUANTITATIVE AND QUALITATIVE INFORMATION ABOUT MARKET RISK

All non-guaranteed separate account assets and liabilities have been excluded from the following discussion since all market risks associated with those accounts are assumed by GIAC contract holders.

Assets, such as bonds, stocks, mortgage loans on real estate, policy loans, and derivatives are financial instruments, which are subject to the risk of market volatility and potential market disruptions. These risks may reduce the value of Guardian's financial instruments or impact future cash flows and earnings from those instruments.

Guardian's primary market risk exposure is changes in interest rates, which can cause changes in the fair value, cash flows, and earnings of certain financial instruments. To manage its exposure to interest rate changes, Guardian uses what it believes to be sophisticated quantitative asset/liability management techniques designed to match the market sensitivity of assets with the liabilities they support to reduce the net economic impact to changes in interest rates. In addition, Guardian invests a significant portion of its investment allocation in high quality bonds in order to maintain and manage liquidity and reduce the risk of default in the portfolio.

See "—Hedging Programs."

GIAC stopped selling VAs with living benefit riders as of February 17, 2017. The VAs that were purchased with a living benefit rider are primarily in the form of GMWBs. Since entering into the Variable Annuity Reinsurance Treaty, GIAC coinsures virtually 100% of the variable annuity block that existed as of November 1, 2022, including all of its living benefit riders. With this Variable Annuity Reinsurance Treaty in place, GIAC is no longer susceptible to the risks arising from the riders, including risks associated with sustained volatility in capital markets and policyholder withdrawals. As such, GIAC's GMWB Rider Hedging Program was closed on October 31, 2022.

Risks Related to Credit Markets

Credit risk is the risk that issuers of investments owned by Guardian may default or that other parties may not be able to pay amounts due to it. Guardian attempts to manage its investments to limit credit risk by diversifying its portfolio among various security types and industry sectors and limiting the exposure to issuers.

Guardian is exposed to credit-related losses in the event of non-performance by counterparties to various financial instruments. In order to reduce counterparty risk, Guardian and certain of its counterparties require collateral to be posted in the amount owed under each of these transactions, subject to thresholds and minimum transfer amounts that are functions of the rating on the counterparty's long-term, unsecured, unsubordinated debt.

Guardian regularly monitors counterparty credit ratings and exposures, investment positions and valuations, and the value of collateral posted to ensure counterparties are credit-worthy and the concentration of its exposure. Guardian monitors this exposure as part of its management of its overall credit exposures.

Hedging Programs

GIAC GMWB Rider Hedging Program

This program was closed on October 31, 2022.

GIAC Fixed Indexed Annuity (FIA) Hedging Program

During the first quarter of 2022, Guardian launched an FIA product that is issued by GIAC. The hedging program targets to offset the equity market risk embedded in FIA related to the accumulation component of the policy liability with the use of OTC equity index options. Equity index options define terms by which Guardian will pay or receive from a counterparty a cash amount which is based on the price performance of a specified equity market index over a predefined period of time relative to a predefined performance benchmark. The size of the equity index option payment is also defined by the notional amount of the option contracts. Current indices include the S&P 500 and two volatility-controlled indices maintained by PIMCO and Alliance Bernstein (AB). In NY, the PIMCO and AB indices are replaced with Nasdaq-100 and MSCI EAFE.

GIAC Registered Indexed-Linked Annuity (RILA) Hedging Program

In 2024, Guardian launched a RILA that is issued by GIAC. GIAC invests policyholder assets in a mix of bonds, equity index options and futures in order to target the index credit payoffs in the investment strategies chosen by contract holders.

Foreign Currency Risk Hedging Program

Within the general account of Guardian, currency derivatives are used to manage the currency risk inherent in the firm's foreign denominated private placement transactions. Currency hedging is accomplished using currency swaps and forwards. Currency hedges are accounted for under hedge accounting rules unless significant changes in hedged assets or hedges make hedge accounting treatment tests not effective.

Credit Default Risk Hedging and Replications

Guardian employs credit default swaps to hedge credit risks in its investment portfolios as needed. Credit risk in corporate bonds is hedged using credit default swaps, when viewed as warranted by Guardian, which considers liquidity, market volatility, fundamentals, statutory capital volatility, issuer exposure and other relevant factors in making this determination. Guardian uses cleared credit default swaps. Credit default swaps positions may involve credit exposure to derivative counterparties in bilateral uncleared transactions or to the clearing house of the central clearing counterparty involved. Guardian uses two-way collateral arrangements with all its counterparties to manage counterparty risk. Guardian had no outstanding credit default swap positions at December 31, 2025.

Interest Rate Hedging Programs

In the course of asset/liability management Guardian or its affiliates may also use derivatives to manage interest rate risk. Guardian is using interest rate hedges and replications implemented with Treasury futures and interest rate swaps to manage its interest rate risk exposures in its portfolios versus the respective benchmarks. In addition, Guardian hedges the interest rate risk due to timing between the accumulation of assets supporting funding agreement-backed notes and the issuance of the liability as described in "—FA-Backed Notes Interest Rate Hedging" below. Guardian has also hedged the interest rate risk of liabilities associated with the issuance of FA-Backed Notes by using long Treasury futures with the intent to offset such risk in such liabilities until the full accumulation of cash assets supporting the FA-Backed Note liabilities is completed. Guardian also used Treasury futures to hedge against interest rate risks associated with rate lock commitments related to future private placement debt and commercial mortgage loan commitments. Finally, Guardian used exchange traded overnight SOFR interest rate swaps to hedge the variable rate interest payments from a portfolio of floating rate assets. There is no guarantee that the employed interest rate risk hedging program will offset the interest rate risk exposure intended to be hedged.

Deferred Compensation (Company Plan) Liability Hedging

Guardian offers a non-qualified deferred compensation plan to certain individuals such as eligible employees, retirees and directors. Deferred compensation growth is linked to the performance of equity and fixed income investments with observable returns. Guardian has employed a hedging program to hedge the equity linked company liabilities associated with the deferred compensation plan. The instruments used to hedge these liabilities are equity index futures. There are no guarantees that the company plan liability hedging program will offset the equity linked company liabilities associated with its deferred compensation plan.

Funding Agreement Interest Rate Hedging

In 2025, Guardian acquired assets to support the issuance of five Notes. In 2024, Guardian acquired assets to support the issuance of one Note. In 2023, Guardian acquired assets to support the issuance of one Note. In 2022, Guardian acquired assets to support the issuance of two Notes. In 2021, Guardian acquired the assets to support the issuance of two Notes. In 2020, Guardian acquired the assets to support the issuance of five Notes. In 2019, Guardian acquired the assets to support the issuance of one Note issued by the Issuer. In 2018, Guardian acquired the assets to support the issuance of one Note issued by the Issuer. Guardian hedged the interest rate risk of those assets and Note liabilities using Treasury futures.

Index Participation Rider Hedging

In 2025, Guardian hedged the equity risk embedded in its liabilities related to Index Participation Rider of select Whole Life policies where the dividend is linked to the performance of the S&P 500 1-year point-to-point return. The hedging program is executed with the use of OTC equity call options offsetting the equity exposure embedded in the rider liabilities.

Other Hedging Programs

Guardian has employed in the past, may be employing or may employ in the future other hedging programs not listed above such as rate lock hedging for private placements and commercial mortgages origination and other similar derivative programs under its Derivative Use Plan.

DIRECTORS AND EXECUTIVE OFFICERS OF GUARDIAN

Set forth below is information regarding the directors and executive officers of Guardian as of the date of this Offering Memorandum:

Name	Title	Since[2]
John J. Brennan	Lead Director[1][3]	2011
William C. Freda	Director[1]	2014
Christopher T. Jenny	Director[1]	2017
Catherine Keating	Director[1]	2025
Eric L. Kelly	Director[1]	2024
Andrew J. McMahon	Director	2020
	Chairman and Chief Executive Officer[4]	2017
Eileen K. Murray	Director[1]	2020
Gary A. Norcross	Director[1]	2017
Vivek Sankaran	Director[1]	2018
Lauren M. Tyler	Director[1]	2024
Kermitt J. Brooks	Chief Legal Officer	2020
Erin C. Culek	Chief Strategy & Operating Officer	2023
Nicholas Liolis	Chief Investment Officer	2023
Jonathan E. Mayhew	Head of Group Benefits	2022
Kevin Molloy	Chief Financial Officer	2019
Stacey W. Hoin	Chief Human Resources Officer	2021
Steven M. Rullo	Chief Digital & Technology Officer	2024
Michael Perry	Head of Client Solutions and Wealth Management	2025
Michael Prestileo	Chief Strategy Officer	2025
Wendy (Gwendolyn) A. Wahl	Chief Marketing and Communications Officer	2023

The address of each of the directors and executive officers listed above is The Guardian Life Insurance Company of America, 10 Hudson Yards, New York, New York, 10001. Guardian's main telephone number is (212) 919-8000.

(1) Independent non-employee director.
(2) First year of affiliation with Guardian as a director and/or principal officer.
(3) Mr. Brennan was appointed Lead Director, effective January 1, 2022.
(4) Mr. McMahon joined Guardian in December 2017 as an Executive Vice President. He was named President in January 2020 and then appointed as Chief Executive Officer and President, effective October 1, 2020. He was appointed Chairman in December 2024 and holds the title of Chairman and Chief Executive Officer.

Directors' Biographical Information

Set forth below is a description of the business positions held by the directors during at least the past five years (ages as of February 1, 2026).

John J. Brennan, age 71, is the Retired Chair and Chief Executive Officer of The Vanguard Group, from which he retired in December 2009. He is also a former Chair of FINRA. He is currently Chair of the Vanguard Charitable Endowment Program. He is a Trustee of the Board of Trustees of the University of Notre Dame and is a Director of American Express Company and Rockefeller Capital Management. Mr. Brennan is also a former director of LPL Financial.

William C. Freda, age 73, is the retired Senior Partner and Vice Chair of Deloitte, former Chair of Global Insurance Committee at Deloitte Touche Tohmatsu Limited (DTTL), and former Managing Partner of U.S. Financial Services Industry Practice of Deloitte LLP. Mr. Freda is a Director of State Street Corporation and a former Trustee

at Bentley University. He is a former Director of Hamilton Insurance Group and DTTL and former Chair of American Institute of Certified Public Accountants' Mutual Life Insurance Task Force.

Christopher T. Jenny, age 70, is a former President and Senior Partner of The Parthenon Group and a former Partner of Bain & Company. Mr. Jenny is Chair and Chief Executive Officer of Jennus Innovation and is a Director of Mobile Virtual Player, PLT4M, FAIRWAYiQ and Affina, Inc. Mr. Jenny is a former Director of CBRE Group, Inc. and previously served on the board and was Vice Chair of the New England Baptist Hospital.

Catherine Keating, age 64, is former Senior Executive Vice President, Global Head of Wealth Management, BNY Mellon Corp and CEO of BNY Mellon, N.A. She currently serves as a Director of CVC Capital Partners plc and is a member of the Howard Hughes Medical Institute Investment Committee and the Helmsley Charitable Trust Investment Committee. Ms. Keating is a former Director and CEO of Commonfund and former Director of Santander Bank, N.A. and Santander Holdings USA.

Eric L. Kelly, age 67, is former Chair and Chief Executive Officer of Overland Tandberg Corporation. He serves as a Director of Sabre Corporation, the Chair of Bridge 2 Technologies and is former Chair of the Economic Advisory Board of the San Francisco Federal Reserve. Mr. Kelly is the former Chair of Sphere3D Corporation and Silicon Valley Management Partners Corporation. He previously served as the former Chair of the Board and is currently a Director and Chair of the Nomination and Governance Committee of San Jose State University Tower Foundation. Mr. Kelly is a former board member of the Executive Office of President Obama Council of Advisors on Science, Technology, and Advanced Manufacturing Partnership Steering Committee.

Andrew J. McMahon, age 58, is Chairman and Chief Executive Officer of Guardian since December 2024. Mr. McMahon was Chief Executive Officer and President of Guardian since October 2020 and a Director of Guardian since September 2020, prior to which he was President of Guardian from January 2020 to October 2020, and Executive Vice President, Individual Markets, Enterprise Strategy and Customer Development, of Guardian from March 2019 to December 2019. Previously, he had been the Executive Vice President, Strategy & Customer Development of Guardian from December 2017 through February 2019. Prior to joining Guardian, he was a founder of Vitae Advisors, LLC and was the Chief Executive Officer from 2014 to 2017, and he served in multiple roles at AXA Financial from 2005 to 2014, including Head of Strategic Initiatives Group, Chairman/COO of AXA Advisors, and, ultimately, as the President of AXA Financial. Mr. McMahon serves on the boards of the American Council of Life Insurers, the Partnership for New York City, and incoming Chair of Association of Life Insurance Counsel. He also sits on the Board of Stone Ridge Holding Group, the Department of Financial Services State Insurance Advisory Board, and serves as a Trustee of Fairfield University. Mr. McMahon is a former member of the Board of Alliance Bernstein, AXA Financial, Phoenix Life Insurance Companies and Nassau Re.

Eileen K. Murray, age 67, is the former Co-Chief Executive Officer of Bridgewater Associates, LP, in which she served from 2014 until April 2020. She joined Bridgewater in 2009 and served in various leadership roles before being appointed Co-Chief Executive Officer. Prior to that, Ms. Murray served as Chief Executive Officer of Investment Risk Management LLC and Co-Chief Executive Officer, President and Partner of Duff Capital Advisors. Before joining Duff Capital, Ms. Murray held various leadership roles at Morgan Stanley from 1998 until 2002 and 2005 until 2007, including former Controller, Treasurer, Global Head of Technology and Operations, and Management Committee member. From 2002 until 2005, Ms. Murray served as the Head of Global Technology, Operations and Product Control at Credit Suisse First Boston. She is the former Chair of the FINRA's Board of Governors, a former Director of Compass and a former Director of Atlas Crest Investment Corp. Ms. Murray serves on the boards of HSBC Holdings plc, Broadridge Financial Solutions, Inc. and as Chair of Invisible Urban Charging, Inc. She formerly served on the Board of the Irish Arts Center and as former Director and Chair of Carbon Arc.

Gary A. Norcross, age 60, is the former Chair and Chief Executive Officer of FIS, from which he retired in December 2022 and previously served as President from 2015 to 2021. Mr. Norcross is also a Member of the Dean's Executive Advisory Board of the Sam M. Walton School of Business for the University of Arkansas and a Director of the YMCA of Florida's First Coast. He was a former Director of the Knowledge is Power Program's (KIPP) Jacksonville Schools.

Vivek Sankaran, age 63, is the former Chief Executive Officer of Albertsons Companies, Inc. since April 2019. Previously, he served as the Chief Executive Officer of Frito-Lay North America ("Frito-Lay") from January

2019 to April 2019 and the President and Chief Operating Officer of Frito-Lay from 2016 to 2018. Mr. Sankaran served as Chief Operating Officer and as Chief Commercial Officer of PepsiCo North America from 2009 to 2016. Mr. Sankaran is a Director of National Retail Federation and the Safe Water Network. He is a former Director of Georgia Institute of Technology Advisory Board and former Partner of McKinsey & Company.

Lauren M. Tyler, age 64, is the former Executive Vice President and Global Head of Human Resources, JPMorgan Chase Asset & Wealth Management. She serves on the Boards of the World Wildlife Fund and Yale Cancer Center. Ms. Tyler is an Independent Director and Audit Committee Member of Cencora and former Independent director of Alleghany Corporation.

Executive Officers' Biographical Information

Set forth below is a description of the business positions held during the past five years by the executive officers (ages as of February 1, 2026) listed above.

Kermitt J. Brooks, age 61, has been the Chief Legal Officer of Guardian since May 2020. Prior to joining Guardian, Mr. Brooks was Senior Executive Managing Director and General Counsel of AXA Equitable Life Insurance Company overseeing all legal, regulatory, compliance and government affairs for the company. From 2010 to 2019, Mr. Brooks held several senior legal roles at AXA, including Deputy General Counsel, Associate General Counsel, and head of the Insurance Practice Group. Previously, Mr. Brooks served as an official at both the New York State Insurance Department and the New York State Office of the Attorney General. He currently serves as a director of the Michigan State University Foundation. He is a Board member of the National Organization of Life and Health Guaranty Associations, NAF, and Comprehensive Youth Development and the Life Insurance Council of New York, Inc. Mr. Brooks also serves on Board of Governors of the Association of Life Insurance Counsel and is a Board member of the Federal Advisory Committee on Insurance.

Erin C. Culek, age 44, is Head of Financial Protection & Retirement Solutions since May 2025. Previously, Ms. Culek served as the Chief Strategy & Operating Officer of Guardian since March 2024, prior to which she was Head of Strategy & Corporate Development from 2023. Prior to joining Guardian in 2020, she was the Executive Vice President of Business and Client Management for Nuveen, the asset management division of TIAA. Early in her career, Ms. Culek acted as the Chief Operating Officer for a technology start-up for a direct-to-consumer life insurance brokerage platform, and prior to that, she was the Head of Strategic Initiatives for AXA US. Ms. Culek currently serves on the Board of Directors for the GO Project, a non-profit delivering vital academic, social, and emotional support to New York City public school children, and 1289 Lexington Condominium.

Stacey W. Hoin, age 65, has been the Chief Human Resources Officer of Guardian since March 2021. Prior to joining Guardian, Ms. Hoin spent more than 30 years at General Electric, where she held several leadership positions in both Human Resources and Law, most recently as the Chief of Human Resources at GE Capital since 2016. Ms. Hoin serves on the Board of Trustees for Wakeman Boys & Girls Club and previously served on the Board of Advisors for Catalyst.

Nick Liolis, age 56, has been the Chief Investment Officer of Guardian since January 2023. Prior to joining Guardian, Mr. Liolis was the Senior Managing Director and Chief Investment Officer for the General Account of the Teachers Insurance and Annuity Association of America (TIAA) since May 2015. Prior to TIAA, Mr. Liolis served as Managing Director and Chief Investment Officer of AXA Equitable Life Insurance Company in New York and, earlier in his career, held several positions including Head of Hedge Fund Investments, Chief Credit Officer and Deputy Chief Investment Officer prior to being named Chief Investment Officer. Mr. Liolis serves on the Board of Directors of Strive and the Board of Advisors of Stone Ridge Holding Group.

Jonathan Mayhew, age 62, has been the Head of Group Benefits since October 2022. Prior to joining Guardian, Mr. Mayhew served as CEO of Ontrak, Inc. from April 2021 to October 2022. Before joining Ontrak, he was Executive Vice President of Transformation at CVS Health from 2019 to 2021, Senior Vice President for the Aetna Markets organization from 2014 to 2019, a founding Principal, CEO and President of Freedom Disability, and

held senior leadership roles at Cigna. Mr. Mayhew is a board member of Trycycle Data Systems and served on the boards of AbleTo and Strong Center.

Kevin Molloy, age 55, has been the Chief Financial Officer of Guardian since January 2020. Previously, he served as the Chief Financial Officer, Individual Markets of Guardian from August 2019 to December 2019. Prior to joining Guardian, Mr. Molloy served in multiple roles at AXA Equitable and its affiliates from 1999 to 2019, including Chief Financial Officer of AXA Global Life; Senior Executive Director, Group Retirement; and most recently, Managing Director, Head of Investor Relations. He currently serves on the Boards of Directors of Audax (formerly oNKo-innate Py. Ltd.) and LIMRA/LOMA LLG Global Director.

Mike (Michael) Perry, age 59, is Head of Client Solutions and Wealth Management at Guardian since August 2025 and has over two decades of wealth management experience. Prior to joining Guardian, Mr. Perry served as a member of their Executive Management Team at Nuveen. Before joining Nuveen in 2015, he served on the Executive Committee of UBS Wealth Management Americas and held senior roles at Merrill Lynch. Mr. Perry serves as a Director on the Board of Youth INC, a nonprofit that empowers organizations serving New York City youth.

Michael Prestileo, age 41, is Chief Strategy Officer of Guardian since May 2025. Mr. Prestileo joined Guardian in 2020 as Chief Commercial Officer for the Group Benefits business. Prior to joining Guardian, he held senior leadership roles at Lincoln Financial Group and Liberty Mutual across group benefits, individual life and annuities, and commercial P&C lines.

Steven Rullo, age 54, is Chief Digital & Technology Officer since March 2024. Prior to joining Guardian, Mr. Rullo previously served as the Executive Vice President and Chief Information Officer (CIO) for Great-West Lifeco, and was responsible for technology strategy, governance, and oversight across their portfolio of operating companies in life and health insurance, wealth management, and reinsurance. Prior to Great-West Lifeco, Mr. Rullo spent 20 years at General Electric where he most recently served as Division CIO for GE Capital and Corporate CIO for Finance and Global Operations. Mr. Rullo currently sits as a National Board Member of Per Scholas, a leading skills training nonprofit with a mission to advance economic mobility for individuals in technology careers.

Wendy (Gwendolyn) A. Wahl, age 55, is Chief Marketing and Communications Officer of Guardian. Prior to joining Guardian, she was Vice President, Commercial Marketing at CVS Health and held numerous leadership roles at Aetna, including Head of Enterprise Marketing, CMO of the Consumer Business, and Head of Marketing for multiple wholly owned B2B companies and joint ventures. She also was an executive vice president for marketing and advertising stalwarts Omnicom and Publicis. Wendy serves on the board of directors for Connecticut FoodShare.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Except as described below, there are no potential conflicts of interest between the duties to Guardian of any of the members of the Board of Directors and their respective private interests or other duties.

In the ordinary course of its insurance operations, Guardian and its insurance subsidiaries have from time to time provided insurance coverage to a number of corporations of which the directors of Guardian are or were officers or directors. However, such coverage is primarily the result of sales efforts and is not tied to the membership on Guardian's Board of Directors of any one or more individuals or to a relative or spouse of such individual.

Some of the directors carry one or more life insurance policies issued by Guardian and its insurance subsidiaries. These policies give owners voting rights as prescribed by the New York Insurance Law, but in the aggregate such directors and officers who are policyholders hold an insignificant percentage of the aggregate voting rights in Guardian.

DESCRIPTION OF THE NOTES

This section provides an overview of the material provisions of the Notes, the Indenture, and the form of an indenture to be entered into between the Issuer and the Indenture Trustee in connection with each issuance of Notes under the Program (each, a "Series Indenture"). It does not purport to be complete and is subject to the applicable Issue Terms and to the detailed provisions of the Notes, the Indenture and each applicable Series Indenture, copies of which will be available as provided under "Documents Available." Capitalized terms used and not otherwise defined herein have the same meanings as those used in the Indenture. The terms and conditions of the Notes described in this section will apply to the Notes of each Series, except that the Issuer will add the specific terms of the Notes of a Series in each applicable Issue Terms. Prospective purchasers should consider the information contained in this Offering Memorandum, the Indenture, the applicable Series Indenture and each applicable Issue Terms in making their investment decision.

GENERAL

Series and Tranches of Notes

The Notes will be issued in one or more series. Each Series of Notes may be comprised of one or more Tranches issued on different issue dates within six months from the issue date of the first Tranche of the applicable Series of Notes. The Issuer may only issue a Tranche of Notes if Guardian has issued or will simultaneously issue one or more Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price, the amount and date of the first payment of interest and denomination size may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects.

Indenture and Series Indenture

Each Series of Notes will be issued under, subject to and entitled to the benefits of the Indenture and a separate Series Indenture by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. The Notes issued under a Series Indenture will constitute a single Series, together with any Notes issued in the future under such Series Indenture that are designated by the Issuer as being part of such Series. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture is unlimited.

Neither the Indenture nor any Series Indenture will be governed by, interpreted by reference to or otherwise incorporate any term corresponding to any provision of the Trust Indenture Act of 1939, as amended.

Security; Limited Recourse

The obligations of the Issuer under each Series of Notes will be secured by a first priority perfected security interest in favor of the Indenture Trustee in the "Series Collateral" which will consist of:

- each Funding Agreement related to the applicable Series;
- all proceeds of each Funding Agreement related to the applicable Series;
- all books and records of the Issuer pertaining to the foregoing; and
- all benefits, rights, privileges and options of the Issuer pertaining to the foregoing.

The Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related debts, liabilities, obligations and expenses will be incurred, contracted for or otherwise existing with respect to such Series of the Issuer, and will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Guardian or any of its subsidiaries or affiliates.

Ranking

The Notes of a Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the relevant Series of the Issuer and will rank equally among themselves without any preference.

Since Guardian will be the sole obligor under the Funding Agreements, the ability of the Issuer to meet its obligations, and the ability of the Holders of Notes to receive payments from the Issuer, with respect to a particular Series of Notes, will be principally dependent upon Guardian's ability to perform its obligations under each applicable Funding Agreement securing the Notes of the relevant Series. Despite this, Holders of Notes will have no direct contractual rights against Guardian under any such Funding Agreement. Pursuant to the terms of each Funding Agreement, recourse rights to Guardian will belong to the Issuer, its successors and its permitted assignees (which will include the Indenture Trustee to the extent of its first priority perfected security interest in the Series Collateral), but only with respect to the relevant Series of the Issuer. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the Series Collateral for such Series of Notes to the Indenture Trustee on behalf of the Holders of Notes and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral. Accordingly, recourse to Guardian under each such Funding Agreement will be enforceable only by the Indenture Trustee as a secured party for the benefit of the Holders of such Series of Notes and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral.

The obligations of Guardian under the Funding Agreements will not be obligations of, and will not be guaranteed by, any other person.

Issue Terms

The specific terms of each Tranche of Notes will be set forth in the applicable Issue Terms.

Pricing Options

Notes that bear interest will either be Fixed Rate Notes or Floating Rate Notes, as specified in the applicable Issue Terms. The Issuer may also issue Discount Notes and Amortizing Notes (each as defined below).

Interest rates offered on the Notes may differ depending upon, among other factors, the aggregate principal amount of Notes purchased in any single transaction as well as market conditions. The Issuer may change interest rates or formulas and other terms of Notes from time to time, but no change of terms will affect any Note the Issuer has previously issued or as to which it has accepted an offer to purchase.

Maturities

The Notes of each Series will mature on a day 90 days or more from its date of issue (the "Stated Maturity Date"), as specified in the applicable Issue Terms, unless their principal (or, any installment of its principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity or otherwise. The Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes of a particular Series become due and payable, as the case may be, is referred to herein as the "Maturity Date" with respect to the principal of the Notes of such Series repayable on that date.

Denominations

Subject to the provisions of the applicable Issue Terms or as otherwise provided below, the Notes of a Series will be issued, with respect to U.S. dollar-denominated Notes, in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. Any Notes admitted to the Official List and trading on the GEM or on any other

securities market in the EEA or in the United Kingdom will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Any Notes in respect of which the issue proceeds are received by the Issuer in the United Kingdom or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the United Kingdom and which have a maturity of less than one year must (i) (a) have a minimum denomination of £100,000 (or its equivalent in other currencies), and (b) be issued only to persons (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances that do not constitute a contravention of Section 19 of the FSMA by the Issuer.

Listing

This document has been approved by Euronext Dublin as an Offering Memorandum. Application will be made to Euronext Dublin for Notes issued under the Program during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may also be (i) listed on a regulated market, (ii) listed on a securities exchange which is not a regulated market, or (iii) not listed on any regulated market or any other securities exchange. Any Notes admitted to the Official List or trading on the GEM or on any other securities market will be issued in minimum denominations of €100,000 or greater (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Notes with a maturity of less than 12 months will not be listed.

Reopenings

The Issuer may, within six months from the issue date of the first Tranche of a Series of Notes, without the consent of any holder of the Notes of such Series, issue one or more additional Tranches of Notes having the same terms as previously issued Notes (other than the issue date, the issue price, the amount and date of the first payment of interest, the denomination size and any other different terms specified in the applicable Issue Terms(s), all of which may vary) that will form a single Series with the previously issued Notes of such Series provided that the issuance of such additional Tranche of Notes satisfies the conditions of Treasury Regulation Section 1.1275-2(k)(2)(ii) and constitutes a "Qualified Reopening" under Treasury Regulation Section 1.1275-2(k)(3) or is otherwise treated as part of the same issue of the previously issued Tranche of Notes for U.S. federal income tax purposes. The Issuer may only issue a Tranche of Notes if Guardian has issued or will simultaneously issue one or more Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral.

Currency

Subject to the provisions of the applicable Issue Terms, the Notes of a Series will be denominated in, and payments of principal of and any premium and interest on the Notes of such Series will be made in, U.S. dollars. The Notes of each Series also may be denominated in, and payments of principal of and any premium and interest on the Notes of such Series may be made in, Euro or one or more other currencies. The currency in which the Notes of a particular Series are denominated (or, if such currency is no longer legal tender for the payment of public and private debts in the country issuing such currency or, in the case of Euro, in the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union (the "Treaty"), such currency which is then such legal tender) is herein referred to as the "Specified Currency" with respect to such Series of Notes. References herein to "United States dollars", "U.S. dollars" or "$" are to the lawful currency of the United States, and references herein to "Euro" or "€" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to such Treaty, as amended.

Redenomination

If so specified in the applicable Issue Terms, the Issuer may redenominate Notes issued in the currency of a country that subsequently participates in the third stage of the European economic and monetary union, or otherwise participates in the European economic and monetary union in a manner with similar effect to such third stage, into Euro. The provisions relating to any such redenomination will be contained in the applicable Issue Terms.

Business Day; London Banking Day; Principal Financial Center

"Business Day" means, subject to the provisions of the applicable Issue Terms, any day (other than a Saturday, Sunday or legal holiday) on which commercial banks are open for business and foreign exchange markets settle payments in the Principal Financial Center in respect of the applicable Series of Notes, or, in relation to Notes payable in Euro, a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer ("TARGET") System is operating and, in either case, a day (other than a Saturday, Sunday or legal holiday) on which commercial banks are open for business and foreign exchange markets settle payments in any place specified in the relevant Issue Terms.

"Principal Financial Center" means such financial centre or centres as may be specified in relation to the relevant currency for the purposes of the definition of "Business Day", as the same may be amended, modified, restated, supplemented and/or replaced from time to time in the relevant Issue Terms.

Business Day Convention

"Business Day Convention" means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Issue Terms in relation to any date applicable to any Notes, shall have the following meanings:

(i) "Following Business Day Convention" means that such date shall be postponed to the first following day that is a Business Day;

(ii) "Modified Following Business Day Convention" or "Modified Business Day Convention" means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;

(iii) "Preceding Business Day Convention" means that such date shall be brought forward to the first preceding day that is a Business Day; and

(iv) "FRN Convention" or "Eurodollar Convention" means, for each relevant date, the date which numerically corresponds to the preceding relevant date in the calendar month which is the number of months specified in the Issue Terms after the calendar month in which the preceding relevant date occurred, provided that:

(a) if there is no such numerically corresponding day in the calendar month in which any relevant date should occur, then the date will be the last day which is a Business Day in that calendar month;

(b) if the date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(c) if the preceding relevant date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding relevant date occurred.

Day Count Fraction

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time ("Calculation Period"), one of the following day count fractions, which will be specified in the Issue Terms:

(i) "Actual/365" or "Actual/Actual (Historical)": the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) "Actual/365 (Fixed)": the actual number of days in the Calculation Period divided by 365;

(iii) "Actual/360": the actual number of days in the Calculation Period divided by 360;

(iv) "30/360": the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"Dl" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case Dl will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and Dl is greater than 29, in which case D2 will be 30;

(v) "30E/360" or "Eurobond Basis": the number of days in the Calculation Period or Compounding Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Yl" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"Dl" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

(vi) "Actual/Actual (Bond)" if the Interest Payment Dates all fall at regular intervals between the Issue Date and the Maturity Date: the number of days in the Calculation Period divided by the product of (a) the number of days in the Interest Period in which the Calculation Period falls and (b) the number of Interest Periods in any period of one year.

Holder

The term "Holder" means the person in whose name a Note is registered on the note register.

FORM OF NOTES AND CLEARANCE

The Issuer and the Purchasing Agent(s) will agree on the form of Notes to be issued in respect of any Series of Notes. The form of Notes to be issued in relation to any Series of Notes will be specified in the applicable Issue Terms. Each Note will be represented by a security certificate containing the applicable terms (a "Note Certificate").

The Notes may be offered and sold in the United States only, outside the United States only or in and outside the United States simultaneously as part of a global offering. Notes sold pursuant to an offering made in the United States only will initially be represented by one or more Global Notes deposited with the Custodian for, and registered in the name of a nominee of, DTC as depositary (each Global Note so deposited and registered being referred to herein as a "DTC Global Note").

Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more temporary Global Notes (each, a "Temporary Global Note"). Upon the expiration of the applicable Distribution Compliance Period, beneficial interests in a Temporary Global Note will be exchangeable for equivalent beneficial interests in one or more permanent Global Notes (each a "Permanent Global Note"), as and to the extent provided in the applicable Temporary Global Note.

Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Notes, as described above, and upon exchange therefor will be represented by one or more Permanent Global Notes deposited with a common depositary (the "Depositary") for, and (i) in the case of U.S. dollar denominated Notes, registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. dollar denominated Notes, registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as applicable.

References to Euroclear and/or Clearstream, Luxembourg in this Offering Memorandum shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing systems as may be specified in any applicable Issue Terms.

Subject to the Notes sold outside of the United States in accordance with Regulation S initially being represented by one or more Temporary Global Notes and the subsequent exchange of beneficial interests in each such Temporary Global Note for beneficial interests in one or more Permanent Global Notes, as described above, Notes sold pursuant to an offering made in and outside the United States simultaneously as part of a global offering may be represented (i) solely by one or more DTC Global Notes (a "Single Global Note Issue") or, (ii) alternatively, (a) by one or more DTC Global Notes in respect of Notes sold in the United States and (b) by one or more separate Global Notes deposited with the Depositary as common depositary for, and (1) in the case of U.S. dollar denominated Notes, registered in the name of a nominee of, DTC and (2) in the case of non-U.S. dollar denominated Notes, registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as applicable, in respect of Notes sold outside the United States (a "Dual Global Note Issue").

Except as described below, owners of beneficial interests (each, a "Beneficial Note Owner") in a Global Note will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive form (each, a "Definitive Note") and will not be considered the owners or Holders thereof under the Indenture. Beneficial interests in Global Notes will be represented, and transfers thereof will be effected, only through book-entry accounts of financial institutions acting on behalf of the Beneficial Note Owners, as direct or indirect participants in the relevant clearing system.

Investors in a global offering may elect to hold beneficial interests in a Global Note through any of DTC or Euroclear or Clearstream, Luxembourg if they are participants in such systems, or indirectly through organizations that are participants in such systems. If the Notes sold pursuant to a global offering are part of a Single Global Note Issue, Euroclear and Clearstream, Luxembourg will hold beneficial interests on behalf of their participants through customers' securities accounts in Euroclear's and Clearstream, Luxembourg's names on the books of the Depositary,

which in turn will hold such beneficial interests in customers' securities accounts in the Depositary's name on the books of DTC.

Citibank, N.A., London Branch will serve initially as registrar (in such capacity, and together with any successor registrar, the "Registrar") for the Notes. In such capacity, with respect to the Notes of each Series, Citibank, N.A., London Branch will cause to be kept at its Corporate Trust Office a register (each, a "Note Register"), in which, subject to such reasonable regulations as it may prescribe, Citibank, N.A., London Branch will provide for the registration of the Notes of such Series and of transfers thereof.

Subject to applicable law and the terms of the Indenture, the applicable Series Indenture and the Notes of a Series, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee shall deem and treat the Holder or Holders of any Note of such Series as the absolute owner or owners of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of, any premium on, and, subject to the provisions of the Indenture and the applicable Series Indenture, any interest on such Note and for all other purposes, and neither the Issuer nor the Indenture Trustee nor any agent of the Issuer or the Indenture Trustee shall be affected by any notice to the contrary. All such payments so made to such Holder or Holders will be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for funds payable upon any such Note. So long as DTC, its nominee, a nominee of Euroclear and/or Clearstream, Luxembourg or a successor of such clearing system or any such nominee is the Holder of a Global Note, such clearing system, such nominee or such successor of such clearing system or such nominee, as the case may be, will be considered the sole owner or Holder of the Notes represented by such Global Note for all purposes under the Indenture. Accordingly, any Beneficial Note Owner must rely on the procedures of DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, and, if such person is not a participant in any such clearing system, on the procedures of the participant therein through which such person owns its beneficial interest, to exercise any rights of a Holder of Notes. The Issuer understands that, under existing industry practices, in the event that the Issuer requests any action of Holders or that Beneficial Note Owners desire to give or take any action which a Holder is entitled to give or take under the Indenture, DTC, its nominee or a successor of DTC or its nominee, as the Holder of the DTC Global Note, would authorize the participants through which the relevant beneficial interests are held (or persons holding beneficial interests in the Notes through participants) to give or take such action, and such participants would authorize Beneficial Note Owners owning through such participants (or such persons holding beneficial interests in the Notes through participants) to give or take such action and would otherwise act upon the instructions given to such participants (or such persons) by such Beneficial Note Owners.

DTC may grant proxies or otherwise authorize its participants (or persons holding beneficial interests in the Notes through its participants) to exercise any rights of a Holder of Notes or take any other actions which a Holder is entitled to take under the Indenture or in respect of the Notes. Euroclear or Clearstream, Luxembourg, as the case may be, will take any action permitted to be taken by a Holder under the Indenture or the Notes on behalf of a Euroclear participant or a Clearstream, Luxembourg participant only in accordance with its relevant rules and procedures and, with respect to beneficial interests in a DTC Global Note, subject to the Depositary's ability to effect such actions on its behalf through DTC. Because DTC can act only on behalf of its participants, who in turn act on behalf of indirect participants, the ability of a Beneficial Note Owner to pledge its interest in the Notes to persons or entities that do not participate in the DTC system or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate of such interest. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a DTC Global Note.

Ownership positions within each clearing system will be determined in accordance with the normal conventions observed by such system. The Indenture Trustee will initially act as the Issuer's paying agent for the Notes pursuant to the Indenture. Payments with respect to a Global Note will be made to DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg, as the case may be (or to any successor to such clearing system or any such nominee) as the Holder of the Notes represented by such Global Note. Neither the Issuer nor the Indenture Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Upon receipt of any payment of principal of, any premium and interest on a DTC Global Note, DTC will credit its participants' accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of such DTC Global Note as shown on the records of DTC. Payments by such participants to owners of beneficial interests in the DTC Global Note held through such participants will be the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name." Distributions with respect to Notes held through Euroclear and/or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants and/or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures to the extent received by the Depositary.

Interests in a Global Note will be exchangeable in whole, but not in part, for Definitive Notes only if such exchange is permitted by applicable law (including, without limitation, Regulation S) and (i) any clearing corporation with which any Global Note is deposited and which is or whose nominee is the Holder of such Global Note shall have notified the Issuer that it or its nominee is unwilling or unable to continue as the depositary and Holder of such Global Note and a successor clearing corporation or nominee, as applicable, is not appointed within 90 days; (ii) an Event of Default shall have occurred and the maturity of the Notes of such Series shall have been accelerated in accordance with the terms of the Indenture, the applicable Series Indenture and the Notes of such Series; or (iii) the Issuer shall have decided in its sole discretion that the Notes of such Series should no longer be evidenced solely by one or more Global Notes. An exchange for a Definitive Note will be made at no charge to the holders of the beneficial interests in the Global Note being exchanged. The Definitive Notes issued in exchange for beneficial interests in any such Global Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Notes shall be registered in the name or names of such person or persons as the relevant clearing system shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Global Note will not be entitled to receive physical delivery of Definitive Notes and will not be considered the registered Holders of such Notes for any purpose.

Upon surrender of a Note Certificate for registration of transfer of any Notes represented thereby, together with the form of transfer endorsed thereon duly completed and executed, at the designated office of the Registrar or of any applicable transfer agent, each as provided in an applicable Note Certificate or Series Indenture, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Note Certificates representing an aggregate principal amount of Notes equal to the aggregate principal amount of the Notes represented by such Note Certificate surrendered for registration of transfer.

Subject to the provisions of the applicable Issue Terms, payments with respect to Global Notes in registered form shall be made to the clearing corporation with which such Global Notes are deposited and which is or whose nominee is the holder of such Global Notes shown on the applicable Note Register at the close of business on the applicable Regular Interest Record Date set as provided in or pursuant to the Indenture and the applicable Series Indenture before the due date for payment thereof.

Subject to the provisions of the applicable Issue Terms, payments of principal of, and any premium on, Definitive Notes shall be made as provided in or pursuant to the Indenture against presentation and surrender of the applicable Note Certificate or Note Certificates at the designated office of the Registrar or of any applicable transfer agent, each as provided in the applicable Issue Terms. Subject to the provisions of the applicable Issue Terms, payments of interest on Definitive Notes shall be paid to the person shown on the applicable Note Register at the close of business on the applicable Regular Interest Record Date set as provided in or pursuant to the Indenture and the applicable Series Indenture on the due date for payment thereof. Payments of interest on each Definitive Note shall be made in the currency in which such payments are due. Such payment of interest will be made by transfer to an account in the relevant currency maintained by the payee with a bank in the Principal Financial Center of the country of that currency or, in the case of Definitive Notes denominated in euro, in a city in which banks have access to the TARGET System.

"Regular Interest Record Date" means the date(s) specified in the relevant Issue Terms, before the due date for such payment.

GLOBAL CLEARANCE AND SETTLEMENT

General

Notes issued pursuant to the Program may be held through one or more international and domestic clearing systems, principally the book-entry systems operated by DTC in the United States, and Euroclear and Clearstream, Luxembourg in Europe. Electronic securities and payment transfer, processing, depositary and custodial links have been established among these systems and others, either directly or through custodians and depositaries, which enable Notes to be issued, held and transferred among the clearing systems through these links. Each Paying Agent will have direct electronic links with DTC, Euroclear and Clearstream, Luxembourg. Special procedures have been established among these clearing systems and the Indenture Trustee to facilitate clearance and settlement of certain Notes traded across borders in the secondary market. Cross-market transfers of Notes in respect of which payments will be made in U.S. dollars and which will be issued in global form may be cleared and settled using these procedures on a delivery against payment basis. Cross-market transfers of Notes in other than global form may be cleared and settled in accordance with other procedures established among the Indenture Trustee and the clearing systems concerned for this purpose.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the procedures described below in order to facilitate transfers of Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither the Issuer nor the Indenture Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of the respective obligations under the rules and procedures governing their operations.

The Clearing Systems

The clearing systems have advised the Issuer as follows:

DTC. DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between direct participants' accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The DTC Rules applicable to its Participants are on file with the SEC.

Euroclear. Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Notes clearance accounts and cash accounts with Euroclear are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian

law (collectively, the "Euroclear Terms and Conditions"). The Euroclear Terms and Conditions govern transfers of securities and cash with Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. Euroclear acts under the Euroclear Terms and Conditions only on behalf of Euroclear participants, and has no record of or relationship with persons holding-through Euroclear participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Depositary.

Clearstream, *Luxembourg*. Clearstream, Luxembourg is a company with limited liability under Luxembourg law (a *société anonyme*). Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in any of 36 currencies, including U.S. dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier, which supervises Luxembourg banks. Clearstream, Luxembourg's customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream, Luxembourg's U.S. customers are limited to securities brokers and dealers, and banks. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

Distributions with respect to Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures, to the extent received by the Depositary.

Other Clearing Systems. Any other clearing system which the Issuer, the Indenture Trustee, the relevant Paying Agents and each relevant Purchasing Agent agree shall be available for a particular issuance of Notes, including the clearance and settlement procedures for such clearing system, will be described in the applicable Issue Terms.

Primary Distribution

Notes will be distributed through one or more of the clearing systems described above or any other clearing system specified in the applicable Issue Terms. Payment for Notes will be made on a delivery versus payment or free delivery basis, as more fully described in the applicable Issue Terms.

Notes. The Issuer and each relevant Purchasing Agent shall agree that either global clearance and settlement procedures or specific clearance and settlement procedures should be available for the Notes of any Series, as specified in the applicable Issue Terms. Clearance and settlement procedures may vary from one Series of Notes to another according to the Specified Currency of the Notes of such Series. Customary clearance and settlement procedures are described under the specific clearance and settlement procedures below. Application will be made to the relevant clearing system(s) for the Notes of the relevant Series to be accepted for clearing and settlement and the applicable security identification numbers will be specified in the applicable Issue Terms.

Clearance and Settlement Procedures—DTC. DTC participants holding Notes through DTC on behalf of investors will follow the settlement practices applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System. Notes will be credited to the securities custody accounts of such DTC participants against payment in same-day funds on the settlement date.

Clearance and Settlement Procedures—Euroclear and Clearstream, Luxembourg. Investors electing to hold their Notes through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear and Clearstream, Luxembourg participants on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

Trading between DTC participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled using procedures applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System in same-day funds, if payment is made in U.S. dollars, or free of payment if payment is made in a currency other than U.S. dollars. In the latter case, separate payment arrangements outside of the DTC system are required to be made between DTC participants.

Trading between Euroclear and/or Clearstream, Luxembourg participants. Secondary market trading between Euroclear and/or Clearstream, Luxembourg participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using procedures applicable to conventional Eurobonds in registered form.

Trading between DTC seller and Euroclear or Clearstream, Luxembourg purchaser

Single Global Note Issues. When Notes represented by a DTC Global Note are to be transferred from the account of a DTC participant (other than the Depositary) to the account of a Euroclear participant or Clearstream, Luxembourg participant, the purchaser must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. Euroclear or Clearstream, Luxembourg, as the case may be, will instruct the Depositary to receive the Notes against payment or free of payment, as the case may be. After settlement has been completed, the Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the account of the relevant Euroclear or Clearstream, Luxembourg participant. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day, when settlement occurs in New York). If settlement is not completed on the intended value date (*i.e.*, the trade fails), the Euroclear or Clearstream, Luxembourg cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream, Luxembourg participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream, Luxembourg. Under this approach, participants may take on credit exposure to Euroclear or Clearstream, Luxembourg until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream, Luxembourg participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Because the settlement will take place during New York business hours, DTC participants can employ their usual procedures for delivering Notes to the Depositary for the benefit of Euroclear participants or Clearstream, Luxembourg participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participants, a cross-market transaction will settle no differently than a trade between two DTC participants.

Dual Global Note Issues. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the DTC participant will deliver the Notes free of payment to the appropriate account of the Custodian at DTC by 11:00 A.M. (New York time) on the settlement date

together with instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg participant. Separate payment arrangements are required to be made between the Euroclear or Clearstream, Luxembourg participant and the DTC participant. The Custodian will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note and (ii) increase the amount of Notes registered in the name of the nominee of Euroclear or Clearstream, Luxembourg and represented by the Global Note. The Depositary will deliver such Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant participant in such clearing system on the business day following the settlement date.

Trading between a Euroclear or Clearstream, Luxembourg seller and a DTC purchaser

Single Global Note Issues. Due to time zone differences in their favor, Euroclear participants or Clearstream, Luxembourg participants may employ their customary procedures for transactions in which Notes represented by a DTC Global Note are to be transferred by the respective clearing system through the Depositary to another DTC participant. The seller must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. In these cases, Euroclear or Clearstream, Luxembourg will instruct the Depositary to credit the Notes to the DTC participant's account against payment. The payment will then be reflected in the account of the Euroclear participant or Clearstream, Luxembourg participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account will be back-valued to the value date (which would be the preceding day, when settlement occurs in New York). If the Euroclear participant or Clearstream, Luxembourg participant has a line of credit with its respective clearing system and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (*i.e.*, the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account would instead be valued as of the actual settlement date.

As is the case with sales of Notes represented by a DTC Global Note by a DTC participant to a Euroclear or Clearstream, Luxembourg participant, participants in Euroclear and Clearstream, Luxembourg will have their accounts credited the day after their settlement date.

Dual Global Note Issues. When Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg participant to the account of a DTC participant, the relevant Euroclear or Clearstream, Luxembourg participant must provide settlement instructions for delivery of the Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, by 7:45 P.M. (Brussels or Luxembourg time) one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn provide appropriate settlement instructions to the Depositary for delivery to the DTC participant. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the Custodian will deliver the Notes free of payment to the appropriate DTC account of the DTC participant and will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee for Euroclear and Clearstream, Luxembourg and represented by the Global Note and (ii) increase the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note.

PAYMENTS

Principal

The principal amount of the Notes of any Series will be payable at par on their Maturity Dates, subject to the provisions of the applicable Issue Terms.

Interest

Subject to the provisions of the applicable Issue Terms, each Series of interest-bearing Notes will bear interest from its date of issue at the rate per annum, in the case of a Fixed Rate Note, or pursuant to the interest rate formula, in the case of a Floating Rate Note, in each case as specified in the applicable Issue Terms, until the principal thereof is paid or duly made available for payment. See also "—Pricing Options—Discount Notes" and "—Pricing Options—

Amortizing Notes." Accrued but unpaid interest, if any, on the principal amount of the Notes of any Series will be payable on the Maturity Dates, subject to the provisions of the applicable Issue Terms.

Interest Periods

Subject to the provisions of the applicable Issue Terms, interest payable with respect to a Series of interest-bearing Notes on each Interest Payment Date (as defined therein) will be the interest accrued from and including the later of (i) the issue date and (ii) the immediately preceding Interest Payment Date with respect to which interest on such Series of Notes has been fully paid or duly provided for, to but excluding such Interest Payment Date ("Interest Period"). For any Series of Floating Rate Notes listed on Euronext Dublin, at a time no later than the commencement of each Interest Period, the relevant Paying Agent shall provide a notice to Euronext Dublin stating the rate of interest, the amount of interest payable for a specific denomination and the Interest Period, if applicable.

Payment Procedures

Subject to the provisions of the applicable Issue Terms, the Issuer will discharge each of its payment obligations under such Series of Notes and the Indenture by causing the payment amount to be tendered to the Holder or Holders of such Series of Notes. All amounts payable to any Holder of any Note will be paid to such account at such bank or other financial institution as the Holder of such Note shall notify in accordance with the terms of the Indenture.

Unavailability of Specified Currency

If the principal of and any premium or interest on any Note is payable in a Specified Currency other than U.S. dollars which is not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to Holders of the Notes by making such payment in U.S. dollars on the basis of the most recently available bid quotation determined on the applicable determination date related to such payment from a leading foreign exchange bank in London or New York City selected by the applicable Paying Agent, for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment made under such circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an "Event of Default" under the Notes.

Tax, Fiscal or Other Law or Regulation

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. The Issuer shall not be required to make any payment to any Holder of a Note with respect to any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein ("Taxes"). In the event that any amount due with respect to a Funding Agreement is subject to withholding or deduction for or on account of any present or future Taxes, the Issuer will be deemed for all purposes to have received cash in an amount equal to such withholding or deduction, and each Holder of a Note of the related Series will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such Holder's interest in such Note as equitably determined by the Issuer and any such withholding or deduction will not give rise to an Event of Default or any independent right or obligation to redeem the Notes of such Series.

REDEMPTION AND REPURCHASE OF NOTES

Subject to the provisions of the applicable Issue Terms, and except as provided with respect to a tax redemption under "—Tax Redemption", the Notes of a Series will not be redeemable, except at the applicable Maturity Date, when all Notes of such Series will be redeemed. The parties to the Indenture have also agreed that, except as provided below under "—Tax Redemption", no opinion of Counsel (as defined in the Indenture), certificate of the Issuer or any other document or instrument shall be requested to be provided in connection with any purchase of Notes under "—Repurchase of Notes."

Tax Redemption

If (a) Guardian is obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer, or (b) in the opinion of independent counsel selected by Guardian, as a result of any change in, or amendment to, United States tax laws (or any regulations or rulings thereunder) or any change in position of the IRS regarding the application or interpretation thereof (including, but not limited to, Guardian's receipt of a written adjustment from the IRS in connection with an audit) there is a material probability that (i) Guardian will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer or (ii) the Issuer is, or will be within 90 days of the date hereof, subject to more than a *de minimis* amount of Taxes, then Guardian may terminate, with respect to (a) and (b)(i), the applicable Funding Agreement, and, with respect to (b)(ii), any Funding Agreement, by giving not less than 30 and no more than 75 days prior written notice to the Issuer and by paying to the Issuer on the date specified in such notice the Redemption Amount as specified in the Account Specification Appendix of such Funding Agreement, *provided* that in the case of clause (b)(i) no such notice of termination may be given earlier than 90 days prior to the earliest day when Guardian would become obligated to withhold or deduct any such Taxes, assuming a payment in respect of such Funding Agreement or such contract were then due. The Issuer is required to redeem the Notes of a Series if Guardian exercises its right to terminate the Funding Agreement(s) related to such Series.

Repurchase of Notes

The Issuer may purchase some or all Notes of any Series in the open market or otherwise at any time, and from time to time, with the prior written consent of Guardian as to both the making of such purchase and the purchase price to be paid for such Notes. If Guardian, in its sole discretion, consents to such purchase of Notes by the Issuer, then the Issuer and the Indenture Trustee agree to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current balance of the Funding Account under each applicable Funding Agreement as may be necessary to provide for the payment of the purchase price for such Notes. Upon such payment, the balance of the Funding Account shall be reduced (i) with respect to any purchase of Fixed Rate Notes or Floating Rate Notes, by an amount equal to the aggregate principal amount and accrued and unpaid interest of the Notes as purchased (or the portion thereof applicable to such Funding Agreement) and (ii) with respect to any purchase of Notes other than Fixed Rate Notes or Floating Rate Notes, by an amount to be agreed between the Issuer and Guardian to reflect such prepayment under the Funding Agreement.

CANCELLATION OF REDEEMED AND PURCHASED NOTES

All unmatured Notes redeemed or purchased, otherwise than in the ordinary course of business of dealing in securities or as a nominee in accordance with "—Redemption and Repurchase of Notes," will be cancelled forthwith and may not be reissued or resold.

REPLACEMENT OF NOTES

At the expense of the applicable Holder or Holders, the Issuer will replace any Note Certificate that becomes mutilated, destroyed, lost or stolen or is apparently destroyed, lost or stolen. Each mutilated Note Certificate must be surrendered to the Indenture Trustee or the Issuer, or the Indenture Trustee and the Issuer must receive evidence to their satisfaction of the destruction, loss or theft of each applicable Note Certificate, and there must be delivered to the Issuer and the Indenture Trustee such security or indemnity as may be required by them to save each of them harmless and the Issuer or the Indenture Trustee must not have received notice that such Note Certificate, has been acquired by a protected purchaser (as defined in the UCC as currently in effect).

PRESCRIPTION

Any funds deposited with or paid to the Indenture Trustee or any Paying Agent for the payment of the principal of, any premium or interest on, or any other amounts payable with respect to, any Note of any Series and not applied but remaining unclaimed for three years after the date upon which such principal, premium, interest, or any other amount shall have become due and payable, shall, upon the written request of the Issuer and unless otherwise

required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Issuer by the Indenture Trustee or such Paying Agent, and the Holder of any such Note of such Series shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Issuer for any payment which such Holder may be entitled to collect, and all liability of the Indenture Trustee or any Paying Agent with respect to such funds shall thereupon cease.

OTHER TERMS

From time to time, the Issuer may issue Notes with additional terms to be described at the time of issuance in the applicable Issue Terms, including the ability to extend the maturity date of such Notes, redeem the Notes at the Issuer's option or provide Holders with the option to have the Issuer repay the Notes.

PRICING OPTIONS

Fixed Rate Notes

Interest Payment Dates. Subject to the provisions of the applicable Issue Terms, interest on the Fixed Rate Notes of a Series will be payable semiannually each year on such date or dates as may be specified in the applicable Issue Terms (each, an "Interest Payment Date" with respect to such Series of Fixed Rate Notes) and on the Maturity Date.

Payment Date Not a Business Day. Subject to the provisions of the applicable Issue Terms, if the date on which any principal, premium, interest, or other payment obligation with respect to the Fixed Rate Notes of a Series is due, including any Interest Payment Date, falls on a day that is not a Business Day, the Issuer will have until the next succeeding Business Day to satisfy its payment obligation and any such payment shall be given the same force and effect as if made on the date on which such principal, premium, interest, or other payment obligation was due and no additional interest shall accrue as a result of payment on such succeeding Business Day.

Method of Calculating Interest. Subject to the provisions of the applicable Issue Terms, interest on the Fixed Rate Notes of a Series will be computed on the basis of a 360-day year of twelve 30-day months and in the case of an incomplete month, the actual number of days elapsed.

Floating Rate Notes

Generally. Interest on a Series of Floating Rate Notes will be determined by reference to one or more of the CMT Rate, the Commercial Paper Rate, EURIBOR, the Federal Funds Rate, the Prime Rate, SOFR, Compounded SOFR, Compounded Daily SONIA, the Treasury Rate (each, an "Interest Rate Basis").

The applicable Issue Terms will specify certain terms of a Series of Floating Rate Notes, including: whether such Series of Floating Rate Notes is a Series of "Regular Floating Rate Notes" or "Floating Rate/Fixed Rate Notes", the Fixed Rate Commencement Date, if applicable, Fixed Interest Rate, if applicable, Interest Rate Basis or Bases, Initial Interest Rate, if any, the first Interest Reset Date, Interest Reset Dates, Interest Payment Dates, Index Maturity, Maximum Interest Rate and/or Minimum Interest Rate, if any, and Spread and/or Spread Multiplier, if any, as such terms are defined below. If one or more of the Interest Rate Bases for any Series of Floating Rate Notes is the CMT Rate, the applicable Issue Terms will also specify the CMT Maturity Index and CMT Reuters Page, respectively, as such terms are defined below.

The rate at which a Series of Floating Rate Notes will bear interest will be determined as follows:

Unless such Series of Floating Rate Notes is designated as a Series of "Floating Rate/Fixed Rate Notes" or a Series of "Inverse Floating Rate Notes", or as having an Addendum attached or having "Other/Additional Provisions" apply, in each case relating to a different interest rate formula, such Series of Floating Rate Notes will be designated as a Series of "Regular Floating Rate Notes" and, except as described below or in the applicable Issue Terms, will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (i) plus or minus the applicable Spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier, if any. Commencing on the

first Interest Reset Date, the rate at which interest on such Regular Floating Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

If such Series of Floating Rate Notes is designated as a Series of "Floating Rate/Fixed Rate Notes", then, except as described below, such Series of Floating Rate Notes will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (i) plus or minus the applicable Spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on such Series of Floating Rate/Fixed Rate Notes shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (a) the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate and (b) the interest rate in effect (the "Fixed Interest Rate") for the period commencing on the date specified therefor in the applicable Issue Terms (the "Fixed Rate Commencement Date") to the Stated Maturity Date shall be the interest rate so specified in such applicable Issue Terms or, if no such rate is specified, the interest rate in effect thereon on the day immediately preceding the Fixed Rate Commencement Date. For the period during which the Fixed Interest Rate is in effect, interest shall be calculated and paid as specified above under "Fixed Rate Notes."

The "Spread" for a Series of Floating Rate Notes is the number of basis points to be added to or subtracted from the related Interest Rate Basis or Bases applicable to such Series of Floating Rate Notes. The "Spread Multiplier" is the percentage of the related Interest Rate Basis or Bases applicable to such Series of Floating Rate Notes by which such Interest Rate Basis or Bases will be multiplied to determine the applicable interest rate on such Series of Floating Rate Notes. The "Index Maturity" is the period to maturity of the instrument or obligation with respect to which the related Interest Rate Basis or Bases will be calculated.

Subject to the provisions of the applicable Issue Terms, the interest rate with respect to each Interest Rate Basis for a Series of Floating Rate Notes will be determined in accordance with the applicable provisions below. Subject to the provisions of the applicable Issue Terms and except as set forth above, the interest rate in effect on each day shall be (i) if such day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding such Interest Reset Date or (ii) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date.

The applicable Issue Terms will specify the dates on which the rate of interest on a Series of Floating Rate Notes will be reset daily, weekly, monthly, quarterly, semiannually or annually or on such other specified basis (each, an "Interest Reset Period") and the dates on which such rate of interest will be reset (each, an "Interest Reset Date"). Subject to the provisions of the applicable Issue Terms, the Interest Reset Dates will be, in the case of a Series of Floating Rate Notes which reset:

- daily, each Business Day;
- weekly, the Wednesday of each week (with the exception of weekly reset Floating Rate Notes as to which the Treasury Rate is an applicable Interest Rate Basis, which will reset the Tuesday of each week);
- monthly, the third Wednesday of each month;
- quarterly, the third Wednesday of March, June, September and December of each year;
- semiannually the third Wednesday of the two months specified in the applicable Issue Terms; and
- annually, the third Wednesday of the month specified in the applicable Issue Terms;

provided, however, that, with respect to each Series of Floating Rate/Fixed Rate Notes, the rate of interest thereon will not reset after the applicable Fixed Rate Commencement Date. If any Interest Reset Date for any Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Reset Date will be postponed to the next succeeding Business Day, except that in the case of a Series of Floating Rate Notes as to which SOFR or Compounded SOFR is the applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Reset Date will be the immediately preceding Business Day.

Interest Determination Date. The interest rate applicable to an Interest Reset Period commencing on the related Interest Reset Date will be the rate determined by the Calculation Agent (as hereinafter defined) as of the applicable Interest Determination Date and calculated on or prior to the Calculation Date (as hereinafter defined),

except with respect to EURIBOR, which will be calculated on such Interest Determination Date. The "Interest Determination Date" with respect to the Commercial Paper Rate, the Federal Funds Rate and the Prime Rate will be the Business Day immediately preceding the related Interest Reset Date; the "Interest Determination Date" with respect to the CMT Rate will be the second Business Day immediately preceding the applicable Interest Reset Date; the "Interest Determination Date" with respect to EURIBOR will be the second day on which the Trans-European Automated Real Time Gross Settlement Express Transfer ("TARGET") System is open (the "TARGET Settlement Date") immediately preceding each Interest Reset Date. With respect to SOFR, Compounded Daily SONIA, or Compounded SOFR the "Interest Determination Date" will be as specified in the Issuer Terms. With respect to the Treasury Rate, the "Interest Determination Date" will be the day in the week in which the applicable Interest Reset Date falls on which day Treasury Bills (as hereinafter defined) are normally auctioned (Treasury Bills are normally sold at an auction held on Monday of each week, unless such Monday is a legal holiday, in which case the auction is normally held on the immediately succeeding Tuesday although such auction may be held on the preceding Friday); *provided, however*, that if an auction is held on the Friday of the week preceding the applicable Interest Reset Date, the "Interest Determination Date" will be such preceding Friday. The "Interest Determination Date" pertaining to any Series of Floating Rate Notes the interest rate of which is determined by reference to two or more Interest Rate Bases will be the most recent Business Day which is at least two Business Days prior to the applicable Interest Reset Date for such Series of Floating Rate Notes on which each Interest Rate Basis is determinable. Each Interest Rate Basis will be determined as of such date, and the applicable interest rate will take effect on the applicable Interest Reset Date.

Notwithstanding the foregoing, any Series of Floating Rate Notes may also have either or both of the following: (i) a Maximum Interest Rate, or ceiling, that may accrue during any Interest Period and (ii) a Minimum Interest Rate, or floor, that may accrue during any Interest Period, which in no event shall be less than zero. In addition to any Maximum Interest Rate that may apply to any Series of Floating Rate Notes, the interest rate on such Series of Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Interest Payment Dates. Subject to the provisions of the applicable Issue Terms and except as provided below, the date(s) on which interest on a Series of Floating Rate Notes is payable (each, an "Interest Payment Date" with respect to such Series of Floating Rate Notes) will be the Maturity Date and, in the case of a Series of Floating Rate Notes which reset:

- daily, weekly or monthly, the third Wednesday of March, June, September and December of each year, as specified in the applicable Issue Terms;
- quarterly, the third Wednesday of March, June, September and December of each year;
- semiannually, the third Wednesday of the two months of each year specified in the applicable Issue Terms; and
- annually, the third Wednesday of the month of each year specified in the applicable Issue Terms.

Payment Date not a Business Day. Subject to the provisions of the applicable Issue Terms, if any Interest Payment Date other than the Maturity Date for a Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, except that in the case of a Series of Floating Rate Notes as to which SOFR or Compounded SOFR is the applicable Interest Rate Basis if such Interest Payment Date is not the Stated Maturity Date and such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day. If the Maturity Date of any Series of Floating Rate Notes falls on a day that is not a Business Day, the required payment of principal and any premium and interest will be made on the next succeeding Business Day as if made on the date such payment was due, and no interest will accrue in respect of such payment made on that next succeeding Business Day.

Calculations. All percentages resulting from any calculation on any Series of Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five-one millionths of a percentage point rounded upwards (*e.g.*, 9.876545% (or 0.09876545) would be rounded to 9.87655% (or 0.0987655)), and all amounts used in or resulting from such calculation on such Series of Floating Rate Notes will be rounded, in the case of U.S. dollars, to the nearest cent or, in the case of Euro or other currency, to the nearest unit (with one-half cent or unit being rounded upwards).

With respect to each Series of Floating Rate Notes, accrued interest is calculated by multiplying its principal amount by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in the applicable Interest Period. Subject to the provisions of the applicable Issue Terms, the interest factor for each such day will be computed by dividing the interest rate applicable to such day by 360, in the case of any Series of Floating Rate Notes for which an applicable Interest Rate Basis is the Commercial Paper Rate, EURIBOR, the Federal Funds Rate, the Prime Rate, SOFR, Compounded SOFR, or Compounded Daily SONIA, or by the actual number of days in the year in the case of any Series of Floating Rate Notes for which an applicable Interest Rate Basis is the CMT Rate or the Treasury Rate.

The applicable Issue Terms will specify the "Calculation Agent" for a Series of Floating Rate Notes. Upon request of the Holder of any Floating Rate Note, the Calculation Agent will disclose the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding Interest Reset Date with respect to such Floating Rate Note. Subject to the provisions of the applicable Issue Terms, the "Calculation Date", if applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

Subject to the provisions of the applicable Issue Terms, with respect to each Series of Floating Rate Notes, the Calculation Agent shall determine each Interest Rate Basis in accordance with the following provisions:

"H.15 Daily Update" means the daily update of H.15, available through the internet site of the Board of Governors of the Federal Reserve System at http://www.federalreserve.gov/releases/h15/update/, or any successor site or publication.

"H.15" means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System.

CMT Rate. "CMT Rate" means:

(i) If CMT Reuters Page FRBCMT is specified in the applicable Issue Terms:

(a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified in the applicable Issue Terms as the yield is displayed on Reuters, Inc. (or any successor service) on page FRBCMT (or any other page as may replace the specified page on that service under the caption "Treasury Constant Maturities") ("Reuters Page FRBCMT") for the particular Interest Determination Date, or

(b) if the rate referred to in clause (a) does not so appear on Reuters Page FRBCMT, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15 under the caption "Treasury Constant Maturities", or

(c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the Treasury Department that Guardian, on behalf of the Issuer, determines to be comparable to the rate which would otherwise have been published in H.15, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in the United States of America (which may include the Purchasing Agents or their affiliates) (each, a "Reference Dealer"), selected by Guardian,

on behalf of the Issuer from five Reference Dealers selected by Guardian, on behalf of the Issuer and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time,

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Guardian, on behalf of the Issuer from five Reference Dealers selected by Guardian, on behalf of the Issuer and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date.

(ii) If Reuters Page FEDCMT is specified in the applicable Issue Terms:

(a) the percentage equal to the one-week or one-month, as specified in the applicable Issue Terms, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified in the applicable Issue Terms as the yield is displayed on Reuters, Inc. (or any successor service) on Page FEDCMT (or any other page as may replace the specified page on that service) ("Reuters Page FEDCMT"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(b) if the rate referred to in clause (a) does not so appear on Reuters Page FEDCMT, the percentage equal to the one-week or one-month, as specified in the applicable Issue Terms, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15 opposite the caption "Treasury Constant Maturities", or

(c) if the rate referred to in clause (b) does not so appear in H.15, the one-week or one-month, as specified in the applicable Issue Terms, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Guardian, on behalf of the Issuer from five Reference Dealers selected by Guardian, on behalf of the Issuer and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Guardian, on behalf of the Issuer from five Reference Dealers selected by Guardian, on behalf of the Issuer and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified in the applicable Issue Terms have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Commercial Paper Rate. "Commercial Paper Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Commercial Paper Rate (a "Commercial Paper Rate Interest Determination Date"), the Money Market Yield (as hereinafter defined) on such date of the rate for commercial paper having the Index Maturity specified in the applicable Issue Terms as published in H.15 under the caption "Commercial Paper-Nonfinancial" or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified in the applicable Issue Terms as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Commercial Paper-Nonfinancial." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Commercial Paper Rate on such Commercial Paper Rate Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of United States dollar commercial paper in the United States of America (which may include the Purchasing Agents or their affiliates) selected by Guardian, on behalf of the Issuer, for commercial paper having the Index Maturity specified in the

applicable Issue Terms placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers so selected by Guardian, on behalf of the Issuer, are not quoting as mentioned in this sentence, the Commercial Paper Rate determined as of such Commercial Paper Rate Interest Determination Date will be the Commercial Paper Rate in effect on such Commercial Paper Rate Interest Determination Date.

"Money Market Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable *per annum* rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable Interest Reset Period.

EURIBOR. EURIBOR Notes will bear interest at the rates (calculated with reference to the European inter-bank offered rate for deposits in Euro, or "EURIBOR", and the Spread and/or Spread Multiplier, if any) specified in such EURIBOR Note and any applicable Issue Terms.

"EURIBOR" means, with respect to any Interest Determination Date relating to a Series of EURIBOR Notes or a Series of Floating Rate Notes for which the interest rate is determined with reference to EURIBOR (a "EURIBOR Interest Determination Date"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI—The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified in the applicable Issue Terms, commencing on the applicable Interest Reset Date, as that rate appears on Reuters, Inc., or any successor service, on page EURIBOR01 (or any other page as may replace that specified page on that service) ("Reuters Page EURIBOR01") as of 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date. If such rate does not appear on Reuters Page EURIBOR01, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by Guardian, on behalf of the Issuer, after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in Euros for the period of the Index Maturity specified in the applicable Issue Terms, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of $1 million in Euros that is representative for a single transaction in Euro in that market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified in the applicable Issue Terms commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of $1 million in Euros that is representative for a single transaction in Euros in that market at that time. If the banks so selected by Guardian, on behalf of the Issuer, are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

"Euro-zone" means the region comprised of Member States of the EU that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union.

Notwithstanding the provisions above, if the Issuer and Guardian determine that a Benchmark Event (as defined below) has occurred, then the provisions under "Benchmark Replacement" below shall apply and the Issuer and Guardian shall use their reasonable endeavors to appoint and consult with an Independent Adviser (as defined below) as soon as reasonably practicable, with a view to the Issuer and Guardian determining (in each case acting in good faith and in a commercially reasonable manner) a Successor Rate (as defined below), failing which an Alternative Rate (as defined below) and, in either case, an Adjustment Spread (as defined below), if any, and Benchmark Amendments (as defined below), if any.

Federal Funds Rate. "Federal Funds Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Federal Funds Rate

(a "Federal Funds Rate Interest Determination Date"), the rate on such date for United States dollar Federal funds as published in H.15 under the heading "Federal Funds (Effective)", as such rate is displayed on Reuters, Inc. (or any successor service) on page FEDFUNDS1 (or any other page as may replace such page on such service) ("Reuters Page FEDFUNDS1"), or, if such rate does not appear on Reuters Page FEDFUNDS1 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date for United States dollar Federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Federal Funds (Effective)." If such rate does not appear on Reuters Page FEDFUNDS1 or is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Federal Funds Rate on such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar Federal funds arranged by three leading brokers of United States dollar Federal funds transactions in The City of New York (which may include the Purchasing Agents or their affiliates) selected by Guardian, on behalf of the Issuer, prior to 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date; *provided, however*, that if the brokers so selected by Guardian, on behalf of the Issuer, are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

Notwithstanding the provisions above, if the Issuer and Guardian determine that a Benchmark Event (as defined below) has occurred, then the provisions under "Benchmark Replacement" below shall apply and the Issuer and Guardian shall use their reasonable endeavors to appoint and consult with an Independent Adviser (as defined below) as soon as reasonably practicable, with a view to the Issuer and Guardian determining (in each case acting in good faith and in a commercially reasonable manner) a Successor Rate (as defined below), failing which an Alternative Rate (as defined below) and, in either case, an Adjustment Spread (as defined below), if any, and Benchmark Amendments (as defined below), if any.

Prime Rate. "Prime Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Prime Rate (a "Prime Rate Interest Determination Date"), the rate on such date as such rate is published in H.15 under the caption "Bank Prime Loan" or, if not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Prime Rate Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Bank Prime Loan." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Prime Rate shall be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME1 Page (as hereinafter defined) as such bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates so appear on the Reuters Screen US PRIME1 Page for such Prime Rate Interest Determination Date, then the Prime Rate shall be the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks (which may include affiliates of the Purchasing Agents) in The City of New York selected by Guardian, on behalf of the Issuer; *provided, however,* that if the banks so selected by Guardian, on behalf of the Issuer, are not quoting as mentioned in this sentence, the Prime Rate determined as of such Prime Rate Interest Determination Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

"Reuters Screen US PRIME1 Page" means the display on the Reuters Money 3000 Service (or any successor service) on the "US PRIME1" page (or such other page as may replace the US PRIME1 page on such service) for the purpose of displaying prime rates or base lending rates of major United States banks.

SOFR. "SOFR" means, with respect to any Interest Reset Date:

(i) the Secured Overnight Financing Rate in respect of the U.S. Government Securities Business Day immediately preceding such Interest Reset Date as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or a successor administrator) on the Federal Reserve Bank of New York's Website at 5:00 p.m. (New York time) on such Interest Reset Date; or

(ii) if the Secured Overnight Financing Rate does not appear on such Interest Reset Date as specified in paragraph (a) above, unless both a SOFR Index Cessation Event and SOFR Index Cessation Effective Date have occurred, the Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the Federal Reserve Bank of New York's Website; or

(iii) if a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have occurred, the rate that was recommended as the replacement for the Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads); *provided* that if no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event, then the rate for each Interest Reset Date occurring on or after the SOFR Index Cessation Effective Date will be determined as if (i) references to SOFR were references to OBFR, (ii) references to U.S. Government Securities Business Day were references to New York City Banking Day, (iii) references to SOFR Index Cessation Event were references to OBFR Index Cessation Event and (iv) references to SOFR Index Cessation Effective Date were references to OBFR Index Cessation Effective Date; and *provided further*, that, if no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event and an OBFR Index Cessation Event has occurred, then the rate for each Interest Reset Date occurring on or after the SOFR Index Cessation Effective Date will be determined as if (x) references to SOFR were references to FOMC Target Rate, (y) references to U.S. Government Securities Business Day were references to New York City Banking Day and (z) references to the Federal Reserve Bank of New York's Website were references to the Federal Reserve's Website.

The following definitions apply to the preceding definition of "SOFR":

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor website of the Federal Reserve Bank of New York.

"Federal Reserve's Website" means the website of the Board of Governors of the Federal Reserve System currently at http://www.federalreserve.gov, or any successor website of the Board of Governors of the Federal Reserve System.

"FOMC Target Rate" means, the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's Website or, if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range).

"New York City Banking Day" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City.

"OBFR" means, with respect to any Interest Reset Date, the daily Overnight Bank Funding Rate in respect of the New York City Banking Day immediately preceding such Interest Reset Date as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or a successor administrator), on the Federal Reserve Bank of New York's Website at 5:00 p.m. (New York time) on such Interest Reset Date.

"OBFR Index Cessation Effective Date" means, in respect of an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of OBFR), ceases to publish the OBFR, or the date as of which the OBFR may no longer be used.

"OBFR Index Cessation Event" means the occurrence of one or more of the following events:

(i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the OBFR) announcing that it has ceased or will cease to publish or provide the OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the OBFR;

(ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the OBFR) has ceased or will cease to provide the OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the OBFR.

"Secured Overnight Financing Rate" means the reference rate provided by the Federal Reserve Bank of New York, as the administrator of such reference rate (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"SIFMA" means the Securities Industry and Financial Markets Association.

"SOFR Index Cessation Effective Date" means, in respect of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used.

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

(i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;

(ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate.

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. Government Securities.

Compounded SOFR. "Compounded SOFR" means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded SOFR, the rate determined by the Calculation Agent in accordance with the following formula:

$$\left(\frac{SOFR\ Index_{END}}{SOFR\ Index_{START}} - 1\right) \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Observation Period;

"SOFR Index" means, with respect to any U.S. Government Securities Business Day:

(i) the SOFR Index value as published by the Federal Reserve Bank of New York (or a successor administrator) as such index appears on the Federal Reserve Bank of New York's Website (as defined under SOFR) at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day(as defined under SOFR) (the "SOFR Index Determination Time"); *provided* that:

(ii) if a SOFR Index value does not so appear as specified in clause (i) above at the SOFR Index Determination Time, then: (1) if a SOFR Index Cessation Event and SOFR Index Cessation Effective Date have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to clause (iii) below; or (2) if Guardian determines that a SOFR Index Cessation Event and its related SOFR Index Cessation Effective Date have occurred prior to the SOFR Index Determination Time with respect to any determination of SOFR on any date, then the Benchmark Replacement will replace Compounded SOFR for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates; or

(iii) if a SOFR Index $_{Start}$ or SOFR Index $_{End}$ is not published on the associated Interest Determination Date and a SOFR Index Cessation Event and SOFR Index Cessation Effective Date have not occurred with respect to SOFR, "Compounded SOFR" means, for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published at https://www.newyorkfed.org/markets/treasury-repo-reference-rates-information. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR ("SOFRi") does not so appear for any day, "i" in the Observation Period, SOFRi for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day (as defined under SOFR) for which SOFR was published on the Federal Reserve Bank of New York's Website.

"SOFR Index $_{Start}$" means, for periods other than the initial Interest Period, the SOFR Index value on the preceding Interest Determination Date, and, for the initial Interest Period, the SOFR Index value on the date two U.S. Government Securities Business Days preceding the Issue Date;

"SOFR Index $_{End}$" means the SOFR Index value on the Interest Determination Date relating to the applicable Interest Payment Date (or in the final Interest Period, relating to the Stated Maturity Date);

"Observation Period" means, in respect of each Interest Period, the period from, and including, the date two U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date two U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or in the final Interest Period, preceding the Stated Maturity Date).

Compounded Daily SONIA. "Compounded Daily SONIA" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined by reference to Compounded Daily SONIA, the rate determined by the Calculation Agent on the following basis:

(i) with respect to an Interest Period, the Calculation Agent will calculate the rate of return ("Compounded Daily SONIA") of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated on the relevant Interest Determination Date in accordance with the following formula):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"d" is the number of calendar days in the relevant Interest Period;

"d_o" is the number of London Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period to (but excluding) the last London Banking Day in the relevant Interest Period;

"n_i", for any London Banking Day "i", means the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day;

"Observation Period" means the period from (and including) the date falling "*p*" London Banking Days prior to the first day of the relevant Interest Period to (but excluding) the date falling "*p*" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Period) the date on which the relevant payment of interest falls due;

"*p*" is the number of London Banking Days by which an Observation Period precedes the corresponding Interest Period, being the number of London Banking Days specified as the "SONIA Lag Period (*p*)" in the relevant Issuer Terms (or, if no such number is so specified, five London Banking Days);

the "SONIA reference rate", in respect of any London Banking Day ("LBD_x"), is a reference rate equal to the daily SONIA rate for such LBD_x as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors) on the London Banking Day immediately following LBD_x; and

"$SONIA_{i\text{-}pLBD}$" means the SONIA reference rate for the London Banking Day (being a London Banking Day falling in the relevant Observation Period) falling "*p*" London Banking Days prior to the relevant London Banking Day "i"; and

(ii) if, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, then the SONIA reference rate in respect of such London Banking Day shall be: (A) the Bank of England's Bank Rate (the "Bank Rate") prevailing at 5:00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (B) the arithmetic mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads), and the interest rate for such Interest Period shall be the rate so determined (i) plus or minus the applicable spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier, if any; *provided however*, that if the Calculation Agent is unable to determine a rate in accordance with the above provisions in relation to any Interest Period, the interest rate applicable to the Series of Floating Rate Notes during such Interest Period will be the rate last determined in relation to such Series of Floating Rate Notes in respect of the last preceding Interest Period (i) plus or minus the applicable spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier.

Treasury Rate. "Treasury Rate" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined by reference to the Treasury Rate (a "Treasury Rate Interest Determination Date"), the rate from the auction held on such Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified in the applicable Issue Terms under the caption "INVEST RATE" on the display on Reuters (or any successor service) on page USAUCTION10 (or any other page as may replace such page on such service) or page USAUCTION11 (or any other page as may replace such page on such service) or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as hereinafter defined) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "U.S Government Securities/Treasury Bills/Auction High" or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the U.S. Department of the Treasury. In the event that the auction rate of Treasury Bills having the Index Maturity specified in the applicable Issue Terms is not so announced by the U.S. Department of the Treasury, or if no such Auction is held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on such Treasury Rate Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Issue Terms as published in H.15 under the caption "U.S. Government Securities/Treasury Bills/Secondary Market" or, if not yet

published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Treasury Rate Interest Determination Date of such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three primary United States government securities dealers (which may include the Purchasing Agents or their affiliates) selected by Guardian, on behalf of the Issuer, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Issue Terms; *provided, however,* that if the dealers so selected by Guardian, on behalf of the Issuer, are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Treasury Rate Interest Determination Date will be the Treasury Rate in effect on such Treasury R-ate Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Reset Period.

Benchmark Replacement

If the Issuer and Guardian, following consultation with the Independent Adviser, to the extent practicable, and acting in good faith and in a commercially reasonable manner, determine:

(1) that there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided below) subsequently be used in place of EURIBOR to determine the interest rate (or the relevant component part thereof) for a Series of Floating Rate Notes as to which EURIBOR, as the case may be, shall be calculated, for all future payments of interest on such Series of Floating Rate Notes; or

(2) that there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided below) subsequently be used in place of EURIBOR to determine the interest rate (or the relevant component part thereof) for a Series of Floating Rate Notes as to which EURIBOR, as the case may be, shall be calculated, for all future payments of interest on such Series of Floating Rate Notes;

provided however, that if the Issuer, following consultation with the Independent Adviser, is unable to determine a Successor Rate or an Alternative Rate prior to a EURIBOR Interest Determination Date in accordance with (1) and (2) above, then the interest rate on such EURIBOR Interest Determination Date will be calculated using EURIBOR in effect with respect to the immediately preceding EURIBOR Interest Determination Date.

If the Issuer determines any Successor Rate or Alternative Rate in accordance with the provisions of this subsection fewer than five business days prior to the relevant EURIBOR Interest Determination Date then the interest rate on such EURIBOR Interest Determination Date will be calculated using EURIBOR in effect with respect to the immediately preceding EURIBOR Interest Determination Date. For subsequent interest periods, the interest rate will be calculated using the Successor Rate or, if there is no Successor Rate, an Alternative Rate (subject to adjustment as provided below).

If the Issuer, following consultation with the Independent Adviser, to the extent practicable, and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate, as applicable, will apply without an Adjustment Spread.

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with the provisions of this subsection and the Issuer, following consultation with the Independent Adviser, to the extent practicable, and acting in good faith, determines (i) that amendments to any terms and conditions of a Series of Floating Rate Notes, including the Successor Rate or Alternative Rate, as applicable, or, in each case, the Adjustment Spread, as well as the day count fraction, business day convention, the definitions of Business Day, London Business Day, EURIBOR Interest Determination Date, Interest Period, Interest Payment Date or Principal Financial Center, and any related provisions and definitions, are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "Benchmark Amendments") and (ii) the terms and conditions of such Benchmark Amendments, then the Issuer may, without any requirement for the consent or approval of holders of such Series of Floating Rate Notes, amend the terms and conditions of such Series of Floating Rate Notes to give effect to such Benchmark Amendments with effect from the date specified in a notice given to the Indenture Trustee.

Upon receipt of satisfactory documentation, the Indenture Trustee and the Calculation Agent shall, at the written direction and expense of the Issuer, effect such amendments as may be required in order to give effect to this subsection pursuant to an amendment to the Indenture, or amendment to the Calculation Agency Agreement, or issuances and authentication of new global or definitive notes in respect of such Series of Floating Rate Notes, and the Indenture Trustee shall not be liable to any party for any consequences thereof, save as provided in the Indenture and such Series of Floating Rate Notes. No consent of holders of such Series of Floating Rate Notes will be solicited or required in connection with effecting the Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable, including for the execution of any documents, amendments to the Indenture, Calculation Agency Agreement or Notes or other steps by the Issuer, the Indenture Trustee, the Calculation Agent or any paying agent (if required).

The Issuer will, promptly following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable, give notice thereof, which shall specify the effective date(s) for such Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable, and of any changes to the terms and conditions of the Series of Floating Rate Notes to the Indenture Trustee, the Calculation Agent, any paying agent and DTC or the holders of such Series of Floating Rate Notes, as applicable; *provided* that failure to provide such notice will have no impact on the effectiveness of, or otherwise invalidate, any such determination. In effecting any consequential amendments to the terms of a Series of Floating Rate Notes as may be directed by the Issuer in accordance with this section, neither the Indenture Trustee nor the Calculation Agent shall be required to effect any amendments that affects its respective own rights, duties or immunities in their respective capacities as Indenture Trustee or Calculation Agent under the Indenture, the Calculation Agency Agreement or otherwise.

By its acquisition of a Series of Floating Rate Notes as to which EURIBOR shall be calculated, each holder and beneficial owner of such Series of Floating Rate Notes and each subsequent holder and beneficial owner acknowledges, accepts, agrees to be bound by, and consents to, the Issuer's determination of the Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable, as contemplated by this subsection, and to any amendment or alteration of the terms and conditions of such Series of Floating Rate Notes, including an amendment of the amount of interest due on such Series of Floating Rate Notes, as may be required in order to give effect to this subsection. The Indenture Trustee shall be entitled to rely on this deemed consent in connection with any amendment which may be necessary to effect the Successor Rate, the Alternative Rate, the Adjustment Spread or the Benchmark Amendments, as applicable.

By its acquisition of a Series of Floating Rate Notes as to which EURIBOR shall be calculated, each holder and beneficial owner of such Notes and each subsequent holder and beneficial owner waives any and all claims in law and/or equity against the Indenture Trustee, the Calculation Agent and any paying agent for, and agrees not to initiate a suit against the Indenture Trustee, the Calculation Agent and any paying agent in respect of, and agrees that neither the Indenture Trustee, the Calculation Agent or any paying agent will be liable for, any action that the Indenture Trustee, the Calculation Agent or any paying agent, as the case may be, takes, or abstains from taking, in each case in accordance with this subsection or any losses suffered in connection therewith.

By its acquisition of a Series of Floating Rate Notes as to which EURIBOR shall be calculated, each holder and beneficial owner of such Series of Floating Rate Notes and each subsequent holder and beneficial owner agrees

that neither the Indenture Trustee, the Calculation Agent or any paying agent will have any obligation to determine any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable, including in the event of any failure by the Issuer to determine any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments, as applicable.

An Independent Adviser appointed pursuant to this subsection will act in good faith and in a commercially reasonable manner and (in the absence of bad faith, gross negligence or willful misconduct) shall have no liability whatsoever to the Issuer, the Indenture Trustee, the Calculation Agent, any paying agent or the holders of a Series of Floating Rate Notes for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this subsection.

"Adjustment Spread" means either a spread (which may be positive or negative) or a formula or methodology for calculating a spread, which the Issuer and Guardian, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determine should be applied to the relevant Successor Rate or the relevant Alternative Rate (as applicable), as a result of the replacement of the relevant reference rate with the relevant Successor Rate or the relevant Alternative Rate (as applicable), and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is recommended or formally provided as an option for parties to adopt, in relation to the replacement of the reference rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made, or option provided, or in the case of an Alternative Rate, the spread, formula or methodology which the Issuer and Guardian, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determine to be appropriate in order to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to holders of a Series of Floating Rate Notes as a result of the replacement of the reference rate with the Successor Rate or Alternative Rate (as applicable).

"Alternative Rate" means an alternative benchmark or screen rate which the Issuer determines in accordance with this subsection has replaced EURIBOR in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in U.S. dollars.

"Benchmark Event" means:

(i) EURIBOR ceasing to be published for a period of at least five business days or ceasing to exist;

(ii) a public statement by the administrator of EURIBOR that it will, by a specified date within the following six months, cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of EURIBOR);

(iii) a public statement by the supervisor of the administrator of EURIBOR that EURIBOR has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued;

(iv) a public statement by the supervisor of the administrator of EURIBOR that means EURIBOR will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or

(v) it has become unlawful for any paying agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any holder of a Series of Floating Rate Notes as to which EURIBOR shall be calculated, using EURIBOR.

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer.

"Relevant Nominating Body" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the U.S. dollar, or any central bank or other supervisory authority which is responsible for supervising the administrator of EURIBOR; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the U.S. dollar, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of EURIBOR, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"Successor Rate" means a successor to or replacement of EURIBOR which is formally recommended by any Relevant Nominating Body.

Discount Notes

The Issuer may issue one or more Series of Notes that have an Issue Price (as specified in the applicable Issue Terms) that is less than 100% of the principal amount thereof (*i.e.*, par) by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date ("Discount Notes"). A Series of Discount Notes may not bear any interest currently or may bear interest at a rate that is below market rates at the time of issuance. The difference between the Issue Price of a Series of Discount Notes and par is referred to as the "Discount." In the event of redemption, repayment or acceleration of maturity of a Series of Discount Notes, the amount payable to the Holders of such Discount Notes will be equal to the sum of:

- the Issue Price (increased by any accruals of Discount) and, in the event of any redemption of such Series of Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and
- any unpaid interest accrued on such Series of Discount Notes to the date of the redemption, repayment or acceleration of maturity, as the case may be.

For purposes of any Series of Discount Notes, "Initial Redemption Percentage" and "Annual Redemption Percentage Reduction" shall have the meaning as described in the applicable Issue Terms.

For purposes of determining the amount of Discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity occurs for a Series of Discount Notes, a Discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for the applicable Series of Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to the applicable Series of Discount Notes and an assumption that the maturity of such Series of Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for a Series of Discount Notes (the "Initial Period") is shorter than the compounding period for such Series of Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. The accrual of the applicable Discount may differ from the accrual of original issue discount for purposes of the Code, certain Series of Discount Notes may not be treated as having original issue discount within the meaning of the Code, and certain Series of Notes other than Discount Notes may be treated as issued with original issue discount for federal income tax purposes. See "U.S. Federal Income Tax Considerations."

Amortizing Notes

The Issuer may issue one or more Series of Notes with the amount of principal thereof and interest thereon payable in installments over their terms ("Amortizing Notes"). Subject to the provisions of the applicable Issue Terms, interest on each Series of Amortizing Notes will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to a Series of Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof.

COVENANTS

Under the Indenture, the Issuer has made certain covenants regarding payment of principal, any premium and interest, maintenance of offices or agencies, holding of trust money for Note payments, protection of the Series Collateral and delivery of an annual statement as to compliance with conditions, performance of obligations and adherence to covenants under the Indenture. Among other covenants, the Issuer has agreed that it will not, so long as any Notes of a Series are Outstanding (as defined in the Indenture):

- sell, transfer, exchange, assign, lease, convey or otherwise dispose of any of its assets generally or assets of the relevant Series of the Issuer (whenever acquired), including, without limitation, any portion of the Series Collateral securing its obligations with respect to the Notes of such Series, except as otherwise permitted by the Indenture, the relevant Series Indenture, the Trust Agreement or the relevant Series Trust Agreement;
- engage in any business or activity other than in connection with, or relating to the execution and delivery of, and the performance of its obligations under, the Trust Agreement, any Series Trust Agreement, the Indenture, any Series Indenture, the Purchase Agreement, any Terms Agreement, the Support Agreement and any Funding Agreement; the issuance and sale of any Notes pursuant to the Indenture and any Series Indenture; holding the Contribution (as defined in the Trust Agreement); and the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing, except as otherwise permitted by the Indenture, any Series Indenture, the Trust Agreement, any Series Trust Agreement or any Funding Agreement;
- incur or otherwise become liable for, directly or indirectly, any debt except for the Notes or as otherwise contemplated under the Indenture, any Series Indenture, the other transaction documents, the Trust Agreement or any Series Trust Agreement;
- permit the validity or effectiveness of the Indenture, the relevant Series Indenture, or the security interest in or assignment for collateral purposes of the applicable Series Collateral to be impaired, or permit such security interest to be amended, hypothecated, subordinated, terminated or discharged; permit any person to be released from any covenants or obligations under any relevant Funding Agreement securing the Notes of any Series, except as expressly permitted by the Indenture, the relevant Series Indenture, the Trust Agreement, the relevant Series Trust Agreement or any relevant Funding Agreement; create, incur, assume, or permit any lien or other encumbrance (other than a lien with respect to the Series Collateral securing the Notes of any Series) on any of its properties or assets owned on the date of the relevant Series Indenture or thereafter acquired, or any interest therein or the proceeds thereof; or permit a lien with respect to the applicable Series Collateral not to constitute a valid first priority perfected security interest in the Series Collateral securing the Notes of such Series;
- amend, modify or fail to comply with any material provision of the Trust Agreement or the relevant Series Trust Agreement except for any amendment or modification of the Trust Agreement or the relevant Series Trust Agreement permitted thereunder or under the Indenture, or the relevant Series Indenture;
- own any subsidiary or lend or advance any funds to, or make any investment in, any person, except for the investment of any of its funds held by the Indenture Trustee, a Paying Agent or the Administrative Trustee as provided in the Indenture, any Series Indenture, the Trust Agreement or any Series Trust Agreement;
- directly or indirectly declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner or the Series Beneficial Owner, or redeem or otherwise acquire or retire for value any debt other than the Notes; *provided* that the Issuer may:

    - declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner or the Series Beneficial Owner in compliance with the Trust Agreement or any Series Trust Agreement if the Issuer has paid or made provision for the payment of all amounts due to be paid on the Notes of such Series prior to the next scheduled payment under the relevant Funding Agreement(s); and

    - pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the Support Agreement, the other transaction documents or as required by law;

- become required to register as an "investment company" under, and as such term is defined in, the Investment Company Act;
- enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any other person, except as otherwise permitted by the Indenture, any Series Indenture, the Trust Agreement, or any Series Trust Agreement;
- take any action that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes;
- issue any Notes unless:

    - the Issuer has purchased or will simultaneously purchase one or more Funding Agreement from Guardian;

    - Guardian has affirmed in writing to the Issuer that it has made, or will simultaneously make, changes to its books and records to reflect the grant by the Issuer of a security interest in, and an assignment for collateral purposes by the Issuer of, the relevant Funding Agreement by the Issuer to the Indenture Trustee in accordance with the terms of such Funding Agreement; and

    - the Issuer has taken or will simultaneously take such other steps as may be necessary to cause the Indenture Trustee's security interest in, or assignment to the Indenture Trustee for collateral purposes of, the relevant Series Collateral to be perfected for purposes of the UCC (as defined below), subject to no prior lien, encumbrance or claim or effective against the Issuer's creditors and subsequent purchasers of such Series Collateral pursuant to insurance or other state laws;

- have any employees or agents other than the Administrative Trustee or any other persons necessary to conduct its business and enter into transactions contemplated under the Indenture, any Series Indenture, the Trust Agreement, any Series Trust Agreement, the Purchase Agreement, any Terms Agreement, the Support Agreement or any Funding Agreement;
- have an interest in any bank account other than:

    - the accounts required under or permitted by the Indenture, any Series Indenture, the Trust Agreement, any Series Trust Agreement, the Purchase Agreement, any Terms Agreement or any Funding Agreement; and

    - other accounts expressly permitted by the Indenture Trustee; provided that any such further accounts or such interest of the Series of the Issuer therein shall be charged or otherwise secured in favor of the Indenture Trustee on terms acceptable to the Indenture Trustee;

- permit any affiliate, employee or officer of Guardian or any Purchasing Agent to be a trustee of the Issuer; or
- commingle the assets of any Series of the Issuer with its assets generally, any assets of any other Series of the Issuer or any assets of any of the Issuer's affiliates, or guarantee any obligation of any of the Issuer's affiliates.

"UCC" means, with respect to any applicable jurisdiction, the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

EVENTS OF DEFAULT

Each of the following events which shall have occurred and be continuing will be Events of Default under the Notes of a particular Series (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- default in the payment when due and payable of the principal of, or any premium on, any Note of such Series and continuance of such default for a period of three Business Days;
- default in the payment when due and payable of any interest on any Note of such Series and continuance of such default for a period of five Business Days;
- any "Event of Default", as such term is defined in any Funding Agreement securing the Notes of such Series, by Guardian under such Funding Agreement;
- failure by the Issuer to observe or perform any covenant contained in the Notes of such Series, in the Indenture or in the applicable Series Indenture (other than a covenant, default in performance, or a breach, of which is specifically addressed elsewhere in this section) for a period of 30 days (or such other time period as specifically set forth in the Indenture or an applicable Note Certificate or Series Indenture) after the date on which written notice specifying such failure, stating that such notice is a "Notice of Default" thereunder and demanding that the Issuer remedy the same, shall have been given by registered or certified mail, return receipt requested, to the Issuer by the Indenture Trustee, or to the Issuer and the Indenture Trustee by the Holder or Holders of at least 25% of the aggregate principal amount of the Notes of all Series affected thereby at the time Outstanding;
- the Indenture or the applicable Series Indenture for any reason shall cease to be in full force and effect or shall be declared null and void, or the Indenture Trustee shall fail to have or maintain a validly created and first priority perfected security interest (or the equivalent thereof) in the Series Collateral required to secure the Notes of such Series, except as expressly permitted by the Indenture or the applicable Series Indenture; or any person shall successfully claim, as finally determined by a court of competent jurisdiction, that any lien for the benefit of the Holder or Holders of the Notes of such Series and any other person for whose benefit the Indenture Trustee is or will be holding the applicable Series Collateral is void, junior to any other lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;
- an involuntary case or other proceeding shall be commenced against the Issuer seeking liquidation, reorganization or other relief with respect to the Issuer or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Issuer or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the Issuer under the federal bankruptcy laws as now or hereafter in effect;
- the Issuer shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, shall admit in writing any of the foregoing, or shall take any trust action to authorize any of the foregoing; or
- any other Event of Default provided in any supplemental indenture or the applicable Series Indenture.

Neither the adoption of a plan of reorganization nor the implementation of such a plan pursuant to Article 73 of the New York Insurance Law (or any successor provision) by Guardian shall constitute an Event of Default.

If one or more Events of Default shall have occurred and be continuing with respect to the Notes of such Series, then, and in every such event, unless the principal of all of the Notes of such Series shall have already become due and payable, either the Indenture Trustee or the Holder or Holders of not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding (each such Series voting as a separate class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of all the Notes of such Series and any interest accrued thereon, and any other amounts payable with respect thereto, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable; *provided* that, if any Event of Default specified in the sixth or seventh bullets above occurs with respect to the Issuer, or if any Event of Default specified in the third bullet above that would cause any Funding Agreement securing the Notes of a Series to become automatically and immediately due and payable occurs with respect to Guardian, then without any notice to the Issuer (or the Indenture Trustee) or any other act by the Indenture

Trustee or any Holder of any Notes of such Series, the entire principal and premium (if any) of all the Notes of such Series and any interest accrued thereon and any other amounts payable with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are waived by the Issuer under the Indenture; and *provided further* that, if any Event of Default specified in the third or fifth bullets above shall have occurred and be continuing with respect to all Series of Notes then Outstanding, either the Indenture Trustee or the Holder or Holders of not less than 25% of the aggregate principal amount of the Notes of all Series then Outstanding (treated as a single class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of all the Notes of all Series, any interest accrued thereon, and any other amounts payable with respect thereto to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

Notwithstanding the preceding paragraph, if at any time after the principal and premium (if any) of the Notes of such Series, any interest accrued and any other amounts payable with respect thereto (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as hereinafter provided, the Issuer shall pay or shall deposit with the Indenture Trustee a sum sufficient to pay all due and payable interest on, and any other amounts payable with respect thereto, all the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) and the principal and premium (if any) of any and all Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) which shall have become due and payable otherwise than by acceleration pursuant to the preceding paragraph (with interest on such principal and, to the extent that payment of such interest is enforceable under applicable law, on any overdue interest and any other amounts payable on the Notes, at the same rate as the rate of interest specified in the Note Certificates representing the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of gross negligence or willful misconduct, and if any and all Events of Default under the Indenture or any applicable Series Indenture, other than the non-payment of the principal of, and any premium on, the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then and in every such case the Holder or Holders of a majority of the aggregate principal amount of the Notes of such Series then Outstanding (or all the Notes of all Series, all voting as a single class, if the second proviso of the preceding paragraph is applicable) by written notice to the Issuer and to the Indenture Trustee, may waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee as security with respect to the Notes of any Series will be applied first to the payment of Priority Payments before any payment of the amounts then due and unpaid on the Notes of such Series. See "Risk Factors—Risk Factors Relating to the Notes—Following an Event of Default under the relevant Series of Notes, payment of certain expenses will precede payments under the relevant Series of Notes."

CERTAIN RIGHTS OF HOLDERS

Except as otherwise described below, the Holder or Holders of a majority of the aggregate principal amount of the Notes of any Series at the time Outstanding (with each Series voting as a separate class) shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee by the Indenture or the applicable Series Indenture, *provided* that:

- such direction shall not be otherwise than in accordance with applicable law and the provisions of the Indenture or the applicable Series Indenture; and
- subject to the applicable provisions of the Indenture, the Indenture Trustee shall have the right to decline to follow any such direction if the Indenture Trustee (i) does not receive indemnity and/or security and/or pre-funding reasonably satisfactory to it against all cost, liability or expense to be incurred in compliance with

such direction or (ii) being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the Indenture Trustee in good faith by its board of directors, the executive committee, or a trust committee of directors or responsible officers of the Indenture Trustee shall determine that the action or proceedings so directed would involve the Indenture Trustee in personal liability or if the Indenture Trustee in good faith shall so determine that the actions or forbearances specified in or pursuant to such direction shall be unduly prejudicial to the interests of any Holder of any Note of a Series so affected not joining in the giving of such direction, it being understood that subject to the applicable provisions of the Indenture, the Indenture Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such holder.

Nothing in the Indenture or any Series Indenture shall impair the right of the Indenture Trustee in its discretion to take any action deemed proper by the Indenture Trustee and which is not inconsistent with such direction by the Holder or Holders of Notes.

No Holder of the Notes of a Series shall have any right by virtue or by availing of any provision of the Indenture or applicable Series Indenture, to institute any action or proceeding at law or equity or in bankruptcy or otherwise, upon or under or with respect to the Indenture, the applicable Series Indenture or any agreement or instrument included in the applicable Series Collateral or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture, unless:

- such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default with respect to such Series of Notes;
- the Holder or Holders of Notes representing not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding shall have made written request to the Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as the Indenture Trustee and shall have offered to the Indenture Trustee indemnity or security satisfactory to it against all costs, expenses and liabilities to be incurred in compliance with such request;
- such Holder or Holders have offered to the Indenture Trustee indemnity or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- the Indenture Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- no direction inconsistent with such written request has been given to the Indenture Trustee during such 60-day period by the Holder or Holders of Notes representing at least $66^{2}/_{3}\%$ of the aggregate principal amount of the Outstanding Notes of such Series;

it being understood and intended that no Holder or Holders of Notes of such Series shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture or the applicable Series Indenture to affect, disturb or prejudice the rights of any other Holder of any Note of such Series or to obtain or to seek to obtain priority or preference over any other Holder of the relevant Series to enforce any right under the Indenture or the applicable Series Indenture, except in the manner provided in the Indenture or the applicable Series Indenture and for the equal and ratable benefit of all the Holders of the Notes of the relevant Series.

APPLICATION OF FUNDS COLLECTED UNDER THE INDENTURE

Any funds collected by the Indenture Trustee upon the occurrence and during the continuation of an Event of Default under the Indenture and the applicable Series Indenture will be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal and any premium and interest, upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

- *first*: to the payment of costs and expenses, including reasonable compensation to the Indenture Trustee, Administrative Trustee and Custodian, each Agent and any of their predecessors and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's gross negligence or willful misconduct;

- *second*: to the payment of principal, any premium and interest, and any other amounts then due and owing on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;
- *third*: to the payment of any other obligations then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind; and
- *fourth*: to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Trust Agreement and the applicable Series Trust Agreement.

If no Event of Default has occurred and is continuing, any funds collected by the Indenture Trustee under the Indenture and the applicable Series Indenture in respect of the Notes of a Series shall be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

- *first*: to the payment of principal, any premium and interest and any other amounts then due and owing on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;
- *second*: to the payment of any other Obligations (as defined in the Indenture) then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind, including reasonable compensation and indemnification to each of the Indenture Trustee, Administrative Trustee and Custodian, each Agent and any of their predecessors and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's gross negligence or willful misconduct; and
- *third*: to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Trust Agreement and the applicable Series Trust Agreement.

The Indenture Trustee may make distributions in cash or in kind or, on a ratable basis, in any combination thereof.

MODIFICATIONS AND AMENDMENTS OF THE INDENTURE

Modifications and Amendments Without Consent of Holders

The Issuer and the Indenture Trustee may from time to time and at any time enter into an indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, for one or more of the following purposes without the consent of any Holders:

- for the Issuer to convey, transfer, assign, mortgage or pledge to the Indenture Trustee as security for the Notes of one or more Series any property or assets;
- to add to covenants of the Issuer such further covenants, restrictions, conditions or provisions as the Issuer and the Indenture Trustee shall consider to be for the protection of each holder, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Indenture or the applicable Series Indenture; provided, that, in respect of any such additional covenant, restriction, condition or provision such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Indenture Trustee upon such an Event of Default or may limit the right of the Holder or Holders of a majority of the aggregate principal amount of the Notes of such Series to waive such an Event of Default;
- to cure any ambiguity or to correct or supplement any provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate which may be defective or inconsistent with any other provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate; or to make such other provisions in regard to matters or questions arising under the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate as

the Issuer and the Indenture Trustee may deem necessary or desirable and which shall not adversely affect the interests of the Holders of the Notes in any material respect;

- to add additional Events of Default;
- to evidence and provide for the acceptance of appointment under the Indenture by a successor trustee with respect to the Notes of one or more Series and to add to or change any of the provisions of the Indenture and any Series Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture and any Series Indenture by more than one trustee pursuant to the applicable requirements of the Indenture;
- to change or eliminate any of the provisions of the Indenture; provided, however, that any such change or elimination shall become effective only when there is no Note Outstanding of any Series created prior to the execution of such supplemental indenture which is entitled to the benefit of or bound by such provisions; or
- to effect any amendment or alteration of the terms and conditions of a Floating Rate Note contemplated under "—Benchmark Replacement," including an amendment of the amount of interest due on such Floating Rate Note.

The Issuer will not enter into any indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes.

Modifications and Amendments With Consent of Holders

With the consent of the Holder or Holders of not less than $66^{2}/_{3}\%$ in aggregate principal amount of the Notes at the time Outstanding of all Series affected by such supplemental indenture (voting as a single class), the Issuer and the Indenture Trustee may, from time to time and at any time, enter into a supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture, any supplemental indenture, any Series Indenture or any Note Certificate or of modifying in any manner the rights of the Holders of Notes of each such Series; *provided*, that no such supplemental indenture shall:

- change the applicable Stated Maturity Date or reduce the principal thereof, or reduce the rate or extend the time of payment of interest or any amount payable thereon, or impair the right of any Holder of Notes to institute suit for the payment thereof without the consent of the Holder of each Note so affected or modify any redemption or repayment provisions applicable to such Series of Notes;
- reduce the aforesaid percentage of Notes of any Series, the consent of which is required for any such supplemental indenture, without the consent of the Holder of each Note so affected;
- permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture or the applicable Series Indenture with respect to any part of the applicable Series Collateral or terminate the lien of the Indenture and the applicable Series Indenture on any of the applicable Series Collateral or deprive the Holder of any Note of such Series of the applicable Security Interest; or
- modify or alter the provisions of the definition of the term "Outstanding."

The Issuer will not enter into any indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes.

INDENTURE TRUSTEE

Under the Indenture and each Series Indenture, if an Event of Default with respect to any Series of Notes has occurred and is continuing, the Indenture Trustee is obligated to exercise such of the rights and powers vested in it by the Indenture and the applicable Series Indenture, and to use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

Except if an Event of Default with respect to the Notes of any Series has occurred and is continuing (and has not been cured or waived), the Indenture Trustee has undertaken to perform such duties and only such duties with

respect to such Series of Notes as are specifically set forth in the Indenture and the applicable Series Indenture. No implied covenants or obligations shall be read into the Indenture or the applicable Series Indenture against the Indenture Trustee.

No provision of the Indenture or any Series Indenture shall be construed to relieve the Indenture Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act or its willful misconduct, except that:

- this paragraph shall not be construed to limit the effect of the immediately preceding paragraph;
- in the absence of bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of the Indenture and the applicable Series Indenture, but in the case of any such certificates or opinions which by any provision of the Indenture are specifically required to be furnished to the Indenture Trustee, the Indenture Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein);
- the Indenture Trustee shall not be liable for any error of judgment made in good faith by any responsible officer of the Indenture Trustee, unless it shall be proved that the Indenture Trustee was grossly negligent in ascertaining the pertinent facts;
- the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holder or Holders of not less than a majority of the aggregate principal amount of the Outstanding Notes of any affected Series relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under the Indenture or the applicable Series Indenture with respect to the Notes of such Series;
- no provision of the Indenture or any Series Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Indenture, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity or security against such liability is not reasonably assured to it; and
- the Indenture Trustee shall not be liable for the acts or omissions of its delegates, custodians, nominees, agents or attorneys appointed by it without gross negligence and in good faith; provided, however, that the foregoing shall not be construed to relieve the Indenture Trustee from liability hereunder for its own actions or omissions in serving as an Agent, if and to the extent it shall also serve as an Agent.

The Indenture Trustee may resign at any time with respect to one or more or all Series of Notes by giving not less than 90 days' prior written notice (which may be given in a supplemental indenture) thereof to the Issuer and to the Holders of such Notes as provided in the Indenture and each applicable Series Indenture. Upon receiving such notice of resignation, the Issuer shall promptly cause a successor indenture trustee with respect to the applicable Series to be appointed by written instrument in duplicate, executed by the Issuer, one copy of which instrument shall be delivered to the resigning Indenture Trustee and one copy to the successor indenture trustee of such Series. If no successor indenture trustee shall have been so appointed with respect to any Series and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition any court of competent jurisdiction for the appointment of a successor indenture trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor indenture trustee.

If at any time:

- the Indenture Trustee shall cease to be eligible to serve as Indenture Trustee under the requirements of the Indenture or the applicable Series Indenture and shall fail to resign with respect to the Notes of each applicable Series pursuant to the applicable provisions of the Indenture or after written request by the Issuer or any Holder of Notes, or
- the Indenture Trustee shall become incapable of acting with respect to the Notes of the applicable Series of Notes or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the Indenture Trustee or of

its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, except during the existence of an Event of Default, the Issuer may remove the Indenture Trustee with respect to the applicable Series and appoint a successor indenture trustee with respect to the applicable Series of Notes by written instrument, in duplicate, one copy of which instrument shall be delivered to the Indenture Trustee so removed and one copy to the successor indenture trustee. If an instrument of acceptance by a successor indenture trustee shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of removal, the Indenture Trustee being removed may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor indenture trustee with respect to the Notes.

In addition to the right of petition given to the resigning Indenture Trustee and the right of removal given to the Issuer pursuant to the two preceding paragraphs, any Holder who has been a Holder of Notes for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor indenture trustee or the removal of the Indenture Trustee and the appointment of a successor indenture trustee, as the case may be. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor indenture trustee or remove the Indenture Trustee and appoint a successor indenture trustee, as the case may be.

The Holder or Holders of a majority of the aggregate principal amount of the Notes of each Series at the time Outstanding may at any time remove the Indenture Trustee with respect to the Notes of such Series and appoint a successor indenture trustee with respect to the Notes of such Series by delivering to the Indenture Trustee so removed, to the successor indenture trustee so appointed and to the Issuer the evidence required for such action by the Indenture and the applicable Series Indenture.

Any resignation or removal of the Indenture Trustee with respect to any Series and any appointment of a successor indenture trustee with respect to such Series shall become effective upon acceptance of appointment by the successor indenture trustee all in accordance with the applicable provisions of the Indenture.

The Issuer shall advise all rating agencies that are then rating the program or the Notes of any Series of any change in the identity of the Indenture Trustee.

The Indenture Trustee and each successor indenture trustee must be a United States person within the meaning of Section 7701(a)(30) of the Code.

MEETINGS OF HOLDERS

A meeting of Holders of Notes of any Series may be called at any time and from time to time pursuant to the Indenture and any applicable Note Certificate or Series Indenture to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture or the applicable Series Indenture to be made, given or taken by such Holders of Notes of such Series.

Unless otherwise provided in a Note Certificate representing the Notes of a particular Series or the applicable Series Indenture, the Indenture Trustee may at any time call a meeting of Holders of Notes of any Series for any purpose specified in the preceding paragraph, to be held at such time and at such place in the City of New York or the city in which the Corporate Trust Office is located. Notice of every meeting of such Holders of Notes of any Series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, must be given not less than 21 days nor more than 180 days prior to the date fixed for the meeting.

Any resolution passed or decision taken at any meeting of Holders of Notes of a Series duly held in accordance with the Indenture and the applicable Series Indenture will be binding on all of the Holders of Notes of such Series, whether or not such Holders were present or represented at the meeting.

NON-RECOURSE ENFORCEMENT

Notwithstanding anything to the contrary contained in the Indenture, any supplemental indenture, any Series Indenture, any Issue Terms or any Note Certificate, other than as described below, none of Guardian or any of its officers, directors, affiliates, employees or agents or any of the Administrative Trustee, the Trust Beneficial Owner, the Series Beneficial Owner or any Purchasing Agent, or any of their respective officers, directors, affiliates, employees or agents (the "Non-Recourse Parties"), will be personally liable for the payment of any principal, premium, interest or any other amounts at any time owing under the terms of any Notes. If any Event of Default shall occur with respect to any Notes of any Series, the right of the Holder or Holders of Notes of such Series and the Indenture Trustee on behalf of such Holder or Holders, in connection with a claim on the Notes of such Series shall be limited solely to a proceeding against the relevant Series Collateral.

Neither such Holder or Holders nor the Indenture Trustee on behalf of such Holder or Holders will have the right to proceed against the Non-Recourse Parties or the assets of any other Series of the Issuer to enforce the Notes (except that to the extent they exercise their rights, if any, to seize the relevant Funding Agreement(s), they may enforce the relevant Funding Agreement(s) against Guardian) or for any deficiency judgment remaining after foreclosure of any property included in the relevant Series Collateral.

Nothing contained in this section "—Non-Recourse Enforcement" shall in any manner or way constitute or be deemed a release of the debt or other obligations evidenced by the Notes of any Series or otherwise affect or impair the enforceability against the assets of the relevant Series of the Issuer of the liens, assignments, rights and Security Interests created by or pursuant to the Indenture, the applicable Series Indenture, the relevant Series Collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations evidenced by the Notes of a Series. Nothing in this section "—Non-Recourse Enforcement" shall preclude the Holders from foreclosing upon any property included in the relevant Series Collateral or any other rights or remedies in law or in equity against the assets of the Issuer with respect to the relevant Series of the Issuer.

Holders may not seek to enforce rights with respect to any Notes (i) by commencing any recovery or enforcement proceedings against the Issuer generally or with respect to the relevant Series of the Issuer, (ii) by applying to wind up the Issuer, (iii) otherwise than through the Indenture Trustee in exercise of powers, appointing a receiver or administrative trustee to the Issuer or any of the assets of the Issuer generally or with respect to the relevant Series of the Issuer, (iv) by making any statutory demand upon the Issuer generally or with respect to the relevant Series of the Issuer under applicable law, or (v) in any other manner except as may be provided in the Indenture, and any applicable Note Certificate or Series Indenture.

NOTICES

All notices regarding Notes of a Series will be mailed to the registered Holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon (i) in the case of Holders, the mailing by first class mail, postage prepaid, of such notices to each Holder entitled thereto at such Holder's registered address as recorded in the applicable Note Register and publication in a leading daily newspaper having general circulation in Ireland (which is expected to be the *Irish Times*), (ii)(a) so long as the Notes of a Series are admitted to the Official List and trading on the regulated market of Euronext Dublin, publication of such notice to each Holder of the Notes of such Series in the English language on the website of Euronext Dublin at https://live.euronext.com/ via the Companies Announcement Service or (b) so long as the Notes of a Series are listed on a securities exchange other than Euronext Dublin or if the publication required in (iii)(a) is not practicable, in one other leading English language daily newspaper with general circulation in Europe and in the Principal Financial Center with the greatest nexus to such other securities exchange, if such Series is so listed.

Neither the failure to give notice, nor any defect in any notice given, to any particular Holder of a Note will affect the sufficiency of any notice with respect to any other Holder of any Note.

Any such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Notes of a Series shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

GOVERNING LAW; SUBMISSION TO JURISDICTION

Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Indenture, each Series Indenture and the Notes of each Series shall be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the ownership of, and the security interest in, each applicable Funding Agreement constituting an asset of the relevant Series of the Issuer or remedies under the Indenture or the applicable Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York.

All judicial proceedings brought against the Issuer or the Indenture Trustee arising out of or relating to the Indenture, any Series Indenture, any Note or any assets of the Issuer generally or the applicable Series of the Issuer may be brought in a United States Federal court located in the City of New York, the Borough of Manhattan; *provided* that the Issue Terms for any Series of Notes may specify other jurisdictions as to which the Issuer and the Indenture Trustee may consent to the nonexclusive jurisdiction of its courts with respect to such Series of Notes. Under the terms of the Indenture and each relevant Series Indenture, the Issuer and the Indenture Trustee will each accept generally and unconditionally the nonexclusive jurisdiction of such court, waive any defense of *forum non conveniens* and irrevocably agree to be bound by any judgment rendered thereby in connection with the Indenture, the applicable relevant Series Indenture, any Note or any portion of the relevant Series Collateral.

DESCRIPTION OF CERTAIN TERMS AND CONDITIONS OF THE FUNDING AGREEMENTS

This section provides an overview of certain terms and conditions of the Funding Agreements. This overview is not complete and investors should read the detailed provisions of the Funding Agreements. Capitalized terms used in this overview have the same meanings as those used in the Funding Agreements unless the context otherwise requires.

GENERAL

Funding Agreements are unsecured obligations of Guardian. In connection with each Series of Notes, the Issuer will purchase from Guardian, and will take delivery from Guardian of, one or more Funding Agreements, as specified in each applicable Issue Terms. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the applicable Series Collateral, including each applicable Funding Agreement, to the Indenture Trustee as collateral to secure the Issuer's obligations under the applicable Series of Notes.

The Issuer will purchase one or more Funding Agreements that are supported solely by the general account of Guardian, and not by any separate account (each, a "Funding Agreement"). Under the terms of a Funding Agreement, Guardian will deposit the proceeds received from the Issuer for the purchase of the agreement into its general investment account, or the general account.

Amounts held in the general account are pooled and invested by Guardian in accordance with applicable insurance laws. In the aggregate general account assets support Guardian's obligations under all of its general account insurance contracts, and are not segregated for the exclusive benefit of any particular policy or obligation. General account assets are also available to Guardian for the conduct of routine business activities, such as the payment of dividends and business expenses.

INSOLVENCY OF GUARDIAN

In the event of Guardian's impairment or insolvency, Funding Agreements will be subject to the provisions of the Liquidation Act, which establishes the priority of distributions from the estate of an insolvent New York life insurance company. Willkie Farr & Gallagher LLP, special counsel for Guardian, has opined that in any rehabilitation, liquidation, or conservation of Guardian, under New York law as in effect on the date of this Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest would be accorded a priority equal to that of policyholders of Guardian (*i.e.*, would rank *pari passu* with claims under insurance policies issued by Guardian) and superior to the claims of general creditors of Guardian. Specifically, assuming a claim of the holder of a Funding Agreement for the payment of principal or interest thereunder is timely filed in the proper manner, such claim will be (i) accorded a Class 4 priority with respect to Guardian's general assets as provided in Section 7435 of the New York Insurance Law and (ii) treated *pari passu* with claims under insurance and annuity policies or contracts of Guardian, except for certain specified claims which are excluded from Class 4 priority pursuant to Section 7435 of the New York Insurance Law, and ahead of Guardian's unsecured debt obligations.

Such opinion of counsel is based upon certain facts, assumptions and qualifications (as set forth therein), is only an opinion and does not constitute a guarantee, and is not binding upon any regulator or court, including, without limitation, a regulator or court presiding over any proceeding under the Liquidation Act. The obligations of Guardian under the Funding Agreements are not guaranteed by any other persons, including, but not limited to, any of its subsidiaries or affiliates.

PAYMENTS

The terms of each Funding Agreement securing the obligations of the Issuer under a Series of Notes will be structured so that Guardian will be obligated to make payments at such times and in such amounts as shall permit the Issuer to meet its scheduled obligations with respect to payments of interest, premium, if any, principal and any other amounts due under the applicable Series of Notes.

TAX, FISCAL OR OTHER LAW OR REGULATION

Each Funding Agreement is subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Guardian shall not be required to make any payment to the Issuer with respect to any Taxes.

TAX REDEMPTION

If (a) Guardian is obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer, or (b) in the opinion of independent counsel selected by Guardian, as a result of any change in, or amendment to, United States tax laws (or any regulations or rulings thereunder) or any change in position of the IRS regarding the application or interpretation thereof (including, but not limited to, Guardian's receipt of a written adjustment from the IRS in connection with an audit), there is a material probability that (i) Guardian will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Guardian and the Issuer or (ii) the Issuer is, or will be within 90 days of the date hereof, subject to more than a *de minimis* amount of Taxes, then Guardian may terminate the applicable, with respect to (a) and (b)(i), the applicable Funding Agreement, and, with respect to (b)(ii), any Funding Agreement by giving not less than 30 and no more than 75 days prior written notice to the Issuer and by paying to the Issuer on the date specified in such notice the Redemption Amount as specified in the Account Specification Appendix of such Funding Agreement, *provided* that in the case of clause (b)(i) no such notice of termination may be given earlier than 90 days prior to the earliest day when Guardian would become obligated to withhold or deduct any such Taxes, assuming a payment in respect of such Funding Agreement or such contract were then due.

OTHER TERMS

From time to time, the Issuer may purchase from Guardian Funding Agreements with other terms, including the ability to extend the maturity date, redeem the applicable Funding Agreement at Guardian's option or provide the Issuer with the option to have Guardian prepay the applicable Funding Agreement.

EVENTS OF DEFAULT

Each Funding Agreement will provide that an Event of Default (as used therein) will occur upon the occurrence of one or any combination of the following:

- if Guardian fails to make a payment of interest and such failure continues for a period of five Business Days (as defined in the relevant Funding Agreement);
- if Guardian fails to make a payment of principal in accordance with the relevant Funding Agreement and such failure continues for a period of three Business Days; or
- if Guardian is dissolved or has a resolution passed or proceeding instituted for its winding-up, liquidation, rehabilitation or similar arrangement (other than pursuant to a consolidation, amalgamation or merger).

Without limiting the foregoing, neither the adoption of a plan of reorganization nor the implementation of such a plan pursuant to Article 73 of the New York Insurance Law (or any successor provision) by Guardian shall constitute an Event of Default.

REPRESENTATIONS AND WARRANTIES OF GUARDIAN AND THE HOLDER

Under each Funding Agreement, each of Guardian and the holder of the Funding Agreement will represent to the other party that:

- it has the power to enter into the relevant Funding Agreement and to consummate the transactions contemplated thereby;
- the Funding Agreement has been duly authorized, executed and delivered. The Funding Agreement constitutes a legal, valid and binding obligation. The Funding Agreement is enforceable in accordance with

the terms thereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights, and subject as to enforceability of general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and

- the execution and delivery of the Funding Agreement and the performance of obligations thereunder do not and will not constitute or result in a default, breach, violation, or the creation of any lien or encumbrance on any of its property under its certificate, articles or charter of incorporation, by-laws, or any agreement, instrument, judgment, injunction or order by which it is bound, or by which its respective properties may be bound or affected.

RESTRICTIONS ON TRANSFER

Each Funding Agreement will contain provisions prohibiting the holder thereof from transferring or assigning the Funding Agreement or any right to receive payments under the Funding Agreement to any other person without the express written consent of Guardian and the written affirmation of Guardian that it has changed its books and records to reflect the transfer or assignment or right to receive payments under the Funding Agreement.

The following additional conditions must be satisfied in order to effectuate any assignment of any Funding Agreement: (i) the Funding Agreement may only be transferred through a book entry system maintained by Guardian within the meaning of Treasury Regulations Section 1.871-14 (c)(1)(i) and (ii) Guardian shall have received from the proposed assignee such representations, certificates, documentation and opinions as Guardian may deem necessary and appropriate.

SUPPLEMENTAL AGREEMENTS

Within six months of the date of issue of the initial Funding Agreement securing the Notes of a Series, Guardian may issue to the initial holder of the Funding Agreement one or more additional Funding Agreements and may provide in any such additional Funding Agreement that such additional Funding Agreement shall constitute part of the same obligation of Guardian as the initial Funding Agreement (any such additional Funding Agreement, a "Supplemental Agreement"), and such Supplemental Agreement shall be subject to the same terms and conditions as the initial Funding Agreement (including those set forth in the Account Specification Appendix to the applicable Funding Agreement), except that the Effective Date, the Deposit Amount, the Net Deposit Amount, the amount of the first interest payment, if any, and any other different terms specified in each applicable Funding Agreement may be different with respect to such Supplemental Agreement; provided that the issuance of such Supplemental Agreement satisfies the conditions of Treasury Regulation Section 1.1275-2(k)(2)(ii) and constitutes a "Qualified Reopening" under Treasury Regulation Section 1.1275-2(k)(3) or is otherwise treated as part of the same issue of the previously issued Funding Agreement for U.S. federal income tax purposes.

GOVERNING LAW

Each Funding Agreement will be governed by, and construed in accordance with, the laws of the State of New York.

COLLATERAL CUSTODIAN

Each Funding Agreement relating to a Series of Notes will be held in a custodial account for the Indenture Trustee in the State of Delaware by the Collateral Custodian or by such other party as may be specified in the applicable Issue Terms.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a discussion of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Notes by U.S. Holders and Non-U.S. Holders (each as defined below) that purchase the Notes at their issue price (generally the first price at which a substantial amount of the Notes of the applicable Series is sold, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) pursuant to this offering and hold such Notes as capital assets. This discussion does not address all of the U.S. federal income tax considerations that may be relevant to specific Holders (as defined below) in light of their particular circumstances (including Holders that are directly or indirectly related to Guardian and accrual method Holders that have an "applicable financial statement") or to Holders subject to special treatment under U.S. federal income tax law (such as banks, insurance companies, dealers in securities or other Holders that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities, retirement plans, regulated investment companies, real estate investment trusts, certain former citizens or residents of the United States, Holders that hold a Note as part of a straddle, hedge, conversion or other integrated transaction or U.S. Holders that have a "functional currency" other than the U.S. dollar). This discussion does not address any U.S. state or local or non-U.S. tax considerations or any U.S. federal estate, gift or alternative minimum tax considerations.

This discussion is based on the Code, U.S. Treasury regulations promulgated or proposed thereunder and administrative and judicial interpretations thereof, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect, or to different interpretation. This discussion does not describe the U.S. federal income tax considerations relating to the purchase, ownership or disposition of an "equity-linked instrument" (as defined under applicable Treasury Regulations), a "contingent payment debt instrument" (as defined under applicable Treasury Regulations), certain "variable rate debt instruments" (as defined below), a Note with a maturity later than 30 years from its date of issuance, a Note that does not obligate the Issuer to repay an amount equal to at least the issue price of the Note or a Note with an extendable maturity. A general discussion of any materially different U.S. federal income tax considerations relating to any particular Series of Notes will be included in the applicable Issue Terms, if applicable to such Series.

As used in this discussion, the term "U.S. Holder" means a beneficial owner of a Note that, for U.S. federal income tax purposes, is (i) an individual who is a citizen or resident of the United States, (ii) a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source or (iv) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions or (y) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a U.S. person.

As used in this discussion, the term "Non-U.S. Holder" means a beneficial owner of a Note that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes and the term "Holder" means a U.S. Holder or a Non-U.S. Holder.

If an entity treated as a partnership for U.S. federal income tax purposes invests in a Note, the U.S. federal income tax considerations relating to such investment will depend in part upon the status and activities of such entity and the particular partner. Any such entity should consult its own tax advisor regarding the U.S. federal income tax considerations applicable to it and its partners relating to the purchase, ownership and disposition of a Note.

EACH PERSON CONSIDERING AN INVESTMENT IN THE NOTES SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. INCOME, ESTATE AND OTHER TAX CONSIDERATIONS RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES.

TAX TREATMENT OF THE ISSUER AND THE NOTES

In the opinion of Willkie Farr & Gallagher LLP, special U.S. tax counsel to Guardian, under current law and assuming full compliance with the terms of the Certificate of Trust, the Trust Agreement, each Series Trust Agreement, the Indenture and each Series Indenture, neither the Issuer nor any Series of the Issuer will be classified as an

association (or publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes. Such opinion is not binding on the IRS or the courts.

No statutory, judicial or administrative authority directly addresses the U.S. federal income tax treatment of securities similar to the Notes. The Issuer, Guardian, the Trust Beneficial Owner and the Series Beneficial Owner agree, and by acceptance of a beneficial interest in a Note, each beneficial owner of such Note agrees, for U.S. federal, state and local income and franchise tax purposes, to treat the Notes as representing debt of Guardian. The remainder of this discussion assumes that the Notes represent debt of Guardian. The IRS might assert that the Notes related to a Series of the Issuer should be treated as debt of such Series of the Issuer. In such case, the U.S. federal income tax considerations to Holders would not be materially different than those described below. No rulings will be sought from the IRS.

U.S. HOLDERS

Stated Interest and Original Issue Discount

In general, interest payable on a Note that is "qualified stated interest" will be taxable to a U.S. Holder as ordinary interest income when it is received or accrued, in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. "Qualified stated interest" is stated interest that is unconditionally payable at least annually at a single fixed rate over the entire term of a Note or, in the case of a variable rate debt instrument (as described below), at a single qualified floating rate or a single objective rate (as described below).

If the "stated redemption price at maturity" of a Note (generally the aggregate amount of payments, other than qualified stated interest, on the Note) exceeds the issue price of the Note by more than a *de minimis* amount, the Note will be treated as having been issued with original issue discount ("OID") for U.S. federal income tax purposes in the amount of such excess. In general, the *de minimis* amount is equal to ¼ of 1 percent of the stated redemption price at maturity multiplied by the weighted average number of complete years to maturity from the issue date of such Note (or in the case of a Note providing for the payment of any amount other than qualified stated interest prior to maturity, multiplied by the weighted average maturity of the Note). A U.S. Holder generally will be required to include OID in gross income as ordinary interest income for U.S. federal income tax purposes as it accrues, before such U.S. Holder receives any cash payment attributable to such income and regardless of such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. Any amount not treated as OID because it is *de minimis* generally must be included in income (generally as gain from the sale of such Note) as principal payments are received on such Note in the proportion that each such payment bears to the original principal amount of such Note. Special rules apply to Notes with a fixed maturity of one year or less. See below under "Short-Term Notes."

A U.S. Holder generally will be required to include in gross income for U.S. federal income tax purposes an amount equal to the sum of the "daily portions" of the OID with respect to a Note for all days during the taxable year on which such U.S. Holder holds such Note. The "daily portions" of OID with respect to a Note will be determined by allocating to each day during the taxable year on which the U.S. Holder holds such Note a *pro rata* portion of the OID on such Note that is attributable to the "accrual period" in which such day is included.

The amount of the OID with respect to a Note attributable to an "accrual period" generally will be the excess of (A) the product of (i) the "adjusted issue price" of such Note at the beginning of such accrual period and (ii) the "yield to maturity" of such Note (stated in a manner appropriately taking into account the length of such accrual period) over (B) any qualified stated interest on the Note allocable to such accrual period. The "accrual period" for a Note may be of any length and may vary in length over the term of the Note, *provided* that each accrual period is no longer than one year and that each scheduled payment of interest or principal occurs on the first or final day of an accrual period. The "adjusted issue price" of a Note at the beginning of an accrual period generally is the issue price of such Note plus the aggregate amount of OID that accrued on such Note in all prior accrual periods, less any payments on such Note (other than payments of qualified stated interest). The "yield to maturity" of a Note is the discount rate that, when used in computing the present value of all payments required to be made under such Note, produces an amount equal to the issue price of such Note.

In the case of a variable rate debt instrument (as described below), the amount of qualified stated interest and the amount of OID, if any, that accrues during an accrual period is generally determined assuming that the variable

rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the debt instrument, and the qualified stated interest (or, if there is no qualified stated interest, OID) allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest assumed to be paid during the accrual period pursuant to clause (i) or (ii), as applicable. Special rules apply to a variable rate debt instrument that provides for stated interest at a fixed rate or at a rate other than a single qualified floating rate or a single objective rate.

A "variable rate debt instrument" is a debt instrument that (i) has an issue price that does not exceed the total principal payments by more than an amount equal to the lesser of (a) 0.015 multiplied by the product of such total principal payments and the number of complete years to maturity of the instrument (or, in the case of a Note providing for the payment of any amount other than qualified stated interest prior to maturity, multiplied by the weighted average maturity of the Note) or (b) 15 percent of the total principal payments, (ii) provides for stated interest (compounded or paid at least annually) at the current value of (A) one or more "qualified floating rates," (B) a single fixed rate and one or more qualified floating rates, (C) a single "objective rate" or (D) a single fixed rate and a single objective rate that is a "qualified inverse floating rate," and (iii) does not provide for any principal payments that are contingent. The current value of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

A "qualified floating rate" is generally a floating rate under which variations in the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which a debt instrument is denominated. A multiple of a qualified floating rate is not a qualified floating rate unless the relevant multiplier is (i) fixed at a number that is greater than 0.65 but not more than 1.35 or (ii) fixed at a number that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate. A variable rate is not considered a qualified floating rate if the variable rate is subject to a cap, floor, governor (*i.e.*, a restriction on the amount of increase or decrease in the stated interest rate) or similar restriction that is reasonably expected as of the issue date to cause the yield on the debt instrument to be significantly more or less than the expected yield determined without the restriction (other than a cap, floor, governor or similar restriction that is fixed throughout the term of the debt instrument).

An "objective rate" is a rate (other than a qualified floating rate) that is determined using a single fixed formula and that is based on objective financial or economic information, provided, however, that an objective rate will not include a rate based on information that is within the control of the issuer (or certain related parties of the issuer) or that is unique to the circumstances of the issuer (or certain related parties of the issuer), such as dividends, profits or the value of the issuer's stock. A "qualified inverse floating rate" is an objective rate (i) that is equal to a fixed rate minus a qualified floating rate and (ii) the variations in which can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate (disregarding any caps, floors, governors or similar restrictions that would not, as described above, cause a rate to fail to be a qualified floating rate). Notwithstanding the first sentence of this paragraph, a rate is not an objective rate if it is reasonably expected that the average value of the rate during the first half of the debt instrument's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the debt instrument's term. The IRS may designate rates other than those specified above that will be treated as objective rates. As of the date of this Offering Memorandum, no other rates have been designated.

If interest on a Note is stated at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together constitute a single qualified floating rate or objective rate. A fixed rate and a variable rate will be conclusively presumed to meet the requirements of the preceding sentence if the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 0.25 percentage points (25 basis points).

If a Floating Rate Note does not qualify as a variable rate debt instrument or otherwise provides for contingent payments, or if a Fixed Rate Note provides for contingent payments, such Note may constitute a "contingent payment debt instrument." Interest payable on a contingent payment debt instrument is not treated as qualified stated interest. If applicable to any Note, the special rules applicable to contingent payment debt instruments will be described in the applicable Issue Terms.

In general, the following rules apply if (i) a Note provides for one or more alternative payment schedules applicable upon the occurrence of a contingency or contingencies and the timing and amounts of the payments that comprise each payment schedule are known as of the issue date and (ii) either a single payment schedule is significantly more likely than not to occur or the Note provides the Issuer or the holder with an unconditional option or options exercisable on one or more dates during the term of the Note. If, based on all the facts and circumstances as of the issue date, a single payment schedule for a debt instrument, including the stated payment schedule, is significantly more likely than not to occur, then, in general, the yield and maturity of the Note are computed based on this payment schedule. If the Issuer or the holder has an unconditional option or options that, if exercised, would require payments to be made on the Note under an alternative payment schedule or schedules, then (i) in the case of an option or options exercisable by the Issuer, the Issuer will be deemed to exercise or not exercise an option or combination of options in the manner that minimizes the yield on the Note and (ii) in the case of an option or options exercisable by the holder, the holder will be deemed to exercise or not exercise an option or combination of options in the manner that maximizes the yield on the Note. Notes subject to the above rules will not be treated as contingent payment debt instruments as a result of the contingencies described above. If a contingency (including the exercise of an option) actually occurs or does not occur contrary to an assumption made according to the above rules (a "Change in Circumstances"), then, except to the extent that a portion of the Note is repaid as a result of a Change in Circumstances and solely for purposes of the accrual of OID, the Note is treated as retired and then reissued on the date of the Change in Circumstances for an amount equal to the Note's adjusted issue price on that date.

A U.S. Holder may elect to treat all interest on any Note as OID and calculate the amount includible in gross income under the constant yield method. For purposes of this election, interest includes stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. The election must be made for the taxable year in which a U.S. Holder acquires a Note, and may not be revoked without the consent of the IRS.

Premium on the Notes

If the amount paid by a U.S. Holder for a Note exceeds the stated redemption price at maturity of such Note, such U.S. Holder generally will be considered to have purchased such Note at a premium equal in amount to such excess. In this event, such U.S. Holder may elect to amortize such premium, based generally on a constant-yield basis, as an offset to interest income over the remaining term of such Note. In the case of a Note that may be redeemed prior to maturity, the premium amortization and redemption date are calculated assuming that Guardian and the U.S. Holder will exercise or not exercise redemption rights in a manner that maximizes the U.S. Holder's yield. It is unclear how premium amortization is calculated when the redemption date or the amount of any redemption premium is uncertain. The election to amortize bond premium, once made, will apply to all debt obligations held or subsequently acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Short-Term Notes

Notes that have a fixed maturity of one year or less ("Short-Term Notes") will be treated as issued with OID. In general, an individual or other U.S. Holder that uses the cash method of accounting is not required to accrue such OID unless such U.S. Holder elects to do so. If such an election is not made, any gain recognized by such U.S. Holder on the sale, exchange, redemption or other disposition of a Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale, exchange, redemption or other disposition, and a portion of the deduction otherwise allowable to such U.S. Holder for interest on borrowings allocable to the Short-Term Note will be deferred until a corresponding amount of income on such Short-Term Note is realized. U.S. Holders who report income for U.S. federal income tax purposes under the accrual method of accounting and certain other U.S. Holders are required to accrue OID related to a Short-Term Note as ordinary income on a straight-line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding).

Sale, Exchange, Retirement or Other Disposition of the Notes

Upon the sale, exchange, retirement or other disposition of a Note, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference between the amount realized on such sale, exchange, retirement or

other disposition (other than any amount attributable to accrued qualified stated interest, which, if not previously included in such U.S. Holder's income, will be taxable as interest income to such U.S. Holder) and such U.S. Holder's "adjusted tax basis" in such Note. A U.S. Holder's adjusted tax basis in a Note generally is the amount such U.S. Holder paid for such Note, increased by the amount of any OID previously included in income (including in the year of disposition) with respect to such Note by such U.S. Holder and decreased by any amortized premium and the aggregate amount of payments (other than qualified stated interest) on such Note previously made to such U.S. Holder. Subject to the rules described below under "Foreign Currency Notes," any gain or loss so recognized generally will be capital gain or loss and will be long-term capital gain or loss if such U.S. Holder has held such Note for more than one year at the time of such sale, exchange, retirement or other disposition. Net long-term capital gain of certain non-corporate U.S. Holders generally is subject to preferential rates of tax. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

The following discussion generally describes special rules that apply, in addition to the rules described above, to Notes that are denominated in, or provide for payments determined by reference to, non-U.S. currency ("Foreign Currency Notes"). The amount of qualified stated interest paid with respect to a Foreign Currency Note that is includible in income by a U.S. Holder that uses the cash method of accounting for U.S. federal income tax purposes is the U.S. dollar value of the amount paid, as determined on the date of actual or constructive receipt by such U.S. Holder, using the spot rate of exchange on such date. In the case of qualified stated interest on a Foreign Currency Note held by a U.S. Holder that uses the accrual method of accounting, and in the case of OID (other than OID on a Short-Term Note that is not required to be accrued) for every U.S. Holder, such U.S. Holder is required to include the U.S. dollar value of the amount of such interest income or OID (which is determined in the non-U.S. currency) that accrued during the accrual period. The U.S. dollar value of such accrued interest income or OID generally is determined by translating such income at the average rate of exchange for the accrual period (or, with respect to an accrual period that spans two taxable years, at the average rate of exchange for the partial period within the taxable year). Alternatively, such U.S. Holder may elect to translate such income at the spot rate of exchange on the last day of the accrual period (or, with respect to an accrual period that spans two taxable years, at the spot rate of exchange in effect on the last day of the taxable year). If the last day of the accrual period is within five business days of the date of receipt of the accrued interest, a U.S. Holder that has made such election may translate accrued interest using the spot rate of exchange in effect on the date of receipt. The above election will apply to all debt obligations held by such U.S. Holder and may not be changed without the consent of the IRS. A U.S. Holder will recognize, as ordinary income or loss, foreign currency gain or loss with respect to such accrued interest income or OID on the date the interest or OID is actually or constructively received, reflecting fluctuations in currency exchange rates between the spot rate of exchange used to determine the accrued interest income or OID for the relevant accrual period and the spot rate of exchange on the date such interest or OID is actually or constructively received.

A U.S. Holder will calculate the amortization of bond premium for a Foreign Currency Note in the applicable non-U.S. currency. Amortization deductions attributable to a period will reduce interest payments in respect of that period, and therefore are translated into U.S. dollars at the spot rate of exchange used for those interest payments. Foreign currency gain or loss will be realized with respect to amortized premium on a Foreign Currency Note based on the difference between the spot rate of exchange at which the amortization deductions were translated into U.S. dollars and the spot rate of exchange on the date such U.S. Holder acquired the Foreign Currency Note.

The amount realized with respect to a sale, exchange, redemption or other disposition of a Foreign Currency Note generally will be the U.S. dollar value of the payment received, determined on the date of disposition of such Foreign Currency Note (using the spot rate of exchange on such date). However, with respect to Foreign Currency Notes that are treated as traded on an established securities market, such amount realized will be determined using the spot rate of exchange on the settlement date in the case of (i) a U.S. Holder that is a cash method taxpayer or (ii) a U.S. Holder that is an accrual method taxpayer that elects such treatment. This election may not be changed without the consent of the IRS. Gain or loss that is recognized generally will be ordinary income or loss to the extent it is attributable to fluctuations in currency exchange rates between the date of purchase and the date of sale, exchange, redemption or other disposition. Such foreign currency gain or loss, together with any foreign currency gain or loss realized on such disposition in respect of accrued interest or OID, will be recognized only to the extent of the total gain or loss realized by such U.S. Holder on the sale, exchange, redemption or other disposition of the Foreign

Currency Note. Any gain or loss realized by a U.S. Holder not treated as foreign currency gain or loss generally will be capital gain or loss (subject to the discussion above regarding Short-Term Notes).

A U.S. Holder that determines its amount realized in connection with the sale, exchange, redemption or other disposition of a Foreign Currency Note by reference to the spot rate of exchange on the date of such sale, exchange, redemption or other disposition (rather than on the settlement date) may recognize additional foreign currency gain or loss upon receipt of non-U.S. currency from such sale, exchange, redemption or other disposition.

A U.S. Holder will recognize an amount of foreign currency gain or loss on a sale or other disposition of any non-U.S. currency equal to the difference between (i) the amount of U.S. dollars, or the fair market value in U.S. dollars of any other property, received in such sale or other disposition and (ii) the tax basis of such non-U.S. currency. A U.S. Holder generally will have a tax basis in non-U.S. currency received from a sale, exchange, redemption or other disposition of a Foreign Currency Note equal to the U.S. dollar value of such non-U.S. currency on the date of receipt.

A Note that provides for payments in more than one currency generally will be treated as a "contingent payment debt instrument," and the special rules applicable to such instruments will be described in the applicable Issue Terms.

Aggregation Rules

The Treasury Regulations relating to OID contain special aggregation rules stating in general that, subject to certain exceptions, debt instruments issued in the same transaction or related transactions to a single purchaser may be treated as a single debt instrument with a single issue price, maturity date, yield to maturity and stated redemption price at maturity for purposes of the OID rules. Under certain circumstances, these provisions could apply to a U.S. Holder that purchases Notes from more than one Series of Notes.

Medicare Tax

In addition to regular U.S. federal income tax, certain U.S. Holders that are individuals, estates or trusts are subject to a 3.8% tax on all or a portion of their "net investment income," which may include all or a portion of their interest income (including accrued OID) on a Note and net gain from the sale, exchange, retirement or other disposition of a Note.

Disclosure Requirements for Reportable Transactions

A U.S. Holder that participates in any "reportable transaction" (as defined in the Treasury Regulations) must attach to its U.S. federal income tax return a disclosure statement on IRS Form 8886. Each U.S. Holder should consult its own tax advisor regarding the possible obligation to file IRS Form 8886 reporting foreign currency loss arising from the Notes or any amounts received with respect to the Notes.

Information Reporting and Backup Withholding

Information reporting generally will apply to payments to a U.S. Holder of interest (and accruals of OID) on, or proceeds from the sale, exchange, retirement or other disposition of, a Note, unless such U.S. Holder is an entity that is exempt from information reporting and, when required, demonstrates this fact. Any such payment to a U.S. Holder that is subject to information reporting generally will also be subject to backup withholding, unless such U.S. Holder provides the appropriate documentation (generally, IRS Form W-9) to the applicable withholding agent certifying that, among other things, its taxpayer identification number is correct, or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability if the required information is furnished by such U.S. Holder on a timely basis to the IRS.

NON-U.S. HOLDERS

General

Subject to the discussion below under "—Information Reporting and Backup Withholding" and "—FATCA Withholding":

(a) payments of principal, interest and premium with respect to a Note owned by a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax; *provided* that, in the case of amounts treated as payments of interest (which term, for purposes of this discussion of the tax consequences to Non-U.S. Holders, also includes any payment to the extent of any OID that accrued on such Note while held by such Non-U.S. Holder and that has not been previously taken into account for this purpose), (i) such amounts are not effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder; (ii) such Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of Guardian or the applicable Series Beneficial Owner stock entitled to vote; (iii) such Non-U.S. Holder is not a controlled foreign corporation described in section 957(a) of the Code that is related to Guardian or the applicable Series Beneficial Owner through stock ownership; (iv) such Non-U.S. Holder is not a bank whose receipt of such amounts is described in section 881(c)(3)(A) of the Code; (v) interest on the Note is not described in section 871(h)(4)(A) of the Code; and (vi) the certification requirements described below are satisfied; and

(b) a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on any gain recognized on the sale, exchange, retirement or other disposition of a Note, unless (i) such gain is effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder, in which event such gain generally will be subject to U.S. federal income tax in the manner described below, or (ii) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more during the taxable year of such sale, exchange, retirement or other disposition and certain other conditions are met, in which event such gain (net of certain U.S. source losses) generally will be subject to U.S. federal income tax at a rate of 30% (except as provided by an applicable tax treaty).

The certification requirements referred to in clause (a)(vi) above generally will be satisfied if the Non-U.S. Holder provides the applicable withholding agent with a statement (generally on IRS Form W-8BEN or W-8BEN-E), signed under penalties of perjury, stating, among other things, that such Non-U.S. Holder is not a U.S. person. U.S. Treasury regulations provide additional rules for a Note held through one or more intermediaries or pass-through entities.

If the requirements set forth in clause (a) above are not satisfied with respect to a Non-U.S. Holder, payments with respect to a Note (including proceeds from the sale, exchange, retirement or other disposition thereof) generally will be subject to U.S. federal income tax in an amount equal to 30% of the interest and OID that accrued on such Note while held by such Non-U.S. Holder and that has not been taken into account previously for U.S. federal income tax purposes, unless another exemption is applicable. Such tax generally will be imposed by way of withholding in the case of payments on a Note (including payments from the retirement of such Note) or directly on the Non-U.S. Holder in the case of any other sale, exchange or other disposition of a Note. An applicable tax treaty may reduce or eliminate this tax.

If a Non-U.S. Holder is engaged in the conduct of a trade or business in the United States, and if amounts treated as interest on a Note or gain recognized on the sale, exchange, retirement or other disposition of a Note are effectively connected with such trade or business, such Non-U.S. Holder generally will not be subject to U.S. federal withholding tax on such interest or gain; *provided* that, in the case of amounts treated as interest, such Non-U.S. Holder provides the appropriate documentation (generally, IRS Form W-8ECI) to the applicable withholding agent. Instead, such Non-U.S. Holder generally will be subject to U.S. federal income tax (but not the Medicare Tax described above) on such interest or gain in substantially the same manner as a U.S. Holder (except as provided by an applicable tax treaty). In addition, a Non-U.S. Holder that is treated as a corporation for U.S. federal income tax purposes may

be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty) on its effectively connected income for the taxable year, subject to certain adjustments.

Information Reporting and Backup Withholding

Amounts treated as payments of interest on a Note to a Non-U.S. Holder and the amount of any U.S. federal tax withheld from such payments generally must be reported annually to the IRS and to such Non-U.S. Holder by the applicable withholding agent.

The information reporting and backup withholding rules that apply to payments of interest (and accruals of OID) to certain U.S. Holders generally will not apply to amounts treated as payments of interest to a Non-U.S. Holder if such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected outside the United States through a non-U.S. office of a non-U.S. broker generally will not be subject to the information reporting and backup withholding rules that apply to payments to certain U.S. persons; *provided* that the proceeds are paid to the Non-U.S. Holder outside the United States. However, proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected through a non-U.S. office of a non-U.S. broker with certain specified U.S. connections or of a U.S. broker generally will be subject to these information reporting rules (but generally not to these backup withholding rules), even if the proceeds are paid to such Non-U.S. Holder outside the United States, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption. Proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected through a U.S. office of a broker generally will be subject to these information reporting and backup withholding rules, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability if the required information is furnished by such Non-U.S. Holder on a timely basis to the IRS.

FATCA WITHHOLDING

Under the Foreign Account Tax Compliance Act provisions of the Code and related U.S. Treasury guidance ("FATCA"), a withholding tax of 30% will be imposed in certain circumstances on payments of interest on the Notes. In the case of payments made to a "foreign financial institution" (such as a bank, a broker, an investment fund or, in certain cases, a holding company), as a beneficial owner or as an intermediary, this tax generally will be imposed, subject to certain exceptions, unless such institution (i) has agreed to (and does) comply with the requirements of an agreement with the United States (an "FFI Agreement") or (ii) is required by (and does comply with) applicable foreign law enacted in connection with an intergovernmental agreement between the United States and a foreign jurisdiction (an "IGA") to, among other things, collect and provide to the U.S. tax authorities or other relevant tax authorities certain information regarding U.S. account holders of such institution and, in either case, such institution provides the withholding agent with an appropriate certification as to its FATCA status. In the case of payments made to a foreign entity that is not a financial institution (as a beneficial owner), the tax generally will be imposed, subject to certain exceptions, unless such entity provides the withholding agent with an appropriate certification as to its FATCA status and, in certain cases, identifies any "substantial" U.S. owner (generally, any specified U.S. person that directly or indirectly owns more than a specified percentage of such entity). If a Note is held through a foreign financial institution that has agreed to comply with the requirements of an FFI Agreement or is subject to similar requirements under applicable foreign law enacted in connection with an IGA, such foreign financial institution (or, in certain cases, a person paying amounts to such foreign financial institution) generally will be required, subject to certain exceptions, to withhold tax on payments made to (i) a person (including an individual) that fails to provide any required information or documentation or (ii) a foreign financial institution that has not agreed to comply with the requirements of an FFI Agreement and is not subject to similar requirements under applicable foreign law enacted in

connection with an IGA. Each Holder should consult its own tax advisor regarding the application of FATCA to the ownership and disposition of the Notes.

ERISA AND OTHER BENEFIT PLAN CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase, holding and, to the extent relevant, disposition, of the Notes by (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan described in and subject to Section 4975 of the Code, including an IRA and a Keogh plan, (iii) a plan, account or other arrangement subject to provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code (collectively, "Similar Laws") and (iv) any entity whose underlying assets include "plan assets" by reason of the investment in such entity by any such employee benefit plan or plan described above.

PROHIBITED TRANSACTION ISSUES

Section 406 of ERISA and Section 4975 of the Code prohibit employee benefit plans subject to ERISA ("ERISA Plans"), as well as IRAs and Keogh plans subject to Section 4975 of the Code (together with ERISA Plans, "Plans"), from engaging in certain transactions involving "plan assets" (within the meaning of ERISA) with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code ("Parties in Interest") with respect to such Plans. As a result of Guardian's business, Guardian may be a Party in Interest with respect to certain Plans. Where Guardian is a Party in Interest with respect to a Plan (either directly or by reason of its ownership of its subsidiaries), the purchase and holding of the Notes by or on behalf of the Plan may be a prohibited transaction under Section 406 of ERISA and Section 4975 of the Code, unless exemptive relief were available under an applicable prohibited transaction exemption.

Accordingly, the Notes may not be purchased or held by any Plan, any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a "Plan Asset Entity") or any person investing "plan assets" of any Plan, unless such purchaser or holder, and such purchase and holding, is eligible for the exemptive relief available under one or more PTCEs issued by the DOL, including PTCE 96-23 (relating to transactions determined by "in-house asset managers"), 95-60 (relating to transactions involving insurance company general accounts), 91-38 (relating to transactions involving bank collective investment funds), 90-1 (relating to transactions involving insurance company pooled separate accounts) or 84-14 (relating to transactions determined by independent "qualified professional asset managers"), or under the statutory exemption provided by Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions for "adequate consideration" with certain Parties in Interest that are not fiduciaries) (the "Service Provider Exemption"), or under another applicable prohibited transaction exemption. Any fiduciary or other Plan investor considering whether to purchase or hold Notes should consult with its counsel regarding the availability of exemptive relief under the foregoing exemptions. There can be no assurance that all of the conditions of any such exemptions or any other exemption will be satisfied at the time that the Notes are acquired, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change. Also, the scope of the exemptive relief provided by the exemption might not cover all acts which might be construed as prohibited transactions.

Each purchaser or Holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Plan or a Plan Asset Entity and is not acquiring the Notes on behalf of or with "plan assets" of a Plan or Plan Asset Equity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein is exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption or another applicable exemption.

Without regard to whether one of the above exemptions applies to a Plan's acquisition or holding of a Note, the Notes may not be purchased or held by any Plan, or any person investing Plan assets of any Plan, if Guardian or any of its affiliates (i) has investment or administrative discretion with respect to the assets of the Plan used to effect such purchase; (ii) has authority or responsibility to give, or regularly gives, investment advice with respect to such assets, for a fee, subject to other requirements and conditions provided under ERISA and the regulations thereunder; or (iii) unless PTCE 95-60, 91-38 or 90-1 applies, is an employer maintaining or contributing to such Plan.

PLAN ASSETS

The DOL has promulgated a regulation, 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA (the "Plan Asset Regulation"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets are deemed to include both the equity interest itself and an undivided interest in each of the entity's underlying assets, unless it is established either that the entity is an "operating company," as defined in the Plan Asset Regulation or less than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors," as defined in Section 3(42) of ERISA (the "25% Test").

It is not anticipated that (i) the Notes will constitute "publicly offered securities" for purposes of the Plan Asset Regulation, (ii) the Issuer will be an investment company registered under the Investment Company Act or (iii) the Issuer will qualify as an operating company within the meaning of the Plan Asset Regulation. In addition, there is no intent to monitor or take any other measures to assure satisfaction of the 25% Test.

The Plan Asset Regulation defines an "equity interest" as an interest other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. There is very little pertinent authority on the issue of what constitutes an equity security for purposes of the Plan Asset Regulation. The DOL has stated in the Preamble to the Plan Asset Regulation (the "Preamble") that the reference to local law provides an initial frame of reference for determinations whether an interest is indebtedness and the question of which law applies for purposes of determining whether an instrument is treated as equity or indebtedness should be made under the law governing questions regarding interpretation of the instrument. Moreover, the DOL stated in the Preamble that the determination of whether any particular investment has substantial equity features is an inherently factual question that must be resolved on a case-by-case basis but that it would be appropriate, in the DOL's view, to take into account whether the equity features of an instrument are such that a Plan's investment in the instrument would be a practical vehicle for the indirect provision of investment management services.

Whether the Notes should be treated as debt or equity for purposes of the Plan Asset Regulation is not certain. While the Notes will be treated as indebtedness for U.S. federal income tax purposes (as described in "U.S. Federal Income Tax Considerations"), such characterization is not conclusive that the Notes will be treated as debt under the Plan Asset Regulation. There is no legal authority that clarifies the relationship between the standards used for Plan Asset Regulation purposes and the standards used for U.S. federal income tax purposes in evaluating the proper characterization of a security as debt or equity. Each prospective investor should make its own assessment as to whether or not the Notes will be respected as debt for purposes of the Plan Asset Regulation, and should consult with its own legal advisers concerning the potential consequences under the fiduciary responsibility and prohibited transaction provisions of ERISA, Section 4975 of the Code and any applicable Similar Law of an investment in the offered Notes with the assets of a Plan. There can be no assurance that the Notes would be characterized by the DOL or others as indebtedness on the date of issuance or at any given time thereafter.

If the Notes were treated under the Plan Asset Regulation as equity interests, any assets held by the Issuer, including the Funding Agreements, would be treated as plan assets of Plans holding Notes if, immediately after the most recent acquisition (including any redemption) of the Notes (or any class of equity interest in the Issuer), the 25% Test is not satisfied and 25% or more of the total value of any class of equity interest in the Issuer is held by benefit plan investors. No assurance can be given that benefit plan investors will hold less than 25% of the total value of the Notes at the completion of an offering or thereafter.

If the assets of the Issuer were deemed to be plan assets under ERISA, then an investing Plan's assets would be considered to include an undivided interest in the Funding Agreements held by the Issuer. In addition, certain persons providing services to the Issuer could become Parties in Interest with respect to an investing Plan and could be subject to the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Code with respect to transactions involving the assets of the Issuer. In this regard, if any person were deemed to have discretionary authority or discretionary control respecting the management of the Issuer or exercises any authority or control respecting management or disposition of the Funding Agreements held by the Issuer, such person or persons could be deemed to be fiduciaries. A fiduciary of a Plan should consider whether the purchase or holding of Notes could result in a delegation of fiduciary authority if the Issuer were deemed to hold plan assets

under ERISA, and, if so, whether such a delegation of authority is permissible under the Plan's governing instrument or any investment management agreement with the Plan. However, since the Administrative Trustee may be viewed as having no discretionary authority with respect to the Funding Agreements, even if the Funding Agreements were treated as Plan Assets of a Plan holding a Note, an investor may determine that the Administrative Trustee should be treated as having acted in an administrative or ministerial capacity, rather than a fiduciary capacity, with respect to the Funding Agreements. Each prospective investor should make its own assessment regarding whether the Administrative Trustee would constitute a fiduciary if the assets of the Issuer were considered to be plan assets under ERISA.

Neither Guardian, the Issuer, the Arranger, the Purchasing Agents nor any of their respective affiliates, agents or employees (the "Transaction Parties") will act as a fiduciary to any Plan with respect to the Plan's decision to purchase the Notes, and none of the Transaction Parties is undertaking to provide investment advice or to give advice in a fiduciary capacity in connection with any Plan's acquisition of the Notes. Each fiduciary or other person with investment responsibilities over the assets of a Plan considering a purchase of the Notes must carefully consider the above factors before making an investment.

In addition, the person making the decision to acquire a Note on behalf of a Plan (the "Plan Fiduciary") from a Transaction Party will be deemed to have represented and warranted that none of the Transaction Parties has acted as the Plan's fiduciary, or has been relied upon for any advice, with respect to the Plan Fiduciary's decision to acquire, hold, sell, exchange, vote or provide any consent with respect to the Note and none of the Transaction Parties or their respective affiliates shall at any time be relied upon as the Plan's fiduciary with respect to any decision to acquire, continue to hold, sell, exchange, vote or provide any consent with respect to the Notes.

The sale of any Notes to a Plan is in no respect a representation by any party or entity that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

NON-ERISA PLANS

Governmental plans (as defined in Section 3(32) of ERISA), church plans (as described in Section 3(33) of ERISA) for which no election has been made under Section 410(d) of the Code and foreign plans (as described in Section 4(b)(4) of ERISA) (collectively "Non-ERISA Plans") while not subject to ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. The fiduciary of a Non-ERISA Plan considering an investment in the Notes must make its own determination that such investment is permissible under any applicable Similar Laws. Each purchaser or Holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan and is not acquiring the Notes on behalf or with the assets of any such Non-ERISA Plan or entity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws.

GENERAL CONSIDERATIONS

Notwithstanding the above, the sale of the Notes of a particular Series to Plans, or to persons acting on behalf of or investing "plan assets" of Plans, might not be allowed, or might only be allowed subject to certain additional conditions.

The considerations set forth above are only intended as an overview and may not be applicable depending upon a Plan's specific facts and circumstances. No view is expressed as to whether an investment in Notes (and any continued holding of the Notes) is appropriate or permissible for any Plan or Non-ERISA Plan. Plan fiduciaries should consult their own advisors with respect to the advisability of an investment in the Notes, and potentially adverse consequences of such investment, including without limitation, the possible effects of changes in applicable laws.

PLAN OF DISTRIBUTION

GENERAL

The Notes will be offered from time to time by the Issuer to or through the Purchasing Agents acting as principals or agents. Pursuant to the Purchase Agreement: (i) the Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principals from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any such Purchasing Agent or, if so specified in the applicable Issue Terms, for resale at a fixed offering price or (ii) in the alternative, the Issuer may agree with a Purchasing Agent that such Purchasing Agent will utilize its reasonable efforts on an agency basis on the Issuer's behalf to solicit offers to purchase Notes at 100% of the principal amount thereof, unless otherwise specified in the applicable Issue Terms.

Subject to the provisions of the applicable Issue Terms, any Note sold to a Purchasing Agent as principal will be purchased by that Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission described in the applicable Terms Agreement in connection with agency sales. A Purchasing Agent may sell Notes it has purchased from the Issuer as principal to certain dealers less a concession equal to all or any portion of the discount received in connection with that purchase. A Purchasing Agent may allow, and dealers may reallow, a discount to certain other dealers. After the initial offering of Notes, the offering price, the concession and the reallowance may be changed.

The Issuer reserves the right to withdraw, cancel or modify the offer made hereby without notice and may reject offers in whole or in part. Each Purchasing Agent will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase Notes received by it on an agency basis.

The Purchasing Agents also may impose a penalty bid. This occurs when a particular Purchasing Agent repays to the Purchasing Agents a portion of the underwriting discount received by it because one of the Purchasing Agents or its affiliates have repurchased notes sold by or for the account of such Purchasing Agent in stabilizing or short covering transactions.

In connection with any Tranche of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in the applicable Issue Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Tranche Series of Notes is made and, if begun, may be ended at any time, but it shall, in any event, end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilizing shall be conducted in compliance with all relevant laws, guidelines and regulations.

Neither the Issuer nor any of the Purchasing Agents makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither the Issuer nor any of the Purchasing Agents makes any representation that the Purchasing Agents will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

None of the Purchasing Agents is under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of Notes with liquidity or that it will be sustained. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the maturity of such Notes.

Each of the Purchasing Agents severally and not jointly has represented, warranted and agreed with respect to offers and sales outside the United States that it will (to the best of its knowledge after due inquiry) comply with all applicable laws and regulations in each country or jurisdiction outside of the United States in or from which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum for such Notes or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Issuer and Guardian shall have no responsibility therefor.

The Issuer has agreed to indemnify the several Purchasing Agents against certain liabilities, including liabilities under the Securities Act.

The Purchasing Agents and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Purchasing Agents and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and to persons and entities with relationships with the Issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Purchasing Agents and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. Certain of the Purchasing Agents or their respective affiliates that have a lending relationship with Guardian or its affiliates routinely hedge, and certain other of those Purchasing Agent or their respective affiliates may hedge, their credit exposure to Guardian consistent with their customary risk management policies. Typically, such Purchasing Agents and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of Guardian or its affiliates, and potentially the Notes offered hereby by the Issuer. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Purchasing Agents and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

UNITED STATES

The Notes have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "Purchase and Transfer Restrictions."

Each of the Purchasing Agents has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it will make offers and sales of the Notes only to persons whom it reasonably believes to be (i) qualified institutional buyers as defined in Rule 144A under the Securities Act or (ii) to persons other than "U.S. persons" in "offshore transactions" (each as defined in Regulation S). Each purchaser of Notes, in making its purchase, will be deemed to have made certain acknowledgments, representations and agreements as set forth herein under "Purchase and Transfer Restrictions."

The Issuer is not subject to the reporting requirements of the Exchange Act. The Issuer has agreed that, at any time while the Notes are outstanding, it will furnish the Holders of Notes and prospective purchasers designated by such Holders, upon request, the information required to be delivered by Rule 144A(d)(4) under the Securities Act.

Except as otherwise defined in the preceding paragraphs, terms used therein have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

"Restricted Period" as used in the preceding paragraph shall be the period beginning upon the completion of the distribution of the Notes of the applicable Tranche and the date of the closing of the offering, whichever is later, as determined and certified by the applicable Purchasing Agent, and continuing for 40 consecutive days; *provided, however,* that all offers and sales of the Notes by the Issuer or any of the Purchasing Agents of Notes held by the Issuer or such Purchasing Agent as part of an unsold allotment shall be deemed to be made during the Restricted Period.

CANADA

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the Purchasing Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

JAPAN

Each Purchasing Agent understands that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act no. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"), and such Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it will not, directly or indirectly, offer or sell any Notes in Japan or to or for the benefit of any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time.

PROHIBITION ON SALES TO EEA RETAIL INVESTORS

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Issue Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the EU Prospectus Regulation.

(b) the expression "offer" includes communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

This Offering Memorandum has been prepared on the basis that any offer of the Notes in any Member State of the EEA will be only made to EU Qualified Investors. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of the offering contemplated in this Offering Memorandum and any related Issue Terms may only do so to EU Qualified Investors in the EEA.

Each person in a Member State of the EEA who receives any communication in respect of, or who acquires any Notes under, the offer contemplated in this Offering Memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted and agreed to and with the Issuer, Guardian and the Purchasing Agents that it and any person on whose behalf it acquires Notes is not a "retail investor" as defined above.

Neither the Issuer nor Guardian have authorized nor do they authorize the making of any offer of the Notes through any financial intermediary on their behalf, other than offers made by the Purchasing Agents with a view to the final placement of the Notes as contemplated in this Offering Memorandum. Accordingly, no purchaser of the securities, other than the Purchasing Agents, is authorized to make any further offer of the Notes on behalf of the sellers or the Purchasing Agents.

UNITED KINGDOM

Prohibition of Sales to United Kingdom Retail Investors

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that, it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum, as completed by the applicable Issue Terms, to any retail investor in the United Kingdom. For the purposes of this provision:

(i) the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of the U.K. MiFIR; or

(c) not a qualified investor as defined in Article 2 of EU Prospectus Regulation as it forms part of domestic law by virtue of EUWA.

(ii) the expression "offer" includes communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

This Offering Memorandum has been prepared on the basis that any offer of Notes in the United Kingdom will be only be made to U.K. Qualified Investors. Accordingly, any person making or intending to make an offer in the U.K. of Notes which are the subject of the offering contemplated in this Offering Memorandum and any related Issue Terms may only do so to U.K. Qualified Investors in the U.K.

This Offering Memorandum is not a prospectus for the purposes of the U.K. Prospectus Regulation.

This Offering Memorandum, any Issue Terms and any other documents or materials relating to the issue of the Notes are only being distributed to, and are only directed at, (1) persons who are outside the United Kingdom, (2)

persons falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), (3) persons falling within Article 49(2)(a) to (d) of the Order (high net worth entities, unincorporated associations, etc.) or (d) other persons to whom it may lawfully be communicated (each such person being referred to as a "relevant person"). Any person who is not a relevant person should not act or rely on this Offering Memorandum or any of its contents. In the U.K., any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Other Restrictions

Each Purchasing Agent further represents and agrees, and each further Purchasing Agent appointed under the Program will be required to represent and agree that:

(i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business, and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

THE REPUBLIC OF IRELAND

Each Purchasing Agent has agreed and each further Purchasing Agent appointed under the Program will be required to agree, that:

(i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2011 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989;

(iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Irish Regulations 2005 (as amended) and any rules issued by the Central Bank) pursuant thereto;

(iv) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the EU Prospectus Regulation and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank; and

(v) no Notes will be offered or sold with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

HONG KONG

Each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO")) other than: (a) to "professional investors" as defined in the SFO and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that Ordinance.

THE NETHERLANDS

Each Purchasing Agent has represented and agreed that, and each further Purchasing Agent appointed under the Program will be required to represent and agree that, it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell in the Netherlands any Notes other than (i) Notes with a minimum denomination of €50,000 (or its foreign currency equivalent) which Notes are fully paid up at their issuance, (ii) to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises) or (iii) in circumstances where one of the exceptions to or exemptions from the prohibitions contained in article 3 of the Securities Transactions Supervision Act 1995 ("*Wet toezicht effectenverkeer 1995*") is applicable and the conditions attached to such exemption are complied with.

BELGIUM

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered or sold and it will not offer or sell the Notes to, any consumer (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*) in Belgium.

THE FEDERAL REPUBLIC OF GERMANY

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that it will comply with the Securities Trading Act for the Federal Republic of Germany (*Wertpapierhandelsgesetz*; the "STA") and, in particular, that Notes may be issued, offered or sold in the Federal Republic of Germany only in accordance with the STA and other laws that supersede or supplement the STA and all other applicable laws and regulations as well as relevant administrative practices of the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* - BaFin).

THE REPUBLIC OF FRANCE

Notes may only be issued, offered or sold, directly or indirectly, in the Republic of France in accordance with Articles L.411-1 and L.411-2, 1° or L. 411-2-1, 3° of the Code *monétaire et financier* and applicable regulations thereunder.

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in the Republic of France (other than in accordance with Articles L.411-2, 1° or L. 411-2-1, 3° of the *Code monétaire et financier*), and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in the Republic of France, the Offering Memorandum or any other offering material relating to the Notes in the context of a public offering (other than in accordance with Articles L.411-2, 1° or L. 411-2-1, 3° of the *Code monétaire et financier*) of securities in the Republic of France within the meaning of Article L. 411-1 of the *Code monétaire et financier*, and therefore, the Offering Memorandum or any other offering material relating to the Notes have not been and will not be filed with the French *Autorité des Marchés Financiers* (the "AMF") for prior approval or submitted for clearance to the AMF and, more generally, no prospectus has been prepared in connection with the offering of the Notes that has been approved by the AMF or by the competent authority of another state that is a contracting party to the Program on the European Economic Area and notified to the AMF, and that such offers, sales and distributions have been and shall only be made in the Republic of France to (i) qualified investors (*investisseurs qualifiés*) within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended, and/or (ii) a restricted circle of investors (*cercle restreint d'investisseurs*), in accordance with Articles L.411-1 and L.411-2 of the Code *monétaire et financier* and/or (iii) in accordance with L. 411-2-1, 3° of the Code *monétaire et financier* and applicable regulations thereunder, all as defined in, and in accordance with Articles L. 411-1 to L. 411-4, L. 412-1 and L. 621-8 to L. 621-8-2 of the Code monétaire of the *Code monétarie et financier*.

SWITZERLAND

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

SINGAPORE

Each Purchasing Agent has acknowledged, and each further Purchasing Agent appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA.

PURCHASE AND TRANSFER RESTRICTIONS

Other than with respect to the listing of certain Notes on the relevant securities exchange as may be specified in the applicable Issue Terms, no action has been or will be taken by the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Memorandum or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Each Purchasing Agent has severally and not jointly covenanted that it will not solicit offers to purchase, or offer or sell, Notes by any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act. Persons into whose hands this Offering Memorandum, any applicable Issue Terms or any other offering material comes must comply with all applicable laws and regulations, including anti-money laundering rules, applicable to the issuance and sale of securities in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute this Offering Memorandum, any applicable Issue Terms or any other offering material, in all cases at their own expense.

Selling and transfer restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the applicable Issue Terms (in the case of a supplement or modification relevant only to a particular Series of Notes) or (in any other case) in a supplement to this Offering Memorandum.

The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and applicable state or foreign securities laws.

Each initial purchaser, subsequent purchaser and transferee (each, a "purchaser") of a beneficial interest in the Notes will be deemed to have represented, warranted and agreed that:

- It understands that the Notes have not been and will not be registered under the Securities Act or any other securities law and may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, a United States person except in accordance with applicable laws and the following provisions.
- It understands that the Issuer has not been and will not be registered as an investment company under the Investment Company Act.
- Either (i) it is not, and is not acquiring the Notes or any beneficial interest therein on behalf of or with "plan assets" of, a Plan, a Plan Asset Entity, a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan or (ii)(A) in the case of a Plan or Plan Asset Entity, its purchase, holding and disposition of the Notes or any beneficial interest therein is exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1, PTCE 84-14, the Service Provider Exemption or another applicable exemption, or (B) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws. This representation shall be deemed made on each day from the date on which the purchaser acquires the Notes through and including the date on which the purchaser disposes of the Notes.
- It understands that the Notes may not be transferred to, or acquired or held by, an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers' mutual aid association or other Arkansas domestic company regulated by the Arkansas Insurance Department.
- It is its intent and it understands it is the intent of the Issuer, for purposes of United States Federal, state and local income and franchise taxes, that the Notes be treated as indebtedness of Guardian, and it agrees to such treatment and agrees to take no action inconsistent with such treatment.
- It understands that any offer, sale, pledge or other transfer of Notes is subject to the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.
- It will inform each person to whom the Notes or any beneficial interests therein are offered, resold, pledged or otherwise transferred of the restrictions on the transfer of the Notes.

- It acknowledges that the Issuer, the Purchasing Agents and their affiliates will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- It understands that, unless the Issuer determines otherwise in accordance with applicable law, certificates representing the Notes will bear a legend reflecting these representations and agreements.

Each purchaser of a beneficial interest in a Temporary Global Note will be deemed to have represented, warranted and agreed that:

- It understands that such Notes may be offered, sold, pledged or otherwise transferred only (i)(a) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (b) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A, (ii) in accordance with all applicable laws and (iii) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.

After the expiration of the applicable Distribution Compliance Period, any offer, sale, pledge and other transfer, within the United States or to, or for the benefit of a U.S. person, of any Notes initially sold pursuant to Regulation S, that is otherwise permitted by, and is in accordance with, all applicable laws and the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes, may be made only to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that such offer, sale, pledge, or transfer is being made in reliance on Rule 144A.

Each purchaser of a beneficial interest in Notes sold pursuant to Rule 144A will be deemed to have represented, warranted and agreed that:

- If it should offer, sell, pledge or otherwise transfer the Notes it will only do so (i) in compliance with the Securities Act and other applicable laws, (ii) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes and (iii) only (a) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A, (b) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act or (c) pursuant to any other exemption from the registration requirements of the Securities Act, subject to the receipt by the Issuer or the Indenture Trustee of an opinion of counsel or such other evidence which they may reasonably require (obtained at the expense of the holder of such Note) that such offer, sale or transfer is in compliance with the Securities Act and other applicable laws and is in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.
- It is a qualified institutional buyer within the meaning of Rule 144A, it is acquiring such Notes for its own account or for the account of a qualified institutional buyer and it is aware, and each Beneficial Note Owner has been advised that the offer, sale, pledge or other transfer of such Notes to it is being made in reliance on Rule 144A.
- If it is acquiring any Notes for the account of one or more qualified institutional buyers, it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations, and agreements on behalf of each such account.

In addition, each purchaser of a beneficial interest in the Notes will be deemed to have represented, warranted and agreed that:

- It understands that, in any rehabilitation, liquidation or conservation relating to Guardian under New York law as in effect on the date of the Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest would be accorded a priority equal to that of policyholders of Guardian (*i.e.*, would rank *pari passu* with the claims under insurance policies issued by Guardian) and superior to the claims of general creditors of Guardian.

- It understands that in the event of Guardian's insolvency, rehabilitation or liquidation, claims under the Funding Agreements will not be covered by The Life Insurance Company Guaranty Corporation of New York.
- It understands that the obligations of Guardian under the Funding Agreements are not obligations of, and are not guaranteed by, any other person.
- It understands that no person is permitted to distribute, market, sell, represent or otherwise refer to the Notes as an insurance product, contract or policy or funding agreement or as a direct interest in any insurance product, contract or policy or funding agreement.
- It understands that because the primary assets of the Issuer will be one or more funding agreements issued by a life insurance company, there is a risk that the transfer of the Notes could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected.

LEGAL MATTERS

Certain matters regarding the Notes and their offering will be passed upon on the date hereof:

- for Guardian by Willkie Farr & Gallagher LLP (as to New York law, United States Federal securities law and certain insurance regulatory matters);
- for Guardian and the Issuer by Willkie Farr & Gallagher LLP (as to United States Federal tax law);
- for the Purchasing Agents by Debevoise & Plimpton LLP (as to New York law and United States Federal law); and
- for the Issuer and the Administrative Trustee by Richards, Layton & Finger, P.A. (as to Delaware law).

Certain matters (as to New York law) will be passed upon on the date hereof for Guardian by the Chief Legal Counsel of Guardian or another officer in the Office of the Chief Legal Counsel of Guardian.

GENERAL INFORMATION

IRISH LISTING

This document has been approved by Euronext Dublin as an Offering Memorandum. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may also be (i) listed or admitted to trading on a regulated market (as defined under the EU Prospectus Regulation), (ii) listed or admitted to trading on a securities exchange which is not a regulated market, or (iii) not listed or admitted to trading on any regulated market or any other securities exchange.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the GEM.

If any European and/or national legislation is adopted and is implemented or takes effect in Ireland in a form that would require either Guardian or the Issuer to publish or produce its financial statements according to accounting principles that are materially different from NAIC SAP or that would otherwise impose requirements on either of Guardian or the Issuer that such entity in good faith determines are impracticable or unduly burdensome, Guardian or the Issuer may elect to de-list the Notes. Each of Guardian and the Issuer will use its reasonable efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system outside the EU, as the Issuer and Guardian may decide with the prior approval of the relevant Purchasing Agent(s). If such an alternative admission is not available to Guardian or the Issuer, or is, in either such entity's opinion, unduly burdensome, an alternative admission may not be obtained. Notice of any de-listing and/or alternative admission will be given as described in "General Information—Notices" herein.

AUTHORIZATIONS

The Issuer's participation in the Program, including updating Program documents, establishing additional Series and issuing additional Notes with respect to each such additional Series, is authorized under the Trust Agreement. Guardian's acts in connection with the establishment of the Program and its ongoing acts thereunder were authorized pursuant to resolutions adopted by the Board of Directors on February 24, 2016 and April 12, 2016.

CLEARANCE

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. In addition, the Issuer will make an application with respect to the Notes to be accepted for trading in book-entry form by DTC. With respect to each Series of Notes, any applicable CUSIP number, together with any applicable ISIN and/or common code will be specified in the applicable Issue Terms. The applicable Issue Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

LITIGATION

Except as disclosed in "Business of the Issuer—Legal Proceedings" on page 55 of this Offering Memorandum, the Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during the previous 12 months, which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability.

Material pending litigation and regulatory matters affecting Guardian and certain risks related to its business presented by such matters are discussed in "Business of the Issuer—Legal Proceedings." Except as disclosed in this Offering Memorandum, Guardian has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Guardian is aware), during the previous 12 months, which may have, or have had in the recent past, significant effects on Guardian's financial position or profitability.

NOTICES

All notices regarding Notes of a Series will be mailed to the registered Holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon (i) in the case of Holders, the mailing by first class mail, postage prepaid, of such notices to each Holder entitled thereto at such Holder's registered address as recorded in the applicable Note Register and publication in a leading daily newspaper having general circulation in Ireland (which is expected to be the *Irish Times*), and (ii)(a) so long as the Notes of a Series are admitted to the Official List and trading on the GEM, publication of such notice to each Holder of the Notes of such Series in the English language on the website of Euronext Dublin at https://live.euronext.com/ via the Companies Announcement Service or (b) so long as the Notes of a Series are listed on a securities exchange other than Euronext Dublin or if the publication required in (iii)(a) is not practicable, in one other leading English language daily newspaper with general circulation in Europe and in the Principal Financial Center with the greatest nexus to such other securities exchange, if such Series is so listed.

With respect to a Global Note or a Global Certificate held by or on behalf of a Clearing Corporation, notices to the Holders of such Global Note or Global Certificate may be given by delivery of the relevant notice to the Clearing Corporation for communication by it to entitled accountholders in substitution for publication or by delivery of the relevant notice to the Holder of the relevant Global Note or Global Certificate.

FOREIGN LANGUAGE

The language of this Offering Memorandum is English. Certain legislative references and technical terms have been cited in their original language under "Plan of Distribution" in order that the correct technical meaning may be ascribed to them under applicable law.

INDEPENDENT AUDITORS

The financial statements as of December 31, 2025, 2024 and 2023, and for each of the three years in the period ended December 31, 2025, included in this offering circular, have been audited by PricewaterhouseCoopers LLP, independent auditors, as stated in their report appearing herein.

NO MATERIAL ADVERSE CHANGE

There has been no material adverse change in the prospects of Guardian since December 31, 2025 (the date of the last published annual audited statutory financial statements of Guardian). There has been no significant change in the financial or trading position of Guardian since December 31, 2025.

TRANSFERABILITY

Subject to the selling and transfer restrictions described under "Purchase and Transfer Restrictions" and "Plan of Distribution" and subject to the terms and conditions of the Notes, as described in "Description of the Notes", the Notes will be freely transferable.

DOCUMENTS AVAILABLE

For so long as the Program remains in effect or any Notes shall be outstanding, upon request the Issuer will provide without charge copies of the following documents:

(i) this Offering Memorandum;
(ii) the Indenture, each Series Indenture, the Trust Agreement, each Series Trust Agreement and the Certificate of Trust (all as defined herein);
(iii) the Charter and By-Laws of Guardian;

(iv) any amendments and supplements to this Offering Memorandum that remain in effect at the time of the offering of the Series of Notes and which have not been modified or superseded by any other amendment or supplement to this Offering Memorandum;

(v) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Offering Memorandum;

(vi) all financial statements of the Issuer generally and with respect to the applicable Series of the Issuer prepared after the date hereof, if any;

(vii) a copy of each Funding Agreement relating to any Series of Notes listed on any securities exchange (*provided*, that, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Funding Agreement relating to such Series of Notes will be available for inspection and can be obtained free of charge by a Holder of any Notes of such Series); and

(viii) all amendments and supplements to this Offering Memorandum and each Issue Terms relating to any Series of Notes listed on any securities exchange prepared by the Issuer from time to time (*provided*, that, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Issue Terms relating to such Series of Notes will be available for inspection and can be obtained free of charge by a Holder of any Notes of such Series).

Copies of such documents may also be inspected in physical format during normal business hours at the office of the Issuer located at c/o: Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890. In addition, copies of such documents will be available in physical format free of charge from the principal office of the Paying Agent for Notes listed on Euronext Dublin and from the relevant Paying Agent(s) with respect to Notes not listed on any securities exchange.

This Offering Memorandum and any amendment or supplement to this Offering Memorandum or new Offering Memorandum, as the case may be, will be published on the website of Euronext Dublin.

The information on any web site mentioned in this Offering Memorandum or any web site directly or indirectly linked to any web site mentioned in this Offering Memorandum is not a part of, or incorporated by reference into, this Offering Memorandum and investors in the Notes should not rely on it.

Other than as set forth above under "Documents Available" or as provided in any supplement hereto, and any Issue Terms, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

FORM OF ISSUE TERMS

Issue Terms No. [●] dated [●]

Guardian Life Global Funding

Legal Entity Identifier: 635400NHILJ5JEKILC36
$10,000,000,000

GLOBAL DEBT ISSUANCE PROGRAM
Notes due [●]

[Principal Amount of Notes]

These Issue Terms should be read in conjunction with the accompanying Offering Memorandum dated April 7, 2026 [and the supplement[s] to it dated [●] [and [●]]] (the "Offering Memorandum") relating to the $10,000,000,000 Global Debt Issuance Program of Guardian Life Global Funding (the "Issuer").

Neither the Offering Memorandum nor this Issue Terms is a prospectus for the purposes of the Prospectus Regulation (EU) 2017/1129 (the "EU Prospectus Regulation").

Prohibition of Sales to EEA Retail Investors - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

[MIFID II product governance / target market - *appropriate target market legend to be included*.][1]

United Kingdom

Neither the Offering Memorandum nor this Issue Terms is a prospectus for the purposes of Article 8 of the Prospectus Regulation (EU) 2017/1129 as it forms part of U.K. domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (the "U.K. Prospectus Regulation").

Prohibition of Sales to United Kingdom Retail Investors - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the U.K. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of U.K. domestic law by virtue of the European Union (Withdrawal) Act of 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (the "EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "FSMA"), and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of U.K. MiFIR; or (iii) not a qualified investor as defined in the U.K. Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of U.K. domestic law by virtue of the EUWA (the "U.K. PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the

[1] Only to be included if there are any Purchasing Agents acting as "manufacturers."

United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the U.K. PRIIPs Regulation.

[U.K. MiFIR product governance / target market - *appropriate target market legend to be included*.][2]

Singapore

Each [relevant Purchasing Agent] has acknowledged that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each [relevant Purchasing Agent] has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA.

[**IMPORTANT NOTICE TO PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT**

Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes, including [relevant Purchasing Agents], are "capital market intermediaries" ("CMIs") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "SFC Code"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the SFC Code as having an association ("Association") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (*i.e.*, two or more corresponding or identical orders placed via two or more CMIs). [A rebate of [●] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering] based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.] [Details of any such rebate will be set out in these Issue Terms or otherwise notified to prospective investors.] If a prospective investor is an asset management arm affiliated with any [relevant Purchasing Agent], such prospective investor should indicate when placing an order if it is for a fund or portfolio where the [relevant Purchasing Agent] or its group company has more than 50 per cent interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering.

[2] Only to be included if there are any Purchasing Agents acting as UK "manufacturers."

Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any [relevant Purchasing Agent], such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the [relevant Purchasing Agent] when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

[Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the [relevant Purchasing Agents] and/or any other third parties as may be required by the SFC Code, including to the Issuer, any "overall coordinators", relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.][3]][4]

Guardian may from time to time make certain information available on its website at www.guardianlife.com/financial-highlights. **The information contained on or connected to Guardian's website is not a part of this Offering Memorandum, and you should not rely on any such information in making your decision whether to purchase Notes**.

PART A - CONTRACTUAL TERMS

Terms used herein and not otherwise defined herein shall have the meanings ascribed in the Offering Memorandum [This document constitutes the Issue Terms of the Notes described herein and must be read in conjunction with the Offering Memorandum].[5] Full information regarding the Issuer and the offer of the Notes is only available on the basis of the combination of these Issue Terms and the Offering Memorandum. The Offering Memorandum is available for viewing in physical format during normal business hours at the registered office of the Issuer located at c/o: Wilmington Trust, National Association, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890. In addition, copies of the Offering Memorandum and these Issue Terms will be available in physical format free of charge from the Paying Agent. In addition, the Offering Memorandum has been published on the website of Euronext Dublin at https://live.euronext.com/.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Issue Terms.]

[For Notes denominated in sterling, if the Notes have a maturity of less than one year from the date of their issue, the minimum Authorized Denomination of the Notes must be £100,000 (or its equivalent in another currency).]

Issuer:		**Guardian Life Global Funding**
(i)	Series Number:	[●]
	(ii) Tranche Number:	[●]
	[*(If fungible with an existing Series, details of that Series, including the*	

[3] Each CMI to provide any bespoke underlying investor information handling requirements they deem necessary. Consider including link(s) to any relevant external Data Privacy Notice that the Managers require to share with CMIs (including Private Banks).

[4] To be included for transactions involving intermediaries that are subject to the SFC Code.

[5] Remove if Series of Notes are unlisted.

Issuer:	**Guardian Life Global Funding**
date on which the Notes become fungible).]	
Specified Currency or Currencies:	[●]
Redenomination:	[Not applicable][The Issuer may redenominate Notes issued in [●] into Euro.]
Principal Amount of Notes [admitted to trading]:	[●]
Issue Price:	[●] per cent of the Principal Amount of the Notes [plus accrued interest from [*insert date* (*in the case of fungible issues only if applicable*)]
Authorized Denominations:	[●] and integral multiples of [●] in excess thereof
[(i)] Issue Date:	[●]
[(ii)] Interest Commencement Date if different from the Issue Date:	[[●]/Not Applicable]
Stated Maturity Date:	[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
Interest Rate Basis:	[[●] % Fixed Rate] [Compounded SOFR / SOFR / CMT Rate / Commercial Paper Rate / Money Market Yield / EURIBOR / Federal Funds Rate / / Prime Rate / Treasury Rate / Bond Equivalent Yield +/- [●] % Floating Rate] [Discount Notes]
Amortization:	[●] [Not Applicable]
Redemption/Payment Basis:	[Redemption at par] [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100]% of their nominal amount.]
Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

Fixed Rate Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Rate[(s)] of Interest:	[●] per cent per annum [payable [annually/semi-annually/quarterly/monthly] in arrears]
(ii)	Interest Payment Date(s):	[●] in each year, commencing on [●] [adjusted in accordance with the Business Day Convention specified below / not adjusted] [*N.B. This will need to be amended in the case of long or short coupons*]
(iii)	Fixed Coupon Amount[(s)]:	[●] per [●] in Authorized Denomination
(iv)	Broken Amount(s):	[*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]*]
(v)	Day Count Fraction:	[Actual/365 / Actual/Actual (Historical) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / Actual/Actual (Bond)]

Issuer:		**Guardian Life Global Funding**
(vi)	Business Day Convention:	Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention]
(vii)	Interest Determination Dates:	[●] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual/other*)
(viii)	Regular Interest Record Dates:	[*specify each Regular Interest Record Date*]
Floating Rate Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Designation:	Regular Floating Rate Notes
(ii)	Interest Payment Dates:	[●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Center(s) for the definition of "Business Day"*]/not adjusted]
(iii)	Business Day Convention:	Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention]
(iv)	Business Center(s):	[The financial center most closely connected to the Reference Rate - *specify if not London*] See Reference Rate below
(v)	Initial Interest Rate:	[●] per cent per annum
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(vii)	Calculation Agent:	Citibank, N.A., London Branch [In the event that appointment of the Calculation Agent is terminated by the Calculation Agent or Issuer, the Issuer shall appoint a successor Calculation Agent promptly and in no event later than the next succeeding date upon which the Rate(s) of Interest is/are to be determined.]
(viii)	Screen Rate Determination:	[●]
	- Reference Rate:	[CMT Rate / Commercial Paper Rate / Money Market Yield / EURIBOR / Federal Funds Rate / Prime Rate / SOFR / Compounded SOFR / Compounded Daily SONIA / Treasury Rate / Bond Equivalent Yield]
	- Index Maturity:	[●]
	- Interest Determination Date(s):	[●] (*Second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR*)
	- Relevant Screen Page:	[*specify Relevant Screen Page*] (*In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
(ix)	Spread:	[+/-][●] percent per annum

Issuer:		**Guardian Life Global Funding**
(x)	Day Count Fraction:	[Actual/365 / Actual/Actual (Historical) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / Actual/Actual (Bond)]
(xi)	Interest Reset Dates:	[*specify each Interest Reset Date and note whether it is subject to adjustment*]
(xii)	Regular Interest Record Dates:	[*specify each Regular Interest Record Date*]
(xiii)	SONIA Lag Period (*p*):	[[5/[●]] London Business Days/Not Applicable]
(xiv)	Maximum Interest Rate:	[●]%
(xv)	Minimum Interest Rate:	[●]%
Discount Notes Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	[Amortization/Accrual] Yield:	[●] per cent per annum
(ii)	Reference Price:	[●]
(iii)	Day Count Fraction:	[●]

PROVISIONS RELATING TO REDEMPTION

Early Redemption Amount	
Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on an Event of Default:	[●] per Note of [●] authorized denomination

GENERAL PROVISIONS APPLICABLE TO THE NOTES

Form of Notes:	Notes: Rule 144A Global Notes: The Notes will initially be represented by one or more DTC Global Notes deposited with Citibank, N.A., London Branch, as depositary for, and registered in the name of a nominee of, DTC as depositary. Regulation S Global Notes: Notes sold outside of the United States in accordance with Regulation S will initially be issued in the form of one or more Temporary Global Notes. Upon the expiration of the applicable Distribution Compliance Period, beneficial interests in a Temporary Global Note will be exchangeable for beneficial interests in one or more Permanent Global Notes, as and to the extent provided in the Temporary Global Note. The Temporary Global Notes and the Permanent Global Notes will be deposited [with Citibank, N.A., London Branch as depositary for, and registered in the name of a nominee of, DTC as depositary]/[with a common depositary and registered in the name of Citivic Nominees Limited as nominee for Euroclear and Clearstream, Luxembourg].]

Issuer:	**Guardian Life Global Funding**
Principal Financial Center(s) or other special provisions relating to Interest Payment Dates:	[New York, New York] [specify any additional principal financial center]
Details relating to Amortizing Notes: amount of each installment, date on which each payment is to be made:	[Not Applicable/*give details*]
Definitive Notes at Request of Holder:	[Applicable/Not Applicable]

DISTRIBUTION

(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
(ii) Stabilizing Manager(s) (if any):	[Not Applicable/*give names*]
(iii) If non-syndicated, name of Dealer:	[Not Applicable/*give names*]
(iv) Prohibition of sales to EEA Retail Investors:	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
(v) Prohibition of sales to United Kingdom Retail Investors:	[Applicable/Not Applicable] (*If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)*
If non-syndicated, name of Dealer:	[Not Applicable/*give names*]

INFORMATION RELATING TO THE FUNDING AGREEMENT

Funding Agreement Provider:	The Guardian Life Insurance Company of America ("Guardian")
Funding Agreement Number:	[●] (the "Relevant Funding Agreement")
Deposit Amount:	[●]
Effective Date:	[●]
Maturity Date:	[●]

RATINGS

Ratings:	[The Notes are expected to be rated: [S&P: [●]] [Moody's: [●]] [A.M. Best: [●]] The Program is rated: [Moody's: [●]] The ratings of the Notes should be evaluated independently from similar ratings of other types of securities. A security rating is not a recommendation to buy, sell or hold securities

Issuer:	**Guardian Life Global Funding**
	and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.]
	[The Notes are not expected to be rated.]
OPERATIONAL INFORMATION	
CUSIP Number(s):	[●]
ISIN Code(s):	[●]
Common Code(s):	[●]
CFI:	[Not Applicable/[●], as updated as set out on the website of the Association of National Number Agencies (ANNA)]
FISN:	[[Not Applicable/[●], as updated as set out on the website of the Association of National Number Agencies (ANNA)]
	(*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)
Relevant Clearing System(s):	[The Depository Trust Company/Euroclear and Clearstream, Luxembourg]
Delivery:	[Delivery [against/free of] payment]
Name and addresses of additional Paying Agent(s) (if any):	[●]
Tradeable Amount:	[●]

PART B - OTHER INFORMATION

LISTING

(i) Listing:	[Euronext Dublin / None]
(ii) Admission to trading:	[Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on the GEM with effect from [ ].] [Not Applicable.]
(iii) Estimate of total expenses related to admission to trading:	[●]

USE OF PROCEEDS

The proceeds from the current sale of the Notes, net of underwriting discounts and commissions or similar applicable compensation, will be used by the Issuer to purchase the Relevant Funding Agreement from Guardian.

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE AND THE OFFER OF THE NOTES

[Except as discussed in "Plan of Distribution" in the Offering Memorandum, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the issue and the offer of the Notes.]

[*FIXED RATE NOTES ONLY* - YIELD

Indication of yield:	[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

[LISTING AND ADMISSION TO TRADING APPLICATION
These Issue Terms comprise the issue terms required to list and have admitted to trading the issue of Notes described herein on Euronext Dublin pursuant to the Issuer's $10,000,000,000 Global Debt Issuance Program.]

BENCHMARKS
Details of benchmarks administrators and registration under Benchmarks Regulation: [[Specify benchmark] is provided by [administrator legal name]. As at the date hereof, [administrator legal name] [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation. [As far as the Issuer and Guardian are aware, the transitional provisions in Article 51 of the Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds apply, such that [administrator legal name] is not currently required to obtain authorization/registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]/[Not Applicable]

RESPONSIBILITY STATEMENT
The Issuer accepts responsibility for the information contained in these Issue Terms. The Issuer confirms that, having taken all reasonable care to ensure that such is the case, the information given in these Issue Terms is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

These Issue Terms are executed and delivered by Wilmington Trust, National Association ("WTNA"), not individually or personally but solely as Administrative Trustee of the Issuer, in the exercise of the powers and authority conferred and vested in it, (a) each of the representations, undertakings and agreements herein made on the part of the Issuer is made and intended not as personal representations, undertakings and agreements by WTNA but is made and intended for the purpose of binding only the Issuer, (b) nothing herein contained shall be construed as creating any liability on WTNA, individually or personally, to perform any covenant either expressed or implied contained herein of the Trust, all such liability, if any, being expressly waived by the parties hereto and by any Person claiming by, through or under the parties hereto, (c) WTNA has made no investigation as to the accuracy or completeness of any representations and warranties made by the Issuer in this Agreement and (d) under no circumstances shall WTNA be personally liable for the payment of any indebtedness or expenses of the Issuer or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Issuer under these Issue Terms or any other related documents.

[*Signature page follows*]

Signed on behalf of

Guardian Life Global Funding,
with respect to Series [●]

By: Wilmington Trust, National Association,
not in its individual capacity
but solely as Administrative Trustee

By: _____

GLOSSARY

The following Glossary includes general definitions of certain insurance terms as well as other terms relating specifically to Guardian.

Admitted assets: Assets which are included in an insurance company's financial statements to measure surplus as determined in accordance with state insurance laws. Other assets, consisting principally of amounts due from insurance agents, prepaid expenses and furniture and equipment are treated as "nonadmitted assets" for statutory accounting purposes.

Annual Statement: The reports filed annually with state insurance regulatory authorities that contain financial and other information on a calendar year basis and are prepared in accordance with statutory accounting practices. The form of the annual statement is prescribed by the NAIC.

Annuity: A contract that pays or permits the election of a periodic income benefit for the life of a person, the lives of two or more persons or a specific period of time.

Apportioned Dividend Liability: The estimated amount of all dividends declared by Guardian's Board of Directors prior to the end of the statement year which are not yet paid or due at the end of the year.

Asset Valuation Reserve ("AVR"): The reserve required by insurance regulators to stabilize statutory surplus from non interest-related fluctuations in the market value of bonds, stocks, mortgage loans, real estate and other invested assets.

Carrying Value: The value of an asset as carried on an insurance company's balance sheet, as determined in accordance with SAP.

Cash Value: The amount of cash available to a policyholder on the surrender of a life insurance policy or annuity contract.

Cede: When an insurer reinsures its liability with another insurer (a "cession"), it "cedes" business and is referred to as the "ceding company."

Disability Income Insurance: Insurance which provides income payments to the insured when employment is interrupted or terminated because of illness, sickness or accident. The level, timing and duration of payments vary by policy type.

Dividend Scales: The schedule of amounts payable as dividends on participating policies based on experience factors relating to, among other things, investment results, mortality, lapse rates, expenses, premium taxes and policy loan interest and utilization rates.

Equity Real Estate: An investment asset category which combines wholly owned real estate and interests in real estate joint ventures.

GAAP: Accounting Principles Generally Accepted in the United States of America.

General Account: The aggregate of an insurer's assets other than those allocated to Separate Accounts.

General Account Assets: The assets held in the General Account associated with the operations of an insurance company which include bonds, mortgages, real estate, equity interests, policy loans, cash and short-term investments and other invested assets.

Insurance Subsidiaries: Collectively, the significant operating insurance subsidiaries of Guardian, mainly GIAC.

Interest Maintenance Reserve ("IMR"): The reserve required by insurance regulators to capture interest rate-related realized capital gains and losses (net of taxes) on fixed income investments (primarily bonds and mortgage loans), which are amortized into net investment income over the estimated remaining periods to maturity of the investments sold.

Investment Reserves: Collectively, the AVR and other investment reserves.

Lapse: Termination of a policy because of surrender, failure to pay a premium or lack of sufficient cash value to maintain in-force status.

Lapse Rate: The ratio of the amount of lapses during a period to the amount of insurance in force or amount of premium at the beginning of the period.

Morbidity: Rates and duration of disability varying by such things as age, gender and duration since disability, used in pricing and valuing disability income insurance products.

Mortality: Rates of death, varying by such parameters as age, gender and health, used in pricing and valuing life and annuity products.

National Association of Insurance Commissioners ("NAIC"): The national association of state insurance regulators that sets guidelines for statutory policies, procedures and reporting for insurance enterprises.

Participating Policyholder: A policyholder who participates in the divisible surplus of an insurance company through policyholder dividends to the extent declared by an insurer's Board of Directors.

Persistency: Measurement of life insurance or other insurance policies remaining in force from year to year.

Policy: A life, accident, health, annuity, property or casualty contract, issued by an insurance company to an individual or group, that provides financial protection to an insured, owner or beneficiary.

Policyholder Dividends: Premiums for participating policies are set with margins designed and intended to allow for certain refund provisions, usually called policyholder dividends, paid over the term of the policy, if and as declared by the insurer's board of directors, and adjusted, over time, to reflect the actual experience of the class of policies involved.

Reinsurance: The acceptance by one or more insurers, called reinsurers, of a portion of risk underwritten by another insurer who has directly written the coverage in return for a portion of the premium relating thereto. The legal rights of the insured generally are not affected by the reinsurance transaction and the insurance enterprise issuing the insurance contract remains liable to the insured for payment of policy benefits.

Risk Based Capital ("RBC"): A regulatory measure of the minimum amount of capital needed for an insurance company to support its overall business in light of both its size and risk profile.

Separate Accounts: Investment accounts maintained by an insurer to which funds have been allocated for certain policies under provisions of relevant state insurance law. The investments in each Separate Account are maintained separately from those in other Separate Accounts and the General Account. The investment results of the Separate Account assets normally are passed through to the relevant policyholders.

Statutory Accounting Practices ("SAP"): Those accounting practices prescribed or permitted by an insurer's domiciliary state insurance regulator for purposes of financial reporting to insurance regulators.

Statutory Reserves: Amounts established pursuant to state insurance laws that an insurer must have available to provide for future obligations with respect to all policies. Reserves are liabilities on the balance sheet of financial statements prepared in conformity with statutory accounting practices.

Statutory Surplus: As determined under statutory basis accounting principles, the amount remaining after all liabilities, including loss reserves, are subtracted from all admitted assets. Admitted assets are assets of an insurer permitted by a state to be taken into account in determining the insurer's financial condition for statutory purposes.

Surrenders and Withdrawals: Surrenders of life insurance policies and annuity contracts for their entire net cash surrender values and withdrawals of a portion of such values.

Term Life: Life insurance which provides insurance protection for a fixed period (which generally may be renewed at an increased premium) and has no cash value.

Total Adjusted Capital: Guardian adopted the NAIC's definition of total adjusted capital for purposes of comparison with RBC; defined as Surplus plus AVR plus half the Apportioned Dividend Liability.

Underwriting: The process of examining, accepting or rejecting insurance risks, and classifying those accepted, in order to charge an appropriate premium for each risk accepted.

Universal Life Insurance: Life insurance under which (1) premiums are generally flexible, (2) the level of death benefits may be adjusted and (3) explicit expense, interest, and mortality rates are used to accumulate cash value.

Variable Universal Life Insurance: Same as Universal Life Insurance, except the interest element is replaced by actual performance of one or more Separate Accounts; the entire investment risk is borne by the policyholder.

Whole Life Insurance: These policies provide guaranteed death benefits and guaranteed cash values in return for periodic fixed premium payments or, in the case of single premium whole life policies, a lump sum payment when the policy is issued. Participating whole life insurance provides dividends based on actual experience more favorable than expense, interest, mortality, and persisting assumptions underlying guarantees.

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Report of Independent Auditors

To the Board of Directors of The Guardian Life Insurance Company of America

Opinions

We have audited the accompanying statutory basis financial statements of The Guardian Life Insurance Company of America (the "Company"), which comprise the statutory basis balance sheets as of December 31, 2025, 2024, and 2023, and the related statutory basis statements of operations, of changes in policyholders' surplus, and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements").

Unmodified Opinion on Statutory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the balance sheets of the Company as of December 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended, in accordance with the accounting practices prescribed or permitted by the New York State Department of Financial Services described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2025, 2024, and 2023, or the results of its operations or its cash flows for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 to the financial statements, the financial statements are prepared by the Company on the basis of the accounting practices prescribed or permitted by the New York State Department of Financial Services, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the statutory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices prescribed or permitted by the New York State Department of Financial Services. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule 1 - selected financial data, investment risks interrogatories, and summary investment schedule (collectively referred to as the "supplemental schedules") of the Company as of December 31, 2025 and 2024 and for the years then ended are presented to comply with the National Association of Insurance Commissioners' Annual Statement Instructions and Accounting Practices and Procedures Manual and for purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the financial

statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

PricewaterhouseCoopers LLP
February 24, 2026

The Guardian Life Insurance Company of America
Statutory Basis Balance Sheets
(In Millions)

	As of December 31, 2025	2024
Admitted Assets		
Bonds	$ 57,671	$ 52,866
Common and preferred stocks	1,649	1,370
Mortgage loans	8,622	7,462
Real estate (net of encumbrances: 2025 - $344; 2024 - $344)	252	263
Policy loans	6,573	6,069
Other invested assets	8,753	8,712
Receivable for securities	273	76
Cash, cash equivalents and short-term investments	2,166	2,748
Total invested assets	85,959	79,566
Due and accrued investment income	649	571
Premiums deferred and uncollected	1,208	1,226
Current federal and foreign income tax recoverable and interest thereon	78	173
Net deferred tax asset	845	852
Reinsurance recoverable from affiliate	4,208	4,001
Other assets	838	436
Total admitted assets	$ 93,785	$ 86,825
Liabilities		
Reserves for policy benefits	$ 63,901	$ 60,661
Policyholder dividends payable and other contract liabilities	12,727	10,102
General expenses due or accrued	1,239	1,184
Asset valuation reserve	1,647	1,567
Other liabilities	4,306	4,023
Total liabilities	83,820	77,537
Policyholder's surplus		
Policyholders' surplus	8,462	7,786
Surplus notes	1,503	1,502
Total Policyholder's surplus	9,965	9,288
Total liabilities and policyholder's surplus	$ 93,785	$ 86,825

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Operations
(In Millions)

	For the Years Ended December 31,	
	2025	**2024**
Revenues		
Premiums, annuity considerations and fund deposits	$ 11,329	$ 10,516
Net investment income	4,204	3,435
Other income	331	552
Total revenues	15,864	14,503
Benefits and Expenses		
Benefit payments to policyholders and beneficiaries	6,140	6,232
Net increase to policy benefit reserves	3,240	2,686
Commissions and operating expenses	3,711	3,367
Total benefits and expenses	13,091	12,285
Income from operations before policyholder dividends and taxes	2,773	2,218
Policyholder dividends	(1,706)	(1,566)
Income from operations before taxes and realized capital losses	1,067	652
Income tax expense	(28)	(114)
Income from operations before net realized capital losses	1,039	538
Net realized capital losses	(239)	(357)
Net income	$ 800	$ 181

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Changes in Policyholders' Surplus
(In Millions)

	For the Years Ended December 31,	
	2025	**2024**
Beginning of year balance	$ 9,288	$ 9,072
Adjustments to surplus:		
Net income	800	181
Change in net unrealized capital gains (losses), net of tax	(48)	97
Change in asset valuation reserve	(79)	(75)
Change in surplus notes	1	1
Change in net deferred taxes	32	105
Change in non-admitted assets	(31)	(73)
Change in pension funded status	(2)	2
Other changes, net	4	(22)
Net adjustments to unassigned surplus	677	216
End of year balance	$ 9,965	$ 9,288

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Cash Flows
(In Millions)

	For the Years Ended December 31, 2025	2024
Cash flows from operating activities:		
Premiums and other income received	$ 11,388	$ 10,601
Investment income	4,164	3,474
Other income	111	278
Benefits and loss related payments	(6,572)	(6,361)
Commissions, expenses and taxes paid	(3,174)	(3,132)
Dividends paid	(1,568)	(1,386)
Other, net	95	99
Net cash provided by operating activities	4,444	3,573
Cash flows from investing activities:		
Proceeds from investments sold or matured:		
Bonds	7,308	6,512
Common and preferred stocks	173	55
Mortgage loans	1,037	447
Real estate		4
Other investments	539	435
Proceeds from investments sold or matured	9,057	7,453
Cost of investments acquired:		
Bonds	12,386	7,874
Common and preferred stocks	565	327
Mortgage loans	2,197	880
Real estate	10	11
Other investments	983	949
Cost of investments acquired	16,141	10,041
Net increase in policy loans, net of repayments	505	963
Net cash used in investing activities	(7,589)	(3,551)
Cash from financing and miscellaneous activities:		
Cash provided:		
Surplus notes	1	1
Net deposits on deposit-type contracts and other insurance liabilities	2,562	1,534
Net cash provided by financing and miscellaneous activities	2,563	1,535
Net (decrease) increase in cash, cash equivalents, short-term investments	(582)	1,557
Cash, cash equivalents and short-term investments, beginning of year	2,748	1,191
Cash, cash equivalents and short-term investments, end of year	$ 2,166	$ 2,748
Non-cash Transactions		
Exchange or Conversion of bonds	$ 1,244	$ 867
Total Non-cash Transactions	$ 1,244	$ 867

See notes to statutory basis financial statements.

NOTE 1 – ORGANIZATION

The Guardian Life Insurance Company of America ("Guardian" or the "Company") provides financial services to customers throughout the United States. The Company provides a full range of insurance, investment, securities brokerage and other financial products and services including individual life and disability insurance, group life and health insurance, annuities, pension and retirement related investments along with asset management and administration services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation:

The accompanying statutory basis financial statements have been prepared on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services (the "Department"), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America ("GAAP"). Insurance companies domiciled in New York are required to prepare statutory basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures manual ("NAIC SAP"), subject to certain deviations prescribed or permitted by the Department.

The Department recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company ("New York SAP"). The NAIC promulgates the NAIC SAP, which include accounting guidelines referred to as Statements of Statutory Accounting Principles ("SSAPs"). The Department adopted NAIC SAP with certain modifications, through the passage of Regulation 172, effective January 1, 2001, as amended.

A reconciliation of the Company's Net Income and Surplus at December 31, 2025 and 2024 between NAIC SAP and practices prescribed by the State of New York is shown below:

(In millions)	2025	2024
Statutory Net Income, New York basis	$ 800	$ 181
State Prescribed Practices:		
Deferred premiums asset impact (1)	-	(12)
Admission of unearned reinsurance premium asset (2)	1	25
Statutory Net Income, NAIC SAP basis	$ 801	$ 194

	2025	2024
Statutory Surplus, New York basis	$ 9,965	$ 9,288
State Prescribed Practices:		
Deferred premiums asset impact (1)	111	111
Admission of unearned reinsurance premium asset (2)	(28)	(29)
Statutory Surplus, NAIC SAP basis	$ 10,048	$ 9,370

1) Department Circular Letter No. 11
2) Department Regulation 172

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial statements prepared on a New York SAP basis vary from financial statements prepared in accordance with GAAP primarily because on a statutory basis: 1) costs related to acquiring business, principally commissions and certain policy issue expenses, are charged to income in the year incurred; 2) life insurance and annuity reserves are based on statutory mortality and interest requirements, without consideration of withdrawals and company experience; 3) life insurance enterprises are required to establish a formula-based asset valuation reserve ("AVR") by a direct charge to surplus to offset potential investment losses; 4) realized gains and losses resulting from changes in interest rates on fixed income investments are deferred in the interest maintenance reserve ("IMR") and amortized into investment income over the remaining life of the investment sold; 5) bonds are carried principally at amortized cost; 6) certain reinsurance transactions are accounted for as reinsurance for statutory purposes and as financing transactions under GAAP, and assets and liabilities are reported net of reinsurance for statutory purposes and gross of reinsurance for GAAP; 7) certain "non-admitted assets" (furniture and office equipment, leasehold improvements, capitalized internally developed non-operating system software, and prepaid pension costs) must be excluded under statutory reporting through a charge to surplus; 8) investments in common stock of the Company's wholly-owned and majority owned subsidiaries are accounted for using the equity method, where earnings of such subsidiaries are recognized in surplus, that is, only when dividends are distributed is income recognized; 9) gross deferred tax assets and changes in deferred tax assets ("DTAs") and liabilities ("DTLs"), except those relating to changes in unrealized gains and losses, are recognized as a separate component of surplus. Deferred tax assets not meeting certain criteria are non-admitted; 10) investments in Other invested assets, where the Company has a controlling financial interest, are accounted for using the equity method for statutory purposes and consolidated under GAAP; and 11) if in the aggregate, the Company has a net negative cash balance, it is reported as a negative asset for statutory purposes and recorded as a liability under GAAP. The effect on the financial statements of the Company from the differences between New York SAP and GAAP, while not determined are presumed to be material.

Use of Estimates:
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. As a provider of life insurance products, the Company's operating results in any given period depend on estimates of policy reserves required to provide for future policyholder benefits. The development of policy reserves for insurance and investment contracts requires management to make estimates and assumptions regarding mortality, lapse, expense and investment experience. Such estimates are primarily based on historical experience and, in many cases, state insurance laws that require specific mortality, morbidity, and investment assumptions to be used by the Company and may preclude the use of lapse and expense assumptions. Actual future results could differ from these estimates. Management monitors actual experience, and where circumstances warrant, revises its assumptions and the related reserve estimates. The Company regularly invests in mortgage loans, mortgage-backed securities and other securities subject to prepayment and/or call risk. Significant changes in prevailing interest rates and/or geographic conditions may adversely affect the timing and amount of cash flows on such investments, as well as their related values. In addition, the amortization of market premium and accretion of market discount for mortgage-backed securities is based on historical experience and estimates of future payment experience underlying mortgage loans. Actual prepayment timing could differ from original estimates resulting in adjustments to asset values and amortization or accretion recorded in future periods.

Admitted Assets:
Assets are stated at "admitted asset" values, which are values required by or permitted to be reported to the Department in accordance with its rules and regulations. Certain assets designated as "non-admitted assets" (approximately $361 million and $330 million at December 31, 2025 and December 31, 2024, respectively), consisting principally of deferred tax assets, leasehold improvements, electronic data processing equipment and computer software, and prepaid pension costs are charged directly to unassigned surplus.

Investments:
See Note 3 and Note 4 regarding the accounting policy, reported statement value and estimated fair value of the Company's investment in bonds, common stocks and preferred stocks, mortgage loans, real estate and derivatives.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Short-Term Investments and Restricted Cash:
Cash includes amounts on deposit with banks. Cash equivalents are stated at amortized cost and consist of investments having maturities of three months or less at time of purchase. Certain short-term investments are stated at amortized cost and consist primarily of investments having maturities greater than three months from date of purchase, but less than one year to maturity. Fair values for such investments approximate carrying value, because of the relatively short period of time between their origination and expected maturity and collectability.

The Company had no restricted cash and no restricted cash equivalents as of December 31, 2025 and 2024, respectively.

Policy Loans:
Policy loans are stated at unpaid principal balance, have no defined maturity date and reduce the amount payable at death or at surrender of the contract.

Other Invested Assets:
Other invested assets consist primarily of joint ventures, limited liability companies (LLCs), including subsidiaries, and other forms of partnerships which include residual tranches. Investments in joint ventures, LLCs, and other forms of partnerships, excluding residual tranches are valued at the Company's share of equity in the partnerships' LLC or joint ventures' net assets. All distributions are recorded as income or return of capital based on information received from the partnerships. The change in equity is recorded as unrealized gains (losses) on the Company's books and recorded directly to surplus.

Residual tranches are recorded at the lower of the amortized cost basis or fair value. The Company had $508 million and $414 million at December 31, 2025 and December 31, 2024, respectively. Interest income is recorded under the effective yield method using the allowable earned yield, capped by the amount of cash distributions received. Other invested assets also include investments in surplus notes which are carried at amortized cost.

Equity investments in Low Income Housing Tax Credit ("LIHTC") structures are also included in other invested assets and are carried at amortized cost unless considered impaired. The Company had $159 million and $126 million at December 31, 2025 and December 31, 2024, respectively. The Company recorded amortization on these investments, which is included in net investment income, of $29 million and $25 million at December 31, 2025 and December 31, 2024, respectively. The Company recorded federal and state tax credits on these investments of $32 million and $23 million for 2025 and 2024, respectively.

The Company participates in a securities lending program whereby securities, which are included in investments, are loaned to third parties. The Company requires a minimum of 102% of the fair value of the loaned securities to be separately maintained as collateral for the loans.

Other Assets:
Other assets consist primarily of receivables from subsidiaries (see Note 11), receivables related to reinsurance ceded (see Note 9), amounts receivable relating to Administrative Services Only ("ASO") uninsured plans, premium tax offsets, electronic data processing equipment, and admitted net negative IMR.

Investment Reserves:
In compliance with statutory requirements, the Company maintains the AVR and the IMR. The AVR is intended to stabilize policyholders' surplus against market fluctuations in the value of equities and credit related declines in the value of bonds, mortgage loans and equity investments. Changes in the AVR are recorded directly to surplus. The IMR defers net after-tax realized capital gains (losses) which result from changes in the overall level of interest rates for fixed income investments and amortizes these net capital gains (losses) into income over the remaining stated life of the investments sold. The Company uses the group method of calculating the IMR. The Company is permitted to admit negative IMR up to 10% of its capital and surplus as required to be shown on the balance sheet of the statutory financial statements most recently filed with its domiciliary state insurance regulator, adjusted to exclude any net positive goodwill, electronic database processing equipment and operating system software, net deferred tax assets and admitted net negative IMR.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Admitted Negative IMR
As of December 31, 2025 and December 31, 2024, the Company admitted its negative IMR in the general account of $484 million and $94 million, respectively. The calculated adjusted capital and surplus was $8,963 million and $9,413 million as of September 30, 2025 and September 30, 2024, respectively. The percentage of adjusted capital and surplus for which the admitted net negative (disallowed) IMR represents was 5.40% and 1.10% as of December 31, 2025 and December 31, 2024, respectively.

The Company attests that:
- Fixed income investments generating IMR losses comply with the Company's documented investment or liability management policies.
- The admitted negative IMR does not include any IMR losses for fixed income related derivatives.
- Any deviation to the first bullet was either because of a temporary and transitory timing issue or related to a specific event, such as a reinsurance transaction, that mechanically made the cause of IMR losses not reflective of reinvestment activities.
- Asset sales that were generating admitted negative IMR were not compelled by liquidity pressures (e.g., to fund significant cash outflows including, but not limited to excess withdrawals and collateral calls).

Insurance Revenue and Expense Recognition:
Life premiums are recognized as income when due under the policy provisions. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Benefit payments to policyholders and beneficiaries include death benefits, disability benefits, matured endowments and surrender benefits and are charged to expense when incurred.

Reserves for Policy Benefits:
See Note 5 regarding the methods and assumptions used to establish the Company's reserves for future insurance policy benefits.

General Expenses Due or Accrued:
General expenses due or accrued consist primarily of liabilities for defined benefit pension plans, certain health care, dental and life insurance benefits for retired employees (post retirement benefits) and accrued home office expenses.

Other Liabilities:
Other liabilities consist primarily of liabilities for employees and agents, commissions payable, unearned investment income, amounts withheld or retained by the Company as agent or trustee, miscellaneous reinsurance liabilities, assessments, derivatives, tax reserve liabilities, and payable for securities lending.

Federal Income Taxes:
The provision for federal income taxes is based on income from operations currently taxable. Realized gains and losses are reported net of the applicable federal income taxes. Deferred federal income tax assets are admitted to the extent they can be realized within three years subject to a 15% limitation of capital and surplus with increases or decreases reflected as adjustments to surplus (See Note 8). The Company is required to establish a tax loss contingency if it is more likely than not that a tax position will not be sustained. The amount of the contingency reserve is management's best estimate of the amount of the original tax benefit that could be reversed upon audit, unless the best estimate is greater than 50% of the original tax benefit, in which case the reserve is equal to the entire tax benefit.

Dividends Payable to Policyholders:
The liability for dividends payable to policyholders principally consists of dividends expected-to-be paid during the subsequent year and are determined by means of formulas that reflect the relative contribution of each group of policies to the results of operations. Policyholder dividends are approved annually by the Board of Directors.

Other Contract Liabilities
Other contract liabilities include liabilities for deposit type contracts such as funding agreements (see Note 5), claims in the course of settlement, claims incurred but not reported, and premiums received in advance.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Benefit Plans:
See Note 7 regarding the Company's employee benefit plans.

Reinsurance:
The Company enters into reinsurance agreements in the normal course of its insurance business to reduce overall risk (see Note 9 for reinsurance ceded and Note 10 for reinsurance assumed). The Company remains liable for reinsurance ceded if the reinsurer fails to meet its obligation on the business it has assumed. The Company evaluates the financial condition of its reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. The Company does not have any reinsurance agreements that contain risk-limiting features that are subject to disclosure under SSAP 61R Life, Deposit-Type and Accident and Health Reinsurance.

Net Investment Income and Capital Gains:
Net investment income includes interest and dividends received or accrued on investments. It also includes amortization of any purchase premium or accretion of any discount using the interest method, adjusted retrospectively or prospectively for any change in estimated yield to maturity. Investment income due and accrued that is deemed uncollectible is charged against net investment income in the period such determination is made. Net investment income is reduced by investment management expenses, interest expense on the Company's outstanding surplus notes and real estate depreciation.

Realized investment gains and losses are reported in income based upon specific identification of the assets sold. Realized losses include valuation adjustments for other-than-temporary impairments. Unrealized investment gains and losses on financial instruments carried at fair value represent changes in the reported fair value and are recorded directly to surplus.

Assessments:
Under state insurance guaranty fund laws, insurers doing business in a state can be assessed, up to prescribed limits, for certain obligations of insolvent insurance companies to policyholders and claimants. Amounts assessed to each company are typically related to its proportion of business written in each state. The Company's policy is to accrue assessments when the entity for which the insolvency relates has met its state of domicile's statutory definition of insolvency, the amount of the loss is reasonably estimable and the related premium upon which the assessment is based is written. In most states, the definition is met with a declaration of financial insolvency by a court of competent jurisdiction. In certain states there must also be a final order of liquidation.

As of December 31, 2025 and December 31, 2024, the liability balance included in other liabilities for assessments was $6 million and $7 million, respectively. Some states permit member insurers to recover assessments through full or partial premium tax offsets. The related premium tax offsets included in other assets were $7 million and $8 million as of December 31, 2025 and December 31, 2024, respectively.

The below table provide additional information on the Guaranty Fund Assessment liability and premium tax offset recoverable:

	Liability			Recoverable		
Name of the Insolvency	Number of Jurisdictions	Range of Years	Weighted Average number of years	Number of Jurisdictions	Range of Years	Weighted Average number of years
Penn Treaty	50	1-3 years	2 years	40	1-20 years	2 years
GLOBAL	50	1-5 years	3 years	40	1-20 years	6 years
NC Mutual	25	1-5 years	3 years	20	1-20 years	6 years
AINIC	1	1-3 years	2 years	1	4-5 years	5 years

NOTE 3 – INVESTMENTS

Investments are valued in accordance with methods prescribed by the Securities Valuation Office of the NAIC ("SVO"). The Company obtains the fair value of financial instruments held in its portfolio that are either carried at fair value on the face of the financial statements or disclosed in the notes to the financial statements at fair value, from a number of sources. These sources include published market quotes for active market exchange traded instruments, third party pricing vendors, investment banks which are lead market makers in certain markets, broker quotes and the use of internal valuation models that use market observable inputs when available and Company derived inputs when external inputs are not available or deemed to be inaccurate. Unrealized gains and losses on investments carried at fair value are recorded directly in unassigned surplus. The investment portfolio is reviewed for investments that may have experienced a decline in value considered to be other-than-temporary. The Company considers several factors in determining whether other-than-temporary declines exist: duration and extent to which the fair value of the security has been less than cost; financial condition of the issuer; the near term prospects for recovery of the fair value of a security; discounted estimated future cash flows; and the intent and ability of the Company to hold the security to allow for an anticipated recovery in value. Impairments that are considered other-than-temporary are included in net realized capital losses.

There were no securities that had a 5GI NAIC designation as of December 31, 2025 and December 31, 2024.

Valuation methods for the various types of investments held are as follows:

Bonds – Effective January 1, 2025, under the principles-based bond definition, debt instruments are classified as either issuer credit obligations or asset-backed securities. Issuer credit obligations are securities where repayment is primarily supported by the general creditworthiness of an operating entity and asset-backed securities are structured securities backed by pools of assets, where repayment is derived from the cash flows generated by those assets rather than the cash flows of an operating entity. Upon adoption, the Company reclassified investments with a book adjusted carrying value of $67 million from bonds to other invested assets which resulted in an impact to surplus of $3 million. The table below provides information before and post adoption as follows:

	Book Adjusted Carrying Value at December 31, 2024	New Measurement Basis	Book Adjusted Carrying Value After Transition	Aggregate Surplus Impact
		(In millions)		
Non-Bond Debt Securities				
Debt securities reclassified to other invested assets - Non-Bond Debt Securities	$ 70	Lower of Amortized Cost or Fair Value	$ 67	$ (3)
Total	$ 70		$ 67	$ (3)

Bonds are stated principally at amortized cost with bond premiums and discounts amortized using the scientific interest method. Those bonds which are rated 6 by the NAIC are reported at the lower of amortized cost or fair value. SVO Identified Funds (Bond Exchange Traded Funds ("ETFs")) are carried at fair value. Mortgage-backed bonds are carried at amortized cost using the interest method considering anticipated prepayments at the date of purchase. Significant changes in future anticipated cash flows from the original purchase assumptions are accounted for using the retrospective and prospective adjustment method utilizing the Public Securities Association standard prepayment rates. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from issuers or broker-dealers through information services or internal estimates and are consistent with current interest rates and the economic environment. The Company changes from the retrospective method to the prospective method when an other-than-temporary impairment has been recorded on a structured loan-backed security.

There were thirty two securities that were sold, redeemed or disposed of as the result of a call or tender offer with an aggregate amount of $3 million in net investment gains from prepayment penalties and acceleration fees as of December 31, 2025. There were thirty four securities that were sold, redeemed or disposed of as the result of a call or tender offer with an aggregate amount of $10 million in net investment losses from prepayment penalties and acceleration fees as of December 31, 2024.

NOTE 3 – INVESTMENTS (CONTINUED)

Common stocks - Common stocks of unaffiliated companies are stated at fair value, which is based on quoted market price. For common stocks without quoted market prices, fair value is estimated using independent pricing services or internally developed pricing models. Investments in subsidiaries are valued at equity in the underlying net assets. Undistributed earnings or losses of subsidiaries and unrealized appreciation or depreciation on common stocks are reflected as unrealized capital gains and losses directly in surplus.

Preferred stocks - Preferred stocks are carried at amortized cost if they have an NAIC SVO rating of 1 to 3 or the lower of cost or fair value based on the rating of 4 to 6.

Foreign Currency Translation - All of the Company's insurance operations are conducted in the United States of America on a U.S. dollar-denominated basis. The Company does make bond, equity and other investments that are denominated in foreign currencies or issued by entities doing business in other countries. Investments denominated in a foreign currency are translated to U.S. dollars at each reporting date using then-current market foreign exchange rates. Translation gains or losses relating to fluctuations in market exchange rates are reported as a change in unrealized capital gains and losses until the related investment security is sold or matures, at which time a realized capital gain or loss is reported. Transactions denominated in a foreign currency, such as receipt of foreign-denominated interest or dividends, are translated to U.S. dollars based on the actual exchange rate at the time of the transaction.

NOTE 3 – INVESTMENTS (CONTINUED)

The amortized cost basis and estimated fair value of bonds and the cost basis and estimated fair value of common and preferred stocks at December 31, 2025 and December 31, 2024 were as follows:

	Amortized Cost/ Cost*	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2025		(In millions)		
Issuer Credit Obligations				
U.S. Government Obligations	$ 42	1	-	43
Non-U.S. Sovereign Jurisdiction Securities	521	6	(23)	504
Municipal Bonds – General Obligations (Direct & Guaranteed)	236	10	(7)	239
Municipal Bonds – Special Revenue	763	20	(42)	741
Corporate Bonds (Unaffiliated)	43,637	386	(4,183)	39,840
Corporate Bonds (Affiliated)	350	0	-	350
Single Entity Backed Obligations (Unaffiliated)	460	1	(52)	409
Bank Loans – Acquired (Unaffiliated)	1,776	19	(24)	1,771
Total – Total Issuer Credit Obligations	$ 47,785	$ 443	(4,331)	43,897
Asset-Backed Securities				
Financial Asset-Backed Securities – Self-Liquidating				
Agency Residential Mortgage-Backed Securities – Guaranteed	$ 18	-	(1)	17
Agency Commercial Mortgage-Backed Securities – Guaranteed	8	-	-	8
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated)	762	20	(24)	758
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated)	1,910	17	(72)	1,855
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated)	2,371	7	(1)	2,377
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated)	4,519	40	(25)	4,534
Subtotals – Financial Asset-Backed Securities – Self-Liquidating	$ 9,588	$ 84	(123)	9,549
Non-Financial Asset-Backed Securities – Full Analysis				
Lease-Backed Securities – Full Analysis (Unaffiliated)	$ 300	8	(1)	307
Subtotals - Non-Financial Asset-Backed Securities – Full Analysis	300	8	(1)	307
Total – Asset-Backed Securities	9,888	92	(124)	9,856
Total - Bonds	$ 57,673	$ 535	(4,455)	53,753
Common stocks - unaffiliated	$ 259	$ 17	$ -	$ 276
Investment in subsidiaries	1,404	16	(380)	1,040
Total Common Stocks	$ 1,663	$ 33	$ (380)	$ 1,316
Preferred Stocks	$ 333	$ 4	$ (1)	$ 336
Total Preferred Stocks	$ 333	$ 4	$ (1)	$ 336
Total Common and Preferred Stocks	$ 1,996	$ 37	$ (381)	$ 1,652

* Includes unrealized FX adjustments. NAIC 6 bonds are carried at lower of cost or fair value which is $2 million below amortized cost at December 31, 2025.

NOTE 3 – INVESTMENTS (CONTINUED)

December 31, 2024	Amortized Cost/ Cost*	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
		(In millions)		
U.S. Government	$ 47	$ -	$ -	$ 47
All other Government	362	1	(36)	327
States, Territories, and Possessions	161	6	(6)	161
U.S. Political Subdivisions	98	-	(2)	96
U.S. Special Revenue	856	14	(46)	824
Industrial and Miscellaneous	50,992	246	(5,849)	45,389
Affiliated Bonds	350	-	-	350
Total Bonds	$ 52,866	$ 267	$ (5,939)	$ 47,194
Common stocks - unaffiliated	$ 136	3	-	$ 139
Investment in subsidiaries	1,442	19	(388)	1,073
Total Common Stocks	$ 1,578	$ 22	$ (388)	$ 1,212
Preferred Stocks	$ 158	$ 4	$ (4)	$ 158
Total Preferred Stocks	158	$ 4	$ (4)	158
Total Common and Preferred Stocks	$ 1,736	$ 26	$ (392)	$ 1,370

* Includes unrealized FX adjustments. NAIC 6 bonds are carried at lower of cost or fair value which is $0 million below amortized cost at December 31, 2024.

The Company invests in high quality securities that are diversified by asset class, issuer and industry. At December 31, 2025 approximately 0.07% of the portfolio is invested in securities issued or backed by the United States Government or its agencies. No other single issuer accounts for more than 1.17% of the portfolio at December 31, 2025.

The amortized cost and estimated fair value of debt securities at December 31, 2025 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations.

	2025	
	Amortized Cost	Estimated Fair Value
	(In millions)	
Due in one year or less	$ 1,627	$ 1,616
Due after one year through five years	11,936	11,846
Due after five years through ten years	11,136	10,905
Due after ten years through twenty years	13,762	12,899
Over twenty years	19,212	16,487
Total	$ 57,673	$ 53,753

In addition to the information disclosed above, short-term investments with a carrying value of $5 million are due in one year or less. Carrying value approximates fair value for these investments.

NOTE 3 – INVESTMENTS (CONTINUED)

The net change in unrealized capital gains (losses) included in surplus for year ended December 31, 2025 and 2024 is summarized as follows:

	2025	2024
	(In millions)	
Changes in net unrealized capital gains (losses) attributable to:		
Issuer credit obligations (NAIC 6 rated)	$ (1)	$
Asset-backed securities (NAIC 6 rated)	(1)	
Bonds (NAIC 6 rated)	(2)	13
Private Equity	12	(2)
Common stocks unaffiliated	14	12
Common stocks affiliated	5	106
Other invested assets affiliated	(34)	(6)
Foreign currency translation, net of currency swaps	16	(1)
Other	(64)	(26)
Total change in net unrealized capital (losses)/gains	(53)	96
Tax benefit	5	1
Total change in net unrealized (losses)/gains, net of tax	$ (48)	$ 97

Proceeds from sales of bonds amounted to $3,035 million and $3,729 million for the years ended December 31, 2025 and 2024, respectively. Gross gains of $42 million and $49 million and gross losses of $575 million and $506 million were realized on sales of bonds for the years ended December 31, 2025 and 2024, respectively. These amounts are pre-tax and pre-IMR. Bond sales, maturities and all other cash dispositions amounted to $7,308 million and $6,512 million for the years ended December 31, 2025 and 2024, respectively.

Proceeds from sales of investments in common stock and preferred stock amounted to $173 million for the year ended December 31, 2025. Proceeds from sales of investments in common stock amounted to $55 million for the year ended December 31, 2024. There were no gains and no gross losses realized on sales of common stock for the years ended December 31, 2025. There were no gains and $7 million gross losses realized on sales of common stock for the year ended December 31, 2024. These amounts are pre-tax.

There were no bond modifications treated as troubled debt restructuring for the years ended December 31, 2025 and 2024.

NOTE 3 – INVESTMENTS (CONTINUED)

Unrealized Losses:

The Company's investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2025 and December 31, 2024 are shown below:

December 31, 2025 (In millions)	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Issuer Credit Obligations						
Non-U.S. Sovereign Jurisdiction Securities	$ 183	$ (4)	$ 114	$ (19)	$ 297	$ (23)
Municipal Bonds – General Obligations (Direct & Guaranteed)	9	-	76	(7)	85	(7)
Municipal Bonds – Special Revenue	32	(1)	310	(41)	342	(42)
Corporate Bonds (Unaffiliated)	4,113	(115)	24,002	(4,068)	28,115	(4,183)
Single Entity Backed Obligations (Unaffiliated)	26	(1)	347	(51)	373	(52)
Bank Loans – Acquired (Unaffiliated)	237	(12)	104	(12)	341	(24)
Total – Total Issuer Credit Obligations	4,600	(133)	24,953	(4,198)	29,553	(4,331)
Asset-Backed Securities						
Financial Asset-Backed Securities – Self-Liquidating						
Agency Residential Mortgage-Backed Securities – Guaranteed	15	(1)	-	-	15	(1)
Agency Commercial Mortgage-Backed Securities – Guaranteed	2	-	7	-	9	-
Non-Agency Residential Mortgage-Backed Securities (Unaffiliated)	38	(1)	266	(23)	304	(24)
Non-Agency Commercial Mortgage-Backed Securities (Unaffiliated)	72	(3)	1,074	(69)	1,146	(72)
Non-Agency – CLOs/CBOs/CDOs (Unaffiliated)	100	(1)	-	-	100	(1)
Other Financial Asset-Backed Securities – Self-Liquidating (Unaffiliated)	658	(8)	274	(17)	932	(25)
Subtotals – Financial Asset-Backed Securities – Self-Liquidating	885	(14)	1,621	(109)	2,506	(123)
Non-Financial Asset-Backed Securities – Full Analysis						
Lease-Backed Securities – Full Analysis (Unaffiliated)	35	-	20	(1)	55	(1)
Subtotals - Non-Financial Asset-Backed Securities – Full Analysis	35	-	20	(1)	55	(1)
Total – Asset-Backed Securities	920	(14)	1,641	(110)	2,561	(124)
Total Bonds	$ 5,520	(147)	26,594	(4,308)	32,114	(4,455)
Common stocks	-	-	-	-	-	-
Preferred stocks	3	-	51	(1)	54	(1)
Total temporarily impaired securities	$ 5,523	$ (147)	$ 26,645	$ (4,309)	$ 32,168	$ (4,456)

NOTE 3 – INVESTMENTS (CONTINUED)

December 31, 2024 (In millions)	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Government	$ 10	$ -	$ 31	$ -	$ 41	$ -
All other Government	94	(4)	210	(32)	304	(36)
States, Territories and Possessions	25	-	37	(6)	62	(6)
U.S. Political Subdivisions	42	(1)	22	(1)	64	(2)
U.S. Special Revenue	205	(4)	300	(42)	505	(46)
Industrial and Miscellaneous	5,973	(262)	28,313	(5,587)	34,286	(5,849)
Total Bonds	$ 6,349	$ (271)	$ 28,913	$ (5,668)	$ 35,262	$ (5,939)
Preferred stocks	81	(4)	-	-	81	(4)
Total temporarily impaired securities	$ 6,430	$ (275)	$ 28,913	$ (5,668)	$ 35,343	$ (5,943)

The Company's investment portfolio includes individual securities that are in an unrealized loss position and have not been recognized as other-than-temporary impairments. There were five thousand six hundred and forty one securities in an unrealized loss position for greater than 12 months with a book value of $30,954 million and a fair value of $26,645 million as of December 31, 2025. There were five thousand seven hundred and twenty securities in an unrealized loss position for greater than 12 months with a book value of $34,581 million and a fair value of $28,913 million as of December 31, 2024.

In reaching the conclusion that these impairments are not other-than-temporary, management considered many factors including: duration and severity of impairment, discounted cash flow analysis, investment sector stability, creditworthiness, financial condition of issuer, and intent and ability to hold to allow for recovery in value.

Mortgage Loans:

Mortgage loans are carried at amortized cost. Valuation reserves are established for potential declines in the value of the mortgage loans. As of December 31, 2025 and December 31, 2024 there were no valuation reserves established for any of the Company's mortgage loans. Other-than-temporary impairments on loans are charged to net realized capital losses and are not adjusted for subsequent recoveries in value. There were no other-than-temporary impairments on mortgage loans for the years ended December 31, 2025 and 2024.

The Company's $8,622 million of investments in mortgage loans on real estate on December 31, 2025 consist of $7,997 million of loans collateralized by commercial real estate properties and $625 million of residential mortgage loans the Company holds through qualifying statutory trusts established under Delaware law. The Company's $7,462 million of investments in mortgage loans on real estate on December 31, 2024 consist of loans collateralized by commercial real estate properties. There were no residential mortgage loans as of December 31, 2024. As of the reporting date, there are no material litigation matters and no regulatory reviews or actions concerning the statutory trusts. The Company has no financing arrangements secured, directly or indirectly, by statutory trust assets.

The Company was a participant in $1,989 million and $2,213 million of commercial real estate mortgage loans at December 31, 2025 and December 31, 2024, respectively. The Company had $20 million co-lender commercial real estate mortgage loan exposure as of December 31, 2025 and $17 million as of December 31, 2024, respectively. The largest concentrations of commercial real estate mortgage loans are for properties located in California and Texas ($1,500 million or 18.75% and $1,180 million or 14.75%) at December 31, 2025. The largest concentrations of commercial real estate mortgage loans are for properties located in California and Texas ($1,575 million or 21.09% and $1,110 million or 14.86%) at December 31, 2024. The Company estimates the fair value of commercial mortgage loans on real estate to be $7,932 million and $7,205 million at December 31, 2025 and December 31, 2024, respectively and are classified as Level 3 as discussed in Note 4. Fair value was determined based upon the present value of the scheduled future cash flows of each loan based on the average term to maturity discounted at the appropriate U.S. Treasury rate, adjusted for the current market spread for a similar quality mortgage. Mortgage quality is determined by the loan's Loan to Value ratio, Debt Service Coverage ratio, location and property type. The minimum and maximum range of lending rates on new commercial real estate mortgage loans were between 4.9% and 7.2% originated during 2025. The maximum percentage of any single commercial real estate mortgage loan to the value of the security for loans that originated in 2025 was 69.7% at origination date.

NOTE 3 – INVESTMENTS (CONTINUED)

The largest concentrations of residential real estate mortgage loans are for properties located in California and Florida ($126 million or 20.08% and $91 million or 14.51%) at December 31, 2025. The Company estimates the fair value of residential real estate mortgage loans to be $630 million at December 31, 2025 and are classified as Level 3 as discussed in Note 4. Fair value was determined by a third-party using a loan-level discounted cash flow analysis with probability-weighted assumptions. The minimum and maximum range of lending rates on new residential real estate mortgage loans were between 6.00% and 9.75% purchased during 2025. The maximum percentage of any single residential real estate mortgage loan to the value for loans that purchased in 2025 was 80.0% at origination date. Residential real estate mortgage loans represent 100% of the assets held in the qualifying statutory trusts at December 31, 2025. These loans are all in good standing at December 31, 2025.

Management monitors its commercial and residential mortgage loan portfolio on an ongoing basis for events or circumstances that could indicate that it will not receive all of its contractually due principal and interest payments in accordance with the loan agreements. In May and November of each year, the entire portfolio is screened based on debt service coverage, loan to value ratio, delinquency over 90 days and if there are indications that balloon payments due at maturity will not be made to determine if any other than temporary impairments might need to be recorded.

Interest received on impaired loans that were previously modified in a troubled debt restructuring is either applied against the principal or reported as revenue according to management's judgment as to the collectability of principal. There were no mortgages with interest more than 180 days past due at December 31, 2025 or December 31, 2024.

There were no restructured mortgage loans as of December 31, 2025 or December 31, 2024.

There were no taxes, assessments, or any amounts advanced not included in the mortgage loan total as of December 31, 2025 and 2024.

The following table set forth the credit quality indicators as of December 31, 2025 and December 31, 2024, based upon the recorded investment gross of allowance for credit losses.

Commercial Mortgage Loans

(In millions)	Debt Service Coverage Ratio - December 31, 2025						
	Greater than 2.0X	1.8X to 2.0X	1.5X to <1.8X	1.2X to <1.5X	1.0X to <1.2X	Less than 1.0X	Grand Total
Loan-to-Value Ratio							
0% - 49.99%	$ 1,599	66	42	28	-	-	$ 1,735
50% - 59.99%	769	279	703	287	63	-	2,101
60% - 69.99%	233	255	477	1,042	582	-	2,589
70% - 79.99%	77	142	308	839	206	-	1,572
80% - 89.99%	-	-	-	-	-	-	-
90% - 100%	-	-	-	-	-	-	-
Greater than 100%	-	-	-	-	-	-	-
Total	$ **2,678**	$ **742**	$ **1,530**	$ **2,196**	$ **851**	$ **-**	$ **7,997**

Commercial Mortgage Loans

(In millions)	Debt Service Coverage Ratio - December 31, 2024						
	Greater than 2.0X	1.8X to 2.0X	1.5X to <1.8X	1.2X to <1.5X	1.0X to <1.2X	Less than 1.0X	Grand Total
Loan-to-Value Ratio							
0% - 49.99%	$ 1,305	$ 58	$ 105	$ 2	$ 17	$ -	$ 1,487
50% - 59.99%	925	347	544	199	-	-	2,015
60% - 69.99%	573	152	996	788	91	-	2,600
70% - 79.99%	71	200	299	476	314	-	1,360
80% - 89.99%	-	-	-	-	-	-	-
90% - 100%	-	-	-	-	-	-	-
Greater than 100%	-	-	-	-	-	-	-
Total	$ **2,874**	$ **757**	$ **1,944**	$ **1,465**	$ **422**	$ **-**	$ **7,462**

NOTE 3 – INVESTMENTS (CONTINUED)

Residential mortgage loans, held in qualifying statutory trusts, are reported as mortgage loans consistent with the NAIC's December 2025 adopted revisions to the mortgage loan guidance.

The following table sets forth the credit quality indicators for residential mortgage loans as of December 31, 2025:

Residential Mortgage Loans (In millions)		
Loan-to-Value Ratio		
0% - 49.99%	$	110
50% - 59.99%		99
60% - 69.99%		134
70% - 79.99%		282
80% - 89.99%		-
90% - 100%		-
Greater than 100%		-
Total	$	**625**

Real Estate:
Real estate investments are reported in the financial statements at cost, less any valuation adjustment, encumbrances and accumulated depreciation of buildings and other improvements using a straight line method over a 40 year period for the buildings and the estimated useful life of the improvements. An investment in real estate is considered impaired when the projected undiscounted net cash flow from the investment is less than depreciated cost. When the Company determines that an investment in real estate is impaired, a valuation adjustment is recorded to reduce the carrying value to estimated fair value, after encumbrances, based on appraisal of the property. The valuation adjustment is included in realized capital losses.

The Company had accumulated depreciation totaling $213 million and $191 million at December 31, 2025 and December 31, 2024, respectively. The Company recorded depreciation expense of 21 million for 2025 and $21 million for 2024. There were four properties with carrying value of $94 million, above its combined fair value of $54 million at December 31, 2025. There were four properties with carrying value of $157 million, above its combined fair value of $131 million at December 31, 2024. There were no other-than-temporary impairments taken on real estate in 2025. There was one other-than-temporary impairment taken on real estate of $3 million in 2024.

Subprime:
The Company continually monitors its investment portfolios for performance, credit issues and risk exposures. By using a variety of measurements and credit analysis derived from both internal and external sources, the Company tracks the risk exposure the portfolios have to market events such as credit deterioration in the sub-prime and other below prime mortgage market. Sub-prime investments can include high loan to value pools, and pools where the borrowers have very impaired credit but the average loan to value is low. The Company has minimal exposure and recorded no impairments in 2025 or 2024 on its sub-prime or other below prime mortgage-backed security holdings. The Company does hold $534 million and $567 million of Non-Agency Residential Mortgage-backed securities ("RMBS") with sub-prime exposure and other below-prime mortgage exposure, representing 0.64% and 0.73% of the Company's invested assets, as of December 31, 2025 and 2024, respectively.

Restricted Assets and Special Deposits:
The Company had admitted restricted assets of $4,854 million and $3,859 million at December 31, 2025 and 2024, respectively. Of these amounts, there were deposits with states as required by certain insurance laws of $4 million in 2025 and $4 million in 2024 and pledged as collateral for futures trading of $38 million and $31 million in 2025 and 2024, respectively. These amounts are included in Bonds in the Statutory Basis Balance Sheets. There were $158 million and $134 million of the Federal Home Loan Bank of New York ("FHLBNY") stock purchased by the Company in 2025 and 2024, respectively which are classified as restricted general account investments within "Common stocks". Also, as of December 31, 2025 and December 31 2024, respectively the Company pledged mortgage loans with a carrying value of $4,655 million and $3,690 million that support outstanding funding agreements with the FHLBNY. Total admitted restricted assets were 5.18% and 4.44% of the Company's total admitted assets at December 31, 2025 and 2024, respectively. There were no non-admitted restricted assets in 2025 or 2024. There were no restricted assets required under Modco or funds withheld reinsurance agreements at December 31,2025 and 2024.

NOTE 3 – INVESTMENTS (CONTINUED)

Investment in Subsidiaries:

Investments in subsidiaries are accounted for using the equity method. Under the equity method, insurance subsidiaries are recorded at their underlying audited statutory surplus. Non-insurance subsidiaries are recorded at their underlying audited GAAP equity. Undistributed earnings or losses of subsidiaries are reflected as unrealized capital gains and losses directly in surplus. Dividends or distributions received from subsidiaries are recognized in net investment income when declared to the extent they are not in excess of undistributed accumulated earnings.

Investment in affiliated limited liability subsidiaries are included in Other invested assets while investment in all other subsidiaries are included in Common stocks on the Statutory Basis Balance Sheets and totaled $1,889 million and $2,290 million at December 31, 2025 and December 31, 2024, respectively.

The Company's major subsidiaries are as follows:

Guardian Insurance and Annuity Company ("GIAC") is a stock life insurance company organized primarily for the sale of variable deferred annuities, fixed deferred and immediate annuity contracts, and variable life insurance policies.

Berkshire Life Insurance Company of America ("BLICOA") is a stock life company whose primary business is the sale and administration of disability insurance business.

Park Avenue Life Insurance Company ("PALIC") primary business is the administration of life insurance business (principally term and universal life products). Although PALIC is licensed in 48 states and the District of Columbia, it does not currently write new business.

First Commonwealth, Inc. ("FCW") provides dental, vision and hearing care coverage for government and commercial customers. At December 31, 2024 and 2025, FCW recorded a goodwill impairment on one of its subsidiaries to reflect the subsidiary's carrying value being written down to its fair value based on the annual goodwill assessment.

Guardian Investor Services, LLC ("GIS") is a non-insurance limited liability company that provides investment advisory services and related services to the mutual funds, variable investment trusts, private investment unit trust, institutional and other clients through Park Avenue Institutional Advisers ("PAIA"), wholly owned subsidiary of GIS. GIS holds investments in real estate operating entities and joint ventures, residual interests in collateralized loan obligation securities and investments in early-stage companies. During 2024, the Company expanded its strategic partnership with HPS Investment Partners ("HPS") by contributing certain intangible assets consisting primarily of its workforce and goodwill, in addition to work product and know-how in connection with such workforce, as it relates to certain of the Company's investment assets that will be managed by HPS as subadvisor (under a new investment agreement). As a result of the enhanced partnership, GIS increased its interest in HPS to approximately 14%. During 2025, BlackRock completed its acquisition of HPS. As part of the transaction, GIS exchanged its interest in HPS for approximately 1.2 million of BlackRock SubCo units, which are recorded at fair value. GIS also executed a repurchase agreement with BlackRock whereby GIS sold approximately 700,000 SubCo units during 2025.

Park Avenue Securities LLC ("PAS") is a registered broker-dealer with the Securities and Exchange Commission whose primary business consists of selling products currently offered by GIAC as well as third party sponsors to retail customers. Such products include mutual funds, variable annuities, variable life insurance, 401(k) plan and investment advisory services.

Guardian Acquisitions II is a non-insurance limited liability company that indirectly holds a minority interest in an insurance entity.

NOTE 3 – INVESTMENTS (CONTINUED)

Selected financial information for the Company's significant subsidiaries is highlighted below:

	2025	2024
	(In millions)	
GIAC (Statutory basis)		
Total assets	$ 10,957	$ 10,614
Total liabilities	10,268	10,013
Net loss	$ (8)	$ (1)
BLICOA (Statutory basis)		
Total assets	$ 5,734	$ 5,471
Total liabilities	5,526	5,261
Net income/(loss)	$ (2)	$ 11
PALIC (Statutory basis)		
Total assets	$ 189	$ 186
Total liabilities	118	121
Net income	$ 4	$ 5
GIS (GAAP basis)		
Total assets	$ 1,307	$ 1,962
Total liabilities	914	925
Net income	$ 498	$ 106
FCW (GAAP basis)		
Total assets	$ 133	$ 276
Total liabilities	59	71
Net loss	$ (139)	$ (211)
PAS (GAAP basis)		
Total assets	$ 152	$ 113
Total liabilities	46	34
Net income	$ 48	$ 60
Guardian Acquisitions II LLC (GAAP basis)		
Total assets	$ 347	$ 102
Total liabilities	-	-
Net income	$ 30	$ 11

NOTE 3 – INVESTMENTS (CONTINUED)

Investment in Subsidiaries

The following table provides additional information on non-insurance subsidiaries.

As of December 31, 2025

Description of SCA Investment (Per SSAP No 97)	% of SCA Ownership	Gross Amount	Non-admitted Amount	Admitted Asset Amount	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (yes/no)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (yes/no)	Code
					(In millions)					
Managed Dental Care of California	100%	$ 7	$ -	$ 7	12/31/2024	Sub-2	Y	$ 7	no	I
First Commonwealth	100%	59	-	59	12/31/2024	Sub-2	Y	204	no	I
Guardian Investors Services, LLC	100%	395	-	395	n/a	n/a	n/a	-	n/a	I
Guardian Acquisition II LLC	100%	347	-	347	n/a	n/a	n/a	-	n/a	I
Park Avenue Securities, LLC	100%	107	-	107	n/a	n/a	n/a	-	n/a	I
Aggregate Total		**$ 915**	**$ -**	**$ 915**				**$ 211**		

As of December 31, 2024

Description of SCA Investment (Per SSAP No 97)	% of SCA Ownership	Gross Amount	Non-admitted Amount	Admitted Asset Amount	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (yes/no)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (yes/no)	Code
					(In millions)					
Managed Dental Care of California	100%	$ 7	$ -	$ 7	12/31/2023	Sub-2	Y	$ 8	no	I
First Commonwealth	100%	187	-	187	12/31/2023	Sub-2	Y	427	no	I
Guardian Investors Services, LLC	100%	1,038	-	1,038	n/a	n/a	n/a	-	n/a	I
Guardian Acquisition II LLC	100%	101	-	101	n/a	n/a	n/a	-	n/a	I
Park Avenue Securities, LLC	100%	78	-	78	n/a	n/a	n/a	-	n/a	I
Aggregate Total		**$ 1,411**	**$ -**	**$ 1,411**				**$ 435**		

NOTE 3 – INVESTMENTS (CONTINUED)

NET INVESTMENT INCOME

Net investment income, including accrual of discounts and amortization of premiums, arose from the following sources for the years ended December 31, 2025 and December 31, 2024:

	2025	2024
	(In millions)	
Issuer credit obligations	$ 2,077	$
Asset-backed securities	479	
Bonds	2,556	2,300
Preferred stocks	7	2
Unaffiliated common stocks	10	9
Affiliated common stocks	7	6
Mortgage loans	378	336
Real estate	84	85
Policy loans	424	386
Cash, Cash Equivalent and Short-Term Investments	93	93
Private Equity	338	362
Affiliated OIA	612	160
Other	78	54
Gross investment income	4,587	3,793
Less investment expenses	(383)	(358)
Net investment income	$ 4,204	$ 3,435

The Company had $649 million and $571 million in gross admitted due and accrued income on December 31, 2025, and December 31, 2024, respectively. The Company did not have any non-admitted due and accrued income on December 31, 2025, or December 31, 2024.

The Company had deferred interests on investments that it held on December 31, 2025, and December 31, 2024, of $3 million and $3 million respectively. The Company had $3 million and $1 million in cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance of investments that it held on December 31, 2025, and December 31, 2024, respectively.

NOTE 3 – INVESTMENTS (CONTINUED)

NET REALIZED CAPITAL (LOSSES) GAINS

Net realized capital losses were derived from the following sources for the years ended December 31, 2025 and December 31, 2024:

	2025	2024
	(In millions)	
Issuer credit obligations	$ (539)	$
Asset-backed securities	6	
Bonds	(533)	(457)
Unaffiliated common stocks	-	(7)
Affiliated common stocks	(132)	(217)
Real estate	-	(3)
Other invested assets	(20)	(36)
Derivatives and hedging gains	2	6
Total net realized capital losses	(683)	(714)
Capital gains tax benefit	44	46
Transfer from IMR (net of tax)	400	311
Net realized capital losses	$ (239)	$ (357)

The net realized capital loss amount above includes other-than-temporary impairment losses of $169 million and $264 million for the years ended December 31, 2025 and December 31, 2024, respectively. Of the $169 million for 2025, $132 million relates to an affiliated entity, $14 million relates to impairments that reduced surplus which were driven primarily from bonds, $0 million relates to investment tax credit investments and $23 million relates to private equities. Of the $264 million for 2024, $212 million relates to an affiliated entity, $17 million relates to impairments that reduced surplus which were driven primarily from bonds, $10 million relates to investment tax credit investments and $23 million relates to private equities.

Derivative Financial Instruments:

The Company enters into derivative transactions in order to mitigate ("hedge") certain risks pertaining to its assets, liabilities and surplus from fluctuations in interest rates, foreign currency exchange rates and market volatility. Derivatives are either exchange traded or contracted over-the-counter. The majority of the Company's over-the-counter derivatives are bilateral contracts between the Company and a single counterparty. The Company's remaining over-the-counter derivatives are cleared and settled through central clearing counterparties.

Derivatives that are designated as hedges for accounting purposes and meet the qualifications for hedge accounting are reported on a basis consistent with the asset or liability being hedged (i.e. at amortized cost). Derivatives that are used to mitigate risk but are not designated as hedges for accounting purposes or do not meet the qualifications for hedge accounting treatment are reported at fair value.

To qualify for hedge accounting the hedge relationship must be designated and formally documented at inception. This documentation details the risk management objective and strategy for the hedge, the derivative used in the hedge, the asset or liability being hedged, and the methodology for assessing hedge effectiveness. The hedge must also be "highly effective" with an assessment of its effectiveness performed both at inception and on an ongoing basis over the life of the hedge.

NOTE 3 – INVESTMENTS (CONTINUED)

Derivative transactions expose the Company to the risk that the counterparty may not be able to fulfill its obligations under the terms set forth in the contract. The Company manages this counterparty risk by entering into transactions with counterparties that maintain a minimum credit rating, by performing ongoing review of a counterparties' credit standing, by adhering to established limits for credit exposure to any single counterparty and requiring collateral posting subject to thresholds and minimum transfer amounts in accordance with counterparty agreements to support credit risk associated with counterparty exposures which further reduces the Company's exposure to default by the counterparty. The Company's off-balance sheet risk for the derivative instruments as of December 31, 2025 were $36 million and $38 million as of December 31, 2024. The Company is required to establish a margin account for all of its futures contracts. All of the futures contracts that the Company has entered into are exchange traded. Margin payments are required for futures contract and contract gains or losses are settled daily in cash, therefore the futures contracts are carried at zero value on the Company's balance sheets. The contract amount of futures contracts represents the extent of the Company's involvement, but not future cash requirements, as open positions are typically closed out prior to the delivery date of the contract. The Company does not offset the statement values for derivatives executed with the same counterparty, even if a master netting arrangement is in place. The Company also does not offset the right to claim collateral against the obligation to return such collateral.

The Company has no embedded credit derivatives that expose it to the possibility of being required to make future payments and does not have any derivative contracts with financing premiums.

Hedging – Designated As Hedging Instruments

The Company designates and accounts for its foreign currency swaps and certain interest rate swaps as cash flow hedges and certain equity index futures, treasury futures and S&P equity options and interest rate swaps as fair value hedges. The derivative instruments cash flows and the related gains and losses are included in Other Investments in the Cash flow from investing activities section of the Statutory Basis Statements of Cash Flow.

Foreign currency swaps are used to mitigate the foreign exchange risk for investments in specifically identified private placement bonds denominated in foreign currencies. Foreign currency swaps obligate the Company and a counterparty to exchange the foreign currency denominated interest and principal payments receivable on foreign denominated bonds for U.S. dollar payments based on currency exchange rates specified at the inception of the transaction. Foreign exchange gains or losses on these contracts are reported as a change in unrealized gains or losses until the maturity or sale of the hedged foreign currency bond at which time a realized capital gain or loss is recognized.

Interest rate swaps are used to mitigate the Company's exposure to fluctuations in the contractually specified interest rates on certain assets and liabilities. The Company has two programs in which it utilizes interest rate swaps. The first is part of the Company's Asset Liability Management ("ALM") program. Designated as a cash flow hedge, it aims to mitigate the variability in cash flows received on a portfolio of variable rate securities due to fluctuations in the contractually specified interest rate, by entering into a receive-fixed and pay-floating interest rate swap. By locking in a fixed rate of return for these assets, they more closely align with the fixed rate liabilities (reserves) they support.

The second is part of a program where the Company issues funding agreements to a special purpose entity which in turn issues medium term notes to third party investors. In certain FABN issuances the funding agreement and medium-term notes have a fixed interest rate, but a portion of the collateral assets that support the funding agreement are floating rate debt. These hedges are designated as fair value hedges and are used to mitigate the risk of changes in fair value of a portion of the funding agreement liability attributable to changes in the benchmark overnight SOFR interest rate that corresponds to the interest rate received on the floating rate debt. Under these swap contracts, the Company will receive-fixed and pay-floating based on the same notional amount. The net change in cash flows received or paid on interest rate swaps is recorded in net investment income.

Equity index futures are used to mitigate the change in value of the liability the Company has to participants in its deferred compensation plans that allocate their plan account balances to equity funds offered under the plan. Equity index futures obligate the Company to pay or receive from a counterparty a cash amount based on a specified equity market index at a predefined price as of a future date applied to the notional amount of the contracts. The change in the fair value of the futures contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss from the change in value of its deferred compensation liability. If the hedge is deemed to be ineffective for any period of time, the change in the fair value of the futures contracts for that time period is recorded in surplus as an unrealized gain or loss.

NOTE 3 – INVESTMENTS (CONTINUED)

Treasury futures are used to mitigate the portion of the change in fair value related to a change in interest rates on specifically identified assets acquired by the Company and held in its general account to support the Funding Agreements ("FA") and the specifically identified portion of a liability incurred by the Company pertaining to FA that are issued by the Company to back Medium Term Notes ("MTN") issued by a special purpose entity.

The Company enters into short positions (sells) treasury futures contracts prior to the issuance of the FA-MTN in order to lock-in the interest rate component of the return of the designated assets at their date of acquisition. When the FA-MTN is issued the Company enters into long position (purchases) treasury futures contracts in order to mitigate the change in the fair value of the designated net liability due to the effects of interest rate changes. The change in the fair value of the futures contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss incurred by the Company on the change in value of its FA liability.

Treasury futures obligate the Company to make or receive delivery of certain Treasury Bonds at a specified price at a future date.

S&P equity options are used by the Company as a risk management strategy to offset the projected dividend liability exposure on its Index Participation Feature ("IPF") which is a rider on certain whole life contracts. The Company uses a combination of short positions (sell) and long positions (purchases) of over-the-counter European call options on the S&P 500 index with expiration of one year to mitigate the dividend liability exposure based on the future return on S&P 500 index for the annual period of the monthly segment being hedged between the guaranteed floor rate and the cap rate on the participating balances. The change in the fair value of the options contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss incurred by the Company on the change in the amount of the dividend liability.

Hedging – Not Designated As Hedging Instruments

The Company enters into other derivative transactions that mitigate economic risks but are not designated as a hedge for accounting purposes or do not qualify for hedge accounting treatment. These derivative instruments are reported at fair value on the balance sheet as either other invested assets or other liabilities. Changes in the fair value of these instruments are reported as a change in unrealized capital gains or losses until the maturity or termination of the contract, at which time a realized capital gain or loss is recorded. The derivative instruments cash flows and the related gains and losses are included in Other Investments in the Cash flow from investing activities section of the Statutory Basis Statements of Cash Flow.

Foreign currency forwards are used by the Company to hedge some of the foreign exchange risk on private equity investments denominated in foreign currencies. Foreign currency forward contracts involve the exchange of two currencies at a specified future date and at a specified price.

Treasury futures, the Company enters into long position (purchases) treasury futures contracts to mitigate the portion of the change in fair value related to a change in interest rates on the specifically identified portion of a liability incurred by the Company pertaining to FA that are issued by the Company to back Medium Term Notes ("MTN") issued by a special purpose entity.

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NOTE 3 – INVESTMENTS (CONTINUED)

The following tables provide additional information regarding derivatives that are designated as hedging instruments and those that are not designated as hedging instruments:

As of December 31, 2025	Notional Amount	Statement Value		Change in Unrealized Capital Gains (Losses)	Net Realized Capital Gains (Losses)	Net Investment Income	Gain/(loss) from Operations
		Assets	Liabilities				
				(in millions)			
Derivatives designated as hedging instruments:							
Foreign currency swaps	$ 3,045	$ 50	$ 134	$ (264)	$ 5	$ 32	$ -
Equity index futures	399	-	-	-	-	-	46
Treasury futures	270	-	1	-	(3)	-	-
S&P equity options	1,230	68	40	-	-	-	15
Interest rate swaps	1,324	-	-	-	-	(2)	-
Derivatives not designated as hedging instruments:							
Treasury futures	-	-	-	-	-	-	-
Credit default swap index	-	-	-	-	-	-	-
Foreign currency forwards	186	-	1.00	(1)	-	-	-
Option floor	1	-	-	-	-	-	-
Total derivatives	$ 6,455	$ 118	$ 176	$ (265)	$ 2	$ 30	$ 61

As of December 31, 2024	Notional Amount	Statement Value		Change in Unrealized Capital Gains (Losses)	Net Realized Capital Gains (Losses)	Net Investment Income	Gain/(loss) from Operations
		Assets	Liabilities				
				(in millions)			
Derivatives designated as hedging instruments:							
Foreign currency swaps	$ 2,612	$ 192	$ 12	$ 122	$ 9	$ -	$ -
Equity index futures	357	-	-	-	-	-	33
Treasury futures	106	-	-	-	-	-	-
S&P equity options	452	20	-	-	-	-	11
Derivatives not designated as hedging instruments:							
Treasury futures	-	-	-	-	(3)	-	-
Credit default swap index	-	-	-	-	-	-	-
Total derivatives	$ 3,527	$ 212	$ 12	$ 122	$ 6	$ -	$ 44

Repurchase Agreements:

The Company periodically enters into repurchase agreements whereby securities will be resold at a predefined price. There were no repurchase agreements as of December 31, 2025 and December 31, 2024, respectively.

Reverse Repurchase Agreements:

The Company periodically enters into reverse repurchase arrangements whereby certain securities are loaned, primarily with major brokerage firms. The Company's policy requires a minimum of 95% of the fair value of the loaned securities as collateral, calculated on a daily basis, in the form of either cash or securities. Collateral assets received and related liabilities due counterparties are included in the Statutory Basis Balance Sheets as "Other Liabilities". There were no open reverse repurchase agreements at December 31, 2025 or December 31, 2024.

NOTE 3 – INVESTMENTS (CONTINUED)

Securities Lending

The Company participates in a securities lending program whereby securities are loaned to third-parties. The Company requires initial collateral equal to 102% of the fair value of domestic securities loaned. The fair value of securities classified as bonds on loan were $1,988 million, and $1,937 million at December 31, 2025, and December 31, 2024, respectively.

The securities lending agent on behalf of the Company held collateral comprised of bonds and cash equivalents under the securities lending agreement which is included in other invested assets in the Statutory Balance Sheet and a corresponding liability for the same amount, which is included in other liabilities in the Statutory Balance Sheet. The following table provides the terms and carrying value of the bonds on loan for the year ended December 31, 2025 and December 31, 2024:

	December 31, 2025					
	Remaining Contractual Maturity of the Agreements					
	Open	30 days or less	31 to 60 days	61 to 90 days	Greater than 90 days	Total
Issuer credit obligations	$ -	$ 1	$ 2	$ -	$ 1,985	$ 1,988
Total securities lending transactions	$ -	$ 1	$ 2	$ -	$ 1,985	$ 1,988

	December 31, 2024					
	Remaining Contractual Maturity of the Agreements					
	Open	30 days or less	31 to 60 days	61 to 90 days	Greater than 90 days	Total
Industrial and Miscellaneous		$ 1	$ 1	$ -	$ 1,935	$ 1,937
Total securities lending transactions	$ -	$ 1	$ 1	$ -	$ 1,935	$ 1,937

The securities lending agent reinvests the collateral on behalf of the Company. The following table provides the reinvested collateral for the year ended December 31, 2025 and December 31, 2024:

	2025		2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Period to Maturity				
Open	$ -	$ -	$ -	$ -
30 days or less	413	413	1,047	1,050
31 to 60 days	450	450	405	405
61 to 90 days	50	51	51	51
91 to 120 days	-	-	5	5
121 to 180 days	1	1	-	-
181 to 365 days	16	18	16	17
1 to 2 years	92	94	54	55
2 to 3 years	191	200	67	64
Greater than 3 years	913	806	377	334
Total collateral reinvested	$ 2,126	$ 2,033	$ 2,022	$ 1,981

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Statutory guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's view of market assumptions based on internally developed data in the absence of observable market information. The guidance requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs when determining the fair value of an asset or liability. The statement classifies all assets and liabilities carried or disclosed at fair value in one of the following three categories:

Level 1 – inputs are quoted market prices available in active markets for identical assets or liabilities on the reporting date.

Level 2 – inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – inputs are unobservable where there is little or no market activity for the asset or liability and the Company makes estimates and assumptions based on internally derived information.

The estimated fair values presented below have been determined using available information and valuation methodologies. The estimated fair value for financial instruments held by the Company was determined by management after considering the following sources of information: published market quotes for active exchange traded instruments, third party pricing vendors, quotes from investment banks that are lead market makers in certain markets, independent broker quotations, or the use of internal valuation models that use market observable inputs when available and Company derived inputs when external inputs are not available or deemed to be inaccurate. Considerable judgment is applied in interpreting data to develop the estimates of fair value. Accordingly, such amounts are management's estimate of the value that would be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies from period to period based on available information and market conditions could have a material effect on the estimated fair values.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	December 31, 2025					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Issuer Credit Obligations	$ 43	$ 31,845	$ 12,008	$ 43,896	$ -	$ 47,784
Asset-Backed Securities	-	5,362	4,495	9,857	-	9,887
Common Stock (unaffiliated)	-	118	158	276	-	276
Non-Bond Debt Securities	-	69	-	69	-	67
Preferred Stock	-	-	336	336	-	333
Mortgage Loans	-	-	8,561	8,561	-	8,622
Policy Loans	-	-	6,573	6,573	-	6,573
Derivative instruments	23	157	-	180	-	118
Surplus Notes investments	-	557	-	557	-	688
Residual tranche	-	-	586	586	-	508
Receivable for securities	-	273	-	273	-	273
Cash, cash equivalents and short-term investments	194	1,972	-	2,166	-	2,166
Due and accrued investment income	-	649	-	649	-	649
Total Assets	$ 260	$ 41,002	$ 32,717	$ 73,979	$ -	$ 77,944
Liabilities						
Deposit type contracts	$ -	$ 9,590	$ -	$ 9,590	$ -	$ 9,576
Derivative instruments	3	158	-	161	-	176
Total Liabilities	$ 3	$ 9,748	$ -	$ 9,751	$ -	$ 9,752

	December 31, 2024					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Bonds	$ 42	$ 40,314	$ 6,838	$ 47,194	$ -	$ 52,866
Common Stock (unaffiliated)	-	5	134	139	-	139
Preferred Stock	-	75	83	158	-	158
Mortgage Loans	-	-	7,205	7,205	-	7,462
Policy Loans	-	-	6,069	6,069	-	6,069
Derivative instruments	-	206	-	206	-	212
Surplus Notes investments	-	546	-	546	-	688
Residual tranche	-	-	481	481	-	414
Receivable for securities	-	76	-	76	-	76
Cash, cash equivalents and short-term investments	173	2,575	-	2,748	-	2,748
Due and accrued investment income	-	571	-	571	-	571
Total Assets	$ 215	$ 44,368	$ 20,810	$ 65,393	$ -	$ 71,403
Liabilities						
Deposit type contracts	$ -	$ 6,847	$ -	$ 6,847	$ -	$ 7,016
Derivative instruments	1	21	-	22	-	12
Total Liabilities	$ 1	$ 6,868	$ -	$ 6,869	$ -	$ 7,028

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Bonds, common and preferred stocks:
Estimated fair values for bonds, other than private placement securities, unaffiliated common stocks and preferred stocks are based on values provided by a third-party pricing vendor using primarily observable market inputs. Observable inputs include benchmark yields, reported trades, market dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

The fair values assigned by the pricing vendor are reviewed for reasonableness, which include comparing the prices received to prices of similar securities, price ranges in that asset class or industry or prices from internally generated position reports.

The fair values of most private placement bonds are provided by a third-party pricing vendor and the values of the remaining private placement bonds were provided by the third-party asset manager that manages the Company's private placement bond investments. The asset manager uses an internally developed model to assign prices.

The fair values of private placement bonds obtained from a third-party pricing vendor and third-party asset manager are considered to be Level 3.

Bonds are carried at amortized cost unless they are rated 6 by the NAIC SVO in which case they are reported at the lower of amortized cost or fair value. There were six bonds rated 6 by the NAIC SVO and carried at fair value of $5 million on December 31, 2025, and one bond rated 6 by the NAIC SVO and carried at fair value of $7 million on December 31, 2024. In addition, there were no Bond ETFs carried at fair value in 2025 and 2024.

The fair value of unaffiliated common stock was $276 million on December 31, 2025. Of that amount $118 million was valued based on quotes from third party pricing vendors for identical investments in markets that are not actively traded, or for similar investments that are actively traded and model derived valuations whose inputs are observable or whose significant value drivers are observable (Level 2). Common stocks from the Federal Home Loan Bank of New York ("FHLBNY") remain fixed in price of 100 as they can only be purchased and redeemed with the FHLBNY at that price. The fair value of $158 million of this common stock is Level 3.

Preferred stock is carried at amortized cost if they have a NAIC SVO rating of 1, 2 or 3 and at lower or cost or fair value if the rating assigned is 4, 5 or 6. Preferred stocks rated 4, 5, 6 by the NAIC SVO and carried at fair value on December 31, 2025, were $0 million. Preferred stocks rated 4, 5, 6 by the NAIC SVO and carried at fair value on December 31, 2024, were $0 million.

Commercial Mortgage Loans
The estimated fair value of the commercial mortgage loan portfolio (Level 3) is derived primarily using a loan value matrix using significant unobservable inputs. The inputs used in the matrix include (1) the weighted average cash flow and average term to maturity for each individual loan; (2) a base spread over the U.S. Treasury rate and (3) an internally computed credit rating that is used to derive the appropriate credit spread. There were no commercial mortgage loans carried at fair value in 2025 and 2024.

Residential Mortgage Loans
The Company engages an independent valuation firm to assess the fair value of its residential mortgage loan portfolio (Level 3). Valuations are performed using a loan-level discounted cash flow (DCF) model that incorporates probability weighted assumptions and loan data provided by the Company's asset manager, including quarterly loan tapes and historical performance metrics.

The portfolio is evaluated across two loan categories:

- Performing Loans**:** Key assumptions include prepayment speeds, default expectations, fees, expenses, and anticipated modification activity.
- Liquidation Loans**:** Assumptions focus on expected recoveries and projected liquidation timelines.

Discount rates applied to projected cash flows are informed by market data, collateral characteristics, and benchmarks from seasoned RMBS securitizations and industry published yields.

There were no residential mortgage loans carried at fair value in 2025.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Policy Loans
See Note 2 for information regarding policy loans, for which the Company considers the unpaid principal balance to approximate fair value and is classified as Level 3.

Derivatives:
Derivative instruments are valued through the use of quoted market prices for exchange-traded derivatives (Level 1), third party pricing model and a third-party pricing service for over-the-counter ("OTC") traded derivatives (Level 2) and by using internally developed estimates and assumptions when no quoted market price or third-party vendor price is available (Level 3).

The third-party pricing model used to determine fair value, when quoted market values are not available, is based on market standard valuation methodologies and inputs that are assumed to be consistent with what market participants would use when pricing the instruments. The significant inputs to the pricing models for most over-the-counter derivatives are inputs that are observable in the market or can be derived principally from or corroborated by observable market data. Significant observable inputs include interest rates, foreign currency exchange rates, equity market levels and volatility.

Surplus Note Investments
Estimated fair values for surplus notes are based on values provided by a third-party pricing vendor using primarily observable market inputs and are classified as Level 2. Observable inputs include benchmark yields, reported trades, market dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

Residual Tranches
Residual tranches are carried at the lower of amortized cost or fair value. Fair value, classified as Level 3, is measured using the feeder fund's net equity from its financial statements, which reflects the underlying assets at their fair values. On December 31, 2025, and December 31, 2024, the Company reported $8 million and $0 million feeder fund residual interests at fair value, respectively.

Receivables for securities
These receivables are amounts due from financial institutions for securities that were sold by the Company but the proceeds from the sale have not yet been received by the Company. The Company considers these amounts short-term in nature where the carrying value approximates fair value. This amount is classified as Level 2.

Cash, cash equivalents and short-term investments
See Note 2 for information regarding cash, cash equivalents and short-term investments. This includes cash deposit balances, short-term commercial paper, and other highly liquid debt instruments. Cash amounts are classified as Level 1. All remaining cash equivalents and short-term investments are classified as Level 2.

Due and accrued investment income
Due and accrued investment income is either investment income earned and legally due to be paid to the Company as of the reporting date or investment income earned as of the reporting date but not legally due to be paid to the Company until after the reporting date. The Company expects to receive these amounts shortly after they become due and it is required to non-admit any balance that is over 90 days past due or charge it against income in the period that it is deemed uncollectible. Therefore, the Company considers these amounts short-term in nature and that the carrying value approximates fair value. This amount is classified as Level 2.

Deposit type contracts
Deposit type contracts are made up of funding agreements backing medium-term notes for which fair values are based on market prices for the notes when available. For funding agreements with no available market price, fair values are estimated using discounted cash flow calculations based on a computed spread. This spread is calculated by taking the difference between the current FHLBNY term interest rates offered for similar contracts and the corresponding reference spot on the yield curve. The yield curve used is the Bloomberg RV1 curve. For all other deposit funds, the fair value is estimated to be equal to the account value since they can be withdrawn at any time and without prior notice.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following tables summarize the company's financial instruments carried at fair value by their fair value/NAV hierarchy levels for the period ending December 31, 2025 and December 31, 2024:

	December 31, 2025					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Issuer Credit Obligations	$ -	$ 5	$ -	$ 5	$ -	$ 5
Asset-Backed Securities	-	-	-	-	-	-
Residual Tranches	-	-	8	8	-	8
Derivative Instruments	-	68	-	68	-	68
Common Stock	-	118	158	276	-	276
Total Assets	$ -	$ 191	$ 166	$ 357	$ -	$ 357
Liabilities						
Derivative instruments	$ -	$ 41	$ -	$ 41	$	$ 41
Total Liabilities	$ -	$ 41	$ -	$ 41	$ -	$ 41

	December 31, 2024					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Bonds	-	7	-	7	-	7
Derivative Instruments	-	20	-	20	-	20
Common Stock	-	5	134	139	-	139
Total Assets	$ -	$ 32	$ 134	$ 166	$ -	$ 166
Liabilities						
Derivative instruments	$ -	$ -	$ -	$ -	$ -	$ -
Total Liabilities	$ -	$ -	$ -	$ -	$ -	$ -

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table summarizes changes to the Company's financial instruments carried at fair value and classified as level 3 in the fair value hierarchy for the year ended December 31, 2025 and December 31, 2024.

	As of December 31, 2025				
Level 3 Roll Forward	Issuer Credit Obligations	Asset-Backed Securities	Common Stock (unaffiliated)	Residual Tranches	Total
			(In Millions)		
Fair Value , beginning of period	$ -	$	$ 134	$ -	$ 134
Total gains or (losses) (realized or unrealized):					
Included in net income	-	-	-	-	-
Included in surplus	-	-	-	-	-
Purchases, sales, issuances, and settlements:					
Purchases	-	-	131	-	131
Sales	-	-	(107)	-	(107)
Issuances	-	-	-	-	-
Settlements	-	-	-	-	-
Transfers into Level 3	-	-	-	8	8
Transfers out of Level 3	-	-	-	-	-
Fair value, end of period	$ -	$ -	$ 158	$ 8	$ 166

During 2025, there were $8 million of Residual Tranches transferred into Level 3.

	As of December 31, 2024			
Level 3 Roll Forward	Bonds	Common Stock (unaffiliated)	Residual Tranches	Total
		(In Millions)		
Fair Value , beginning of period	$ -	$ 76	$ -	76
Total gains or (losses) (realized or unrealized):				
Included in net income	-	-	-	-
Included in surplus	-	(2)	-	(2)
Purchases, sales, issuances, and settlements:				
Purchases	-	72	-	72
Sales	-	(12)	-	(12)
Issuances	-	-	-	-
Settlements	-	-	-	-
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-	-	-
Fair value, end of period	$ -	$ 134	-	134

During 2024, there were no transfers into or out of Level 3.

NOTE 5 – RESERVES FOR POLICY BENEFITS

Reserves for policy benefits represent the estimated net present value of future policy benefits, less future policy premiums, established using actuarial methods based on mortality and morbidity experience tables and valuation interest rates prescribed by the Department. Actual future experience will generally differ from assumptions used to determine these reserves.

Reserves for future policy benefits on life insurance issued in 1988 and later are calculated principally on the New Jersey Reserve Method or the Commissioners Reserve Valuation Method using the 1980 Commissioners' Standard Ordinary ("CSO"), the 2001 CSO, and the 2017 CSO mortality tables. Reserves for term policies and riders issued in 2019 and later, and Universal Life with Secondary Guarantees issued in 2020 and later use the valuation methods specified in Valuation Manual ("VM") -20. VM-20 requires the reserve to be the greater of Net Premium Reserve (NPR), Deterministic Reserve (DR) and the Stochastic Reserve (SR). NPR is a formulaic reserve based on assumptions set by NAIC. The DR and SR are calculated using a principle based approach and company prudent estimate assumptions. As of December 31, 2025 and 2024, the VM-20 reserves are $41 million and $26 million, respectively. In addition, there is also a floor reserve required by the Department which is 70% of the New York Insurance Regulation 147 reserve for term policies and 100% of the UL CRVM reserve. As of December 31, 2025 and 2024, the excess floor reserve are $54 million and $53 million on a direct basis respectively. In 2025, $ 42 million of the excess floor reserve was ceded. Reserves on life policies issued before 1988 are calculated principally on the Net Level Premium Reserve Method using the American Experience, 1941, 1958 and 1980 CSO mortality tables. Annuity contract reserves are principally calculated using the 1983 Group Mortality table and the various Individual Annuity mortality tables. Assumed interest rates principally range from 3.0% to 8.0 % for direct business.

The reserves for Group Life Waiver and Long Term Disability ("LTD") reported claims are determined on a seriatim basis. Life waiver of premium reserves are determined primarily using the 1970 Inter-company Group Life Disability Table for claims incurred on or before December 31, 2008, the 2005 Group Term Life Waiver Reserve Valuation Table for claims incurred between January 1, 2009 and December 31, 2022, and the 2023 Group Term Life Waiver Reserve Table for claims incurred on or after January 1, 2023. The interest rate is 4.0% for claims incurred on or before December 31, 2012, 3.5% for claims incurred between January 1, 2013 and December 31, 2020, and 3.0% for claims incurred on or after between January 1, 2021 and December 31, 2024, and 3.5% for claims incurred on or after January 1, 2025. Long term disability reserves are determined using the 2012 Group Long Term Disability Valuation Table for claims incurred on or after January 1, 2017 and the 1987 Commissioners' Group Disability Table for claims incurred before January 1, 2017. The interest rates range from 2.0% to 5.0%, depending on the year of incurral. Short Term Disability ("STD"), Dental, and Medical claims incurred but not yet reported ("IBNR") reserves are estimated based on the Company's historical experience. Dental and Medical reserves include reasonable allowances for potential adverse deviation.

The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium paid beyond the date of death. The larger of legally computed reserves and cash surrender values on a policy-by-policy basis are held as liabilities. Plans, except for second-to-die plans, charge additional premiums for substandard lives based upon actual issue age. Second-to-die plans develop substandard reserves using the rated up age. Mean reserves are based on appropriate multiples of standard rates of mortality. As of December 31, 2025, the Company had $9 billion of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of New York. The reserves to cover the above insurance totaled $31 million. The Tabular Interest, the Tabular Less Actual Reserve Released and the Tabular Cost have been determined by formula. For the determination of Tabular Interest on funds not involving life for each valuation rate of interest, the tabular interest is calculated as the product of such valuation rate of interest times the average of the amount of funds subject to such valuation rate of interest held at the beginning and end of the year of valuation.

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

At December 31, 2025 and December 31, 2024 the withdrawal characteristics of the Company's annuity reserves and deposit type contract liabilities without life or disability contingencies were as follows:

	As of December 31, 2025				
	General Account	Separate Account with Guarantees	Separate Account Non Guaranteed	Total	% of Total
	(in millions)				
A. Individual Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 122	$ -	$ -	$ 122	88.4%
(2) Not subject to discretionary withdrawal	$ 16	$ -	$ -	$ 16	11.6%
(3) Total (gross: direct + assumed)	$ 138	$ -	$ -	$ 138	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 138	$ -	$ -	$ 138	
(6) Amount included in A(1)b above that will move to A(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
B. Group Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ -	$ -	$ -	$ -	0.0%
(2) Not subject to discretionary withdrawal	$ 4	$ -	$ -	$ 4	100.0%
(3) Total (gross: direct + assumed)	$ 4	$ -	$ -	$ 4	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 4	$ -	$ -	$ 4	
(6) Amount included in B(1)b above that will move to B(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
C. Deposit-Type Contracts (no life contingencies):					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ 6	$ -	$ -	$ 6	0.1%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ 6	$ -	$ -	$ 6	0.1%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 327	$ -	$ -	$ 327	3.3%
(2) Not subject to discretionary withdrawal	$ 9,464	$ -	$ -	$ 9,464	96.6%
(3) Total (gross: direct + assumed)	$ 9,797	$ -	$ -	$ 9,797	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 9,797	$ -	$ -	$ 9,797	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
Total annuity actuarial reserves and deposit liabilities:	$ 9,939	$ -	$ -	$ 9,939	
Reconcilliation of total annuity actuarial reserves and deposit liabilities:					
Life and Accident & Health Annual Statement	$ 9,939	$ -	$ -	$ 9,939	
Separate Accounts Annual Statement	-	-	-	-	
Total annuity actuarial reserves and deposit liabilities:	$ 9,939	$ -	$ -	$ 9,939	

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

	As of December 31, 2024				
	General Account	Separate Account with Guarantees	Separate Account Non Guaranteed	Total	% of Total
	(in millions)				
A. Individual Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 129	$ -	$ -	$ 129	89.0%
(2) Not subject to discretionary withdrawal	$ 16	$ -	$ -	$ 16	11.0%
(3) Total (gross: direct + assumed)	$ 145	$ -	$ -	$ 145	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 145	$ -	$ -	$ 145	
(6) Amount included in A(1)b above that will move to A(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
B. Group Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ -	$ -	$ -	$ -	0.0%
(2) Not subject to discretionary withdrawal	$ 4	$ -	$ -	$ 4	100.0%
(3) Total (gross: direct + assumed)	$ 4	$ -	$ -	$ 4	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 4	$ -	$ -	$ 4	
(6) Amount included in B(1)b above that will move to B(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
C. Deposit-Type Contracts (no life contingencies):					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ 8	$ -	$ -	$ 8	0.1%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ 8	$ -	$ -	$ 8	0.1%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 331	$ -	$ -	$ 331	4.6%
(2) Not subject to discretionary withdrawal	$ 6,896	$ -	$ -	$ 6,896	95.3%
(3) Total (gross: direct + assumed)	$ 7,235	$ -	$ -	$ 7,235	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 7,235	$ -	$ -	$ 7,235	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
Total annuity actuarial reserves and deposit liabilities:	$ 7,392	$ -	$ -	$ 7,392	
Reconcilliation of total annuity actuarial reserves and deposit liabilities:					
Life and Accident & Health Annual Statement	$ 7,384	$ -	$ -	$ 7,384	
Separate Accounts Annual Statement	-	-	-	-	
Total annuity actuarial reserves and deposit liabilities:	$ 7,384	$ -	$ -	$ 7,384	

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

At December 31, 2025 and December 31, 2024 the withdrawal characteristics of the Company's life actuarial reserves were as follows:

	As of December 31, 2025		
	General Account		
	Account Value	Cash Value	Reserve
		(in millions)	
A. Subject to discretionary withdrawal, surrender values, or policy loans:			
(1) Term Policies with Cash Value	$ -	$ -	$ -
(2) Universal Life	1,481	1,466	1,493
(3) Universal Life with Secondary Guarantees	163	130	453
(4) Indexed Universal Life	-	-	-
(5) Indexed Universal Life with Secondary Guarantees	-	-	-
(6) Indexed Life	-	-	-
(7) Other Permanent Cash Value Life Insurance	-	52,787	54,453
(8) Variable Life	-	-	-
(9) Variable Universal Life	-	-	6
(10) Miscellaneous Reserves	-	-	-
B. Not subject to discretionary withdrawal or no cash values:			
(1) Term Policies without Cash Value	-	-	1,654
(2) Accidental Death Benefits	-	-	5
(3) Disability - Active Lives	-	-	165
(4) Disability - Disabled Lives	-	-	347
(5) Miscellaneous Reserves	-	-	884
C. Total (gross: direct + assumed)	1,644	54,383	59,460
D. Reinsurance ceded	-	-	1,144
E. Total (net) (C) - (D)	$ 1,644	$ 54,383	$ 58,316

	As of December 31, 2024		
	General Account		
	Account Value	Cash Value	Reserve
		(in millions)	
A. Subject to discretionary withdrawal, surrender values, or policy loans:			
(1) Term Policies with Cash Value	$ -	$ -	$ -
(2) Universal Life	1,243	1,226	1,254
(3) Universal Life with Secondary Guarantees	147	115	425
(4) Indexed Universal Life	-	-	-
(5) Indexed Universal Life with Secondary Guarantees	-	-	-
(6) Indexed Life	-	-	-
(7) Other Permanent Cash Value Life Insurance	-	50,037	51,627
(8) Variable Life	-	-	-
(9) Variable Universal Life	-	-	6
(10) Miscellaneous Reserves	-	-	-
B. Not subject to discretionary withdrawal or no cash values:			
(1) Term Policies without Cash Value	-	-	1,677
(2) Accidental Death Benefits	-	-	5
(3) Disability - Active Lives	-	-	163
(4) Disability - Disabled Lives	-	-	353
(5) Miscellaneous Reserves	-	-	837
C. Total (gross: direct + assumed)	1,390	51,378	56,347
D. Reinsurance ceded	-	-	1,129
E. Total (net) (C) - (D)	$ 1,390	$ 51,378	$ 55,218

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

Note Program

Funding agreements are investment contracts whose reserve liabilities are the greater of the face amount and the present value of future liabilities taking into account the coupon rate and the valuation rate. The account value is established by contract deposits, increased by interest credited and decreased by contract coupon payments and maturities. Contract holders do not have the right to terminate the contract prior to the contractually stated maturity date. Credited interest rates vary by contract and can be fixed or floating. During 2025, notes totaling $14.4 billion matured and new notes totaling $17.0 billion were issued.

The Company has a $10.0 billion Global Medium Term Note Program. Under the note program, the Company created a special purpose entity ("SPE"), which is an investment vehicle or trust, for the purpose of issuing medium-term notes to investors. Proceeds from the sale of the medium-term notes issued by the SPE are used to purchase funding agreements from the Company. The medium-term notes are secured by the funding agreements with the note issuer granting a security interest in the funding agreement to the indenture trustee for the notes. The payment terms of any particular series of notes are matched by the payment terms of the funding agreement securing the series. The amounts outstanding were $6.2 billion and $4.1 billion on December 31, 2025 and December 31, 2024, respectively and are included in the Statutory Basis Balance Sheets as "Policyholder dividends payable and other contract liabilities". During 2025, notes totaling $900 million matured and new notes totaling $3.0 billion were issued. During 2024, notes totaling $300 million matured and new notes totaling $500 million were issued.

The Company also issues funding agreements to the Federal Home Loan Bank of New York (FHLBNY). The amounts outstanding were $3.2 billion and $2.7 billion on December 31, 2025, and December 31, 2024, respectively, and are included in the Statutory Basis Balance Sheets as "Policyholder dividends payable and other contract liabilities". During 2025, notes totaling $13.5 billion matured and new notes totaling $14.0 billion were issued. During 2024, notes totaling $1.5 billion matured and new notes totaling $2.8 billion were issued.

As of December 31, 2025, the combined aggregate amount of maturities for each of the years as follows:

	(In millions)
2026	1,937
2027	144
2028	419
2029	421
2030 - 2034	291
Total	$ 3,212

NOTE 6 – PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

Gross deferred and uncollected life insurance premiums represent premiums due to be received from policy owners through the next policy anniversary date. Net deferred and uncollected life insurance premiums represent only the portion of gross premiums related to mortality charges and interest. Deferred and uncollected life insurance premiums at December 31, 2025 and December 31, 2024 were as follows:

	2025		2024	
	(In millions)		(In millions)	
Type	**Gross**	**Net**	**Gross**	**Net**
Ordinary new business	$ 78	$ 16	$ 70	$ 13
Ordinary renewal	831	707	837	721
Group life	111	344	116	340
Totals	$ 1,020	$ 1,067	$ 1,023	$ 1,074

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS

Defined Benefit Plans:

The Company sponsors non-contributory defined benefit pension plans covering all eligible Home Office and Field Representative employees. These include tax-qualified plans, as well as nonqualified plans that provide benefits to certain participants in-excess of ERISA limits for qualified plans. The Company's policy is to fully fund the obligations of qualified plans in accordance with ERISA requirements. In 2020, the Company froze future pension benefit accruals for Home Office employees who did not reach the Rule of 75, determined using 75 "points" when combining an employee's age plus years of service as of December 31, 2020.

In addition to pension benefits, the Company provides postretirement benefits for retired employees. All Field representatives may become eligible for these benefits if they reach retirement age while working for the Company. In 2020, the Company eliminated this benefit for all Home Office employees that retire after December 31, 2020.

In accordance with NAIC SAP, the costs associated with these required benefits are expensed over the period that the participant provides services to the Company, including recognition of assets and liabilities based on the funded status of the related plans. Pension assets are then non-admitted and thereby excluded from surplus.

Components of Net Periodic Benefit Expense

The components of net periodic pension and postretirement benefits expense including the amount of unrecognized items amortized into expense for the years ended December 31 are as follows:

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
	(In millions)			
Service cost	$ 28	$ 31	$ 2	$ 2
Interest cost	124	121	9	9
Expected return on plan assets	(110)	(118)	(4)	(5)
Amortization of transition amount	-	-	5	4
Amortization of actuarial net loss (gains)	35	34	(8)	(8)
Net periodic expense	$ 77	$ 68	$ 4	$ 2

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Changes in the projected benefit obligations and plan assets during the years ended December 31, 2025 and December 31, 2024 were as follows (in millions):

	Pension Benefits		Postretirement Benefits	
Change in benefit obligation	**2025**	**2024**	**2025**	**2024**
Benefit obligation, at beginning of period	$ 2,238	$ 2,338	$ 163	$ 169
Service cost	28	31	2	2
Interest cost	124	121	9	9
Actuarial (gain) / loss	42	(102)	6	-
Benefits paid	(162)	(150)	(18)	(17)
Other	-	-	-	-
Benefit obligation, at end of period	$ 2,270	$ 2,238	$ 162	$ 163

	Pension Benefits		Postretirement Benefits	
Change in fair value of plan assets	**2025**	**2024**	**2025**	**2024**
Plan assets, at beginning of period	$ 1,693	$ 1,828	$ 71	$ 88
Actual return on plan assets	115	(7)	13	(0)
Employer contributions	51	22	1	-
Benefits paid	(162)	(150)	(18)	(17)
Plan assets, at end of period	$ 1,697	$ 1,693	$ 67	$ 71

	Pension Benefits		Postretirement Benefits	
Funded status	**2025**	**2024**	**2025**	**2024**
Funded status at end of period	$ (573)	$ (545)	$ (95)	$ (92)
Unrecognized prior service credit	-	-	(8)	-
Unrecognized actuarial net loss	653	650	52	-
Net amount recognized	$ 80	$ 105	$ (51)	$ (92)

	Pension Benefits		Postretirement Benefits	
Recognized as of December 31	**2025**	**2024**	**2025**	**2024**
Prepaid benefit cost	$ -	$ -	$ -	$ -
Less assets non admitted	-	1	-	-
Accrued liability	(573)	(546)	(95)	(92)
Net amount recognized	$ (573)	$ (545)	$ (95)	$ (92)

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Assumptions

Weighted average assumptions used in calculating the benefit obligations were as follows:

	Pension Benefits		Post Retirement Benefits	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Discount Rate:				
Home Office Plan	5.63%	5.75%	5.42%	5.75%
Field Representative Plan	5.74%	5.80%	5.69%	5.80%
Rate of compensation increase	3.00%	3.00%	n/a	n/a

Weighted average assumptions used in calculating the net periodic benefit cost were as follows:

	Pension Benefits For the Years Ended		Post Retirement Benefits For the Years Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Discount Rate:				
Home Office Plan	5.75%	5.35%	5.75%	5.40%
Field Representative Plan	5.80%	5.35%	5.80%	5.40%
Rate of compensation increase	3.00%	3.00%	n/a	n/a
Expected return on plan assets	6.70%	6.70%	6.70%	6.70%

Assumed health care cost trend rates were as follows:

	As of December 31,	
	2025	2024
Medical & Prescription Pre - Age 65	7.50%, grading to 5.0% over 10 years	6.25 %, grading to 4.5% over 10 years

The accumulated benefit obligations ("ABO") for the funded and unfunded pension plans were $1,685 million and $463 million, respectively, at December 31, 2025 and $1,675 million and $437 million, respectively, at December 31, 2024. The accumulated post retirement benefit obligation ("APBO") for the postretirement plans was $162 million at December 31, 2025 and $163 million at December 31, 2024.

For the pension plans with ABO in excess of plan assets, the projected benefit obligations, accumulated benefit obligations, and fair value of plan assets were and $2,270 million, $1,697 million, and $990 million respectively at December 31, 2025 and $1,040 million, $495 million, and $945 million respectively at December 31, 2024.

With respect to the Company's pension plans, the actuarially calculated funding amount ranges from the minimum amount the Company would be required to contribute to the maximum amount that would be deductible for tax purposes. Contribution amounts in excess of the minimum amounts are deemed voluntary. Amounts in excess of the maximum amount would be subject to an excise tax and may not be deductible under the Internal Revenue Code. The Company made a voluntary contribution of $27 million in 2025 and no voluntary contribution in 2024.

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Benefit Payments

The following table discloses the expected benefit payments for the Company's pension and postretirement plans.

	Pension Benefits	Other Benefits
Estimated Future Payments	(In millions)	
2026	167	15
2027	168	15
2028	172	16
2029	172	16
2030	181	16
2031 - 2034	865	70

Plan Assets

The Company's pension and postretirement plans' asset allocation by major asset class at December 31, 2025 and December 31, 2024, and the target allocation for 2026, are as follows:

	Target Allocation	Percentage of Plan Assets at	
Asset Category	**2026**	**As of December 31, 2025**	**As of December 31, 2024**
U.S. Stocks	0-20%	6%	17%
International Stocks	0-10%	1%	3%
Alternative Equity Investments	0-30%	20%	19%
Non-convertible Bonds	60-100%	73%	61%
		100%	100%

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

The investment strategy with respect to the Company's pension plan assets is to preserve capital and to seek investment returns with a goal of fully funding the plan.

The expected rate of return was 6.7% for the year ended December 31, 2025, and 2024, respectively. These rates of return are an aggregation of expected returns within each asset category. The return with respect to each asset class considers both historical returns and the future expectations for such returns.

Target allocations of assets are determined with the objective of maximizing returns and minimizing volatility of net assets through adequate asset diversification and partial liability immunization. Adjustments are made to target allocations based on the Company's assessment of the impact of economic factors and market conditions.

The following table summarizes the Master Trust's financial instruments carried at fair value hierarchy levels. The fair values were estimated using the same methodology described in Note 4.

	As of December 31, 2025 (In millions)				
Description	**Level 1**	**Level 2**	**Level 3**	**NAV**	**Estimated Fair Value**
U.S. Stocks	$ -	$ -	$ -	$ 98	$ 98
International Stocks	-	-	-	22	22
Non-convertible Bonds	303	969	-	-	1,272
Total	$ 303	$ 969	$ -	$ 120	$ 1,392

	As of December 31, 2024 (In millions)				
Description	**Level 1**	**Level 2**	**Level 3**	**NAV**	**Value**
U.S. Stocks	$ -	$ -	$ -	$ 287	$ 287
International Stocks	-	-	-	57	57
Non-convertible Bonds	292	769	-	-	1,061
Total	$ 292	$ 769	$ -	$ 344	$ 1,405

There were no financial instruments carried at fair value and classified as Level 3 as of December 31, 2025 and 2024.

Defined Contribution Plans

The Company sponsors defined contribution plans. Home office employees are covered by an investment and profit sharing plan, pension plans 401(k)/401(a). Employees can invest up to 3% of their salary matched by an equal amount from the Company. They are also allowed an additional 10% (if not highly paid) of non-matched contributions. In addition, the Company provides a profit sharing allocation in proportion to salary. For home office employees hired on or after January 1, 2018, or home office employees hired before January 1, 2018 that do not meet the Rule of 75 as of December 31, 2020, the Company also makes a non-elective contribution to the Plan based on the age, years of service, and compensation of the participant. Field representatives are covered by a 401(k)/401(a) investment plan in which they can invest up to 3% of their salary matched by an equal amount from the Company. They are also allowed an additional 12% (if not highly paid) of non-matched contributions. The assets for both home office plans and the field representative's plan are held in a trust. Full time agents and general agents are covered by non-contributory plans. The Company contributed $88 million and $91 million to these plans in 2025 and 2024, respectively. The Company funds these plans and reflects the funded amounts as a liability.

NOTE 8 – INCOME TAXES

Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with the following entities:

- Guardian Insurance & Annuity Company, Inc.,
- Park Avenue Life Insurance Company,
- Sentinel American Life Insurance Company,
- Family Service Life Insurance Company,
- Managed Dental Care of California,
- Managed Dental Guard of Texas,
- Managed Dental Guard of New Jersey,
- Berkshire Life Insurance Company of America,
- First Commonwealth, Inc. and its subsidiaries,
- Guardian Abbey LLC

The Company files a consolidated federal income tax return as parent, with its subsidiaries. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

The Internal Revenue Code limits the amount of non-life insurance losses that may offset life insurance company taxable income. The consolidated income tax liability is allocated among the members of the group pursuant to a tax allocation agreement. In accordance with the tax allocation agreement, each qualifying member of the group computes its tax provision and liability on a separate return basis, but may, where applicable, recognize benefits of net operating losses and capital losses utilized in the consolidated group. Subsidiary tax liabilities/benefits are settled subsequent to the filing of the federal income tax return.

The Company does not anticipate any significant changes to its tax contingencies within the next 12 months.

The Inflation Reduction Act was enacted into law on August 16, 2022. This provision imposes a 15% Corporate Alternative Minimum Tax ("CAMT") on adjusted financial statement income ("AFSI") for applicable corporation with average annual AFSI over a three-year period in excess of $1 billion effective for taxable years beginning after December 31, 2022. As of December 31, 2025 management has determined that Guardian Life Insurance Company and Subsidiaries does not expect to be subject for CAMT in 2025.

NOTE 8 – INCOME TAXES (CONTINUED)

Deferred income taxes are generally recognized, based on enacted tax rates, when assets and liabilities have different values for financial statement and tax purposes.

The components of the net deferred tax asset recognized in the Company's Statutory Basis Balance Sheets are as follows:

	December 31, 2025		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 2,024	$ 100	$ 2,124
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	2,024	100	2,124
Deferred Tax Assets Nonadmitted	199	-	199
Subtotal Net Admitted Deferred Tax Asset	1,825	100	1,925
Deferred Tax Liabilities	880	200	1,080
Net Admitted Deferred Tax Asset	$ 945	$ (100)	$ 845

	December 31, 2024		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 1,955	$ 141	$ 2,096
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	1,955	141	2,096
Deferred Tax Assets Nonadmitted	155	-	155
Subtotal Net Admitted Deferred Tax Asset	1,800	141	1,941
Deferred Tax Liabilities	846	243	1,089
Net Admitted Deferred Tax Asset	$ 954	$ (102)	$ 852

	Change		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 69	$ (41)	$ 28
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	69	(41)	28
Deferred Tax Assets Nonadmitted	44	-	44
Subtotal Net Admitted Deferred Tax Asset	25	(41)	(16)
Deferred Tax Liabilities	34	(43)	(9)
Net Admitted Deferred Tax Asset	$ (9)	$ 2	$ (7)

A valuation allowance is recorded if it is more likely than not that some portion or all of the deferred tax asset will not be realized. The Company's management has concluded that the deferred income tax assets are more likely than not to be realized. Therefore, no valuation allowance has been provided.

Admission calculation components SSAP No. 101 (Paragraph 11)

The Company follows the guidance in Statement of Statutory Accounting Principles No. 101 - Income Taxes, A Replacement of SSAP No. 10R and SSAP No.10 ("SSAP 101"). SSAP 101 included a similar calculation for limitation of gross deferred tax assets as SSAP 10R for insurers that maintain a minimum of 300% of their authorized control level RBC computed without net deferred tax assets. The Company exceeded the 300% minimum RBC requirement at December 31, 2025 and 2024.

NOTE 8 – INCOME TAXES (CONTINUED)

	December 31, 2025		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ -	$ -
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	797	48	845
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance	797	48	845
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	-	-	1,367
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities.	1,028	52	1,080
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a. + b. + c.)	$ 1,825	$ 100	$ 1,925

	December 31, 2024		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ 5	$ 5
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	810	38	848
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	810	38	848
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	-	-	1,265
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities.	990	98	1,088
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a.	$ 1,800	$ 141	$ 1,941

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ (5)	$ (5)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	(13)	10	(3)
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	(13)	10	(3)
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	N/A	N/A	102
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets	38	(46)	(8)
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a.	$ 25	$ (41)	$ (16)

	2025	2024
Ratio percentage used to determine recovery period and threshold limitation amount	993%	940%
Amount of adjusted capital and surplus used to determine recovery period and threshold	$ 11,427	$ 10,829

NOTE 8 – INCOME TAXES (CONTINUED)

	December 31, 2025	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	$ 2,024	100
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	2.2%
3. Net Admitted Adjusted Gross DTAs amount	1,825	100
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	2.5%

	December 31, 2024	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	$ 1,955	141
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	2.0%
3. Net Admitted Adjusted Gross DTAs amount	1,800	141
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	2.2%

	Change	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	69	(41)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of	0.0%	0.2%
3. Net Admitted Adjusted Gross DTAs amount from	25	(41)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	0.3%

Does the Company's tax-planning strategies include the use of reinsurance?	Yes		No	X

All DTL were recognized as of December 31, 2025 and December 31, 2024.

Current income taxes incurred consisted of the following major components:

Description	December 31, 2025	December 31, 2024	Change
(In millions)			
Federal income tax expense on operating income	$ 69	$ 134	$ (65)
Prior year overaccrual	(41)	(20)	(21)
Contingent tax	-	-	-
Current Federal operations income tax expense	$ 28	$ 114	$ (86)
Federal income tax (benefit) on capital gains/(losses)	$ (76)	$ (61)	$ (15)
Prior year underaccrual	32	15	17
Current Federal capital gain income tax (benefit)	$ (44)	$ (46)	$ 2
Federal and foreign income taxes incurred	$ (16)	$ 68	$ (84)

NOTE 8 – INCOME TAXES (CONTINUED)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	2025	2024	Change
		(In millions)	
DTAs Resulting from Book/Income Tax Differences In:			
Ordinary:			
Reserves	$ 770	$ 755	$ 15
Policy acquisition costs	489	454	35
Dividend provision	350	321	29
Liabilities for employees and agents	163	149	14
Pension Accrual	140	128	12
Non admitted assets	34	37	(3)
Leasehold improvement	6	6	-
Other	72	105	(33)
Gross ordinary DTA - (admitted and nonadmitted)	$ 2,024	$ 1,955	$ 69
Statutory valuation allowance adjustment - ordinary	-	-	-
Total ordinary DTA - (nonadmitted)	199	155	44
Admitted ordinary DTA	1,825	1,800	25
Capital:			
Impaired securities	97	100	(3)
Unrealized capital losses	-	38	(38)
Other	3	3	-
Gross capital DTA - (admitted and nonadmitted)	100	141	(41)
Total capital DTA - (nonadmitted)	-	-	-
Admitted capital DTA	100	141	(41)
Total admitted DTA	$ 1,925	$ 1,941	$ (16)
DTLs Resulting from Book/Income Tax Differences In:			
Ordinary:			
Deferred and uncollected premiums	$ 254	$ 257	$ (3)
Advanced premium	104	98	6
Reserve transition adjustment (8 Year)	-	19	(19)
Guaranteed dividend	239	219	20
Other invested assets	232	208	24
Reserves 10 year spread	-	1	(1)
Other	51	44	7
Ordinary DTL	$ 880	$ 846	$ 34
Capital:			
Unrealized capital gains	146	189	(43)
Deferred gain	53	53	-
Other	1	1	-
Capital DTL	200	243	(43)
Total DTL	$ 1,080	$ 1,089	$ (9)
Net admitted DTA/(DTL)	$ 845	$ 852	$ (7)
The Change in net deferred income taxes is comprised of the following:			
Adjusted gross deferred tax assets	$ 2,124	$ 2,096	$ 28
Total deferred tax liabilities	1,080	1,089	(9)
Net deferred tax assets (liabilities)	$ 1,044	$ 1,007	$ 37
Tax effect of net unrealized gains (losses)			(5)
Change in net deferred income tax			$ 32

Changes in net deferred income tax, including changes attributable to changes in tax rates and changes in tax status, if any, shall be recognized as a separate component of gains and losses in unassigned funds (Surplus).

NOTE 8 – INCOME TAXES (CONTINUED)

Contingent Tax Liabilities:

Guardian Life files U.S. federal income tax returns along with various state and local income tax returns. The Company's federal income tax returns are routinely examined by the Internal Revenue service ("IRS") and provisions are made in the financial statements in anticipation of the results of these audits. Tax years 2015 through 2024 are subject to examination by the IRS. The Company believes that it has established adequate tax liabilities for uncertain tax positions for all open years.

Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant book to tax adjustments causing this difference were the following:

	December 31, 2025	Effective Tax Rate
	(In millions)	
Net gain from operations after dividends to policyholders and before Federal income tax @21%	$ 224	
Net realized capital gains (losses) @21%	(59)	
Provision calculated at statutory rate	165	21%
Tax effect of:		
Interest maintenance reserve	(82)	-10%
Affiliated Dividends	(131)	-17%
Tax Credit	(31)	-4%
Realized Loss on Affiliate	28	4%
Other	3	0%
Total statutory income tax expense/(benefit)	$ (48)	(6%)
Federal income taxes incurred	(16)	-2%
Change in net deferred income taxes	(32)	-4%
Total statutory income tax expense/(benefit)	$ (48)	(6%)

Operating Loss and Tax Credit Carryforwards

As of December 31, 2025, the Company does not have any net ordinary loss carryforwards, capital loss carryforwards or tax credit carryforwards.

The following are income taxes incurred in prior years that are available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
		(In millions)	
2025	$ -	$ -	$ -
2024	-	-	-
2023	-	-	-
Total	$ -	$ -	$ -

As of December 31, 2025 the Company does not have any deposits admitted pursuant to the Internal Revenue Code Section 6603.

NOTE 9 – REINSURANCE CEDED

In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding business to reinsurers under various modified coinsurance agreements, coinsurance agreements, and combinations thereof, and yearly renewable term agreements. These agreements provide for reinsurance of selected individual life and disability policies and group life and group health contracts. Under the terms of the modified coinsurance agreements, reserves related to the reinsured business and the corresponding assets are held by the Company. The Company retains the primary obligation to the policyholder for reinsured policies. Failure of reinsurers to honor their obligations could result in losses to the Company; consequently, the Company evaluates the financial condition of its reinsurers in order to minimize its exposure to losses from reinsurer insolvencies.

The Company entered into a Block transaction reinsurance agreement on an 85% quota share coinsurance funds withheld basis with a reinsurer on October 1, 2024. This Block was previously reinsured with another reinsurance company at a 90% quota share and was recaptured concurrently with the new agreement.

The effects of these ceding agreements on the components of gain from operations in the accompanying statutory basis statements of operations are as follows:

	2025	2024
	(In millions)	
Premiums, annuity considerations and fund deposits	$ (854)	$ (960)
Commissions and expense allowances (other income)	50	244
Total revenues	(804)	(716)
Benefit payments to policyholders and beneficiaries	(889)	(892)
Net reductions to policy benefit reserves	62	153
Commissions and operating expenses	3	(3)
Total expenses	(824)	(742)
Net gain on operations from reinsurance ceded	$ 20	$ 26

NOTE 10 – REINSURANCE ASSUMED

The Company enters into various modified coinsurance agreements, coinsurance agreements, and combinations thereof and yearly renewable term agreements that provide reinsurance on life insurance, annuities, credit life, disability insurance, and credit accident and health business. Under the terms of the various reinsurance treaties, the Company assumed (net of retrocession) approximately $2.0 billion face amount of life insurance at December 31, 2025 and $2.2 billion at December 31, 2024. Under the terms of modified coinsurance agreements, reserves related to the reinsured business and the corresponding assets are held by the ceding company.

The Company has a coinsurance agreement with BLICOA, an affiliated insurance company, entered into in 2013. Under the agreement, the Company assumed 80% of the net individual disability insurance ("IDI") originally ceded to BLICOA from the Company via the July 1, 2001 coinsurance treaty as well as 80% of the IDI and multi-life ("ML") business written by BLICOA since the 2001 treaty. The reinsurance is on a funds withheld basis with supporting invested assets remaining in BLICOA.

Also, as part of the terms of the agreement, the Company can request that BLICOA pay an amount equal to the Annual Funds Withheld Increase to the Company. In 2025, the Company did not request that BLICOA pay an amount equal to the Annual Funds Withheld Increase it recorded in 2024. In 2024, the Company did not request that BLICOA pay an amount equal to the Annual Funds Withheld Increase it recorded in 2023.

The Company has an Individual Life YRT reinsurance agreement with GIAC, an affiliated insurance company, entered into in 2011. The agreement covers GIAC's current form Secondary Guarantee Universal Life and Survivorship Universal Life plans having policy effective dates of January 1, 2011 and later. Reinsurance under the agreement is assumed on an automatic 90% first dollar quota share basis.

NOTE 10 – REINSURANCE ASSUMED (CONTINUED)

The following tables outline the effects of these assumption agreements on the accompanying Statutory Basis Statements of Operations.

Reinsurance Assumed from Affiliates

	2025	2024
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 885	$ 842
Reserve adjustments on reinsurance (other income)	33	34
Total revenues	918	876
Benefit payments to policyholders and beneficiaries	392	378
Net increase to policy benefit reserves	163	139
Commissions and operating expenses	315	282
Total expenses	870	799
Net gain on operations from reinsurance assumed	$ 48	$ 77

Reinsurance Assumed from Non-Affiliates

	2025	2024
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 1	$ 1
Total revenues	1	1
Benefit payments to policyholders and beneficiaries	1	1
Net reductions to policy benefit reserves	-	-
Commissions and operating expenses	1	-
Total expenses	2	1
Net loss on operations from reinsurance assumed	$ (1)	$ -

Total Reinsurance Assumed

	2025	2024
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 886	$ 843
Reserve adjustments on reinsurance (other income)	33	34
Total revenues	919	877
Benefit payments to policyholders and beneficiaries	393	380
Net increase to policy benefit reserves	163	139
Commissions and operating expenses	316	282
Total expenses	872	801
Net gain on operations from reinsurance assumed	$ 47	$ 76

NOTE 11 – RELATED PARTY TRANSACTIONS

In 2025 and 2024, the Company made the following capital contributions to its real estate joint ventures which are an addition to Other invested assets in the Statutory Basis Balance Sheets:

	2025	2024
	(In millions)	
Alta Davenport JV, LLC	$ 3	$ 1
Hunter Industrial A Owner LLC	-	9
Total	$ 3	$ 10

In 2025 and 2024, the Company received net returns of capital of $13 million and $4 million, respectively from its real estate joint ventures. These distributions were a reduction to Other invested assets in the Statutory Basis Balance Sheets.

In 2025 and 2024, the Company made the following capital contributions to its subsidiaries:

	2025	2024
	(In millions)	
GIAC	$ 85	$ 75
First Commonwealth, Inc. ("FCW")	9	13
Guardian Acquisition II LLC	216	108
Total	$ 310	$ 196

The capital contributions to GIAC and FCW in 2024 were recorded as an addition to Common stocks in the Statutory Basis Balance Sheets. The capital contribution to Guardian Acquisition II was recorded in Other Invested Assets in the Statutory Basis Balance Sheets

In 2025 and 2024, the Company also received returns of capital from its subsidiaries as follows:

	2025	2024
	(In millions)	
GIS	$ 551	$ 9
Total	$ 551	$ 9

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

In 2025 and 2024, the Company received the following dividends from its subsidiaries which are recorded as Net investment income in the Statutory Basis Statements of Operations:

	2025	2024
	(In millions)	
Managed Dental Care of California ("MDC")	$ 4	$ 6
Managed Dental Guard of Texas, Inc. (TX)	3	-
PAS	20	69
GIS	592	91
Total	$ 619	$ 166

The Company has expense sharing agreements with its subsidiaries. During 2025 and 2024, the Company had net billings of $261 million and $248 million, respectively under these expense-sharing agreements. Amounts billed to subsidiaries are included in Commissions and operating expenses in the Statutory Basis Statements of Operations.

The Company leased certain employees to assist in PAIA's investment management business. During 2024, investment professionals, who worked on certain assets classes, transitioned to HPS as part of the expanded strategic partnership. During 2025, additional investment professionals, who worked on other assets classes, transitioned to Janus and Hamilton Lane as part of new strategic partnerships. The Company charged PAIA $16 million and $71 million at December 31, 2025 and December 31, 2024 for these leased employees which is included in Net Investment Income in the Statutory Basis Statements of Operations. The Company also entered into an agreement with PAIA whereby PAIA provides investment management services for the Company's general account portfolio. As of December 31, 2025 and December 31, 2024, the amount charged by PAIA for these services amounted to $182 million and $170 million, respectively, which is included in Net Investment Income in the Statutory Basis Statements of Operations.

The Company (Lender) has a revolving line of credit agreement with GIAC (Borrower) for $750 million. The terms of the note agreement states that each Loan (not at the time overdue) made under this Note shall bear interest at a rate per annum equal to (a) the Prime Rate plus 1.00% if a Prime Rate Loan; (b) the Term SOFR Rate plus 1.114% if a Term SOFR Rate Loan with an Interest Period of one month; (c) the Term SOFR Rate plus 1.262% if a Term SOFR Rate Loan with an Interest Period of three months; or (d) the Term SOFR Rate plus 1.428% if a Term SOFR Rate Loan with an Interest Period of six months. In the event any drawing on the line of credit becomes due, whether by acceleration or otherwise, it shall bear interest at a rate per annum equal to the Prime Rate plus 2.00%. Additionally, a commitment fee equal to 0.125% per annum of the amount of this line of credit shall be paid by Borrower to Lender, such amount to be paid in monthly installments on the last day of each month or on the termination of this line of credit. For Value Received, the Borrower, promises to pay on the maturity date or dates determined by the Lender, the principal sum of $750 million or the aggregate unpaid principal sum of all Loans which the Lender actually makes to the Borrower, whichever amount is less, together with interest in arrears payable on each Interest Due Date at a rate computed on the basis of a 360-day year for the actual number of days in each interest period. The line of credit agreement shall have an initial term of 364 days and shall automatically renew for successive periods of 364 days, unless the Lender notifies the Borrower of its intention not to renew the line of credit agreement not less than sixty (60) days prior to the expiration of the then existing term. GIAC is in compliance with certain financial covenants imposed by the line of credit agreement. As of December 31, 2025 and 2024, there were $42 million and $96 million, respectively, of outstanding drawings on the line of credit. As of December 31, 2025 and December 31, 2024, the long-term unused commitment was $708 million and $654 million, respectively. Interest income and commitment income of $3 million and $10 million for the twelve months ended December 31, 2025 and December 31, 2024, respectively, are included in Net investment income in the Statutory Basis Statements of Operations.

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

During 2023, the Company entered into a loan agreement with GIS totaling $350 million. The initial funding of $150 million occurred on December 15, 2023 and the remaining fundings of $100 million each occurred on March 15, 2024 and May 15, 2024. Interest on the loan is payable semi-annually on the 15th of June and December in each year at 7.2% fixed interest per annum. As of December 31, 2025 and December 31, 2024, the carrying value of the bond issued was $350 million and $350 million respectively, and reported in "Bonds" on the Statutory Balance Sheets.

The Company (Lender) has a revolving line of credit agreement with GIS (Borrower) for $650 million. The terms of the note agreement states that each Loan (not at the time overdue) made under this Note shall bear interest at a rate per annum equal to (a) the Prime Rate plus 1.00% if a Prime Rate Loan; (b) the Term SOFR Rate plus 1.114% if a Term SOFR Rate Loan with an Interest Period of one month; (c) the Term SOFR Rate plus 1.262% if a Term SOFR Rate Loan with an Interest Period of three months; or (d) the Term SOFR Rate plus 1.428% if a Term SOFR Rate Loan with an Interest Period of six months. In the event any drawing on the line of credit becomes due, whether by acceleration or otherwise, it shall bear interest at a rate per annum equal to the Prime Rate plus 2.00%. Additionally, a commitment fee equal to 0.125% per annum of the amount of this line of credit shall be paid by Borrower to Lender, such amount to be paid in monthly installments no later than the last day of each month or on the termination of this line of credit. For Value Received, the Borrower, promises to pay on the maturity date or dates determined by the Lender, the principal sum of $650 million, or the aggregate unpaid principal sum of all Loans which the Lender actually makes to the Borrower, whichever amount is less, together with interest in arrears payable on each Interest Due Date at a rate computed on the basis of a 360-day year for the actual number of days in each interest period. The line of credit agreement shall have an initial term of 364 days and shall automatically renew for successive periods of 364 days, unless the Lender notifies the Borrower of its intention not to renew the line of credit agreement not less than sixty (60) days prior to the expiration of the then existing term. GIS is in compliance with certain financial covenants imposed by the line of credit agreement. As of December 31, 2025, and December 31, 2024, the amount of drawings on the line of credit amounted to $0 and $0 respectively and is included in "Cash, cash equivalents, and short-term investments in the Statutory Basis Balance Sheets. As of December 31, 2025 and December 31, 2024, the long-term unused commitment was $650 million and $650 million, respectively. Interest income and commitment income of $2 million and $1 million for the twelve months ended December 31, 2025 and December 31, 2024 respectively, are included in Net Investment Income in the Statutory Basis Statements of Operations.

Related Party Commitments:

The Company provides commitments to support some of its subsidiaries and affiliates as listed below. Per the statutory accounting guidance SSAP 5R, a liability has not been recorded on the Company's Statutory Basis Balance Sheets for any of these commitments.

The Company continues to provide MDC, a subsidiary, a letter of financial support for $5 million of which $2 million was funded in prior years. This amount was recorded as an additional investment in MDC. The letter was necessary for regulatory purposes to guarantee additional capital infusion to its California dental subsidiary as needed. MDC is not expected to further draw on the remaining $3 million as the subsidiary has $5 million more capital than is required by California.

The Company had a commitment to provide capital contributions to Guardian Acquisition II to fund its growth of $171 million as of December 31, 2025.

Settlement of Intercompany Transactions:

In accordance with NAIC SAP, all transactions between related parties are required to have a written agreement that provides for a timely settlement of amounts owed, including a specific due date. Amounts over ninety days due are to be non-admitted along with any uncollected receivable from a related party that is not part of a written agreement. Written agreements are in place for all intercompany transactions and these written agreements contain specific due dates. As of December 31, 2025, there was no intercompany receivable that was more than 90 days past due.

NOTE 12 – LIABILITY FOR UNPAID CLAIMS AND CLAIM RESERVES

Activity in the liability for unpaid accident and health claims and claim reserves is summarized as follows and is included in Reserves for policy benefits on the Statutory Basis Balance Sheets:

	2025	2024
	(In millions)	
Balance of unpaid claims and claim reserves, net of reinsurance recoverable, at January 1	$ 5,055	$ 4,946
Incurred related to:		
Current year	3,484	3,305
Prior years	(292)	(320)
Affiliated reinsurance	90	44
Total incurred	3,282	3,029
Paid related to:		
Current year	2,395	2,156
Prior years	444	447
Affiliated reinsurance	344	317
Total paid	3,183	2,920
Balance of unpaid claims and claim reserves, net of reinsurance recoverable, at December 31	$ 5,154	$ 5,055

Incurred claims related to prior years were a reduction of $292 million and $320 million for the years ended December 31, 2025, and December 31, 2024, respectively, primarily due to favorable claim experience on the Company's long-term disability reserves, driven by favorable development of both the reported and unreported claim reserves.

Loss / Claim Adjustment Expenses:

The balance in the liability for unpaid accident and health claim adjustment expenses was $129 million and $126 million as of December 31, 2025 and 2024, respectively. The Company incurred and paid $92 million of claims adjustment expenses in 2025 of which $23 million of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years. Estimated anticipated salvage and subrogation related to the liability for unpaid claims / losses is not material and therefore does not reduce the liability.

The liability for unpaid accident and health claims and claim adjustment expenses represents the Company's best estimate with a margin; however, there may be future adjustments to this estimate and related assumptions. Such adjustments, reflecting any variety of new and adverse trends, could possibly be significant and result in an increase in liabilities. As of December 31, 2025 and 2024, the Company had no significant changes in methodologies and assumptions used in calculating the liability. The Company updates its experience study annually for recent company claim experience used to set the liability for unpaid claims.

NOTE 13 – ASO PLANS

The net gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans was as follows during the years ended December 31, 2025 and December 31, 2024:

	2025		
	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
		(In millions)	
Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ 11.8	$ -	$ 11.8
Total net other income or expenses (including interest paid to or received from plans)	2.5	-	2.5
Net gain from operations	$ 9.3	$ -	$ 9.3
Total claim payment volume	774	-	774

	2024		
	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
		(In millions)	
Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ 1.6	$ -	$ 1.6
Total net other income or expenses (including interest paid to or received from plans)	0.3	-	0.3
Net gain from operations	1.3	-	1.3
Total claim payment volume	759	-	759

NOTE 14 – LEASES

The Company has lease agreements for the rental of real estate that are classified as operating leases. Rental expense for these properties was $28 million for year ended December 31, 2025 and $28 million for the year ended December 31, 2024.

The Company's major office facility leases are primarily used for administrative and business support operations are as follows:

- On September 13, 2017, the Company signed a seventeen-year five-month lease agreement for its New York home office facility. The Company began using the building in the second quarter of 2019 and is obligated to pay approximately $15 million in annual base rent plus operating expenses and taxes.
- On March 8, 2017, the Company signed a fifteen-year lease agreement for its New Jersey home office facility. The Company began using the building in the first quarter of 2018 and is obligated to pay approximately $3 million in annual base rent plus operating expenses and taxes. Starting December 2023, a portion of the property is subleased to a tenant.
- On January 26, 2015, the Company signed a twenty-year lease agreement with GLICA Bethlehem, LLC. The Company began using the building in June 2016 and is obligated to pay approximately $5 million in annual base rent plus operating expenses and taxes. Starting November 2023, a portion of the property was subleased to a tenant.

The following is a schedule by year of the minimum rental payments due under the leases:

	(In millions)
Year ending December 31,	
2026	26
2027	26
2028	25
2029	24
2030	22
Total	$ 123

The minimum aggregate sublease income is as follows:

	(In millions)
Year ending December 31,	
2026	2
2027	3
2028	3
2029	3
2030	3
Total	$ 14

The Company guarantees the leases for some of its agents. The fair value of the guarantees as of December 31, 2025 is estimated to be $1 million. The remaining estimated lease obligations that are guaranteed as of December 31, 2025 is $25 million.

NOTE 15 – COMMITMENTS

Commitments to fund private equities of $2,461 million, investment tax credits of $170 million, and real estate equity of $3 million in the normal course of business totaled $2,634 million as of December 31, 2025. Commitments to fund private equities of $1,813 million, investment tax credits of $103 million, real estate equity of $10 million and real estate funds of $3 million in the normal course of business totaled $1,929 million as of December 31, 2024.

NOTE 16 – LITIGATION

The Company is engaged in various disputes, litigations, inquiries from governmental authorities and other proceedings arising out of the Company's business. These matters could result in losses, monetary damages, fines penalties or changes in the business operations of the Company. Due to the uncertainties inherent in these disputes, it is difficult to determine the ultimate loss the Company will experience. The Company evaluates each matter and establishes an accrual where a loss is probable and the amount can be reasonably estimated. In the opinion of Management, based on current information at December 31, 2025, any losses resulting from such disputes would not have a material adverse effect on the financial position of the Company.

The Company also evaluates these matters for a reasonably possible range of loss. Due to the uncertainties inherent in these matters, such as timing of discovery and court decisions, the Company is not able to ascertain a reasonably possible range of loss for each matter. In the opinion of Management, as of December 31, 2025, the aggregate range of reasonably possible loss for those matters it is able to provide an estimate for is not material to the Company's financial position.

NOTE 17 – LINES OF CREDIT

The Company entered into a credit agreement with a consortium of lenders for an aggregate commitment of $500 million on September 20, 2023. The credit agreement is effective until September 20, 2028, unless extended. Under the Agreement, borrowings bear interest at a rate equal to the greatest of (i) the Prime Rate, (ii) the New York Federal Reserve Bank Rate plus 0.5% and (iii) the Adjusted Term SOFR Rate for a one month interest period plus 1%; or the Adjusted Term SOFR Rate plus up to 1%. The commitment fee is 0.05% per annum on the available commitment and payable on a quarterly basis. As of December 31, 2025 and December 31, 2024, the long-term unused line of credit was $500 million and $500 million, respectively. The Company paid commitment fees of $0.3 million and $0.3 million in 2025 and 2024.

The Company became a member of the FHLBNY on February 13, 2018. Membership allows the Company access to the FHLBNY's financial services, including the ability to obtain collateralized loans and to issue collateralized funding agreements. The Company's strategy is to utilize these funds as a source to improve spread lending liquidity. FHLBNY borrowings and funding agreements are currently collateralized by qualifying mortgage loans and mortgage-backed securities but can also be collateralized with qualifying corporate bonds or U.S. Treasury securities, the fair value of which must be maintained at certain specified levels relative to outstanding borrowings. FHLBNY membership requires the Company to own member stock in the amount of 12.5 bps of the Company's Mortgage Related assets which is remeasured annually based on the prior years December 31 balance. This capital is locked up for five years should the Company decide to end its membership. Borrowings require the purchase of activity-based stock in an amount equal to 4.5% of outstanding borrowings. All FHLBNY stock purchased by the Company is classified as restricted general account investments and is included in "Common stocks," in the Statutory Basis Balance Sheet and the carrying value of these investments was $157 million and $134 million as of December 31, 2025 and December 31, 2024, respectively. The Company's capacity to borrow is limited to 5% of admitted assets which is the regulatory limit on the amount of collateral that a New York domiciled insurance company can pledge for a loan. As of December 31, 2025 and December 31, 2024, that limit was approximately $4,689 million and $4,341 million, respectively. As of December 31, 2025 and December 31 2024, the Company had pledged assets with a fair value of $4,655 million and $3,689 million supporting outstanding advances totaling $3,212 million and $2,711 million, which are included in "Policyholder dividends payable and other contract liabilities," in the Statutory Basis Balance Sheet, respectively. The maximum amount borrowed at any time during 2025 was $3,412 million and during 2024 was $2,711 million. As of December 31, 2025 and December 31, 2024, the Company's remaining long-term capacity to borrow was $1,477 million and $1,630 million, respectively. As of December 31, 2025, and December 31, 2024, the Company's remaining undrawn borrowing commitments was 1,153 million and $842 million, respectively.

NOTE 18 – POLICYHOLDERS' SURPLUS

There were no special contingency reserves included in policyholder's surplus at December 31, 2025 or December 31, 2024. The Company holds other reserves totaling $4 million and $4 million at December 31, 2025 and December 31, 2024, respectively as required by New York State law for aviation business and Arkansas permanent surplus requirements. Surplus at December 31, 2025 and December 31, 2024 is as follows:

	2025	2024
	(In millions)	
Accumulated earnings	$ 12,316	$ 11,547
Unrealized loss - common stock	(347)	(366)
Asset valuation reserve	(1,647)	(1,567)
Nonadmitted asset values	(361)	(330)
Total unassigned surplus	9,961	9,284
State required segregated surplus	4	4
Surplus	$ 9,965	$ 9,288

NOTE 19 – SURPLUS NOTES

The Company has issued various Surplus Notes ("the Notes") to unrelated third parties pursuant to Rule 144A under the Securities Act of 1933, as amended, and are administered by The Bank of New York Mellon as fiscal agent. Interest on each of the Notes is scheduled to be paid semiannually on the interest paid dates listed in the table below. All of the Notes are unsecured and subordinated to all present and future indebtedness, policy claims and other creditor claims of the Company. Under New York Insurance Law, the Notes are not part of the legal liabilities of the Company. The Notes do not repay principal prior to maturity, and each payment of interest or principal may be made only with the prior approval of the Superintendent and only out of surplus funds that the Superintendent determines to be available for such payments under New York Insurance Law. Provided that approval is granted by the Superintendent, the Notes may be redeemed at the option of the company (in whole or in part) at the "make-whole" redemption price equal to the greater of the principal amount of the Notes to be redeemed, or the sum of the present value of the remaining scheduled interest and principal payments, excluding the accrued interest as of the date on which the Notes are to be redeemed, discounted to the redemption date on a semi-annual basis at an adjusted treasury rate plus varying basis points. The Surplus Note issuances were not structured in a manner where typical cashflows have been reduced or eliminated.

The following table summarizes the Notes issued by the Company:

							Interest Paid Dates		Interest Paid	
Date Issued	Interest Rate	Principal Balance	Cash Proceeds Received	Maturity Date	Face (Par) Value of Note	Carrying Value of Note			Current Year 12/31/2025	Interest Paid Life-to-date 12/31/2025
10/6/2009[(1)]	7.375%	400	392	9/30/2039	233	232	March 31	September 30	17	376
6/19/2014	4.875%	450	445	6/19/2064	450	449	June 19	December 19	22	252
1/24/2017 [(1)]	4.850%	350	344	1/24/2077	579	525	January 24	July 24	28	234
1/22/2020	3.700%	300	294	1/22/2070	300	297	January 22	July 22	11	61
Total Surplus Notes		1,500	1,475		1,562	1,503			78	923

(1) The Company completed an exchange in which it issued additional 1/24/2017 Notes ("2017 Notes") in exchange for redeemed 10/6/2009 Notes ("2009 Notes"). They were settled predominately on December 27, 2017 with a minimal amount settling on January 8, 2018. The 2009 Notes had a principal balance of $167 million (carrying value $166 million) and the additional 2017 Notes had a principal balance of $229 million (carrying value $171 million). Of the $64 million discount at the time of the exchange, $5 million pertaining to inducement for note holders to exchange their notes was recorded as an expense on the transaction date along with an increase to the carrying value of the 2017 Notes. The remaining $59 million will be charged to the Statutory Basis Statements of Operations over the life of the 2017 Notes.

NOTE 20 – SUBSEQUENT EVENTS

The Company considers events occurring after the balance sheet date but prior to February 24, 2026, the issuance of the financial statements, to be subsequent events requiring disclosure. There were no subsequent events for the year ended December 31, 2025.

Guardian Life Insurance Company of America
Annual Statement for the Year Ended December 31, 2025
Schedule 1 - Selected Financial Data

The following is a summary of certain financial data included in other exhibits and schedules subjected to audit procedures by independent auditors and utilized by actuaries in the determination of reserves.

			2025 Annual Statement References
Investment Income Earned			Exhibit of Net Investment Income
Government Bonds	$	2,607,282	
Bonds Exempt From US Tax			
Other Bonds (unaffiliated)		2,528,369,613	
Bonds of Affiliates		25,200,000	
Preferred Stocks (unaffiliated)		7,473,706	
Preferred Stocks of Affiliates			
Common Stocks (unaffiliated)		10,578,090	
Common Stocks of Affiliates		6,807,280	
Mortgages Loans		377,631,308	
Real Estate		83,755,549	
Contract Loans		423,842,180	
Cash/Short-term Investments		97,480,434	
Derivative Instruments		29,594,673	
Other Invested Assets		988,001,288	
Aggregate Write-Ins for Investment Income		6,212,334	
Gross Investment Income	$	4,587,553,737	
Real Estate Owned - Book Value less Encumbrances	$	251,574,112	Schedule A - Part 1
Mortgage Loans - Book Value:			
Farm Mortgages	$	-	Schedule B - Part 1
Residential Mortgages		-	
Commercial Mortgages		8,622,361,784	
Total Mortgage Loans	$	8,622,361,784	
Mortgage Loans by Standing - Book Value:			
Good Standing		8,622,361,784	Schedule B, Part 1
Good Standing with Restructured Terms		-	Schedule B, Part 1
Interest overdue more than 90 days, not in foreclosure		-	Schedule B, Part 1
Foreclosure in Process		-	Schedule B, Part 1
Other Long Term Assets - Statement Value		6,601,728,890	Schedule BA, Part 1
Bonds and Stocks of Parents, Subsidiaries and Affiliates - Book Value			Schedule D - Summary by Country
Bonds	$	57,671,213,044	
Preferred Stocks		333,000,050	
Common Stocks	$	1,315,915,224	

Schedule 1 - Selected Financial Data - Continued

			2025 Annual Statement References
Bonds and Short Term Investments by Class & Maturity			Schedule D, Part 1A Sec 1
Bonds by Maturity - Statement Value			
Due within one year or less	$	4,136,516,815	
Over 1 year through 5 years		13,746,572,401	
Over 5 years through 10 years		11,540,255,683	
Over 10 years through 20 years		13,031,972,634	
Over 20 years		17,146,212,144	
No Maturity Date		-	
Total by Maturity	$	59,601,529,677	
Bonds by Class - Statement Value			
Class 1	$	35,863,358,295	
Class 2		20,432,745,508	
Class 3		1,552,089,925	
Class 4		1,611,348,593	
Class 5		138,637,492	
Class 6		3,349,864	
Total by Class	$	59,601,529,677	
Total Bonds Publicly Traded		32,571,517,920	
Total Bonds Privately Placed		27,030,011,757	
Preferred Stocks - Statement Value		333,000,050	Schedule D, Part 2, Sec. 1
Common Stocks - Market Value		1,315,915,224	Schedule D, Part 2, Sec. 2
Short Term Investments - Book Value		5,003,018	Schedule DA, Part 1
Options, Caps Floors, Collars, Swaps and Forwards		(57,183,966)	Schedule DB, Part A,
Futures Contracts		(572,555)	Schedule DB, Part B,
Cash on Deposit		194,219,780	Schedule E, Part 1
Life Insurance In Force			Exhibit of Life Insurance
Industrial		-	
Ordinary		401,057,924	
Credit Life		-	
Group Life		428,484,534	
Amount of Accidental Death Insurance In Force Under			
Ordinary Policies		920,533	Exhibit of Life Insurance
Life Insurance Policies with Disability Provisions In Force			Exhibit of Life Insurance
Industrial		-	
Ordinary		191,495,373	
Credit Life		-	
Group Life		428,381,045	
Supplementary Contracts In Force			Exhibit of Number of Policies,
Ordinary - Not Involving Life Contingencies		-	Contracts,Certificates,Income Payable,
Amount on Deposit		221,544,016	Account Values In Force for Supplementary
Income Payable		58	Contracts, Annuities, A&H and Other Policies
Ordinary - Involving Life Contingencies			
Income Payable		260	

Schedule 1 - Selected Financial Data - Continued

		2025 Annual Statement References
Group - Not Involving Life Contingencies		
Amount on Deposit	18,209,460	
Income Payable	-	
Group - Involving Life Contingencies		
Amount on Deposit	-	
Income Payable	-	
Annuities - Ordinary		Exhibit of Number of Policies,
Immediate - Amount of Income Payable	335,865	Contracts,Certificates,Income Payable,
Deferred - Fully Paid Account Balance	37,908,820	Account Values In Force for Supplementary
Deferred - Not Fully Paid - Account Balance	84,142,290	Contracts, Annuities, A&H and Other Policies
Annuities - Group		
Amount of Income Payable	23,625	Exhibit of Number of Policies,
Fully Paid Account Balance	-	Contracts,Certificates,Income Payable,
Not Fully Paid - Account Balance	-	Account Values In Force for Supplementary Contracts, Annuities, A&H and Other Policies
Accident and Health Insurance - Premiums In Force		
Ordinary	-	
Group	4,564,510,144	
Credit	-	
Other	676,595,890	
Deposit Funds and Dividend Accumulations		Exhibit of Number of Policies,
Deposit Funds - Account Balance	15,044,498	Contracts,Certificates,Income Payable,
Dividend Accumulations - Account Balance	77,743,304	Account Values In Force for Supplementary Contracts, Annuities, A&H and Other Policies
Claim Payments 2025		Schedule O, Part 1
Group Accident and Health Year - Ended December 31, 2015		Section A
2025	2,352,462	
2024	2,395,275	
2023	2,281,249	
2022	2,160,825	
2021	2,057,374	
Prior	914,619	
Other Accident & Health		Section B
2025	70,536	
2024	99,943	
2023	119,099	
2022	148,417	
2021	156,112	
Prior	1,134,520	
Credit Accident & Health	-	Section C
2025	-	
2024	-	
2023	-	
2022	-	
2021	-	
Prior	-	

Schedule 1 - Selected Financial Data - Continued

		2025 Annual Statement References
Other Coverages that use developmental methods to calculate		
Claims Reserves:		Section D
2025	-	
2024	-	
2023	-	
2022	-	
2021	-	
Prior	-	
Other Coverages that use developmental methods to calculate		
Claims Reserves:		Section E
2025	-	
2024	-	
2023	-	
2022	-	
2021	-	
Prior	-	
Other Coverages that use developmental methods to calculate		
Claims Reserves:		Section F
2025	-	
2024	-	
2023		
2022	-	
2021	-	
Prior	-	
Other Coverages that use developmental methods to calculate		
Claims Reserves:		Section G
2025	-	
2024	-	
2023	-	
2022	-	
2021	-	
Prior	-	

The Guardian Life Insurance Company of America
Investments of Reporting Entities
December 31, 2025

Section 2 Investment Risk Interrogatories

Answer the following interrogatories by stating the applicable U.S dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of the annual statement.
93,784,661,509

2. Ten largest exposures to a single issurer/borrower/investment.

	Issuer	Description of Exposure		Amount	Percentage of Total Admitted Assets
2.01	GUARDIAN INS & ANNUITY CO.	AFFILIATED STOCK	$	689,164,958	0.7%
2.02	HPS CSL II Fund Prvt	BONDS	$	675,000,000	0.7%
2.03	GUARDIAN INVESTOR SERVICES LLC	AFFILIATED LLC	$	395,290,937	0.4%
2.04	GUARDIAN INVESTOR SERVICES LLC	AFFILIATED BOND	$	350,000,000	0.4%
2.05	HUDSON KETTLE CLO LLC	BONDS	$	322,000,000	0.3%
2.06	SHELL INTERNATIONAL FIN	BONDS	$	284,925,981	0.3%
2.07	WAL-MART STORES	BONDS	$	262,783,569	0.3%
2.08	UNITED HEALTHCARE	BONDS	$	261,287,616	0.3%
2.09	SIMON PROPERTY GROUP	BONDS	$	260,019,205	0.3%
2.10	NIKE, INC. CL B	BONDS	$	254,376,672	0.3%

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating:

	Bonds		Amount	% of Total Admitted Assets	Preferred Stocks		Amount	% of Total Admitted Assets
3.01	NAIC-1	$	35,863,358,295	38.2%	P/RP-1	$	333,000,050	0.4%
3.02	NAIC-2	$	20,432,745,508	21.8%	P/RP-2	$		-%
3.03	NAIC-3	$	1,552,089,925	1.7%	P/RP-3	$		-%
3.04	NAIC-4	$	1,611,348,593	1.7%	P/RP-4	$		-%
3.05	NAIC-5	$	138,637,492	0.1%	P/RP-5	$		-%
3.06	NAIC-6	$	3,349,864	-%	P/RP-6	$	-	-%

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assts?
Yes [ ] No [X]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02	Total admitted assets held in foreign investments	$	12,808,004,777	13.7%
4.03	Foreign-currency-denominated investments	$	2,811,335,497	3.0%
4.04	Insurance liabilities denominated in that same foreign currency	$	-	-%

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

		1	2
5.01	Countries rated NAIC-1	$ 11,591,596,227	12.4%
5.02	Countries rated NAIC-2	$ 993,951,214	1.1%
5.03	Countries rated NAIC-3 or below	$ 222,457,336	0.2%

6. Largest foreign investment exposures to a single country, categorized by NAIC sovereign rating:

		1	2
	Countries rated NAIC-1		
6.01	Country: CAYMAN ISLANDS	$ 3,178,943,553	3.4%
6.02	Country: UNITED KINGDOM	$ 2,506,273,441	2.7%
	Countries rated NAIC-2:		
6.03	Country: MEXICO	$ 449,991,368	0.5%
6.04	Country: PANAMA	$ 95,708,525	0.1%
	Countries rated NAIC-3 or below		
6.05	Country: BRAZIL	$ 30,000,000	-%
6.06	Country: NIGERIA	$ 24,187,092	-%

7.	Aggregate unhedged foreign currency exposure:	$ -	-%

8. Aggregate unhedged foreign currency exposure categorized by the country's NAIC sovereign rating:

		1	2
8.01	Countries rated NAIC-1	$	-%
8.02	Countries rated NAIC-2	$	-%
8.03	Countries rated NAIC-3 or below	$ -	-%

9. Largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating:

		1	2
	Countries rated NAIC-1:		
9.01	Country:	$	-%
9.02	Country:	$	-%
	Countries rated NAIC-2:		
9.03	Country:	$	-%
9.04	Country:	$	-%
	Countries rated NAIC-3 or below		
9.05	Country:	$ -	-%
9.06	Country:	$ -	-%

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	Issuer	NAIC		3	4
10.01	HPS CSL II Fund Prvt	2.C PL	$	675,000,000	0.7%
10.02	Hudson Kettle CLO LLC	2.B PL	$	322,000,000	0.3%
10.03	SHELL INTERNATIONAL FIN	1.D FE	$	284,925,981	0.3%
10.04	AERCAP IRELAND CAP/GLOBA	2.A FE	$	144,974,504	0.2%
10.05	BHP BILLITON FIN USA	1.F FE	$	142,724,100	0.2%
10.06	DEUTSCHE BANK NY	2.A FE	$	137,887,902	0.1%
10.07	Park Avenue Institutional Advi	1.A FE	$	135,000,000	0.1%
10.08	MACQUARIE GROUP LTD	2.A	$	124,702,549	0.1%
10.09	AMERICAN MOVIL SA DE CV	2.A FE	$	117,506,075	0.1%
10.10	COMMONWEALTH BANK AUST	1.G FE	$	114,382,484	0.1%

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure.

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11

11.02	Total admitted assets held in Canadian investments	$	-	-%
11.03	Canadian-currency-denominated investments	$	-	-%
11.04	Canadian-denominated insurance liabilities	$	-	-%
11.05	Unhedged Canadian currency exposure	$	-	-%

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2		3
12.02	Aggregate statement value of investments with contractual sales restrictions			
	Largest three investments with contractual sales restrictions:			
		$	-	-%
12.03		$	-	-%
12.04		$	-	-%
12.05		$	-	-%

13. Amounts and percentages of admitted assets held in the largest ten equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 13.01 is yes, responses are not required for the remainder of Interrogatory 13.

	1 Name of Issuer	2	3
13.02		$	0.0%
13.03		$	0.0%
13.04		$	0.0%
13.05		$	
13.06		$	0.0%
13.07		$	0.0%
13.08		$	-%
13.09		$	-%
13.10		$	-%
13.11		$	-%

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01. Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?
Yes [ ] No [X]

If response to 14.01 is yes, responses are not required for the remainder of Interrogatory 14.

	1		2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities Largest three investments held in nonaffiliated, privately placed equities:	$	3,885,625,546	4.1%
14.03	HPS Investment Partners	$	590,777,835	0.6%
14.04	HarbourVest Partners	$	325,993,563	0.3%
14.05	JLL Partners	$	201,975,091	0.2%

Ten largest fund managers:

	1 Fund Manager	2 Total Invested	3 Diversified	4 Nondiversified
14.06	HPS Investment Partners	$ 590,777,835.00	$ 590,777,835.00	$ ....
14.07	HarbourVest Partners	$ 325,993,563.00	$ 325,993,563.00	$ ....
14.08	JLL Partners	$ 201,975,091.12	$ 201,975,091.12	$ ....
14.09	Walker and Dunlop Investment Partners	$ 148,416,212.00	$ 148,416,212.00	$ ....
14.10	Foundry Group	$ 105,840,153.00	$ 105,840,153.00	$ ....
14.11	Shelter Growth Capital Partners	$ 105,338,803.00	$ 105,338,803.00	$ ....
14.12	Blue Water Energy	$ 100,206,486.30	$ 100,206,486.30	$ ....
14.13	Battery Ventures	$ 97,276,739.00	$ 97,276,739.00	$ ....
14.14	Foundation Capital	$ 92,852,972.00	$ 92,852,972.00	$ ....
14.15	CBRE Global Investors	$ 91,792,156.74	$ 91,792,156.74	$ ....

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 15.01 is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02			
		$	-%
15.03		$	-%
15.04		$	-%
15.05		$	-%

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 16.01 is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	Type (Residential, Commercial, Agriculature)		2	3
16.02	COMMERCIAL	$	500,000,000	0.5%
16.03	COMMERCIAL	$	342,750,000	0.4%
16.04	COMMERCIAL	$	293,836,538	0.3%
16.05	COMMERCIAL	$	257,885,000	0.3%
16.06	COMMERCIAL	$	195,000,000	0.2%
16.07	COMMERCIAL	$	194,792,119	0.2%
16.08	COMMERCIAL	$	194,700,000	0.2%
16.09	COMMERCIAL	$	191,625,000	0.2%
16.10	COMMERCIAL	$	185,100,000	0.2%
16.11	COMMERCIAL	$	171,653,953	0.2%

Amount and percentages of the reporting entity's total admitted assets held in the following categories of mortgage loans:

			Loans	
16.12	Construction Loans	$	247,773,517	0.3%
16.13	Mortgage loans over 90 days past due	$	-	-%
16.14	Mortgage loans in the process of foreclosure	$	-	-%
16.15	Mortgage loans foreclosed	$	-	-%
16.16	Restructured mortgage loans	$	-	-%

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as

		Residential		Commercial		Agriculature	
	Loan-to-Value	1	2	3	4	5	6
17.01	above 95%	$ -	-%	$	-%	$ -	-%
17.02	91% to 95%	$ -	-%	$	-%	$ -	-%
17.03	81% to 90%	$ -	-%	$	-%	$ -	-%
17.04	71% to 80%	$ 283,479,419	0.3%	$ 1,322,707,554	1.4%	$ -	-%
17.05	below 70%	$ 342,207,906	0.4%	$ 6,673,966,904	7.1%	$ -	-%

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 18.01. is yes, responses are not required for the remainder of Interrogatory 18

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description 1	2	3
18.02		$	-%
18.03		$	-%
18.04		$	-%
18.05		$	-%
18.06		$	-%

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans: 0 0.00%

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 19.01 above is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loadns:		
	Largest three investments held in mezzanine real estate $	$ -	-%
19.03		$ -	-%
19.04		$ -	-%
19.05		$ -	-%

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year-end		At End of Each Quarter 2nd		
				1st Qtr	Quarter	3rd Quarter
		1	2	3	4	5
20.01	Securities lending (do not include assets held as collateral for such transactions)	$ 2,125,523,938	2.3%	$ 2,081,497,209	1,427,655,316	$ 2,138,039,800
20.02	Repurchase agreements	$ -	-%	$ -	$ -	$ -
20.03	Reverse repurchase agreements	$ -	-%	$ -	$	$ -
20.04	Dollar repurchase agreements	$ -	-%	$ -	$ -	$ -
20.05	Dollar reverse repurchase agreements	$ -	-%	$ -	$ -	$ -

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floor:

	Owned		Written	
	1	2	3	4
21.01 Hedge	$ -	-%	$ -	-%
21.02 Income generation	$ -	-%	$ -	-%
21.03 Other	$ -	-%	$ -	-%

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

	At Year-end		At End of Each Quarter		
			1st Quarter	2nd Qtr	3rd Qtr
	1	2	3	4	5
22.01 Hedging	$ 54,397,051	0.1%	$ 44,106,078	$ 44,419,139	$ 49,118,661
22.02 Income generation	$	0.0%	$ -	$ -	$
22.03 Replications	$ 8,214	0.0%	$ -	$ -	$ -
22.04 Other	$ -	0.0%	$ -	$ -	$ -

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for future contracts:

	At Year-end		At End of Each Quarter		
			1st Quarter	2nd Quarter	3rd Quarter
	1	2	3	4	5
23.01 Hedging	$ 26,659,291	0.0%	$ 25,623,705	$ 25,452,109	$ 24,472,512
23.02 Income generation	$ -	0.0%	$ -	$ -	$ -
23.03 Replications	$ -	0.0%	$ -	$ -	$ -
23.04 Other	$ -	0.0%	$ -	$ -	$ -

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA
As of December 31, 2025

Appendix A-001
Section SI01. Summary Investment Schedule

Investment Categories		Gross Investment Holdings*		Admitted Assets as Reported in the Annual Statement			
		Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage
01.01	Issuer credit obligations (Schedule D, Part 1, Section 1): U.S. government obligations	$ 42,325,602	0.049%	$ 42,325,602	$ 1,120,405,081	$ 1,162,730,683	1.353%
01.02	Issuer credit obligations (Schedule D, Part 1, Section 1): Other U.S. government obligations		-%	$ -		$ -	-%
01.03	Issuer credit obligations (Schedule D, Part 1, Section 1): Non-U.S. sovereign jurisdiction securities	$ 521,182,903	0.606%	$ 521,182,903		$ 521,182,903	0.606%
01.04	Issuer credit obligations (Schedule D, Part 1, Section 1): Municipal bonds - general obligations (direct & guaranteed)	$ 235,870,741	0.274%	$ 235,870,741		$ 235,870,741	0.274%
01.05	Issuer credit obligations (Schedule D, Part 1, Section 1): Municipal bonds - special revenue	$ 763,309,298	0.888%	$ 763,309,298		$ 763,309,298	0.888%
01.06	Issuer credit obligations (Schedule D, Part 1, Section 1): Project finance bonds issued by operating entities		-%	$ -		$ -	-%
01.07	Issuer credit obligations (Schedule D, Part 1, Section 1): Corporate bonds	$ 43,986,862,763	51.169%	$ 43,986,862,763		$ 43,986,862,763	51.172%
01.08	Issuer credit obligations (Schedule D, Part 1, Section 1): Mandatory convertible bonds		-%	$ -		$ -	-%
01.09	Issuer credit obligations (Schedule D, Part 1, Section 1): Single entity backed obligations	$ 460,102,491	0.535%	$ 460,102,491		$ 460,102,491	0.535%
01.10	Issuer credit obligations (Schedule D, Part 1, Section 1): SVO-Identified bond exchange traded funds - fair value		-%	$ -		$ -	-%
01.11	Issuer credit obligations (Schedule D, Part 1, Section 1): SVO-Identified bond exchange traded funds - systematic value		-%	$ -		$ -	-%
01.12	Issuer credit obligations (Schedule D, Part 1, Section 1): Bonds issued by funds representing operating entities		-%	$ -		$ -	-%
01.13	Issuer credit obligations (Schedule D, Part 1, Section 1): Bank loans - issued		-%	$ -		$ -	-%
01.14	Issuer credit obligations (Schedule D, Part 1, Section 1): Bank loans - acquired	$ 1,774,213,697	2.064%	$ 1,774,213,697		$ 1,774,213,697	2.064%
01.15	Issuer credit obligations (Schedule D, Part 1, Section 1): Mortgages loans that qualify as SVO-Identified credit tenant loans		-%	$ -		$ -	-%
01.16	Issuer credit obligations (Schedule D, Part 1, Section 1): Certificates of deposit		-%	$ -		$ -	-%
01.17	Issuer credit obligations (Schedule D, Part 1, Section 1): Other issuer credit obligations		-%	$ -		$ -	-%
01.18	Issuer credit obligations (Schedule D, Part 1, Section 1): Total issuer credit obligations	$ 47,783,867,495	55.586%	$ 47,783,867,495	$ 1,120,405,081	$ 48,904,272,576	56.892%
02.01	Asset-backed securities (Schedule D, Part 1, Section 2): Financial asset-backed securities - self-liquidating	$ 9,493,077,853	11.043%	$ 9,493,077,853		$ 9,493,077,853	11.044%
02.02	Asset-backed securities (Schedule D, Part 1, Section 2): Financial asset-backed securities - not self-liquidating		-%	$ -		$ -	-%
02.03	Asset-backed securities (Schedule D, Part 1, Section 2): Non-financial asset-backed securities	$ 394,267,696	0.459%	$ 394,267,696		$ 394,267,696	0.459%
02.04	Asset-backed securities (Schedule D, Part 1, Section 2): Total asset-backed securities	$ 9,887,345,549	11.502%	$ 9,887,345,549		$ 9,887,345,549	11.502%
03.01	Preferred stocks (Schedule D, Part 2, Section 1): Industrial and miscellaneous (Unaffiliated)	$ 333,000,050	0.387%	$ 333,000,050		$ 333,000,050	0.387%
03.02	Preferred stocks (Schedule D, Part 2, Section 1): Parent, subsidiaries and affiliates		-%	$ -		$ -	-%
03.03	Preferred stocks (Schedule D, Part 2, Section 1): Total preferred stocks	$ 333,000,050	0.387%	$ 333,000,050		$ 333,000,050	0.387%
04.01	Common stocks (Schedule D, Part 2, Section 2): Industrial and miscellaneous - publicly traded (unaffiliated)	$ 19,331,223	0.022%	$ 19,331,223		$ 19,331,223	0.022%
04.02	Common stocks (Schedule D, Part 2, Section 2): Industrial and miscellaneous - other (unaffiliated)	$ 157,531,360	0.183%	$ 157,531,360		$ 157,531,360	0.183%
04.03	Common stocks (Schedule D, Part 2, Section 2): Parent, subsidiaries and affiliates - publicly traded		-%	$ -		$ -	-%
04.04	Common stocks (Schedule D, Part 2, Section 2): Parent, subsidiaries and affiliates - other	$ 1,039,868,141	1.210%	$ 1,039,868,141		$ 1,039,868,141	1.210%
04.05	Common stocks (Schedule D, Part 2, Section 2): Mutual funds		-%	$ -		$ -	-%
04.06	Common stocks (Schedule D, Part 2, Section 2): Unit investment trusts		-%	$ -		$ -	-%
04.07	Common stocks (Schedule D, Part 2, Section 2): Closed-end funds		-%	$ -		$ -	-%
04.08	Common stocks (Schedule D, Part 2, Section 2): Exchange traded funds	$ 99,184,500	0.115%	$ 99,184,500		$ 99,184,500	0.115%
04.09	Common stocks (Schedule D, Part 2, Section 2): Total common stocks	$ 1,315,915,224	1.531%	$ 1,315,915,224		$ 1,315,915,224	1.531%
05.01	Mortgage loans (Schedule B): Farm mortgages		-%	$ -		$ -	-%
05.02	Mortgage loans (Schedule B): Residential mortgages	$ 625,687,325	0.728%	$ 625,687,325		$ 625,687,325	0.728%
05.03	Mortgage loans (Schedule B): Commercial mortgages	$ 7,996,674,458	9.302%	$ 7,996,674,458		$ 7,996,674,458	9.303%
05.04	Mortgage loans (Schedule B): Mezzanine real estate loans		-%	$ -		$ -	-%
05.05	Mortgage loans (Schedule B): Total valuation allowance		-%	$ -		$ -	-%
05.06	Mortgage loans (Schedule B): Total mortgage loans	$ 8,622,361,783	10.030%	$ 8,622,361,783		$ 8,622,361,783	10.031%
06.01	Real estate (Schedule A): Properties occupied by company		-%	$ -		$ -	-%
06.02	Real estate (Schedule A): Properties held for production of income	$ 251,574,112	0.293%	$ 251,574,112		$ 251,574,112	0.293%
06.03	Real estate (Schedule A): Properties held for sale		-%	$ -		$ -	-%
06.04	Real estate (Schedule A): Total real estate	$ 251,574,112	0.293%	$ 251,574,112		$ 251,574,112	0.293%
07.01	Cash, cash equivalents and short-term investments: Cash (Schedule E, Part 1)	$ 194,219,780	0.226%	$ 194,219,780		$ 194,219,780	0.226%
07.02	Cash, cash equivalents and short-term investments: Cash equivalents (Schedule E, Part 2)	$ 1,967,213,613	2.288%	$ 1,967,213,613	$ 912,239,657	$ 2,879,453,270	3.350%
07.03	Cash, cash equivalents and short-term investments: Short-term investments (Schedule DA)	$ 5,003,018	0.006%	$ 5,003,018		$ 5,003,018	0.006%
07.04	Cash, cash equivalents and short-term investments: Total cash, cash equivalents and short-term investments	$ 2,166,436,411	2.520%	$ 2,166,436,411	$ 912,239,657	$ 3,078,676,068	3.582%
08	Contract loans	$ 6,575,588,891	7.649%	$ 6,573,411,464		$ 6,573,411,464	7.647%
09	Derivatives (Schedule DB)	$ 118,150,135	0.137%	$ 118,150,135		$ 118,150,135	0.137%
10	Other invested assets (Schedule BA)	$ 6,603,753,997	7.682%	$ 6,601,728,899		$ 6,601,728,899	7.680%
11	Receivables for securities	$ 272,950,864	0.318%	$ 272,950,864		$ 272,950,864	0.318%
12	Securities Lending (Schedule DL, Part 1)	$ 2,032,644,738	2.365%	$ 2,032,644,738			-%
13	Other invested assets (Page 2, Line 11)		-%	$ -		$ -	-%
14	Total invested assets	**$ 85,963,589,249**	**100.00%**	**$ 85,959,386,724**	**$ 2,032,644,738**	**$ 85,959,386,724**	**100.00%**

* Gross Investment Holdings as valued in compliance with NAIC Accounting Practices & Procedures Manual

The Guardian Life Insurance Company of America
Statutory Basis Balance Sheets
(In Millions)

	As of December 31, 2024	2023
Admitted Assets		
Bonds	$ 52,866	$ 52,093
Common and preferred stocks	1,370	1,202
Mortgage loans	7,462	7,030
Real estate (net of encumbrances: 2024 - $344; 2023 - $347)	263	280
Policy loans	6,069	5,106
Other invested assets	8,712	6,432
Receivable for securities	76	68
Cash, cash equivalents and short-term investments	2,748	1,191
Total invested assets	79,566	73,402
Due and accrued investment income	571	546
Premiums deferred and uncollected	1,226	1,213
Current federal and foreign income tax recoverable and interest thereon	173	146
Net deferred tax asset	852	814
Reinsurance recoverable from affiliate	4,001	3,777
Other assets	436	368
Total admitted assets	$ 86,825	$ 80,266
Liabilities		
Reserves for policy benefits	$ 60,661	$ 57,975
Policyholder dividends payable and other contract liabilities	10,102	8,233
Interest maintenance reserve	-	227
General expenses due or accrued	1,184	1,150
Asset valuation reserve	1,567	1,492
Other liabilities	4,023	2,117
Total liabilities	77,537	71,194
Policyholder's surplus		
Policyholders' surplus	7,786	7,571
Surplus notes	1,502	1,501
Total Policyholder's surplus	9,288	9,072
Total liabilities and policyholder's surplus	$ 86,825	$ 80,266

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Operations
(In Millions)

	For the Years Ended December 31,	
	2024	**2023**
Revenues		
Premiums, annuity considerations and fund deposits	$ 10,516	10,115
Net investment income	3,435	2,997
Other income	552	359
Total revenues	14,503	13,471
Benefits and Expenses		
Benefit payments to policyholders and beneficiaries	6,232	5,401
Net increase to policy benefit reserves	2,686	2,966
Commissions and operating expenses	3,367	3,151
Total benefits and expenses	12,285	11,518
Income from operations before policyholder dividends and taxes	2,218	1,953
Policyholder dividends	(1,566)	(1,382)
Income from operations before taxes and realized capital losses	652	571
Income tax expense	(114)	(90)
Income from operations before net realized capital losses	538	481
Net realized capital losses	(357)	(119)
Net income	$ 181	362

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Changes in Policyholders' Surplus
(In Millions)

	For the Years Ended December 31,	
	2024	**2023**
Beginning of year balance	$ 9,072	$ 8,845
Adjustments to surplus:		
Net income	181	362
Change in net unrealized capital gains (losses), net of tax	97	(93)
Change in asset valuation reserve	(75)	(43)
Change in surplus notes	1	1
Change in net deferred taxes	105	115
Change in non-admitted assets	(73)	(43)
Change in pension funded status	2	(81)
Other changes, net	(22)	9
Net adjustments to unassigned surplus	216	227
End of year balance	$ 9,288	$ 9,072

See notes to statutory basis financial statements.

The Guardian Life Insurance Company of America
Statutory Basis Statements of Cash Flows
(In Millions)

	For the Years Ended December 31, 2024	2023
Cash flows from operating activities:		
Premiums and other income received	$ 10,601	$ 10,077
Investment income	3,474	3,003
Other income	278	77
Benefits and loss related payments	(6,361)	(5,608)
Commissions, expenses and taxes paid	(3,132)	(2,944)
Dividends paid	(1,386)	(1,250)
Other, net	99	61
Net cash provided by operating activities	3,573	3,416
Cash flows from investing activities:		
Proceeds from investments sold or matured:		
Bonds	6,512	4,172
Common and preferred stocks	55	64
Mortgage loans	447	225
Real estate	4	-
Other investments	435	302
Proceeds from investments sold or matured	7,453	4,763
Cost of investments acquired:		
Bonds	7,874	5,619
Common and preferred stocks	327	81
Mortgage loans	880	1,261
Real estate	11	50
Other investments	949	929
Cost of investments acquired	10,041	7,940
Net increase in policy loans, net of repayments	963	1,096
Net cash used in investing activities	(3,551)	(4,273)
Cash from financing and miscellaneous activities:		
Cash provided:		
Surplus note	1	1
Net deposits on deposit-type contracts and other insurance liabilities	1,534	697
Net cash provided by financing and miscellaneous activities	1,535	698
Net increase(decrease) in cash, cash equivalents, short-term investments	1,557	(159)
Cash, cash equivalents and short-term investments, beginning of year	1,191	1,350
Cash, cash equivalents and short-term investments, end of year	$ 2,748	$ 1,191
Non-cash Transactions		
Exchange or Conversion of bonds	$ 867	$ 553
Total Non-cash Transactions	$ 867	$ 553

See notes to statutory basis financial statements.

NOTE 1 – ORGANIZATION

The Guardian Life Insurance Company of America ("Guardian" or the "Company") provides financial services to customers throughout the United States. The Company provides a full range of insurance, investment, securities brokerage and other financial products and services including individual life and disability insurance, group life and health insurance, annuities, pension and retirement related investments along with asset management and administration services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation:

The accompanying statutory basis financial statements have been prepared on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services (the "Department"), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America ("GAAP"). Insurance companies domiciled in New York are required to prepare statutory basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures manual ("NAIC SAP"), subject to certain deviations prescribed or permitted by the Department.

The Department recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company ("New York SAP"). The NAIC promulgates the NAIC SAP, which include accounting guidelines referred to as Statements of Statutory Accounting Principles ("SSAPs"). The Department adopted NAIC SAP with certain modifications, through the passage of Regulation 172, effective January 1, 2001, as amended.

A reconciliation of the Company's Net Income and Surplus at December 31, 2024 and 2023 between NAIC SAP and practices prescribed by the State of New York is shown below:

(In millions)	2024	2023
Statutory Net Income, New York basis	$ 181	$ 362
State Prescribed Practices:		
Deferred premiums asset impact (1)	(12)	(11)
Admission of unearned reinsurance premium asset (2)	25	2
Statutory Net Income, NAIC SAP basis	$ 194	$ 353

	2024	2023
Statutory Surplus, New York basis	$ 9,288	$ 9,072
State Prescribed Practices:		
Deferred premiums asset impact (1)	111	122
Admission of unearned reinsurance premium asset (2)	(29)	(53)
Statutory Surplus, NAIC SAP basis	$ 9,370	$ 9,141

1) Department Circular Letter No. 11
2) Department Regulation 172

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial statements prepared on a New York SAP basis vary from financial statements prepared in accordance with GAAP primarily because on a statutory basis: 1) costs related to acquiring business, principally commissions and certain policy issue expenses, are charged to income in the year incurred; 2) life insurance and annuity reserves are based on statutory mortality and interest requirements, without consideration of withdrawals and company experience; 3) life insurance enterprises are required to establish a formula-based asset valuation reserve ("AVR") by a direct charge to surplus to offset potential investment losses; 4) realized gains and losses resulting from changes in interest rates on fixed income investments are deferred in the interest maintenance reserve ("IMR") and amortized into investment income over the remaining life of the investment sold; 5) bonds are carried principally at amortized cost; 6) certain reinsurance transactions are accounted for as reinsurance for statutory purposes and as financing transactions under GAAP, and assets and liabilities are reported net of reinsurance for statutory purposes and gross of reinsurance for GAAP; 7) certain "non-admitted assets" (furniture and office equipment, leasehold improvements, capitalized internally developed non-operating system software, and prepaid pension costs) must be excluded under statutory reporting through a charge to surplus; 8) investments in common stock of the Company's wholly-owned and majority owned subsidiaries are accounted for using the equity method, where earnings of such subsidiaries are recognized in surplus, that is, only when dividends are distributed is income recognized; 9) gross deferred tax assets and changes in deferred tax assets ("DTAs") and liabilities ("DTLs"), except those relating to changes in unrealized gains and losses, are recognized as a separate component of surplus. Deferred tax assets not meeting certain criteria are non-admitted; 10) investments in Other invested assets, where the Company has a controlling financial interest, are accounted for using the equity method for statutory purposes and consolidated under GAAP; and 11) if in the aggregate, the Company has a net negative cash balance, it is reported as a negative asset for statutory purposes and recorded as a liability under GAAP. The effect on the financial statements of the Company from the differences between New York SAP and GAAP, while not determined are presumed to be material.

Use of Estimates:
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. As a provider of life insurance products, the Company's operating results in any given period depend on estimates of policy reserves required to provide for future policyholder benefits. The development of policy reserves for insurance and investment contracts requires management to make estimates and assumptions regarding mortality, lapse, expense and investment experience. Such estimates are primarily based on historical experience and, in many cases, state insurance laws that require specific mortality, morbidity, and investment assumptions to be used by the Company and may preclude the use of lapse and expense assumptions. Actual future results could differ from these estimates. Management monitors actual experience, and where circumstances warrant, revises its assumptions and the related reserve estimates. The Company regularly invests in mortgage loans, mortgage-backed securities and other securities subject to prepayment and/or call risk. Significant changes in prevailing interest rates and/or geographic conditions may adversely affect the timing and amount of cash flows on such investments, as well as their related values. In addition, the amortization of market premium and accretion of market discount for mortgage-backed securities is based on historical experience and estimates of future payment experience underlying mortgage loans. Actual prepayment timing could differ from original estimates resulting in adjustments to asset values and amortization or accretion recorded in future periods.

Admitted Assets:
Assets are stated at "admitted asset" values, which are values required by or permitted to be reported to the Department in accordance with its rules and regulations. Certain assets designated as "non-admitted assets" (approximately $330 million and $257 million at December 31, 2024 and December 31, 2023, respectively), consisting principally of deferred tax assets, leasehold improvements, electronic data processing equipment and computer software, and prepaid pension costs are charged directly to unassigned surplus.

Investments:
See Note 3 and Note 4 regarding the accounting policy, reported statement value and estimated fair value of the Company's investment in bonds, common stocks and preferred stocks, mortgage loans, real estate and derivatives.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Short-Term Investments and Restricted Cash:
Cash includes amounts on deposit with banks. Cash equivalents are stated at amortized cost and consist of investments having maturities of three months or less at time of purchase. Certain short-term investments are stated at amortized cost and consist primarily of investments having maturities greater than three months from date of purchase, but less than one year to maturity. Fair values for such investments approximate carrying value, because of the relatively short period of time between their origination and expected maturity and collectability.

The Company had no restricted cash and no restricted cash equivalents as of December 31, 2024 and 2023, respectively.

Policy Loans:
Policy loans are stated at unpaid principal balance, have no defined maturity date and reduce the amount payable at death or at surrender of the contract.

Other Invested Assets:
Other invested assets consist primarily of joint ventures, limited liability companies (LLCs), including subsidiaries, and other forms of partnerships which include residual tranches. Investments in joint ventures, LLCs, and other forms of partnerships, excluding residual tranches are valued at the Company's share of equity in the partnerships' LLC or joint ventures' net assets. All distributions are recorded as income or return of capital based on information received from the partnerships. The change in equity is recorded as unrealized gains (losses) on the Company's books and recorded directly to surplus.

Residual tranches are recorded at the lower of the amortized cost basis or fair value. The Company had $414 million and $272 million at December 31, 2024 and December 31, 2023, respectively. Other invested assets also include investments in surplus notes which are carried at amortized cost.

The Company participates in a securities lending program whereby securities, which are included in investments, are loaned to third parties. The Company requires a minimum of 102% of the fair value of the loaned securities to be separately maintained as collateral for the loans.

Other Assets:
Other assets consist primarily of receivables from subsidiaries (see Note 11), receivables related to reinsurance ceded (see Note 9), amounts receivable relating to Administrative Services Only ("ASO") uninsured plans, premium tax offsets, electronic data processing equipment, and admitted net negative IMR.

Investment Reserves:
In compliance with statutory requirements, the Company maintains the AVR and the IMR. The AVR is intended to stabilize policyholders' surplus against market fluctuations in the value of equities and credit related declines in the value of bonds, mortgage loans and equity investments. Changes in the AVR are recorded directly to surplus. The IMR defers net after-tax realized capital gains (losses) which result from changes in the overall level of interest rates for fixed income investments and amortizes these net capital gains (losses) into income over the remaining stated life of the investments sold. The Company uses the group method of calculating the IMR. The Company is permitted to admit negative IMR up to 10% of its capital and surplus as required to be shown on the balance sheet of the statutory financial statements most recently filed with its domiciliary state insurance regulator, adjusted to exclude any net positive goodwill, electronic database processing equipment and operating system software, net deferred tax assets and admitted net negative IMR.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Admitted Negative IMR
As of December 31, 2024, the Company admitted its negative IMR in the general account of $94 million. The calculated adjusted capital and surplus was $9,413 million as of September 30, 2024. The percentage of adjusted capital and surplus for which the admitted net negative (disallowed) IMR represents was 1.10% as of December 31, 2024.

The Company attests that:
- Fixed income investments generating IMR losses comply with the Company's documented investment or liability management policies.
- The admitted negative IMR does not include any IMR losses for fixed income related derivatives.
- Any deviation to the first bullet was either because of a temporary and transitory timing issue or related to a specific event, such as a reinsurance transaction, that mechanically made the cause of IMR losses not reflective of reinvestment activities.
- Asset sales that were generating admitted negative IMR were not compelled by liquidity pressures (e.g., to fund significant cash outflows including, but not limited to excess withdrawals and collateral calls).

Insurance Revenue and Expense Recognition:
Life premiums are recognized as income when due under the policy provisions. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Benefit payments to policyholders and beneficiaries include death benefits, disability benefits, matured endowments and surrender benefits and are charged to expense when incurred.

Reserves for Policy Benefits:
See Note 5 regarding the methods and assumptions used to establish the Company's reserves for future insurance policy benefits.

General Expenses Due or Accrued:
General expenses due or accrued consist primarily of liabilities for defined benefit pension plans, certain health care, dental and life insurance benefits for retired employees (post retirement benefits) and accrued home office expenses.

Other Liabilities:
Other liabilities consist primarily of liabilities for employees and agents, commissions payable, unearned investment income, amounts withheld or retained by the Company as agent or trustee, miscellaneous reinsurance liabilities, assessments, tax reserve liabilities, and payable for securities lending.

Federal Income Taxes:
The provision for federal income taxes is based on income from operations currently taxable. Realized gains and losses are reported net of the applicable federal income taxes. Deferred federal income tax assets are admitted to the extent they can be realized within three years subject to a 15% limitation of capital and surplus with increases or decreases reflected as adjustments to surplus (See Note 8). The Company is required to establish a tax loss contingency if it is more likely than not that a tax position will not be sustained. The amount of the contingency reserve is management's best estimate of the amount of the original tax benefit that could be reversed upon audit, unless the best estimate is greater than 50% of the original tax benefit, in which case the reserve is equal to the entire tax benefit.

Dividends Payable to Policyholders:
The liability for dividends payable to policyholders principally consists of dividends expected-to-be paid during the subsequent year and are determined by means of formulas that reflect the relative contribution of each group of policies to the results of operations. Policyholder dividends are approved annually by the Board of Directors.

Other Contract Liabilities
Other contract liabilities include liabilities for deposit type contracts such as funding agreements (see Note 5), claims in the course of settlement, claims incurred but not reported, and premiums received in advance.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Benefit Plans:
See Note 7 regarding the Company's employee benefit plans.

Reinsurance:
The Company enters into reinsurance agreements in the normal course of its insurance business to reduce overall risk (see Note 9 for reinsurance ceded and Note 10 for reinsurance assumed). The Company remains liable for reinsurance ceded if the reinsurer fails to meet its obligation on the business it has assumed. The Company evaluates the financial condition of its reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. The Company does not have any reinsurance agreements that contain risk-limiting features that are subject to disclosure under SSAP 61R Life, Deposit-Type and Accident and Health Reinsurance.

Net Investment Income and Capital Gains:
Net investment income includes interest and dividends received or accrued on investments. It also includes amortization of any purchase premium or accretion of any discount using the interest method, adjusted retrospectively or prospectively for any change in estimated yield to maturity. Investment income due and accrued that is deemed uncollectible is charged against net investment income in the period such determination is made. Net investment income is reduced by investment management expenses, interest expense on the Company's outstanding surplus notes and real estate depreciation.

Realized investment gains and losses are reported in income based upon specific identification of the assets sold. Realized losses include valuation adjustments for other-than-temporary impairments. Unrealized investment gains and losses on financial instruments carried at fair value represent changes in the reported fair value and are recorded directly to surplus.

Assessments:
Under state insurance guaranty fund laws, insurers doing business in a state can be assessed, up to prescribed limits, for certain obligations of insolvent insurance companies to policyholders and claimants. Amounts assessed to each company are typically related to its proportion of business written in each state. The Company's policy is to accrue assessments when the entity for which the insolvency relates has met its state of domicile's statutory definition of insolvency, the amount of the loss is reasonably estimable and the related premium upon which the assessment is based is written. In most states, the definition is met with a declaration of financial insolvency by a court of competent jurisdiction. In certain states there must also be a final order of liquidation.

As of December 31, 2024 and December 31, 2023, the liability balance included in other liabilities for assessments was $7 million and $13 million, respectively. Some states permit member insurers to recover assessments through full or partial premium tax offsets. The related premium tax offsets included in other assets were $8 million and $10 million as of December 31, 2024 and December 31, 2023, respectively.

The below table provide additional information on the Guaranty Fund Assessment liability and premium tax offset recoverable:

	Liability			Recoverable		
Name of the Insolvency	Number of Jurisdictions	Range of Years	Weighted Average number of years	Number of Jurisdictions	Range of Years	Weighted Average number of years
Penn Treaty	50	1-3 years	2 years	40	1-20 years	2 years
GLOBAL	50	1-5 years	3 years	40	1-20 years	6 years
NC Mutual	25	1-5 years	3 years	20	1-20 years	6 years
AINIC	1	1-3 years	2 years	1	4-5 years	5 years

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prior period adjustment:
Certain prior year amounts have been revised to correct an incorrect disclosure as discussed in Note 4 – Fair Value of Financial Instruments.

Note 4 – under the 2023 tables
In the hierarchy levels table, the fair value of the derivative instruments assets of $90 and the Level 3 classification as shown in the prior year's financial statements were incorrect. The corrected fair value of $144 and the Level 2 classification is reflected in the 2024 financial statements.

In the financial instruments carried at fair value table, the derivative instruments balance of $17 which was classified as Level 3 in the prior year's financial statements was incorrect and has been corrected as Level 2. Consequently, in the Level 3 roll forward table, the derivatives instruments column has been removed. The corrected tables are reflected in the 2024 financial statements.

NOTE 3 – INVESTMENTS

Investments are valued in accordance with methods prescribed by the Securities Valuation Office of the NAIC ("SVO"). The Company obtains the fair value of financial instruments held in its portfolio that are either carried at fair value on the face of the financial statements or disclosed in the notes to the financial statements at fair value, from a number of sources. These sources include published market quotes for active market exchange traded instruments, third party pricing vendors, investment banks which are lead market makers in certain markets, broker quotes and the use of internal valuation models that use market observable inputs when available and Company derived inputs when external inputs are not available or deemed to be inaccurate. Unrealized gains and losses on investments carried at fair value are recorded directly in unassigned surplus. The investment portfolio is reviewed for investments that may have experienced a decline in value considered to be other-than-temporary. The Company considers several factors in determining whether other-than-temporary declines exist: duration and extent to which the fair value of the security has been less than cost; financial condition of the issuer; the near term prospects for recovery of the fair value of a security; discounted estimated future cash flows; and the intent and ability of the Company to hold the security to allow for an anticipated recovery in value. Impairments that are considered other-than-temporary are included in net realized capital losses.

There were no securities that had a 5GI NAIC designation as of December 31, 2024 and December 31, 2023.

Valuation methods for the various types of investments held are as follows:

Bonds - Bonds are stated principally at amortized cost with bond premiums and discounts amortized using the scientific interest method. Those bonds which are rated 6 by the NAIC are reported at the lower of amortized cost or fair value. SVO Identified Funds (Bond Exchange Traded Funds ("ETFs")) are carried at fair value. Mortgage-backed bonds are carried at amortized cost using the interest method considering anticipated prepayments at the date of purchase. Significant changes in future anticipated cash flows from the original purchase assumptions are accounted for using the retrospective and prospective adjustment method utilizing the Public Securities Association standard prepayment rates. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from issuers or broker-dealers through information services or internal estimates and are consistent with current interest rates and the economic environment. The Company changes from the retrospective method to the prospective method when an other-than-temporary impairment has been recorded on a structured loan-backed security.

There were thirty four securities that were sold, redeemed or disposed of as the result of a call or tender offer with an aggregate amount of $10 million in net investment losses from prepayment penalties and acceleration fees as of December 31, 2024. There were thirteen securities that were sold, redeemed or disposed of as the result of a call or tender offer with an aggregate amount of $3 million in investment income from prepayment penalties and acceleration fees as of December 31, 2023.

NOTE 3 – INVESTMENTS (CONTINUED)

Common stocks - Common stocks of unaffiliated companies are stated at fair value, which is based on quoted market price. For common stocks without quoted market prices, fair value is estimated using independent pricing services or internally developed pricing models. Investments in subsidiaries are valued at equity in the underlying net assets. Undistributed earnings or losses of subsidiaries and unrealized appreciation or depreciation on common stocks are reflected as unrealized capital gains and losses directly in surplus.

Preferred stocks - Preferred stocks are carried at amortized cost if they have an NAIC SVO rating of 1 to 3 or the lower of cost or fair value based on the rating of 4 to 6.

Foreign Currency Translation - All of the Company's insurance operations are conducted in the United States of America on a U.S. dollar-denominated basis. The Company does make bond, equity and other investments that are denominated in foreign currencies or issued by entities doing business in other countries. Investments denominated in a foreign currency are translated to U.S. dollars at each reporting date using then-current market foreign exchange rates. Translation gains or losses relating to fluctuations in market exchange rates are reported as a change in unrealized capital gains and losses until the related investment security is sold or matures, at which time a realized capital gain or loss is reported. Transactions denominated in a foreign currency, such as receipt of foreign-denominated interest or dividends, are translated to U.S. dollars based on the actual exchange rate at the time of the transaction.

NOTE 3 – INVESTMENTS (CONTINUED)

The amortized cost basis and estimated fair value of bonds and the cost basis and estimated fair value of common and preferred stocks at December 31, 2024 and December 31, 2023 were as follows:

	Amortized Cost/ Cost*	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2024		(In millions)		
U.S. Government	$ 47	-	-	$ 47
All other Government	362	1	(36)	327
States, Territories, and Possessions	161	6	(6)	161
U.S. Political Subdivisions	98	-	(2)	96
U.S. Special Revenue	856	14	(46)	824
Industrial and Miscellaneous	50,992	246	(5,849)	45,389
Affiliated Bonds	350	-	-	350
Total Bonds	$ 52,866	$ 267	$ (5,939)	$ 47,194
Common stocks - unaffiliated	$ 136	3	-	$ 139
Investment in subsidiaries	1,442	19	(388)	1,073
Total Common Stocks	$ 1,578	$ 22	$ (388)	$ 1,212
Preferred Stocks	$ 158	4	(4)	158
Total Preferred Stocks	158	$ 4	$ (4)	158
Total Common and Preferred Stocks	$ 1,736	$ 26	$ (392)	$ 1,370

* Includes unrealized FX adjustments. NAIC 6 bonds are carried at lower of cost or fair value which is $0 million below amortized cost at December 31, 2024.

	Amortized Cost/ Cost*	Gross Unrealized Gains	Gross Unrealized (Losses)	Estimated Fair Value
December 31, 2023		(In millions)		
U.S. Government	$ 33	$ -	$ -	$ 33
All other Government	347	3	(31)	319
States, Territories, and Possessions	173	13	(4)	182
U.S. Political Subdivisions	100	3	-	103
U.S. Special Revenue	980	49	(31)	998
Industrial and Miscellaneous	50,171	347	(5,353)	45,165
Hybrid	17	1	-	18
Affiliated Bonds	285	-	-	285
Total Bonds	$ 52,106	$ 416	$ (5,419)	$ 47,103
Common stocks - unaffiliated	$ 116	1	(10)	$ 107
Investment in subsidiaries	1,572	10	(487)	1,095
Total Common Stocks	$ 1,688	$ 11	$ (497)	$ 1,202

* Includes unrealized FX adjustments. NAIC 6 bonds are carried at lower of cost or fair value which is $13 million below amortized cost at December 31, 2023.

NOTE 3 – INVESTMENTS (CONTINUED)

The Company invests in high quality securities that are diversified by asset class, issuer and industry. At December 31, 2024 approximately 0.09% of the portfolio is invested in securities issued or backed by the United States Government or its agencies. No other single issuer accounts for more than 1.19% of the portfolio at December 31, 2024.

The amortized cost and estimated fair value of debt securities at December 31, 2024 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations.

	2024	
	Amortized Cost	Estimated Fair Value
	(In millions)	
Due in one year or less	$ 1,606	$ 1,593
Due after one year through five years	11,608	11,246
Due after five years through ten years	8,816	8,319
Due after ten years	21,500	17,138
Sinking fund bonds, mortgage backed securities and asset backed securities	9,336	8,898
Total	$ 52,866	$ 47,194

In addition to the information disclosed above, short-term investments with a carrying value of $689 million are due in one year or less. Carrying value approximates fair value for these investments.

The net change in unrealized capital gains (losses) included in surplus for year ended December 31, 2024 and 2023 is summarized as follows:

	2024	2023
	(In millions)	
Changes in net unrealized capital gains (losses) attributable to:		
Bonds (NAIC 6 rated)	$ 13	$ (3)
Private Equity	(2)	(92)
Common stocks unaffiliated	12	2
Common stocks affiliated	106	(74)
Other invested assets affiliated	(1)	48
Foreign currency translation, net of currency swaps	(6)	-
Other	(26)	8
Total change in net unrealized capital gains (losses)	96	(111)
Tax benefit	1	18
Total change in net unrealized gains (losses), net of tax	$ 97	$ (93)

Proceeds from sales of bonds amounted to $3,729 million and $1,912 million for the years ended December 31, 2024 and 2023, respectively. Gross gains of $49 million and $8 million and gross losses of $506 million and $481 million were realized on sales of bonds for the years ended December 31, 2024 and 2023, respectively. These amounts are pre-tax and pre-IMR. Bond sales, maturities and all other cash dispositions amounted to $6,512 million and $4,172 million for the years ended December 31, 2024 and 2023, respectively.

Proceeds from sales of investments in common stock amounted to $55 million and $64 million for the years ended December 31, 2024 and 2023, respectively. There were no gains and $7 million gross losses realized on sales of common stock for the years ended December 31, 2024. There were no gains, and no losses realized on sales of common stock for the year ended December 31, 2023. These amounts are pre-tax.

There were no bond modifications treated as troubled debt restructuring for the years ended December 31, 2024 and 2023.

NOTE 3 – INVESTMENTS (CONTINUED)

Unrealized Losses:

The Company's investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2024 and December 31, 2023 are shown below:

December 31, 2024	Less than 12 Months		12 Months or More		Total	
(In millions)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Government	$ 10	-	31	-	$ 41	$ -
All other Government	94	(4)	210	(32)	304	(36)
States, Territories and Possessions	25	-	37	(6)	62	(6)
U.S. Political Subdivisions	42	(1)	22	(1)	64	(2)
U.S. Special Revenue	205	(4)	300	(42)	505	(46)
Industrial and Miscellaneous	5,973	(262)	28,313	(5,587)	34,286	(5,849)
Total Bonds	$ 6,349	$ (271)	$ 28,913	$ (5,668)	$ 35,262	$ (5,939)
Preferred stocks	81	(4)	-	-	81	(4)
Total temporarily impaired securities	$ 6,430	$ (275)	$ 28,913	$ (5,668)	$ 35,343	$ (5,943)

December 31, 2023	Less than 12 Months		12 Months or More		Total	
(In millions)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Government	$ 28	$ -	$ 4	$ -	$ 32	$ -
All other Government	16	-	257	(31)	273	(31)
States, Territories and Possessions	13	-	26	(4)	39	(4)
U.S. Political Subdivisions	2	-	25	-	27	-
U.S. Special Revenue	33	(1)	314	(30)	347	(31)
Industrial and Miscellaneous	2,821	(166)	33,337	(5,187)	36,158	(5,353)
Affiliated Bonds	7	-	-	-	7	-
Total Bonds	$ 2,920	$ (167)	$ 33,963	$ (5,252)	$ 36,883	$ (5,419)
Common stocks - unaffiliated	-	-	31	(10)	31	(10)
Total temporarily impaired securities	$ 2,920	$ (167)	$ 33,994	$ (5,262)	$ 36,914	$ (5,429)

The Company's investment portfolio includes individual securities that are in an unrealized loss position and have not been recognized as other-than-temporary impairments. There were five thousand seven hundred and twenty securities in an unrealized loss position for greater than 12 months with a book value of $34,581 million and a fair value of $28,913 million as of December 31, 2024. There were six thousand seven hundred and two securities in an unrealized loss position for greater than 12 months with a book value of $39,256 million and a fair value of $33,994 million as of December 31, 2023.

In reaching the conclusion that these impairments are not other-than-temporary, management considered many factors including: duration and severity of impairment, discounted cash flow analysis, investment sector stability, creditworthiness, financial condition of issuer, and intent and ability to hold to allow for recovery in value.

Mortgage Loans:

Mortgage loans are carried at amortized cost. Valuation reserves are established for potential declines in the value of the mortgage loans. As of December 31, 2024 and December 31, 2023 there were no valuation reserves established for any of the Company's mortgage loans. Other-than-temporary impairments on loans are charged to net realized capital losses and are not adjusted for subsequent recoveries in value. There were no other-than-temporary impairments on mortgage loans for the years ended December 31, 2024 and 2023.

NOTE 3 – INVESTMENTS (CONTINUED)

The Company's $7,462 million and $7,030 million of investments in mortgage loans on real estate on December 31, 2024 and December 31, 2023, respectively consist of loans collateralized by commercial real estate properties. Of these amounts $2,213 million and $3,047 million were mortgage loans in which the Company was a participant at December 31, 2024 and December 31, 2023, respectively. The Company had $17 million co-lender loan exposure as of December 31, 2024 and $13 million as of December 31, 2023, respectively. The largest concentrations of commercial real estate mortgage loans are for properties located in California and Texas ($1,575 million or 21.09% and $1,110 million or 14.86%) at December 31, 2024. The largest concentrations of commercial real estate mortgage loans are for properties located in California and Texas ($1,574 million or 22.38% and $1,106 million or 15.74%) at December 31, 2023. The Company estimates the fair value of mortgage loans on real estate to be $7,205 million and $6,647 million at December 31, 2024 and December 31, 2023, respectively and are classified as Level 3 as discussed in Note 4. Fair value was determined based upon the present value of the scheduled future cash flows of each loan based on the average term to maturity discounted at the appropriate U.S. Treasury rate, adjusted for the current market spread for a similar quality mortgage. Mortgage quality is determined by the loan's Loan to Value ratio, Debt Service Coverage ratio, location and property type. The minimum and maximum range of lending rates on new mortgage loans were between 5.0% and 6.9% originated during 2024. The maximum percentage of any single mortgage loan to the value of the security for loans that originated in 2024 was 70.0% at origination date.

Management monitors its mortgage loan portfolio on an ongoing basis for events or circumstances that could indicate that it will not receive all of its contractually due principal and interest payments in accordance with the loan agreements. In May and November of each year, the entire portfolio is screened based on debt service coverage, loan to value ratio, delinquency over 90 days and if there are indications that balloon payments due at maturity will not be made to determine if any other than temporary impairments might need to be recorded.

Interest received on impaired loans that were previously modified in a troubled debt restructuring is either applied against the principal or reported as revenue according to management's judgment as to the collectability of principal. There were no mortgages with interest more than 180 days past due at December 31, 2024 or December 31, 2023.

There were no restructured mortgage loans as of December 31, 2024 or December 31, 2023.

There were no taxes, assessments, or any amounts advanced not included in the mortgage loan total as of December 31, 2024 and 2023.

NOTE 3 – INVESTMENTS (CONTINUED)

The following table set forth the credit quality indicators as of December 31, 2024 and December 31, 2023, based upon the recorded investment gross of allowance for credit losses.

Mortgage Loans
(In millions)

	Debt Service Coverage Ratio - December 31, 2024						
	Greater than 2.0X	1.8X to 2.0X	1.5X to <1.8X	1.2X to <1.5X	1.0X to <1.2X	Less than 1.0X	Grand Total
Loan-to-Value Ratio							
0% - 49.99%	$ 1,305	58	105	2	17	-	$ 1,487
50% - 59.99%	925	347	544	199	-	-	2,015
60% - 69.99%	573	152	996	788	91	-	2,600
70% - 79.99%	71	200	299	476	314	-	1,360
80% - 89.99%	-	-	-	-	-	-	-
90% - 100%	-	-	-	-	-	-	-
Greater than 100%	-	-	-	-	-	-	-
Total	$ **2,874**	$ **757**	$ **1,944**	$ **1,465**	$ **422**	$ **-**	$ **7,462**

Mortgage Loans
(In millions)

	Debt Service Coverage Ratio - December 31, 2023						
	Greater than 2.0X	1.8X to 2.0X	1.5X to <1.8X	1.2X to <1.5X	1.0X to <1.2X	Less than 1.0X	Grand Total
Loan-to-Value Ratio							
0% - 49.99%	$ 1,291	$ 40	$ 175	$ 43	$ -	$ -	$ 1,549
50% - 59.99%	866	196	747	350	101	-	2,260
60% - 69.99%	626	341	618	737	200	-	2,522
70% - 79.99%	180	157	176	173	13	-	699
80% - 89.99%	-	-	-	-	-	-	-
90% - 100%	-	-	-	-	-	-	-
Greater than 100%	-	-	-	-	-	-	-
Total	$ **2,963**	$ **734**	$ **1,716**	$ **1,303**	$ **314**	$ **-**	$ **7,030**

NOTE 3 – INVESTMENTS (CONTINUED)

Real Estate:
Real estate investments are reported in the financial statements at cost, less any valuation adjustment, encumbrances and accumulated depreciation of buildings and other improvements using a straight line method over a 40 year period for the buildings and the estimated useful life of the improvements. An investment in real estate is considered impaired when the projected undiscounted net cash flow from the investment is less than depreciated cost. When the Company determines that an investment in real estate is impaired, a valuation adjustment is recorded to reduce the carrying value to estimated fair value, after encumbrances, based on appraisal of the property. The valuation adjustment is included in realized capital losses.

The Company had accumulated depreciation totaling $191 million and $173 million at December 31, 2024 and December 31, 2023, respectively. The Company recorded depreciation expense of $21 million for 2024 and $20 million for 2023. There were four properties with carrying value of $157 million, above its combined fair value of $131 million at December 31, 2024. There were three properties with carrying value of $100 million, above its combined fair value of $84 million at December 31, 2023. There was one other-than-temporary impairment taken on real estate of $3 million in 2024 and none in 2023.

Subprime:
The Company continually monitors its investment portfolios for performance, credit issues and risk exposures. By using a variety of measurements and credit analysis derived from both internal and external sources, the Company tracks the risk exposure the portfolios have to market events such as credit deterioration in the sub-prime and other below prime mortgage market. Sub-prime investments can include high loan to value pools, and pools where the borrowers have very impaired credit but the average loan to value is low. The Company has minimal exposure and recorded no impairments in 2024 or 2023 on its sub-prime or other below prime mortgage-backed security holdings. The Company does hold $567 million and $590 million of Non-Agency Residential Mortgage-backed securities ("RMBS") with sub-prime exposure and other below-prime mortgage exposure, representing 0.73% and 0.81% of the Company's invested assets, as of December 31, 2024 and 2023, respectively.

Restricted Assets and Special Deposits:
The Company had admitted restricted assets of $3,859 million and $1,914 million at December 31, 2024 and 2023, respectively. Of these amounts, there were deposits with states as required by certain insurance laws of $4 million in 2024 and $4 million in 2023 and pledged as collateral for futures trading of $31 million and $29 million in 2024 and 2023, respectively. These amounts are included in Bonds in the Statutory Basis Balance Sheets. There were $134 million and $71 million of the Federal Home Loan Bank of New York ("FHLBNY") stock purchased by the Company in 2024 and 2023, respectively which are classified as restricted general account investments within "Common stocks". Also, as of December 31, 2024 and December 31 2023, respectively the Company pledged mortgage loans with a carrying value of $3,690 million and $1,810 million that support outstanding funding agreements with the FHLBNY. Total admitted restricted assets were 4.44% and 2.39% of the Company's total admitted assets at December 31, 2024 and 2023, respectively. There were no non-admitted restricted assets in 2024 or 2023.

Investment in Subsidiaries:
Investments in subsidiaries are accounted for using the equity method. Under the equity method, insurance subsidiaries are recorded at their underlying audited statutory surplus. Non-insurance subsidiaries are recorded at their underlying audited GAAP equity. Undistributed earnings or losses of subsidiaries are reflected as unrealized capital gains and losses directly in surplus. Dividends or distributions received from subsidiaries are recognized in net investment income when declared to the extent they are not in excess of undistributed accumulated earnings.

NOTE 3 – INVESTMENTS (CONTINUED)

Investment in affiliated limited liability subsidiaries are included in Other invested assets while investment in all other subsidiaries are included in Common stocks on the Statutory Basis Balance Sheets and totaled $2,290 million and $2,219 million at December 31, 2024 and December 31, 2023, respectively.

The Company's major subsidiaries are as follows:

Guardian Insurance and Annuity Company ("GIAC") is a stock life insurance company organized primarily for the sale of variable deferred annuities, fixed deferred and immediate annuity contracts, and variable life insurance policies. During 2022, GIAC ceded a 100% quota share of virtually all liabilities related to its variable annuity contracts with Talcott Resolution Life Insurance Company.

Berkshire Life Insurance Company of America ("BLICOA") is a stock life company whose primary business is the sale and administration of disability insurance business.

Park Avenue Life Insurance Company ("PALIC") primary business is the administration of life insurance business (principally term and universal life products). Although PALIC is licensed in 48 states and the District of Columbia, it does not currently write new business.

First Commonwealth, Inc. ("FCW") provides dental, vision and hearing care coverage for government and commercial customers. At December 31, 2024, FCW recorded a goodwill impairment on one of its subsidiaries to reflect the subsidiary's carrying value being written down to its fair value based on the annual goodwill assessment.

Guardian Investor Services, LLC ("GIS") is a non-insurance limited liability company that provides investment advisory services and related services to the mutual funds, variable investment trusts, private investment unit trust, institutional and other clients through Park Avenue Institutional Advisers ("PAIA"), wholly owned subsidiary of GIS. GIS holds investments in real estate operating entities and joint ventures, residual interests in collateralized loan obligation securities and investments in early-stage companies. During 2024, the Company expanded its strategic partnership with HPS Investment Partners ("HPS") by contributing certain intangible assets consisting primarily of its workforce and goodwill, in addition to work product and know-how in connection with such workforce, as it relates to certain of the Company's investment assets that will be managed by HPS as subadvisor (under a new investment agreement). As a result of the enhanced partnership, GIS increased its interest in HPS to approximately 14%.

Park Avenue Securities LLC ("PAS") is a registered broker-dealer with the Securities and Exchange Commission whose primary business consists of selling products currently offered by GIAC as well as third party sponsors to retail customers. Such products include mutual funds, variable annuities, variable life insurance, 401(k) plan and investment advisory services.

Guardian Acquisitions II is a non-insurance limited liability company that indirectly holds a minority interest in an insurance entity.

NOTE 3 – INVESTMENTS (CONTINUED)

Selected financial information for the Company's significant subsidiaries is highlighted below:

	2024	2023
	(In millions)	
GIAC (Statutory basis)		
Total assets	$ 10,614	$ 11,802
Total liabilities	10,013	11,318
Net loss	$ (1)	$ (30)
BLICOA (Statutory basis)		
Total assets	$ 5,471	$ 5,194
Total liabilities	5,261	4,995
Net income	$ 11	$ 3
PALIC (Statutory basis)		
Total assets	$ 183	$ 177
Total liabilities	121	130
Net income	$ 5	$ 9
GIS (GAAP basis)		
Total assets	$ 1,961	$ 4,684
Total liabilities	924	3,624
Net income	$ 106	$ 112
FCW (GAAP basis)		
Total assets	$ 257	$ 501
Total liabilities	51	74
Net loss	$ (207)	$ (18)
PAS (GAAP basis)		
Total assets	$ 113	$ 118
Total liabilities	34	28
Net income	$ 60	$ 54
Guardian Acquisitions II LLC (GAAP basis)		
Total assets	$ 102	$ -
Total liabilities		-
Net income	$ 11	$ -

NOTE 3 – INVESTMENTS (CONTINUED)

Investment in Subsidiaries

The following table provides additional information on non-insurance subsidiaries.

As of December 31, 2024

Description of SCA Investment (Per SSAP No 97)	% of SCA Ownership	Gross Amount	Non-admitted Amount	Admitted Asset Amount	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (yes/no)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (yes/no)	Code
					(In millions)					
Managed Dental Care of California	100%	$ 7		$ 7	12/31/2023	Sub-2	Y	$ 8	no	I
First Commonwealth	100%	187		187	12/31/2023	Sub-2	Y	427	no	I
Guardian Investors Services, LLC	100%	1,038		1,038	n/a	n/a	n/a	-	n/a	I
Guardian Acquisition II LLC	100%	101		101	n/a	n/a	n/a	-	n/a	I
Park Avenue Securities, LLC	100%	78		78	n/a	n/a	n/a	-	n/a	I
Aggregate Total		**$ 1,411**	**$ -**	**$ 1,411**				**$ 435**		

As of December 31, 2023

Description of SCA Investment (Per SSAP No 97)	% of SCA Ownership	Gross Amount	Non-admitted Amount	Admitted Asset Amount	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (yes/no)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (yes/no)	Code
					(In millions)					
Managed Dental Care of California	100%	$ 8	$ -	$ 8	12/31/2022	Sub-2	Y	$ 4	no	I
First Commonwealth	100%	350	-	350	12/31/2022	Sub-2	Y	448	no	I
Innovative Underwriters	100%	1	1	-	n/a	n/a	n/a	-	n/a	I
Guardian Investors Services, LLC	100%	1,034	-	1,034	n/a	n/a	n/a	-	n/a	I
Park Avenue Securities, LLC	100%	91	-	91	n/a	n/a	n/a	-	n/a	I
Aggregate Total		**$ 1,484**	**$ 1**	**$ 1,483**				**$ 452**		

NOTE 3 – INVESTMENTS (CONTINUED)

NET INVESTMENT INCOME

Net investment income, including accrual of discounts and amortization of premiums, arose from the following sources for the years ended December 31, 2024 and December 31, 2023:

	2024	2023
	(In millions)	
Bonds	$ 2,300	$ 2,152
Preferred stocks	2	-
Unaffiliated common stocks	9	7
Affiliated common stocks	6	-
Mortgage loans	336	265
Real estate	85	78
Policy loans	386	317
Cash, Cash Equivalent and Short-Term Investments	93	82
Private Equity	362	266
Affiliated OIA	160	110
Other	54	48
Gross investment income	3,793	3,325
Less investment expenses	(358)	(328)
Net investment income	$ 3,435	$ 2,997

The Company had $571 million and $546 million in gross admitted due and accrued income on December 31, 2024, and December 31, 2023, respectively. The Company did not have any non-admitted due and accrued income on December 31, 2024, or December 31, 2023.

The Company had deferred interests on investments that it held on December 31, 2024, and December 31, 2023, of $3 million and $5 million respectively. The Company had $1 million in cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance of investments that it held on December 31, 2024, and December 31, 2023, respectively.

NET REALIZED CAPITAL (LOSSES) GAINS

Net realized capital losses were derived from the following sources for the years ended December 31, 2024 and December 31, 2023:

	2024	2023
	(In millions)	
Bonds	$ (457)	$ (473)
Unaffiliated common stocks	(7)	-
Affiliated common stocks	(217)	-
Real estate	(3)	-
Other invested assets	(36)	(36)
Derivatives and hedging losses gains	6	10
Total net realized capital losses	(714)	(499)
Capital gains tax benefit (expense)	46	59
Transfer from IMR (net of tax)	311	321
Net realized capital losses	$ (357)	$ (119)

The net realized capital loss amount above includes other-than-temporary impairment losses of $264 million and $88 million for the years ended December 31, 2024 and December 31, 2023, respectively. Of the $264 million for 2024, $212 million relates to an affiliated entity, $17 million relates to impairments that reduced surplus which were driven primarily from bonds, $10 million relates to investment tax credit investments and $23 million relates to private equities. Of the $88 million for 2023, $33 million relates to impairments that reduced surplus which were driven primarily from bonds. The remaining $55 million relates primarily to $40 million in investment tax credit investments and $15 million for private equities.

NOTE 3 – INVESTMENTS (CONTINUED)

Derivative Financial Instruments:
The Company enters into derivative transactions in order to mitigate ("hedge") certain risks pertaining to its assets, liabilities and surplus from fluctuations in interest rates, foreign currency exchange rates and market volatility. Derivatives are either exchange traded or contracted over-the-counter. The majority of the Company's over-the-counter derivatives are bilateral contracts between the Company and a single counterparty. The Company's remaining over-the-counter derivatives are cleared and settled through central clearing counterparties.

Derivatives that are designated as hedges for accounting purposes and meet the qualifications for hedge accounting are reported on a basis consistent with the asset or liability being hedged (i.e. at amortized cost). Derivatives that are used to mitigate risk but are not designated as hedges for accounting purposes or do not meet the qualifications for hedge accounting treatment are reported at fair value.

To qualify for hedge accounting the hedge relationship must be designated and formally documented at inception. This documentation details the risk management objective and strategy for the hedge, the derivative used in the hedge, the asset or liability being hedged, and the methodology for assessing hedge effectiveness. The hedge must also be "highly effective" with an assessment of its effectiveness performed both at inception and on an ongoing basis over the life of the hedge.

Derivative transactions expose the Company to the risk that the counterparty may not be able to fulfill its obligations under the terms set forth in the contract. The Company manages this counterparty risk by entering into transactions with counterparties that maintain a minimum credit rating, by performing ongoing review of a counterparties' credit standing, by adhering to established limits for credit exposure to any single counterparty and requiring collateral posting subject to thresholds and minimum transfer amounts in accordance with counterparty agreements to support credit risk associated with counterparty exposures which further reduces the Company's exposure to default by the counterparty. The Company is required to establish a margin account for all of its futures contracts. All of the futures contracts that the Company has entered into are exchange traded. Margin payments are required for futures contract and contract gains or losses are settled daily in cash, therefore the futures contracts are carried at zero value on the Company's balance sheets. The contract amount of futures contracts represents the extent of the Company's involvement, but not future cash requirements, as open positions are typically closed out prior to the delivery date of the contract. The Company does not offset the statement values for derivatives executed with the same counterparty, even if a master netting arrangement is in place. The Company also does not offset the right to claim collateral against the obligation to return such collateral.

The Company has no embedded credit derivatives that expose it to the possibility of being required to make future payments and does not have any derivative contracts with financing premiums.

Hedging – Designated As Hedging Instruments
The Company designates and accounts for its foreign currency swaps as cash flow hedges and certain equity index futures, treasury futures and S&P equity options as fair value hedges. The derivative instruments cash flows and the related gains and losses are included in Other Investments in the Cash flow from investing activities section of the Statutory Basis Statements of Cash Flow.

Foreign currency swaps are used to mitigate the foreign exchange risk for investments in specifically identified private placement bonds denominated in foreign currencies. Foreign currency swaps obligate the Company and a counterparty to exchange the foreign currency denominated interest and principal payments receivable on foreign denominated bonds for U.S. dollar payments based on currency exchange rates specified at the inception of the transaction. Foreign exchange gains or losses on these contracts are reported as a change in unrealized gains or losses until the maturity or sale of the hedged foreign currency bond at which time a realized capital gain or loss is recognized.

Equity index futures are used to mitigate the change in value of the liability the Company has to participants in its deferred compensation plans that allocate their plan account balances to equity funds offered under the plan. Equity index futures obligate the Company to pay or receive from a counterparty a cash amount based on a specified equity market index at a predefined price as of a future date applied to the notional amount of the contracts. The change in the fair value of the futures contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss from the change in value of its deferred compensation liability. If the hedge is deemed to be ineffective for any period of time, the change in the fair value of the futures contracts for that time period is recorded in surplus as an unrealized gain or loss.

NOTE 3 – INVESTMENTS (CONTINUED)

Treasury futures are used to mitigate the portion of the change in fair value related to a change in interest rates on specifically identified assets acquired by the Company and held in its general account to support the Funding Agreements ("FA") and the specifically identified portion of a liability incurred by the Company pertaining to FA that are issued by the Company to back Medium Term Notes ("MTN") issued by a special purpose entity.

The Company enters into short positions (sells) treasury futures contracts prior to the issuance of the FA-MTN in order to lock-in the interest rate component of the return of the designated assets at their date of acquisition. When the FA-MTN is issued the Company enters into long position (purchases) treasury futures contracts in order to mitigate the change in the fair value of the designated net liability due to the effects of interest rate changes. The change in the fair value of the futures contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss incurred by the Company on the change in value of its FA liability.

Treasury futures obligate the Company to make or receive delivery of certain Treasury Bonds at a specified price at a future date.

S&P equity options are used by the Company as a risk management strategy to offset the projected dividend liability exposure on its Index Participation Feature ("IPF") which is a rider on certain whole life contracts. The Company uses a combination of short positions (sell) and long positions (purchases) of over-the-counter European call options on the S&P 500 index with expiration of one year to mitigate the dividend liability exposure based on the future return on S&P 500 index for the annual period of the monthly segment being hedged between the guaranteed floor rate and the cap rate on the participating balances. The change in the fair value of the options contracts is recorded in current period earnings as income or expense which offsets the operating gain or loss incurred by the Company on the change in the amount of the dividend liability.

Hedging – Not Designated As Hedging Instruments

The Company enters into other derivative transactions that mitigate economic risks but are not designated as a hedge for accounting purposes or do not qualify for hedge accounting treatment. These derivative instruments are reported at fair value on the balance sheet as either other invested assets or other liabilities. Changes in the fair value of these instruments are reported as a change in unrealized capital gains or losses until the maturity or termination of the contract, at which time a realized capital gain or loss is recorded. The derivative instruments cash flows and the related gains and losses are included in Other Investments in the Cash flow from investing activities section of the Statutory Basis Statements of Cash Flow.

Treasury futures, the Company enters into long position (purchases) treasury futures contracts to mitigate the portion of the change in fair value related to a change in interest rates on the specifically identified portion of a liability incurred by the Company pertaining to FA that are issued by the Company to back Medium Term Notes ("MTN") issued by a special purpose entity.

NOTE 3 – INVESTMENTS (CONTINUED)

Credit default swaps index ("CDX") are used to reduce the credit risk exposure on a specified portfolio of corporate bonds. The Company purchases CDX contracts in which it receives payments if there is a credit event on one or more of the specified securities contained in the index. These payments would be used to offset any credit losses recorded on the portfolio of bonds being hedged. There was no activity in 2024 or 2023 for Credit Default Swaps.

Replications

The Company purchased treasury futures as part of a replication transaction used to manage interest rate exposure. Statutory accounting guidance requires a cash instrument (high quality bond) with the same par value as the notional amount of the derivative and at least the same duration as the treasury futures to be held by the Company in order to cover the change in value of the treasury futures. The combining of the treasury futures and the cash instrument creates the replication (synthetic bond). If the replicated asset and cash instrument are carried at amortized cost so is the derivative. Otherwise, the derivative is carried at fair value. The derivative instruments cash flows and the related gains and losses are included in Other Investment in the Cash flow from investing activities section of the Statutory Basis Statements of Cash Flow. There was no activity in 2024 or 2023 for Replications.

NOTE 3 – INVESTMENTS (CONTINUED)

The following tables provide additional information regarding derivatives that are designated as hedging instruments and those that are not designated as hedging instruments:

As of December 31, 2024	Notional Amount	Statement Value		Change in Unrealized Capital Gains (Losses)	Net Realized Capital Gains (Losses)	Net Investment Income	Gain/(loss) from Operations
		Assets	Liabilities				
				(in millions)			
Derivatives designated as hedging instruments:							
Foreign currency swaps	$ 2,612	$ 192	$ 12	$ 122	$ 9	$ -	$ -
Equity index futures	357	-	-	-	-	-	33
Treasury futures	106	-	-	-	-	-	-
S&P equity options	452	20	-	-	-	-	11
Derivatives not designated as hedging instruments:							
Treasury futures	-	-	-	-	(3)	-	-
Credit default swap index	-	-	-	-	-	-	-
Total derivatives	$ 3,527	$ 212	$ 12	$ 122	$ 6	$ -	$ 44

As of December 31, 2023	Notional Amount	Statement Value		Change in Unrealized Capital Gains (Losses)	Net Realized Capital Gains (Losses)	Net Investment Income	Gain/(loss) from Operations
		Assets	Liabilities				
				(in millions)			
Derivatives designated as hedging instruments:							
Foreign currency swaps	$ 2,348	$ 90	$ 32	$ (82)	$ 10	$ -	$ -
Equity index futures	302	-	-	-	-	-	40
Treasury futures	-	-	-	-	-	-	-
S&P equity options	340	17	-	-	-	-	10
Derivatives not designated as hedging instruments:							
Treasury futures	-	-	-	-	-	-	-
Credit default swap index	-	-	-	-	-	-	-
Total derivatives	$ 2,990	$ 107	$ 32	$ (82)	$ 10	$ -	$ 50

Repurchase Agreements:

The Company periodically enters into repurchase agreements whereby securities will be resold at a predefined price. There were no repurchase agreements as of December 31, 2024 and December 31, 2023, respectively.

NOTE 3 – INVESTMENTS (CONTINUED)

Reverse Repurchase Agreements:

The Company periodically enters into reverse repurchase arrangements whereby certain securities are loaned, primarily with major brokerage firms. The Company's policy requires a minimum of 95% of the fair value of the loaned securities as collateral, calculated on a daily basis, in the form of either cash or securities. Collateral assets received and related liabilities due counterparties are included in the Statutory Basis Balance Sheets as "Other Liabilities". There were no open reverse repurchase agreements at December 31, 2024 or December 31, 2023.

Securities Lending

The Company participates in a securities lending program whereby securities are loaned to third-parties. The Company requires initial collateral equal to 102% of the fair value of domestic securities loaned. The fair value of securities classified as bonds on loan were $1,937 million, and $395 million at December 31, 2024, and December 31, 2023, respectively.

The securities lending agent on behalf of the Company held collateral comprised of bonds and cash equivalents under the securities lending agreement which is included in other invested assets in the Statutory Balance Sheet and a corresponding liability for the same amount, which is included in other liabilities in the Statutory Balance Sheet. The following table provides the terms and carrying value of the bonds on loan for the year ended December 31, 2024 and December 31, 2023:

	December 31, 2024					
	Remaining Contractual Maturity of the Agreements					
	Open	30 days or less	31 to 60 days	61 to 90 days	Greater than 90 days	Total
Industrial and Miscellaneous		$ 1	$ 1	$ -	$ 1,935	$ 1,937
Total securities lending transactions	$ -	$ 1	$ 1	$ -	$ 1,935	$ 1,937

	December 31, 2023					
	Remaining Contractual Maturity of the Agreements					
	Open	30 days or less	31 to 60 days	61 to 90 days	Greater than 90 days	Total
Industrial and Miscellaneous			$ -	$ -	$ 395	$ 395
Total securities lending transactions	$ -	$ -	$ -	$ -	$ 395	$ 395

The securities lending agent reinvests the collateral on behalf of the Company. The following table provides the reinvested collateral for the year ended December 31, 2024 and December 31, 2023:

	2024		2023	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Period to Maturity				
Open	$ -	$ -	$ -	$ -
30 days or less	1,047	1,050	143	143
31 to 60 days	405	405	260	260
61 to 90 days	51	51	-	-
91 to 120 days	5	5	-	-
181 to 365 days	16	17	-	-
1 to 2 years	54	55	-	-
2 to 3 years	67	64	-	-
Greater than 3 years	377	334	-	-
Total collateral reinvested	$ 2,022	$ 1,981	$ 403	$ 403

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Statutory guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's view of market assumptions based on internally developed data in the absence of observable market information. The guidance requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs when determining the fair value of an asset or liability. The statement classifies all assets and liabilities carried or disclosed at fair value in one of the following three categories:

Level 1 – inputs are quoted market prices available in active markets for identical assets or liabilities on the reporting date.

Level 2 – inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – inputs are unobservable where there is little or no market activity for the asset or liability and the Company makes estimates and assumptions based on internally derived information.

The estimated fair values presented below have been determined using available information and valuation methodologies. The estimated fair value for financial instruments held by the Company was determined by management after considering the following sources of information: published market quotes for active exchange traded instruments, third party pricing vendors, quotes from investment banks that are lead market makers in certain markets, independent broker quotations, or the use of internal valuation models that use market observable inputs when available and Company derived inputs when external inputs are not available or deemed to be inaccurate. Considerable judgment is applied in interpreting data to develop the estimates of fair value. Accordingly, such amounts are management's estimate of the value that would be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies from period to period based on available information and market conditions could have a material effect on the estimated fair values.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following tables summarize the Company's financial instruments carrying amount and estimated fair value/Net Asset Value ("NAV") hierarchy levels for the period ending December 31, 2024 and December 31, 2023:

	December 31, 2024					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Bonds	$ 42	$ 40,314	$ 6,838	$ 47,194	$ -	$ 52,866
Common Stock (unaffiliated)	-	5	134	139	-	139
Preferred Stock	-	75	83	158	-	158
Mortgage Loans	-	-	7,205	7,205	-	7,462
Policy Loans	-	-	6,069	6,069	-	6,069
Derivative instruments	-	206	-	206	-	212
Surplus Notes investments	-	546	-	546	-	688
Residual tranche	-	-	481	481	-	414
Receivable for securities	-	76	-	76	-	76
Cash, cash equivalents and short-term investments	173	2,575	-	2,748	-	2,748
Due and accrued investment income	-	571	-	571	-	571
Total Assets	$ 215	$ 44,368	$ 20,810	$ 65,393	$ -	$ 71,403
Liabilities						
Deposit type contracts	$ -	$ 6,847	$ -	$ 6,847	$ -	$ 7,016
Derivative instruments	1	21	-	22	-	12
Total Liabilities	$ 1	$ 6,868	$ -	$ 6,869	$ -	$ 7,028

	December 31, 2023						
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount	
Assets			(In millions)				
Bonds	$ 33	$ 41,240	$ 5,830	$ 47,103	$ -	$ 52,093	
Common Stock (unaffiliated)	-	-	75	75	32	107	
Mortgage Loans	-	-	6,647	6,647	-	7,030	
Policy Loans	-	-	5,106	5,106	-	5,106	
Derivative instruments	-	144	-	144	-	107	(1)
Surplus Notes investments	-	689	-	689	-	582	
Residual tranche	-	-	303	303	-	272	
Receivable for securities	-	68	-	68	-	68	
Cash, cash equivalents and short-term investments	-	1,191	-	1,191	-	1,191	
Due and accrued investment income	-	546	-	546	-	546	
Total Assets	$ 33	$ 43,878	$ 17,961	$ 61,872	$ 32	$ 67,102	
Liabilities							
Deposit type contracts	$ -	$ 5,228	$ -	$ 5,228	$ -	$ 5,456	
Derivative instruments	1	40	-	41	-	32	(2)
Total Liabilities	$ 1	$ 5,268	$ -	$ 5,269	$ -	$ 5,488	

Subsequent to issuance of 2023 financial statements, we identified an immaterial error in the above disclosure:
(1) The fair value of the derivative instruments of $90 and the Level 3 classification at December 31, 2023 were incorrect. The fair value and classification presented above reflects the corrected information.
(2) The Level 3 classification at December 31, 2023 was incorrect. The classification presented above reflects the corrected information.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Bonds, common and preferred stocks:
Estimated fair values for bonds, other than private placement securities, unaffiliated common stocks and preferred stocks are based on values provided by a third-party pricing vendor using primarily observable market inputs. Observable inputs include benchmark yields, reported trades, market dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

The fair value of unaffiliated common stock was $139 million on December 31, 2024. Of that amount $5 million was valued based on quotes from third party pricing vendors for identical investments in markets that are not actively traded, or for similar investments that are actively traded and model derived valuations whose inputs are observable or whose significant value drivers are observable (Level 2). Common stocks from the Federal Home Loan Bank of New York ("FHLBNY") remain fixed in price of 100 as they can only be purchased and redeemed with the FHLBNY at that price. The fair value of $134 million of this common stock is Level 3.

Portfolio managers review the values assigned by the pricing vendor for reasonableness. In doing so, they compare the prices received from the pricing vendor to prices of similar securities, price ranges in that asset class or industry or prices from internally generated position reports. If there is a discrepancy with the price received from the vendor, the portfolio manager may communicate this difference to the pricing vendor and present the vendor with additional market data regarding that security in order to ensure the pricing vendor has sufficient information needed to accurately price the security. The pricing vendor will then independently validate and evaluate that data and determine if a price change is warranted.

In the rare instance when a portfolio manager finds a difference in his or her assessment of fair value and the vendor price, after performing the preceding procedures, the portfolio manager may request replacement of the vendor price by a supportable value that is believed to be more representative of the security price. Any replacement of the vendor price is subject to an internal approval process.

The fair values of private placement bonds are determined by using an internal pricing model or for a small amount of securities, assigned individual broker prices. There were one hundred and thirty two private placement bonds that were individually priced. These assigned individual prices are usually obtained from an external broker ("hand priced") and are considered to be Level 3.

The significant inputs used for the internal pricing model consist of (i) a broker supplied price matrix, (ii) treasury rates and (iii) credit ratings from certain nationally recognized securities rating organizations ("NRSRO") ("external ratings") or a credit rating assigned internally by the Company's Private Placement Investment Management Group ("internal ratings").

Private placement bonds with an applicable external credit rating of BB or above, for which the corresponding matrix price is used, are classified as Level 2. A private placement bond with an applicable external credit rating of below BB is classified as Level 3 due to the limited amount of market data available for these securities.

The fair values of certain private placement bonds are obtained from a third-party pricing vendor and considered to be Level 3. The Company uses the mid-point of the price range provided by the vendor which was developed using a discounted cash flow model. Cash flows are modeled utilizing standard industry assumptions relating to prepayments, defaults, and loss severity upon default. Consideration is also given to reinvestment period, principal payment priority and required distributions. The discount rate is adjusted for observed changes in the general market as well as changes in credit performance. The derived discount rate is further evaluated for reasonableness by comparing it to rates on comparable instruments.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Bonds are carried at amortized cost unless they are rated 6 by the NAIC SVO in which case they are reported at the lower of amortized cost or fair value. There was one bond rated 6 by the NAIC SVO and carried at fair value of $7 million on December 31, 2024 and eight bonds rated 6 by the NAIC SVO and carried at fair value of $18 million on December 31, 2023. In addition, there were no Bond ETFs carried at fair value in 2024 and 2023.

Preferred stock is carried at amortized cost if they have a NAIC SVO rating of 1, 2 or 3 and at lower or cost or fair value if the rating assigned is 4, 5 or 6. Preferred stocks rated 4, 5, 6 by the NAIC SVO and carried at fair value on December 31, 2024 were $0 million. There was no preferred stock carried at fair value in 2023

Mortgage Loans
The estimated fair value of the mortgage loan portfolio is derived primarily using a loan value matrix using significant unobservable inputs. The inputs used in the matrix include (1) the weighted average cash flow and average term to maturity for each individual loan; (2) a base spread over the U.S. Treasury rate and (3) an internally computed credit rating that is used to derive the appropriate credit spread. At December 31, 2024, there were no mortgage loans carried at fair value.

Policy Loans
See Note 2 for information regarding policy loans, for which the Company considers the unpaid principal balance to approximate fair value and are classified as Level 3.

Derivatives:
Derivative instruments are valued through the use of quoted market prices for exchange-traded derivatives (Level 1), third party pricing model and a third party pricing service for over-the-counter ("OTC") traded derivatives (Level 2) and by using internally developed estimates and assumptions when no quoted market price or third party vendor price is available (Level 3).

The third party pricing model used to determine fair value, when quoted market values are not available, is based on market standard valuation methodologies and inputs that are assumed to be consistent with what market participants would use when pricing the instruments. The significant inputs to the pricing models for most over-the-counter derivatives are inputs that are observable in the market or can be derived principally from or corroborated by observable market data. Significant observable inputs include: interest rates, foreign currency exchange rates, interest rate curves, credit curves and volatility.

The methodology used by the third-party pricing service for derivative investments is the same as that described above under the bonds and common and preferred stocks section.

Surplus Note Investments
Estimated fair values for surplus notes are based on values provided by a third party pricing vendor using primarily observable market inputs. Observable inputs include benchmark yields, reported trades, market dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

Residual Tranches
The estimated fair value for residual tranches, classified as Level 3, are valued based on prices obtained from an independent pricing source. Typical market-observable inputs include benchmark yields, reported trades, issuer spreads, bids, offers, benchmark securities, estimated cash flows and prepayment speeds.

Receivables for securities
These receivables are amounts due from financial institutions for securities that were sold by the Company but the proceeds from the sale have not yet been received by the Company. Due to the short-term of the period in which the Company expects to receive these amounts it considers the carrying value of these balances to approximate fair value and are classified as Level 2.

Cash, cash equivalents and short-term investments
See Note 2 for information regarding cash, cash equivalents and short-term investments. This includes cash deposit balances, short-term commercial paper, and other highly liquid debt instruments. Cash amounts are classified as Level 1. All remaining cash equivalents and short-term investments are classified as Level 2.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Due and accrued investment income

Due and accrued investment income is either investment income earned and legally due to be paid to the Company as of the reporting date or investment income earned as of the reporting date but not legally due to be paid to the Company until after the reporting date. The Company expects to receive these amounts shortly after they become due and is required to non-admit any balance that is over 90 days past due or charge it against income in the period that it is deemed uncollectible. Therefore, the Company considers these amounts short-term in nature and that the carrying value approximates fair value. This amount is classified as Level 2.

Deposit type contracts

Deposit type contracts are made up of funding agreements backing medium-term notes for which fair values are based on market prices for the notes when available. For funding agreements with no available market price, fair values are estimated using discounted cash flow calculations based on a computed spread. This spread is calculated by taking the difference between the current FHLBNY term interest rates offered for similar contracts and the corresponding reference spot on the yield curve. The yield curve used is the Bloomberg RV1 curve. For all other deposit funds, the fair value is estimated to be equal to the account value since they can be withdrawn at any time and without prior notice.

The following tables summarize the Company's financial instruments carried at fair value by their fair value/NAV hierarchy levels for the period ending December 31, 2024 and December 31, 2023:

	December 31, 2024					
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount
Assets			(In millions)			
Bonds	-	7	-	7	-	7
Derivative Instruments	-	20	-	20	-	20
Common Stock	-	5	134	139	-	139
Total Assets	$ -	$ 32	$ 134	$ 166	$ -	$ 166
Liabilities						
Derivative instruments	$ -	$ -	$ -	$ -	$	$ -
Total Liabilities	$ -	$ -	$ -	$ -	$ -	$ -

	December 31, 2023						
	Level 1	Level 2	Level 3	Total Fair Value	NAV	Carrying Amount	
Assets			(In millions)				
Bonds	-	18	-	18	-	18	
Derivative Instruments	-	17	-	17	-	17	(1)
Common Stock	-	-	76	76	32	108	
Total Assets	$ -	$ 35	$ 76	$ 111	$ 32	$ 143	
Liabilities							
Derivative instruments	$ -	$ -	$ -	$ -	$ -	$ -	
Total Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	

(1) Subsequent to issuance of 2023 financial statements, we identified an immaterial error in the above disclosure. The Level 3 classification at December 31, 2023 was incorrect. The classification presented above reflects the corrected information.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table summarizes changes to the Company's financial instruments carried at fair value and classified as level 3 in the fair value hierarchy for the year ended December 31, 2024 and December 31, 2023.

	As of December 31, 2024			
Level 3 Roll Forward	Bonds	Common Stock (unaffiliated)	Residual Tranches	Total
		(In Millions)		
Fair Value , beginning of period	$ -	$ 76	$ -	76
Total gains or (losses) (realized or unrealized):				
Included in net income	-	-	-	-
Included in surplus	-	(2)	-	(2)
Purchases, sales, issuances, and settlements:				
Purchases	-	72	-	72
Sales	-	(12)	-	(12)
Issuances	-	-	-	-
Settlements	-	-	-	-
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-		-
Fair value, end of period	$ -	$ 134	$ -	134

During 2024, there were no transfers into or out of Level 3.

	As of December 31, 2023			
Level 3 Roll Forward	Bonds	Common Stock (unaffiliated)	Residual Tranches	Total
		(In Millions)		
Fair Value , beginning of period	$ -	$ 40	$ 132	172
Total gains or (losses) (realized or unrealized):				
Included in net income	-	-	-	-
Included in surplus	-	1	-	1
Purchases, sales, issuances, and settlements:				
Purchases	-	76	-	76
Sales	-	(41)	-	(41)
Issuances	-	-	-	-
Settlements	-	-	-	-
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-	(132)	(132)
Fair value, end of period	$ -	$ 76	-	76

Subsequent to issuance of 2023 financial statements, we identified an immaterial error in the above disclosure. As stated above, since the Level 3 classification for the derivatives instruments at December 31, 2023 was incorrect, this column was removed. The classification presented above reflects the corrected information.

During 2023, there were $132 million of Residual Tranches transferred out of Level 3. These Residual Tranches had their fair value increased above cost. Since Residual Tranches are required to be accounted for at the lower of their cost or their fair value, this amount needed to be transferred out of the schedule above since they are no longer carried at fair value.

NOTE 5 – RESERVES FOR POLICY BENEFITS

Reserves for policy benefits represent the estimated net present value of future policy benefits, less future policy premiums, established using actuarial methods based on mortality and morbidity experience tables and valuation interest rates prescribed by the Department. Actual future experience will generally differ from assumptions used to determine these reserves.

Reserves for future policy benefits on life insurance issued in 1988 and later are calculated principally on the New Jersey Reserve Method or the Commissioners Reserve Valuation Method using the 1980 Commissioners' Standard Ordinary ("CSO"), the 2001 CSO, and the 2017 CSO mortality tables. Reserves for term policies and riders issued in 2019 and later, and Universal Life with Secondary Guarantees issued in 2020 and later use the valuation methods specified in Valuation Manual ("VM") -20. VM-20 requires the reserve to be the greater of Net Premium Reserve (NPR), Deterministic Reserve (DR) and the Stochastic Reserve (SR). NPR is a formulaic reserve based on assumptions set by NAIC. The DR is calculated using a principle based approach and Company prudent estimate assumptions. Since the Company passes the Stochastic Exclusion Test, the SR is not computed. As of December 31, 2024 and 2023, the VM-20 reserves are $26 million and $17 million, respectively. In addition, there is also a floor reserve required by the Department which is 70% of the New York Insurance Regulation 147 reserve for term policies and 100% of the UL CRVM reserve. As of December 31, 2024 and 2023, the excess floor reserve held are $53 million and $50 million respectively. Reserves on life policies issued before 1988 are calculated principally on the Net Level Premium Reserve Method using the American Experience, 1941, 1958 and 1980 CSO mortality tables. Annuity contract reserves are principally calculated using the 1983 Group Mortality table and the various Individual Annuity mortality tables. Assumed interest rates principally range from 2.0% to 5.5 % for direct business.

The reserves for Group Life Waiver and Long Term Disability ("LTD") reported claims are determined on a seriatim basis. Life waiver of premium reserves are determined primarily using the 1970 Inter-company Group Life Disability Table for claims incurred on or before December 31, 2008, the 2005 Group Term Life Waiver Reserve Valuation Table for claims incurred between January 1, 2009 and December 31, 2022, and the 2023 Group Term Life Waiver Reserve Table for claims incurred on or after January 1, 2023. The interest rate is 4.0% for claims incurred on or before December 31, 2012, 3.5% for claims incurred between January 1, 2013 and December 31, 2020, and 3.0% for claims incurred on or after January 1, 2021. Long term disability reserves are determined using the 2012 Group Long Term Disability Valuation Table for claims incurred on or after January 1, 2017 and the 1987 Commissioners' Group Disability Table for claims incurred before January 1, 2017. The interest rates range from 2.0% to 5.0%, depending on the year of incurral. Short Term Disability ("STD"), Dental, and Medical claims incurred but not yet reported ("IBNR") reserves are estimated based on the Company's historical experience. Dental and Medical reserves include reasonable allowances for potential adverse deviation.

The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium paid beyond the date of death. The larger of legally computed reserves and cash surrender values on a policy-by-policy basis are held as liabilities. Plans, except for second-to-die plans, charge additional premiums for substandard lives based upon actual issue age. Second-to-die plans develop substandard reserves using the rated up age. Mean reserves are based on appropriate multiples of standard rates of mortality. As of December 31, 2024, the Company had $9 billion of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of New York. The reserves to cover the above insurance totaled $29 million. The Tabular Interest, the Tabular Less Actual Reserve Released and the Tabular Cost have been determined by formula. For the determination of Tabular Interest on funds not involving life for each valuation rate of interest, the tabular interest is calculated as the product of such valuation rate of interest times the average of the amount of funds subject to such valuation rate of interest held at the beginning and end of the year of valuation.

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

At December 31, 2024 and December 31, 2023 the withdrawal characteristics of the Company's annuity reserves and deposit type contract liabilities without life or disability contingencies were as follows:

	As of December 31, 2024				
	General Account	Separate Account with Guarantees	Separate Account Non Guaranteed	Total	% of Total
	(in millions)				
A. Individual Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 129	$ -	$ -	$ 129	89.0%
(2) Not subject to discretionary withdrawal	$ 16	$ -	$ -	$ 16	11.0%
(3) Total (gross: direct + assumed)	$ 145	$ -	$ -	$ 145	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 145	$ -	$ -	$ 145	
(6) Amount included in A(1)b above that will move to A(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
B. Group Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ -	$ -	$ -	$ -	0.0%
(2) Not subject to discretionary withdrawal	$ 4	$ -	$ -	$ 4	100.0%
(3) Total (gross: direct + assumed)	$ 4	$ -	$ -	$ 4	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 4	$ -	$ -	$ 4	
(6) Amount included in B(1)b above that will move to B(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
C. Deposit-Type Contracts (no life contingencies):					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ 8	$ -	$ -	$ 8	0.1%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ 8	$ -	$ -	$ 8	0.1%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 331	$ -	$ -	$ 331	4.6%
(2) Not subject to discretionary withdrawal	$ 6,896	$ -	$ -	$ 6,896	95.3%
(3) Total (gross: direct + assumed)	$ 7,235	$ -	$ -	$ 7,235	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 7,235	$ -	$ -	$ 7,235	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
Total annuity actuarial reserves and deposit liabilities:	$ 7,392	$ -	$ -	$ 7,392	
Reconcilliation of total annuity actuarial reserves and deposit liabilities:					
Life and Accident & Health Annual Statement	$ 7,384	$ -	$ -	$ 7,384	
Separate Accounts Annual Statement	-	-	-	-	
Total annuity actuarial reserves and deposit liabilities:	$ 7,384	$ -	$ -	$ 7,384	

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

	As of December 31, 2023				
	General Account	Separate Account with Guarantees	Separate Account Non Guaranteed	Total	% of Total
	(in millions)				
A. Individual Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 153	$ -	$ -	$ 153	91.6%
(2) Not subject to discretionary withdrawal	$ 14	$ -	$ -	$ 14	8.4%
(3) Total (gross: direct + assumed)	$ 167	$ -	$ -	$ 167	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 167	$ -	$ -	$ 167	
(6) Amount included in A(1)b above that will move to A(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
B. Group Annuities:					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	0.0%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ -	$ -	$ -	$ -	0.0%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ -	$ -	$ -	$ -	0.0%
(2) Not subject to discretionary withdrawal	$ 5	$ -	$ -	$ 5	100.0%
(3) Total (gross: direct + assumed)	$ 5	$ -	$ -	$ 5	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 5	$ -	$ -	$ 5	
(6) Amount included in B(1)b above that will move to B(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
C. Deposit-Type Contracts (no life contingencies):					
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ 8	$ -	$ -	$ 8	0.1%
b. At book value less current surrender charge of 5% or more	-	-	-	-	0.0%
c. At fair value	-	-	-	-	0.0%
d. Total with market value adjustment or at fair value (Total of a through c)	$ 8	$ -	$ -	$ 8	0.1%
e. At book value without adjustment (with minimal or no charge or adjustment)	$ 356	$ -	$ -	$ 356	6.3%
(2) Not subject to discretionary withdrawal	$ 5,338	$ -	$ -	$ 5,338	93.6%
(3) Total (gross: direct + assumed)	$ 5,702	$ -	$ -	$ 5,702	100.0%
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3)- (4)	$ 5,702	$ -	$ -	$ 5,702	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date	$ -	$ -	$ -	$ -	
Total annuity actuarial reserves and deposit liabilities:	$ 5,874	$ -	$ -	$ 5,874	
Reconcilliation of total annuity actuarial reserves and deposit liabilities:					
Life and Accident & Health Annual Statement	$ 5,874	$ -	$ -	$ 5,874	
Separate Accounts Annual Statement	-	-	-	-	
Total annuity actuarial reserves and deposit liabilities:	$ 5,874	$ -	$ -	$ 5,874	

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

At December 31, 2024 and December 31, 2023 the withdrawal characteristics of the Company's life actuarial reserves were as follows:

	As of December 31, 2024		
		General Account	
	Account Value	Cash Value	Reserve
		(in millions)	
A. Subject to discretionary withdrawal, surrender values, or policy loans:			
(1) Term Policies with Cash Value	$ -	$ -	$ -
(2) Universal Life	1,243	1,226	1,254
(3) Universal Life with Secondary Guarantees	147	115	425
(4) Indexed Universal Life	-	-	-
(5) Indexed Universal Life with Secondary Guarantees	-	-	-
(6) Indexed Life	-	-	-
(7) Other Permanent Cash Value Life Insurance	-	50,037	51,627
(8) Variable Life	-	-	-
(9) Variable Universal Life	-	-	6
(10) Miscellaneous Reserves	-	-	-
B. Not subject to discretionary withdrawal or no cash values:			
(1) Term Policies without Cash Value	-	-	1,677
(2) Accidental Death Benefits	-	-	5
(3) Disability - Active Lives	-	-	163
(4) Disability - Disabled Lives	-	-	353
(5) Miscellaneous Reserves	-	-	837
C. Total (gross: direct + assumed)	1,390	51,378	56,347
D. Reinsurance ceded	-	-	1,129
E. Total (net) (C) - (D)	$ 1,390	$ 51,378	$ 55,218

	As of December 31, 2023		
		General Account	
	Account Value	Cash Value	Reserve
		(in millions)	
A. Subject to discretionary withdrawal, surrender values, or policy loans:			
(1) Term Policies with Cash Value	$ -	$ -	$ -
(2) Universal Life	1,158	1,138	1,167
(3) Universal Life with Secondary Guarantees	136	103	404
(4) Indexed Universal Life	-	-	-
(5) Indexed Universal Life with Secondary Guarantees	-	-	-
(6) Indexed Life	-	-	-
(7) Other Permanent Cash Value Life Insurance	-	47,688	49,194
(8) Variable Life	-	-	-
(9) Variable Universal Life	-	-	6
(10) Miscellaneous Reserves	-	-	-
B. Not subject to discretionary withdrawal or no cash values:			
(1) Term Policies without Cash Value	-	-	1,681
(2) Accidental Death Benefits	-	-	5
(3) Disability - Active Lives	-	-	162
(4) Disability - Disabled Lives	-	-	385
(5) Miscellaneous Reserves	-	-	815
C. Total (gross: direct + assumed)	1,294	48,929	53,819
D. Reinsurance ceded	-	-	1,194
E. Total (net) (C) - (D)	$ 1,294	$ 48,929	$ 52,625

NOTE 5 – RESERVES FOR POLICY BENEFITS (CONTINUED)

Note Program

Funding agreements are investment contracts whose reserve liabilities are the greater of the face amount and the present value of future liabilities taking into account the coupon rate and the valuation rate. The account value is established by contract deposits, increased by interest credited and decreased by contract coupon payments and maturities. Contract holders do not have the right to terminate the contract prior to the contractually stated maturity date. Credited interest rates vary by contract and can be fixed or floating. During 2024, notes totaling $1.8 billion matured and new notes totaling $3.3 billion were issued.

The Company has a $5.0 billion Global Medium Term Note Program. Under the note program, the Company created a special purpose entity ("SPE"), which is an investment vehicle or trust, for the purpose of issuing medium-term notes to investors. Proceeds from the sale of the medium-term notes issued by the SPE are used to purchase funding agreements from the Company. The medium-term notes are secured by the funding agreements with the note issuer granting a security interest in the funding agreement to the indenture trustee for the notes. The payment terms of any particular series of notes are matched by the payment terms of the funding agreement securing the series. The amounts outstanding were $4.1 billion and $3.9 billion on December 31, 2024 and December 31, 2023, respectively and are included in the Statutory Basis Balance Sheets as "Policyholder dividends payable and other contract liabilities". During 2024, notes totaling $300 million matured and new notes totaling $500 million were issued. During 2023, notes totaling $300 million matured and new notes totaling $400 million were issued.

The Company also issues funding agreements to the Federal Home Loan Bank of New York (FHLBNY). The amounts outstanding were $2.7 billion and $1.4 billion on December 31, 2024, and December 31, 2023, respectively, and are included in the Statutory Basis Balance Sheets as "Policyholder dividends payable and other contract liabilities". During 2024, notes totaling $1.5 billion matured and new notes totaling $2.8 billion were issued. During 2023, notes totaling $4.5 billion matured and new notes totaling $5.2 billion were issued At December 31, 2024, $500 million of funding agreements outstanding are due April 16, 2025 and $1.3 billion will be due between June 12, 2026 and June 26, 2034 and $943 million is due between January 15, 2025 and April 21, 2025. At December 31, 2023, $500 million of funding agreements outstanding are due in April 16, 2025 and $852 million will be due between November 8, 2027 and September 18, 2031.

NOTE 6 – PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

Gross deferred and uncollected life insurance premiums represent premiums due to be received from policy owners through the next policy anniversary date. Net deferred and uncollected life insurance premiums represent only the portion of gross premiums related to mortality charges and interest. Deferred and uncollected life insurance premiums at December 31, 2024 and December 31, 2023 were as follows:

	2024		2023	
	(In millions)		(In millions)	
Type	**Gross**	**Net**	**Gross**	**Net**
Ordinary new business	$ 70	$ 13	$ 71	$ 70
Ordinary renewal	837	721	834	670
Group life	116	340	104	314
Totals	$ 1,023	$ 1,074	$ 1,009	$ 1,054

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS

Defined Benefit Plans:

The Company sponsors non-contributory defined benefit pension plans covering all eligible Home Office and Field Representative employees. These include tax-qualified plans, as well as nonqualified plans that provide benefits to certain participants in-excess of ERISA limits for qualified plans. The Company's policy is to fully fund the obligations of qualified plans in accordance with ERISA requirements. In 2020, the Company froze future pension benefit accruals for Home Office employees who did not reach the Rule of 75, determined using 75 "points" when combining an employee's age plus years of service as of December 31, 2020.

In addition to pension benefits, the Company provides postretirement benefits for retired employees. All Field representatives may become eligible for these benefits if they reach retirement age while working for the Company. In 2020, the Company eliminated this benefit for all Home Office employees that retire after December 31, 2020.

In accordance with NAIC SAP, the costs associated with these required benefits are expensed over the period that the participant provides services to the Company, including recognition of assets and liabilities based on the funded status of the related plans. Pension assets are then non-admitted and thereby excluded from surplus.

Components of Net Periodic Benefit Expense

The components of net periodic pension and postretirement benefits expense including the amount of unrecognized items amortized into expense for the years ended December 31 are as follows:

	Pension Benefits		Postretirement Benefits	
	2024	2023	2024	2023
	(In millions)			
Service cost	$ 31	$ 30	$ 2	$ 2
Interest cost	121	121	9	9
Expected return on plan assets	(118)	(119)	(5)	(5)
Amortization of transition amount	-	-	4	5
Amortization of actuarial net loss (gains)	34	29	(8)	(8)
Net periodic expense	$ 68	$ 61	$ 2	$ 3

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Changes in the projected benefit obligations and plan assets during the years ended December 31, 2024 and December 31, 2023 were as follows (in millions):

	Pension Benefits		Postretirement Benefits	
Change in benefit obligation	**2024**	**2023**	**2024**	**2023**
Benefit obligation, at beginning of period	$ 2,338	$ 2,233	$ 169	$ 165
Service cost	31	30	2	2
Interest cost	121	122	9	9
Actuarial (gain) / loss	(102)	147	-	8
Benefits paid	(150)	(194)	(17)	(15)
Benefit obligation, at end of period	$ 2,238	$ 2,338	$ 163	$ 169

	Pension Benefits		Postretirement Benefits	
Change in fair value of plan assets	**2024**	**2023**	**2024**	**2023**
Plan assets, at beginning of period	$ 1,828	$ 1,847	$ 88	$ 86
Actual return on plan assets	(7)	154	(0)	16
Employer contributions	22	21	-	1
Benefits paid	(150)	(194)	(17)	(15)
Plan assets, at end of period	$ 1,693	$ 1,828	$ 71	$ 88

	Pension Benefits		Postretirement Benefits	
Funded status	**2024**	**2023**	**2024**	**2023**
Funded status at end of period	$ (545)	$ (510)	$ (92)	$ (81)
Unrecognized actuarial net loss	650	661	-	-
Net amount recognized	$ 105	$ 151	$ (92)	$ (81)

	Pension Benefits		Postretirement Benefits	
Recognized as of December 31	**2024**	**2023**	**2024**	**2023**
Prepaid benefit cost	$ -	$ -	$ -	$ -
Less assets non admitted	1	19	-	-
Accrued liability	(546)	(529)	(92)	(81)
Net amount recognized	$ (545)	$ (510)	$ (92)	$ (81)

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Assumptions

Weighted average assumptions used in calculating the benefit obligations were as follows:

	Pension Benefits		Post Retirement Benefits	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Discount Rate:				
Home Office Plan	5.75%	5.35%	5.75%	5.40%
Field Representative Plan	5.80%	5.35%	5.80%	5.40%
Rate of compensation increase	3.00%	3.00%	n/a	n/a

Weighted average assumptions used in calculating the net periodic benefit cost were as follows:

	Pension Benefits For the Years Ended		Post Retirement Benefits For the Years Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Discount Rate:				
Home Office Plan	5.35%	5.65%	5.40%	5.75%
Field Representative Plan	5.35%	5.60%	5.40%	5.70%
Rate of compensation increase	3.00%	3.00%	n/a	n/a
Expected return on plan assets	6.70%	6.70%	6.70%	6.70%

Assumed health care cost trend rates were as follows:

	As of December 31,	
	2024	2023
Medical & Prescription Pre - Age 65	6.25%, grading to 4.5% over 10 years	6.5 %, grading to 4.5% over 10 years

The accumulated benefit obligations ("ABO") for the funded and unfunded pension plans were $1,675 million and $437 million, respectively, at December 31, 2024 and $1,759 million and $441 million, respectively, at December 31, 2023. The accumulated post retirement benefit obligation ("APBO") for the postretirement plans was $163 million at December 31, 2024 and $168 million at December 31, 2023.

For the pension plans with ABO in excess of plan assets, the projected benefit obligations, accumulated benefit obligations, and fair value of plan assets were and $1,040 million, $495 million, and $945 million respectively at December 31, 2024 and $1,059 million, $441 million, and $530 million respectively at December 31, 2023.

With respect to the Company's pension plans, the actuarially calculated funding amount ranges from the minimum amount the Company would be required to contribute to the maximum amount that would be deductible for tax purposes. Contribution amounts in excess of the minimum amounts are deemed voluntary. Amounts in excess of the maximum amount would be subject to an excise tax and may not be deductible under the Internal Revenue Code. The Company made no voluntary contributions in 2024 and 2023. The Company did make a voluntary contribution of $27 million to the pension plan on January 14, 2025.

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

Benefit Payments

The following table discloses the expected benefit payments for the Company's pension and postretirement plans.

	Pension Benefits	Other Benefits
Estimated Future Payments	(In millions)	
2025	164	15
2026	163	15
2027	166	16
2028	171	16
2029	170	16
2030 - 2034	867	72

Plan Assets

The Company's pension and postretirement plans' asset allocation by major asset class at December 31, 2024 and December 31, 2023, and the target allocation for 2025, are as follows:

	Target Allocation	Percentage of Plan Assets at	
Asset Category	**2025**	**As of December 31, 2024**	**As of December 31, 2023**
U.S. Stocks	0-50%	36%	30%
International Stocks	0-10%	3%	3%
Non-convertible Bonds	60-100%	61%	67%
		100%	100%

NOTE 7 – EMPLOYEE AND REPRESENTATIVE BENEFIT PLANS (CONTINUED)

The investment strategy with respect to the Company's pension plan assets is to preserve capital and to seek investment returns with a goal of fully funding the plan.

The expected rate of return was 6.7% for the year ended December 31, 2024, and 2023, respectively. These rates of return are an aggregation of expected returns within each asset category. The return with respect to each asset class considers both historical returns and the future expectations for such returns.

Target allocations of assets are determined with the objective of maximizing returns and minimizing volatility of net assets through adequate asset diversification and partial liability immunization. Adjustments are made to target allocations based on the Company's assessment of the impact of economic factors and market conditions.

The following table summarizes the Master Trust's financial instruments carried at fair value hierarchy levels. The fair values were estimated using the same methodology described in Note 4.

	As of December 31, 2024 (In millions)			
Description	**Level 1**	**Level 2**	**Level 3**	**Estimated Fair Value**
U.S. Stocks	$ -	$ 287	$ -	$ 287
International Stocks		57		57
Non-convertible Bonds	292	769	-	1,061
Total	$ 292	$ 1,113	$ -	$ 1,405

	As of December 31, 2023 (In millions)			
Description	**Level 1**	**Level 2**	**Level 3**	**Value**
U.S. Stocks	$ -	$ 240	$ -	$ 240
International Stocks		53		53
Non-convertible Bonds	200	1,072	-	1,272
Total	$ 200	$ 1,365	$ -	$ 1,565

There were no financial instruments carried at fair value and classified as Level 3 as of December 31, 2024 and 2023.

Defined Contribution Plans

The Company sponsors defined contribution plans. Home office employees are covered by an investment and profit sharing plan, pension plans 401(k)/401(a). Employees can invest up to 3% of their salary matched by an equal amount from the Company. They are also allowed an additional 10% (if not highly paid) of non-matched contributions. In addition, the Company provides a profit sharing allocation in proportion to salary. For home office employees hired on or after January 1, 2018, or home office employees hired before January 1, 2018 that do not meet the Rule of 75 as of December 31, 2020, the Company also makes a non-elective contribution to the Plan based on the age, years of service, and compensation of the participant. Field representatives are covered by a 401(k)/401(a) investment plan in which they can invest up to 3% of their salary matched by an equal amount from the Company. They are also allowed an additional 12% (if not highly paid) of non-matched contributions. The assets for both home office plans and the field representative's plan are held in a trust. Full time agents and general agents are covered by non-contributory plans. The Company contributed $91 million to these plans in 2024 and 2023. The Company funds these plans and reflects the funded amounts as a liability.

NOTE 8 – INCOME TAXES

Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with the following entities:

- Guardian Insurance & Annuity Company, Inc.,
- Park Avenue Life Insurance Company,
- Sentinel American Life Insurance Company,
- Family Service Life Insurance Company,
- Managed Dental Care of California,
- Managed Dental Guard of Texas,
- Managed Dental Guard of New Jersey,
- Innovative Underwriters Inc.,
- Berkshire Life Insurance Company of America,
- First Commonwealth, Inc. and its subsidiaries,
- GIS Canada Holdings Corp, and
- Guardian Abbey LLC

The Company files a consolidated federal income tax return as parent, with its subsidiaries. The Company has a written agreement, approved by the Company's Board of Directors, which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

The Internal Revenue Code limits the amount of non-life insurance losses that may offset life insurance company taxable income. The consolidated income tax liability is allocated among the members of the group pursuant to a tax allocation agreement. In accordance with the tax allocation agreement, each qualifying member of the group computes its tax provision and liability on a separate return basis, but may, where applicable, recognize benefits of net operating losses and capital losses utilized in the consolidated group. Subsidiary tax liabilities/benefits are settled subsequent to the filing of the federal income tax return.

The Company does not anticipate any significant changes to its tax contingencies within the next 12 months.

The Inflation Reduction Act was enacted into law on August 16, 2022. This provision imposes a 15% Corporate Alternative Minimum Tax ("CAMT") on adjusted financial statement income ("AFSI") for applicable corporation with average annual AFSI over a three-year period in excess of $1 billion effective for taxable years beginning after December 31, 2022. As of December 31, 2024 management has determined that the Company and its subsidiaries is not subject to CAMT in 2024.

NOTE 8 – INCOME TAXES (CONTINUED)

Deferred income taxes are generally recognized, based on enacted tax rates, when assets and liabilities have different values for financial statement and tax purposes.

The components of the net deferred tax asset recognized in the Company's Statutory Basis Balance Sheets are as follows:

	December 31, 2024		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 1,955	$ 141	$ 2,096
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	1,955	141	2,096
Deferred Tax Assets Nonadmitted	155	-	155
Subtotal Net Admitted Deferred Tax Asset	1,800	141	1,941
Deferred Tax Liabilities	846	243	1,089
Net Admitted Deferred Tax Asset	$ 954	$ (102)	$ 852

	December 31, 2023		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 1,832	$ 130	$ 1,962
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	1,832	130	1,962
Deferred Tax Assets Nonadmitted	87	-	87
Subtotal Net Admitted Deferred Tax Asset	1,745	130	1,875
Deferred Tax Liabilities	843	218	1,061
Net Admitted Deferred Tax Asset	$ 902	$ (88)	$ 814

	Change		
	Ordinary	Capital	Total
Gross Deferred Tax Assets	$ 123	$ 11	$ 134
Statutory valuation allowance adjustments	-	-	-
Adjusted Gross Deferred Tax Assets	123	11	134
Deferred Tax Assets Nonadmitted	68	-	68
Subtotal Net Admitted Deferred Tax Asset	55	11	66
Deferred Tax Liabilities	3	25	28
Net Admitted Deferred Tax Asset	$ 52	$ (14)	$ 38

A valuation allowance is recorded if it is more likely than not that some portion or all of the deferred tax asset will not be realized. The Company's management has concluded that the deferred income tax assets are more likely than not to be realized. Therefore, no valuation allowance has been provided.

Admission calculation components SSAP No. 101 (Paragraph 11)

The Company follows the guidance in Statement of Statutory Accounting Principles No. 101 - Income Taxes, A Replacement of SSAP No. 10R and SSAP No.10 ("SSAP 101"). SSAP 101 included a similar calculation for limitation of gross deferred tax assets as SSAP 10R for insurers that maintain a minimum of 300% of their authorized control level RBC computed without net deferred tax assets. The Company exceeded the 300% minimum RBC requirement at December 31, 2024 and 2023.

NOTE 8 – INCOME TAXES (CONTINUED)

	December 31, 2024		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ 5	$ 5
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	810	38	848
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance	810	38	848
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	-	-	1,265
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities.	990	98	1,088
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a. + b. + c.)	$ 1,800	$ 141	$ 1,941

	December 31, 2023		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ 47	$ 47
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	767	-	767
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance	767	-	767
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	-	-	1,239
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities.	978	83	1,061
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a.	$ 1,745	$ 130	$ 1,875

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss	$ -	$ (42)	$ (42)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2a, above) after application of the threshold limitation. (The Lesser of 2b.i. and 2b.ii. below)	43	38	81
The lesser of:			
i. Adjusted gross deferred tax assets expected to be realized following the balance	43	38	81
ii. Adjusted gross deferred tax assets allowed per limitation threshold.	N/A	N/A	26
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets	12	15	27
Deferred tax assets admitted as the result of application of SSAP No. 101.Total (a.	$ 55	$ 11	$ 66

	2024	2023
Ratio percentage used to determine recovery period and threshold limitation amount	940%	959%
Amount of adjusted capital and surplus used to determine recovery period and threshold	$ 10,829	$ 10,573

NOTE 8 – INCOME TAXES (CONTINUED)

	December 31, 2024	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	$ 1,955	141
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	2.0%
3. Net Admitted Adjusted Gross DTAs amount	1,800	141
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	2.2%

	December 31, 2023	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	$ 1,832	130
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	2.4%
3. Net Admitted Adjusted Gross DTAs amount	1,745	130
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	2.5%

	Change	
	Ordinary	Capital
1. Adjusted Gross DTAs amount	123	11
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of	0.0%	-0.4%
3. Net Admitted Adjusted Gross DTAs amount from	55	11
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	-0.3%

Does the Company's tax-planning strategies include the use of reinsurance?	Yes		No	X

All DTL were recognized as of December 31, 2024 and December 31, 2023.

Current income taxes incurred consisted of the following major components:

Description	December 31, 2024	December 31, 2023	Change
(In millions)			
Federal income tax expense on operating income	$ 134	$ 103	$ 31
Prior year overaccrual	(20)	(13)	(7)
Contingent tax	-	-	-
Current Federal operations income tax expense	$ 114	$ 90	$ 24
Federal income tax (benefit) on capital gains/(losses)	$ (61)	$ (65)	$ 4
Prior year underaccrual	15	6	9
Current Federal capital gain income tax (benefit)	$ (46)	$ (59)	$ 13
Federal and foreign income taxes incurred	$ 68	$ 31	$ 37

NOTE 8 – INCOME TAXES (CONTINUED)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	2024	2023	Change
		(In millions)	
DTAs Resulting from Book/Income Tax Differences In:			
Ordinary:			
Reserves	$ 755	$ 724	$ 31
Policy acquisition costs	454	420	34
Dividend provision	321	283	38
Liabilities for employees and agents	149	135	14
Pension Accrual	128	124	4
Non admitted assets	37	35	2
Leasehold improvement	6	5	1
Other	105	106	(1)
Gross ordinary DTA - (admitted and nonadmitted)	$ 1,955	$ 1,832	$ 123
Statutory valuation allowance adjustment - ordinary	-	-	-
Total ordinary DTA - (nonadmitted)	155	87	68
Admitted ordinary DTA	1,800	1,745	55
Capital:			
Impaired securities	100	115	(15)
Unrealized capital losses	38	13	25
Other	3	2	1
Gross capital DTA - (admitted and nonadmitted)	141	130	11
Total capital DTA - (nonadmitted)	-	-	-
Admitted capital DTA	141	130	11
Total admitted DTA	$ 1,941	$ 1,875	$ 66
DTLs Resulting from Book/Income Tax Differences In:			
Ordinary:			
Deferred and uncollected premiums	$ 257	$ 255	$ 2
Advanced premium	98	83	15
Reserve transition adjustment (8 Year)	19	38	(19)
Guaranteed dividend	219	191	28
Other invested assets	208	218	(10)
Reserves 10 year spread	1	2	(1)
Other	44	56	(12)
Ordinary DTL	$ 846	$ 843	$ 3
Capital:			
Unrealized capital gains	189	164	25
Deferred gain	53	53	-
Other	1	1	-
Capital DTL	243	218	25
Total DTL	$ 1,089	$ 1,061	$ 28
Net admitted DTA/(DTL)	$ 852	$ 814	$ 38
The Change in net deferred income taxes is comprised of the following:			
Adjusted gross deferred tax assets	$ 2,096	$ 1,962	$ 134
Total deferred tax liabilities	1,089	1,061	28
Net deferred tax assets (liabilities)	$ 1,007	$ 901	$ 106
Tax effect of net unrealized gains (losses)			(1)
Change in net deferred income tax			$ 105

Changes in net deferred income tax, including changes attributable to changes in tax rates and changes in tax status, if any, shall be recognized as a separate component of gains and losses in unassigned funds (Surplus).

NOTE 8 – INCOME TAXES (CONTINUED)

Contingent Tax Liabilities:

Guardian Life files U.S. federal income tax returns along with various state and local income tax returns. The Company's federal income tax returns are routinely examined by the Internal Revenue service ("IRS") and provisions are made in the financial statements in anticipation of the results of these audits. Tax years 2015 through 2023 are subject to examination by the IRS. The Company believes that it has established adequate tax liabilities for uncertain tax positions for all open years.

Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant book to tax adjustments causing this difference were the following:

	December 31, 2024	Effective Tax Rate
	(In millions)	
Net gain from operations after dividends to policyholders and before Federal income tax @21%	$ 137	
Net realized capital gains (losses) @21%	(85)	
Provision calculated at statutory rate	52	21%
Tax effect of:		
Interest maintenance reserve	(67)	-27%
Tax Exempt Interest	(2)	-1%
Affiliated Dividends	(35)	-14%
Tax Credit	(27)	-11%
Return to Provision	(5)	-2%
Realized Loss on Affiliate	45	18%
Other	2	1%
Total statutory income tax expense/(benefit)	$ (37)	(15%)
Federal income taxes incurred	68	27%
Change in net deferred income taxes	(105)	-42%
Total statutory income tax expense/(benefit)	$ (37)	(15%)

Operating Loss and Tax Credit Carryforwards

As of December 31, 2024, the Company does not have any net ordinary loss carryforwards, capital loss carryforwards or tax credit carryforwards.

The following are income taxes incurred in prior years that are available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
		(In millions)	
2024	$ -	$ -	$ -
2023	-	-	-
2022	-	5	5
Total	$ -	$ 5	$ 5

As of December 31, 2024 the Company does not have any deposits admitted pursuant to the Internal Revenue Code Section 6603.

NOTE 9 – REINSURANCE CEDED

In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding business to reinsurers under various modified coinsurance agreements, coinsurance agreements, and combinations thereof, and yearly renewable term agreements. These agreements provide for reinsurance of selected individual life and disability policies and group life and group health contracts. Under the terms of the modified coinsurance agreements, reserves related to the reinsured business and the corresponding assets are held by the Company. The Company retains the primary obligation to the policyholder for reinsured policies. Failure of reinsurers to honor their obligations could result in losses to the Company; consequently, the Company evaluates the financial condition of its reinsurers in order to minimize its exposure to losses from reinsurer insolvencies.

The Company entered into a Block transaction reinsurance agreement on an 85% quota share coinsurance funds withheld basis with a reinsurer on October 1, 2024. This Block was previously reinsured with another reinsurance company at a 90% quota share and was recaptured concurrently with the new agreement.

The effects of these ceding agreements on the components of gain from operations in the accompanying statutory basis statements of operations are as follows:

	2024	2023
	(In millions)	
Premiums, annuity considerations and fund deposits	$ (960)	$ (818)
Commissions and expense allowances (other income)	244	58
Total revenues	(716)	(760)
Benefit payments to policyholders and beneficiaries	(892)	(853)
Net reductions to policy benefit reserves	153	74
Commissions and operating expenses	(3)	(4)
Total expenses	(742)	(783)
Net gain on operations from reinsurance ceded	$ 26	$ 23

NOTE 10 – REINSURANCE ASSUMED

The Company enters into various modified coinsurance agreements, coinsurance agreements, and combinations thereof and yearly renewable term agreements that provide reinsurance on life insurance, annuities, credit life, disability insurance, and credit accident and health business. Under the terms of the various reinsurance treaties, the Company assumed (net of retrocession) approximately $2.2 billion face amount of life insurance at December 31, 2024 and $2.2 billion at December 31, 2023. Under the terms of modified coinsurance agreements, reserves related to the reinsured business and the corresponding assets are held by the ceding company.

The Company has a coinsurance agreement with BLICOA, an affiliated insurance company, entered into in 2013. Under the agreement, the Company assumed 80% of the net individual disability insurance ("IDI") originally ceded to BLICOA from the Company via the July 1, 2001 coinsurance treaty as well as 80% of the IDI and multi-life ("ML") business written by BLICOA since the 2001 treaty. The reinsurance is on a funds withheld basis with supporting invested assets remaining in BLICOA.

Also, as part of the terms of the agreement, the Company can request that BLICOA pay an amount equal to the Annual Funds Withheld Increase to the Company. In 2024, the Company did not request that BLICOA pay an amount equal to the Annual Funds Withheld Increase it recorded in 2023. In 2023, the Company did not request that BLICOA pay an amount equal to the Annual Funds Withheld Increase it recorded in 2022.

The Company has an Individual Life YRT reinsurance agreement with GIAC, an affiliated insurance company, entered into in 2011. The agreement covers GIAC's current form Secondary Guarantee Universal Life and Survivorship Universal Life plans having policy effective dates of January 1, 2011 and later. Reinsurance under the agreement is assumed on an automatic 90% first dollar quota share basis.

NOTE 10 – REINSURANCE ASSUMED (CONTINUED)

The following tables outline the effects of these assumption agreements on the accompanying Statutory Basis Statements of Operations.

Reinsurance Assumed from Affiliates

	2024	2023
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 842	$ 803
Reserve adjustments on reinsurance (other income)	34	20
Total revenues	876	823
Benefit payments to policyholders and beneficiaries	378	345
Net increase to policy benefit reserves	139	159
Commissions and operating expenses	282	267
Total expenses	799	771
Net gain on operations from reinsurance assumed	$ 77	$ 52

Reinsurance Assumed from Non-Affiliates

	2024	2023
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 1	$ 1
Total revenues	1	1
Benefit payments to policyholders and beneficiaries	1	2
Net reductions to policy benefit reserves	-	(1)
Commissions and operating expenses	-	1
Total expenses	1	2
Net loss on operations from reinsurance assumed	$ -	$ (1)

Total Reinsurance Assumed

	2024	2023
	(In millions)	
Premiums, annuity considerations and fund deposits	$ 843	$ 804
Reserve adjustments on reinsurance (other income)	34	20
Total revenues	877	824
Benefit payments to policyholders and beneficiaries	380	347
Net increase to policy benefit reserves	139	158
Commissions and operating expenses	282	268
Total expenses	801	773
Net gain on operations from reinsurance assumed	$ 76	$ 51

NOTE 11 – RELATED PARTY TRANSACTIONS

In 2024 and 2023, the Company made the following capital contributions to its real estate joint ventures which are an addition to Other invested assets in the Statutory Basis Balance Sheets:

	2024	2023
	(In millions)	
Guardian Abbey, LLC	$ -	$ 1
GS-Invreg Wayzata, LLC	-	2
Alta Davenport JV, LLC	1	17
ERG Chambersburg LLC	-	16
Hunter Industrial A Owner LLC	9	10
Hartley View partner LLC	-	3
Center Key Land Partners, LLC	-	1
Total	$ 10	$ 50

In 2024 and 2023, the Company received net returns of capital of $4 million and $10 million, respectively from its real estate joint ventures. These distributions were a reduction to Other invested assets in the Statutory Basis Balance Sheets.

In 2024 and 2023, the Company made the following capital contributions to its subsidiaries:

	2024	2023
	(In millions)	
GIAC	$ 75	$ -
First Commonwealth, Inc. ("FCW")	13	-
Guardian Acquisition II LLC	108	-
Total	$ 196	$ -

The capital contributions to GIAC and FCW in 2024 were recorded as an addition to Common stocks in the Statutory Basis Balance Sheets. The capital contribution to Guardian Acquisition II was recorded in Other Invested Assets in the Statutory Basis Balance Sheets

In 2024 and 2023, the Company also received returns of capital from its subsidiaries as follows:

	2024	2023
	(In millions)	
PAS	$ -	$ 2
GIS	9	105
PALIC	-	18
Total	$ 9	$ 125

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

In 2024 and 2023, the Company received the following dividends from its subsidiaries which are recorded as Net investment income in the Statutory Basis Statements of Operations:

	2024	2023
	(In millions)	
Managed Dental Care of California ("MDC")	$ 6	$ -
PAS	69	25
GIS	91	85
Total	$ 166	$ 110

The Company has expense sharing agreements with its subsidiaries. During 2024 and 2023, the Company had net billings of $248 million and $323 million, respectively under these expense-sharing agreements. Amounts billed to subsidiaries are included in Commissions and operating expenses in the Statutory Basis Statements of Operations.

The Company leased certain employees to assist in PAIA's investment management business. During 2024, investment professionals, who worked on certain assets classes, transitioned to HPS as part of the expanded strategic partnership. The Company charged PAIA $71 million and $93 million at December 31, 2024 and December 31, 2023 for these leased employees which is included in Net Investment Income in the Statutory Basis Statements of Operations. The Company also entered into an agreement with PAIA whereby PAIA provides investment management services for the Company's general account portfolio. As of December 31, 2024 and December 31, 2023, the amount charged by PAIA for these services amounted to $170 million and $160 million, respectively, which is included in Net Investment Income in the Statutory Basis Statements of Operations.

The Company (Lender) has a revolving line of credit agreement with GIAC (Borrower) for $750 million. The terms of the note agreement states that each Loan (not at the time overdue) made under this Note shall bear interest at a rate per annum equal to (a) the Prime Rate plus 1.00% if a Prime Rate Loan; (b) the Term SOFR Rate plus 1.114% if a Term SOFR Rate Loan with an Interest Period of one month; (c) the Term SOFR Rate plus 1.262% if a Term SOFR Rate Loan with an Interest Period of three months; or (d) the Term SOFR Rate plus 1.428% if a Term SOFR Rate Loan with an Interest Period of six months. In the event any drawing on the line of credit becomes due, whether by acceleration or otherwise, it shall bear interest at a rate per annum equal to the Prime Rate plus 2.00%. Additionally, a commitment fee equal to 0.125% per annum of the amount of this line of credit shall be paid by Borrower to Lender, such amount to be paid in monthly installments on the last day of each month or on the termination of this line of credit. For Value Received, the Borrower, promises to pay on the maturity date or dates determined by the Lender, the principal sum of $750 million or the aggregate unpaid principal sum of all Loans which the Lender actually makes to the Borrower, whichever amount is less, together with interest in arrears payable on each Interest Due Date at a rate computed on the basis of a 360-day year for the actual number of days in each interest period. The line of credit agreement shall have an initial term of 364 days beginning with the date first stated above, and shall automatically renew for successive periods of 364 days, unless the Lender notifies the Borrower of its intention not to renew the line of credit agreement not less than sixty (60) days prior to the expiration of the then existing term. GIAC is in compliance with certain financial covenants imposed by the line of credit agreement. As of December 31, 2024 and 2023, there were $96 million and $158 million, respectively, of outstanding drawings on the line of credit. As of December 31, 2024 and December 31, 2023, the long-term unused commitment was $654 million and $592 million, respectively. Interest income and commitment income of $10 million and $6 million for the twelve months ended December 31, 2024 and December 31, 2023, respectively, are included in Net investment income in the Statutory Basis Statements of Operations.

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

During 2023, the Company entered into a loan agreement with GIS totaling $350 million. The initial funding of $150 million occurred on December 15, 2023 and the remaining fundings of $100 million each occurred on March 15, 2024 and May 15, 2024. Interest on the loan is payable semi-annually on the 15th of June and December in each year at 7.2% fixed interest per annum. As of December 31, 2024 and December 31, 2023, the carrying value of the bond issued was $350 million and $150 million respectively, and reported in "Bonds" on the Statutory Balance Sheets.

Effective April 5, 2023, the Company (Lender) amended its revolving line of credit agreement with GIS (Borrower) to increase it from $350 million to $650 million. The terms of the note agreement states that each Loan (not at the time overdue) made under this Note shall bear interest at a rate per annum equal to (a) the Prime Rate plus 1.00% if a Prime Rate Loan; (b) the Term SOFR Rate plus 1.114% if a Term SOFR Rate Loan with an Interest Period of one month; (c) the Term SOFR Rate plus 1.262% if a Term SOFR Rate Loan with an Interest Period of three months; or (d) the Term SOFR Rate plus 1.428% if a Term SOFR Rate Loan with an Interest Period of six months. In the event any drawing on the line of credit becomes due, whether by acceleration or otherwise, it shall bear interest at a rate per annum equal to the Prime Rate plus 2.00%. Additionally, a commitment fee equal to 0.125% per annum of the amount of this line of credit shall be paid by Borrower to Lender, such amount to be paid in monthly installments no later than the last day of each month or on the termination of this line of credit. For Value Received, the Borrower, promises to pay on the maturity date or dates determined by the Lender, the principal sum of $650 million, or the aggregate unpaid principal sum of all Loans which the Lender actually makes to the Borrower, whichever amount is less, together with interest in arrears payable on each Interest Due Date at a rate computed on the basis of a 360-day year for the actual number of days in each interest period. The line of credit agreement shall have an initial term of 364 days beginning with the date first stated above, and shall automatically renew for successive periods of 364 days, unless the Lender notifies the Borrower of its intention not to renew the line of credit agreement not less than sixty (60) days prior to the expiration of the then existing term. GIS is in compliance with certain financial covenants imposed by the line of credit agreement. As of December 31, 2024, and December 31, 2023, the amount of drawings on the line of credit amounted to $0 and $0 respectively and is included in "Cash, cash equivalents, and short-term investments in the Statutory Basis Balance Sheets. As of December 31, 2024 and December 31, 2023, the long-term unused commitment was $650 million and $650 million, respectively. Interest income and commitment income of $1 million and $2 million for the twelve months ended December 31, 2024 and December 31, 2023 respectively, are included in Net Investment Income in the Statutory Basis Statements of Operations.

Related Party Commitments:

The Company provides commitments to support some of its subsidiaries and affiliates as listed below. Per the statutory accounting guidance SSAP 5R, a liability has not been recorded on the Company's Statutory Basis Balance Sheets for any of these commitments.

The Company continues to provide MDC, a subsidiary, a letter of financial support for $5 million of which $2 million was funded in prior years. This amount was recorded as an additional investment in MDC. The letter was necessary for regulatory purposes to guarantee additional capital infusion to its California dental subsidiary as needed. MDC is not expected to further draw on the remaining $3 million as the subsidiary has $5 million more capital than is required by California.

The Company has a remaining commitment to provide capital contributions to Guardian Acquisition II of $252 million as of December 31, 2024, to fund its growth.

Settlement of Intercompany Transactions:

In accordance with NAIC SAP, all transactions between related parties are required to have a written agreement that provides for a timely settlement of amounts owed, including a specific due date. Amounts over ninety days due are to be non-admitted along with any uncollected receivable from a related party that is not part of a written agreement. Written agreements are in place for all intercompany transactions and these written agreements contain specific due dates. As of December 31, 2024, there was no intercompany receivable that was more than 90 days past due.

NOTE 12 – LIABILITY FOR UNPAID CLAIMS AND CLAIM RESERVES

Activity in the liability for unpaid accident and health claims and claim reserves is summarized as follows and is included in Reserves for policy benefits on the Statutory Basis Balance Sheets:

	2024	2023
	(In millions)	
Balance of unpaid claims and claim reserves, net of reinsurance recoverable, at January 1	$ 4,946	$ 4,799
Incurred related to:		
Current year	3,305	3,042
Prior years	(320)	(250)
Affiliated reinsurance	44	80
Total incurred	3,029	2,872
Paid related to:		
Current year	2,156	2,001
Prior years	447	418
Affiliated reinsurance	317	306
Total paid	2,920	2,725
Balance of unpaid claims and claim reserves, net of reinsurance recoverable, at December 31	$ 5,055	$ 4,946

Incurred claims related to prior years were a reduction of $320 million and $250 million for the years ended December 31, 2024, and December 31, 2023, respectively, primarily due to favorable claim experience on the Company's long-term disability reserves, driven by favorable development of both the reported and unreported claim reserves.

Loss / Claim Adjustment Expenses:

The balance in the liability for unpaid accident and health claim adjustment expenses was $126 million as of December 31, 2024 and 2023, respectively. The Company incurred and paid $107 million of claims adjustment expenses in 2024 of which $25 million of the paid amount was attributable to insured or covered events of prior years. The Company did not increase or decrease the provision for insured events of prior years. Estimated anticipated salvage and subrogation related to the liability for unpaid claims / losses is not material and therefore does not reduce the liability.

The liability for unpaid accident and health claims and claim adjustment expenses represents the Company's best estimate with a margin; however, there may be future adjustments to this estimate and related assumptions. Such adjustments, reflecting any variety of new and adverse trends, could possibly be significant and result in an increase in liabilities. As of December 31, 2024 and 2023, the Company had no significant changes in methodologies and assumptions used in calculating the liability. The Company updates its experience study annually for recent company claim experience used to set the liability for unpaid claims.

NOTE 13 – ASO PLANS

The net gain from operations from ASO uninsured plans and the uninsured portion of partially insured plans was as follows during the years ended December 31, 2024 and December 31, 2023:

	2024		
	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
		(In millions)	
Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ 1.6	$ -	$ 1.6
Total net other income or expenses (including interest paid to or received from plans)	0.3	-	0.3
Net gain from operations	$ 1.3	$ -	$ 1.3
Total claim payment volume	759	-	759

	2023		
	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
		(In millions)	
Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ 12.8	$ -	$ 12.8
Total net other income or expenses (including interest paid to or received from plans)	2.7	-	2.7
Net gain from operations	10.1	-	10.1
Total claim payment volume	716	-	716

NOTE 14 – LEASES

The Company has lease agreements for the rental of real estate that are classified as operating leases. Rental expense for these properties was $28 million for year ended December 31, 2024 and $33 million for the year ended December 31, 2023.

The Company's major office facility leases are primarily used for administrative and business support operations are as follows:

- On September 13, 2017, the Company signed a seventeen-year five-month lease agreement for its New York home office facility. The Company began using the building in the second quarter of 2019 and is obligated to pay approximately $15 million in annual base rent plus operating expenses and taxes.
- On March 8, 2017, the Company signed a fifteen-year lease agreement for its New Jersey home office facility. The Company began using the building in the first quarter of 2018 and is obligated to pay approximately $3 million in annual base rent plus operating expenses and taxes. Starting December 2023, a portion of the property is subleased to a tenant.
- On January 26, 2015, the Company signed a twenty-year lease agreement with GLICA Bethlehem, LLC. The Company began using the building in June 2016 and is obligated to pay approximately $5 million in annual base rent plus operating expenses and taxes. Starting November 2023, a portion of the property was subleased to a tenant.

The following is a schedule by year of the minimum rental payments due under the leases:

		(In millions)
Year ending December 31,		
2025		27
2026		25
2027		25
2028		24
2029		23
Total	**$**	124

The minimum aggregate sublease income is as follows:

		(In millions)
Year ending December 31,		
2025		2
2026		2
2027		3
2028		3
2029		3
Total	**$**	13

The Company guarantees the leases for some of its agents. The fair value of the guarantees as of December 31, 2024 is estimated to be $2 million. The remaining estimated lease obligations that are guaranteed as of December 31, 2024 is $31 million.

NOTE 15 – COMMITMENTS

Commitments to fund private equities of $1,813 million, investment tax credits of $103 million, real estate equity of $10 million and real estate funds of $3 million in the normal course of business totaled $1,929 million as of December 31, 2024. Commitments to fund private equities of $1,899 million, investment tax credits of $149 million, mortgage debts funds of $122 million, real estate funds of $85 million, and real estate equity of $84 million in the normal course of business totaled $2,339 million as of December 31, 2023.

NOTE 16 – LITIGATION

The Company is engaged in various disputes, litigations, inquiries from governmental authorities and other proceedings arising out of the Company's business. These matters could result in losses, monetary damages, fines penalties or changes in the business operations of the Company. Due to the uncertainties inherent in these disputes, it is difficult to determine the ultimate loss the Company will experience. The Company evaluates each matter and establishes an accrual where a loss is probable and the amount can be reasonably estimated. In the opinion of Management, based on current information at December 31, 2024, any losses resulting from such disputes would not have a material adverse effect on the financial position of the Company.

The Company also evaluates these matters for a reasonably possible range of loss. Due to the uncertainties inherent in these matters, such as timing of discovery and court decisions, the Company is not able to ascertain a reasonably possible range of loss for each matter. In the opinion of Management, as of December 31, 2024, the aggregate range of reasonably possible loss for those matters it is able to provide an estimate for is not material to the Company's financial position.

NOTE 17 – LINES OF CREDIT

The Company entered into a credit agreement with a consortium of lenders for an aggregate commitment of $500 million on September 20, 2023. The credit agreement is effective until September 20, 2028, unless extended. Under the Agreement, borrowings bear interest at a rate equal to the greatest of (i) the Prime Rate, (ii) the New York Federal Reserve Bank Rate plus 0.5% and (iii) the Adjusted Term SOFR Rate for a one month interest period plus 1%; or the Adjusted Term SOFR Rate plus up to 1%. The commitment fee is 0.05% per annum on the available commitment and payable on a quarterly basis. As of December 31, 2024 and December 31, 2023, the long-term unused line of credit was $500 million and $500 million, respectively. The Company paid commitment fees of $0.3 million in 2024 and $1.3 million which includes a one-time commitment fee in 2023.

The Company became a member of the FHLBNY on February 13, 2018. Membership allows the Company access to the FHLBNY's financial services, including the ability to obtain collateralized loans and to issue collateralized funding agreements. The Company's strategy is to utilize these funds as a source to improve spread lending liquidity. FHLBNY borrowings and funding agreements are currently collateralized by qualifying mortgage loans and mortgage-backed securities but can also be collateralized with qualifying corporate bonds or U.S. Treasury securities, the fair value of which must be maintained at certain specified levels relative to outstanding borrowings. FHLBNY membership requires the Company to own member stock in the amount of 12.5 bps of the Company's assets which is remeasured annually based on the prior years December 31 balance. This capital is locked up for five years should the Company decide to end its membership. Borrowings require the purchase of activity-based stock in an amount equal to 4.5% of outstanding borrowings. All FHLBNY stock purchased by the Company is classified as restricted general account investments and is included in "Common stocks," in the Statutory Basis Balance Sheet and the carrying value of these investments was $134 million and $71 million as of December 31, 2024 and December 31, 2023, respectively. The Company's capacity to borrow is limited to 5% of admitted assets which is the regulatory limit on the amount of collateral that a New York domiciled insurance company can pledge for a loan. As of December 31, 2024 and December 31, 2023, that limit was approximately $4,341 million and $4,013 million, respectively. As of December 31, 2024 and December 31 2023, the Company had pledged assets with a fair value of $3,689 million and $1,810 million supporting outstanding advances totaling $2,711 million and $1,352 million, which are included in "Policyholder dividends payable and other contract liabilities," in the Statutory Basis Balance Sheet, respectively. The maximum amount borrowed at any time during 2024 was $2,711 million and during 2023 was $1,538 million. As of December 31, 2024 and December 31, 2023, the Company's remaining long-term capacity to borrow was $1,630 million and $2,661 million, respectively.

NOTE 18 – POLICYHOLDERS' SURPLUS

There were no special contingency reserves included in policyholder's surplus at December 31, 2024 or December 31, 2023. The Company holds other reserves totaling $4 million and $4 million at December 31, 2024 and December 31, 2023, respectively as required by New York State law for aviation business and Arkansas permanent surplus requirements. Surplus at December 31, 2024 and December 31, 2023 is as follows:

	2024	2023
	(In millions)	
Accumulated earnings	$ 11,547	$ 11,303
Unrealized loss - common stock	(366)	(486)
Asset valuation reserve	(1,567)	(1,492)
Nonadmitted asset values	(330)	(257)
Total unassigned surplus	9,284	9,068
State required segregated surplus	4	4
Surplus	$ 9,288	$ 9,072

NOTE 19 – SURPLUS NOTES

The Company has issued various Surplus Notes ("the Notes") to unrelated third parties pursuant to Rule 144A under the Securities Act of 1933, as amended, and are administered by The Bank of New York Mellon as fiscal agent. Interest on each of the Notes is scheduled to be paid semiannually on the interest paid dates listed in the table below. All of the Notes are unsecured and subordinated to all present and future indebtedness, policy claims and other creditor claims of the Company. Under New York Insurance Law, the Notes are not part of the legal liabilities of the Company. The Notes do not repay principal prior to maturity, and each payment of interest or principal may be made only with the prior approval of the Superintendent and only out of surplus funds that the Superintendent determines to be available for such payments under New York Insurance Law. Provided that approval is granted by the Superintendent, the Notes may be redeemed at the option of the company (in whole or in part) at the "make-whole" redemption price equal to the greater of the principal amount of the Notes to be redeemed, or the sum of the present value of the remaining scheduled interest and principal payments, excluding the accrued interest as of the date on which the Notes are to be redeemed, discounted to the redemption date on a semi-annual basis at an adjusted treasury rate plus varying basis points. The Surplus Note issuances were not structured in a manner where typical cashflows have been reduced or eliminated.

The following table summarizes the Notes issued by the Company:

Date Issued	Interest Rate	Principal Balance	Cash Proceeds Received	Maturity Date	Face (Par) Value of Note	Carrying Value of Note	Interest Paid Dates		Interest Paid Current Year 12/31/2024	Interest Paid Life-to-date 12/31/2024
10/6/2009[1]	7.375%	400.0	392.4	9/30/2039	233.1	231.9	March 31	September 30	17.2	359.0
6/19/2014	4.875%	450.0	444.6	6/19/2064	450.0	448.8	June 19	December 19	22.0	230.3
1/24/2017 [1]	4.850%	350.0	343.6	1/24/2077	579.3	524.5	January 24	July 24	28.1	205.2
1/22/2020	3.700%	300.0	293.9	1/22/2070	300.0	296.8	January 22	July 22	11.1	50.0
Total Surplus Notes		$ 1,500.0	$ 1,474.5		$ 1,562.4	$ 1,502.0			$ 78.4	$ 844.5

(1) The Company completed an exchange in which it issued additional 1/24/2017 Notes ("2017 Notes") in exchange for redeemed 10/6/2009 Notes ("2009 Notes"). They were settled predominately on December 27, 2017 with a minimal amount settling on January 8, 2018. The 2009 Notes had a principal balance of $166.9 million (carrying value $165.7 million) and the additional 2017 Notes had a principal balance of $229.3 million (carrying value $170.5 million). Of the $63.6 million discount at the time of the exchange, $4.8 million pertaining to inducement for note holders to exchange their notes was recorded as an expense on the transaction date along with an increase to the carrying value of the 2017 Notes. The remaining $58.8 million will be charged to the Statutory Basis Statements of Operations over the life of the 2017 Notes.

NOTE 20 – SUBSEQUENT EVENTS

The Company considers events occurring after the balance sheet date but prior to February 25, 2025, the issuance of the financial statements, to be subsequent events requiring disclosure. There were no subsequent events for the year ended December 31, 2024.

Guardian Life Insurance Company of America
Annual Statement for the Year Ended December 31, 2024
Schedule 1 - Selected Financial Data

The following is a summary of certain financial data included in other exhibits and schedules subjected to audit procedures by independent auditors and utilized by actuaries in the determination of reserves.

		2024 Annual Statement References
Investment Income Earned		Exhibit of Net Investment Income
Government Bonds	$ 1,337,354	
Bonds Exempt From US Tax		
Other Bonds (unaffiliated)	2,277,988,673	
Bonds of Affiliates	21,040,000	
Preferred Stocks (unaffiliated)	1,888,515	
Preferred Stocks of Affiliates		
Common Stocks (unaffiliated)	8,748,427	
Common Stocks of Affiliates	5,999,760	
Mortgages Loans	335,700,498	
Real Estate	85,187,557	
Contract Loans	386,028,831	
Cash/Short-term Investments	104,703,871	
Derivative Instruments	33,527,839	
Other Invested Assets	529,411,202	
Aggregate Write-Ins for Investment Income	1,535,905	
Gross Investment Income	$ 3,793,098,432	
Real Estate Owned - Book Value less Encumbrances	$ 263,006,419	Schedule A - Part 1
Mortgage Loans - Book Value:		
Farm Mortgages	$ -	Schedule B - Part 1
Residential Mortgages	-	
Commercial Mortgages	7,462,297,837	
Total Mortgage Loans	$ 7,462,297,837	
Mortgage Loans by Standing - Book Value:		
Good Standing	7,462,297,837	Schedule B, Part 1
Good Standing with Restructured Terms	-	Schedule B, Part 1
Interest overdue more than 90 days, not in foreclosure	-	Schedule B, Part 1
Foreclosure in Process	-	Schedule B, Part 1
Other Long Term Assets - Statement Value	6,520,004,325	Schedule BA, Part 1
Bonds and Stocks of Parents, Subsidiaries and Affiliates - Book Value		Schedule D - Summary by Country
Bonds	$ 52,866,445,302	
Preferred Stocks	158,000,030	
Common Stocks	$ 1,211,812,824	

Schedule 1 - Selected Financial Data - Continued

			2024 Annual Statement References
Bonds and Short Term Investments by Class & Maturity			Schedule D, Part 1A Sec 1
Bonds by Maturity - Statement Value			
Due within one year or less	$	4,881,215,440	
Over 1 year through 5 years		14,045,886,502	
Over 5 years through 10 years		10,721,156,199	
Over 10 years through 20 years		10,362,701,229	
Over 20 years		15,432,934,980	
No Maturity Date		-	
Total by Maturity	$	55,443,894,350	
Bonds by Class - Statement Value			
Class 1	$	31,572,899,304	
Class 2		20,793,875,607	
Class 3		1,402,002,939	
Class 4		1,523,340,413	
Class 5		115,190,934	
Class 6		36,585,153	
Total by Class	$	55,443,894,350	
Total Bonds Publicly Traded		31,093,469,645	
Total Bonds Privately Placed		24,350,424,705	
Preferred Stocks - Statement Value		-	Schedule D, Part 2, Sec. 1
Common Stocks - Market Value		1,211,812,824	Schedule D, Part 2, Sec. 2
Short Term Investments - Book Value		689,318,620	Schedule DA, Part 1
Options, Caps Floors, Collars, Swaps and Forwards		199,496,808	Schedule DB, Part A,
Futures Contracts		-	Schedule DB, Part B,
Cash on Deposit		171,021,312	Schedule E, Part 1
Life Insurance In Force			Exhibit of Life Insurance
Industrial		-	
Ordinary		402,557,248	
Credit Life		-	
Group Life		404,175,572	
Amount of Accidental Death Insurance In Force Under			
Ordinary Policies		930,841	Exhibit of Life Insurance
Life Insurance Policies with Disability Provisions In Force			Exhibit of Life Insurance
Industrial		-	
Ordinary		198,161,742	
Credit Life		-	
Group Life		404,061,845	
Supplementary Contracts In Force			Exhibit of Number of Policies,
Ordinary - Not Involving Life Contingencies		-	Contracts,Certificates,Income Payable,
Amount on Deposit		221,229,004	Account Values In Force for Supplementary
Income Payable		68	Contracts, Annuities, A&H and Other Policies
Ordinary - Involving Life Contingencies			
Income Payable		273	

Schedule 1 - Selected Financial Data - Continued

		2024 Annual Statement References
Group - Not Involving Life Contingencies		
Amount on Deposit	19,412,865	
Income Payable	-	
Group - Involving Life Contingencies		
Amount on Deposit	-	
Income Payable	-	
Annuities - Ordinary		Exhibit of Number of Policies,
Immediate - Amount of Income Payable	338,409	Contracts,Certificates,Income Payable,
Deferred - Fully Paid Account Balance	36,771,545	Account Values In Force for Supplementary
Deferred - Not Fully Paid - Account Balance	91,663,042	Contracts, Annuities, A&H and Other Policies
Annuities - Group		
Amount of Income Payable	27,746	Exhibit of Number of Policies,
Fully Paid Account Balance	-	Contracts,Certificates,Income Payable,
Not Fully Paid - Account Balance	-	Account Values In Force for Supplementary Contracts, Annuities, A&H and Other Policies
Accident and Health Insurance - Premiums In Force		
Ordinary	-	
Group	4,312,406,988	
Credit	-	
Other	643,708,657	
Deposit Funds and Dividend Accumulations		Exhibit of Number of Policies,
Deposit Funds - Account Balance	16,778,710	Contracts,Certificates,Income Payable,
Dividend Accumulations - Account Balance	81,329,981	Account Values In Force for Supplementary Contracts, Annuities, A&H and Other Policies
Claim Payments 2024		Schedule O, Part 1
Group Accident and Health Year - Ended December 31, 2015		Section A
2024	2,116,813	
2023	2,236,753	
2022	2,141,868	
2021	2,043,896	
2020	1,727,915	
Prior	898,905	
Other Accident & Health		Section B
2024	63,119	
2023	89,784	
2022	123,965	
2021	134,596	
2020	146,824	
Prior	1,076,916	
Credit Accident & Health	-	Section C
2024	-	
2023	-	
2022	-	
2021	-	
2020	-	
Prior	-	

Schedule 1 - Selected Financial Data - Continued

		2024 Annual Statement References
Other Coverages that use developmental methods to calculate Claims Reserves:		Section D
2024	-	
2023	-	
2022	-	
2021	-	
2020	-	
Prior	-	
Other Coverages that use developmental methods to calculate Claims Reserves:		Section E
2024	-	
2023	-	
2022	-	
2021	-	
2020	-	
Prior	-	
Other Coverages that use developmental methods to calculate Claims Reserves:		Section F
2024	-	
2023	-	
2022		
2021	-	
2020	-	
Prior	-	
Other Coverages that use developmental methods to calculate Claims Reserves:		Section G
2024	-	
2023	-	
2022	-	
2021	-	
2020	-	
Prior	-	

The Guardian Life Insurance Company of America
Investments of Reporting Entities
December 31, 2024

Section 2 Investment Risk Interrogatories

Answer the following interrogatories by stating the applicable U.S dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of the annual statement.

86,825,018,598

2. Ten largest exposures to a single issurer/borrower/investment.

	Issuer	Description of Exposure		Amount	Percentage of Total Admitted Assets
2.01	GUARDIAN INVESTOR SERVICES	AFFILIATED LLC	$	1,037,925,369	1.2%
2.02	HPS CSL II Fund Prvt	BONDS	$	630,000,000	0.7%
2.03	GUARDIAN INS & ANNUITY CO.	AFFILIATED STOCK	$	600,578,151	0.7%
2.04	GUARDIAN INVESTOR SERVICES LLC	AFFILIATED BOND	$	350,000,000	0.4%
2.05	SIMON PROPERTY GROUP	BONDS	$	287,602,349	0.3%
2.06	COCA-COLA CO	BONDS/BONDS	$	270,584,284	0.3%
2.07	MARS INC	BONDS	$	270,181,357	0.3%
2.08	MICROSOFT CORP	BONDS	$	270,118,178	0.3%
2.09	BANK OF AMERICA CORP	BONDS	$	265,684,119	0.3%
2.10	UNION PACIFIC CORP	BONDS	$	264,916,456	0.3%

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating:

	Bonds		Amount	% of Total Admitted Assets	Preferred Stocks		Amount	% of Total Admitted Assets
3.01	NAIC-1	$	31,572,899,304	36.4%	P/RP-1	$	-	-%
3.02	NAIC-2	$	20,793,875,607	23.9%	P/RP-2	$		-%
3.03	NAIC-3	$	1,402,002,939	1.6%	P/RP-3	$		-%
3.04	NAIC-4	$	1,523,340,413	1.8%	P/RP-4	$		-%
3.05	NAIC-5	$	115,190,934	0.1%	P/RP-5	$		-%
3.06	NAIC-6	$	36,585,153	-%	P/RP-6	$	-	-%

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assts?
Yes [ ] No [X]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02	Total admitted assets held in foreign investments	$	11,582,362,727	13.3%
4.03	Foreign-currency-denominated investments	$	2,290,402,582	2.6%
4.04	Insurance liabilities denominated in that same foreign currency	$	-	-%

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

		1	2
5.01	Countries rated NAIC-1	$ 10,730,741,815	12.4%
5.02	Countries rated NAIC-2	$ 691,866,145	0.8%
5.03	Countries rated NAIC-3 or below	$ 159,754,766	0.2%

6. Largest foreign investment exposures to a single country, categorized by NAIC sovereign rating:

		1	2
	Countries rated NAIC-1		
6.01	Country: CAYMAN ISLANDS	$ 2,921,850,788	3.4%
6.02	Country: UNITED KINGDOM	$ 2,232,330,387	2.6%
	Countries rated NAIC-2:		
6.03	Country: MEXICO	$ 342,556,235	0.4%
6.04	Country: PANAMA	$ 96,641,621	0.1%
	Countries rated NAIC-3 or below		
6.05	Country: BRAZIL	$ 30,000,000	-%
6.06	Country: COLOMBIA	$ 18,532,455	-%

7. Aggregate unhedged foreign currency exposure: $ - -%

8. Aggregate unhedged foreign currency exposure categorized by the country's NAIC sovereign rating:

		1	2
8.01	Countries rated NAIC-1	$	-%
8.02	Countries rated NAIC-2	$	-%
8.03	Countries rated NAIC-3 or below	$ -	-%

9. Largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating:

		1	2
	Countries rated NAIC-1:		
9.01	Country:	$	-%
9.02	Country:	$	-%
	Countries rated NAIC-2:		
9.03	Country:	$	-%
9.04	Country:	$	-%
	Countries rated NAIC-3 or below		
9.05	Country:	$ -	-%
9.06	Country:	$ -	-%

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	Issuer	NAIC		3	4
10.01	HPS CSL II Fund Prvt	2.C PL	$	630,000,000	0.7%
10.02	SHELL INTERNATIONAL FIN	1.D FE	$	292,334,370	0.3%
10.03	AERCAP IRELAND CAP/GLOBA	2.A FE	$	155,438,962	0.2%
10.04	Park Avenue Institutional Advi	1.D FE	$	139,758,002	0.2%
10.05	SIEMENS FINANCIERINGSMAT	1.F FE	$	127,665,792	0.1%
10.06	COMMONWEALTH BANK AUST	1.D FE	$	114,335,920	0.1%
10.07	VODAFONE GRP	1.G FE	$	113,763,167	0.1%
10.08	DEUTSCHE BANK NY	2.B FE	$	111,422,237	0.1%
10.09	UBS GROUP AG	2.A FE	$	107,668,405	0.1%
10.10	BANCO SANTANDER CHILE	1.G FE	$	101,973,225	0.1%

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure.

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11

11.02	Total admitted assets held in Canadian investments	$	-	-%
11.03	Canadian-currency-denominated investments	$	-	-%
11.04	Canadian-denominated insurance liabilities	$	-	-%
11.05	Unhedged Canadian currency exposure	$	-	-%

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1		2	3
12.02	Aggregate statement value of investments with contractual sales restrictions			
	Largest three investments with contractual sales restrictions:			
		$	-	-%
12.03		$	-	-%
12.04		$	-	-%
12.05		$	-	-%

13. Amounts and percentages of admitted assets held in the largest ten equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 13.01 is yes, responses are not required for the remainder of Interrogatory 13.

	1 Name of Issuer	2	3
13.02		$	0.0%
13.03		$	0.0%
13.04		$	0.0%
13.05		$	
13.06		$	0.0%
13.07		$	0.0%
13.08		$	-%
13.09		$	-%
13.10		$	-%
13.11		$	-%

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01. Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?
Yes [ ] No [X]

If response to 14.01 is yes, responses are not required for the remainder of Interrogatory 14.

	1		2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities Largest three investments held in nonaffiliated, privately placed equities:	$	4,228,397,553	4.9%
14.03	HPS Investment Partners	$	489,680,808	0.6%
14.04	HarbourVest Partners	$	260,589,116	0.3%
14.05	JLL Partners	$	203,235,931	0.2%

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 15.01 is yes, responses are not required for the remainder of Interrogatory 15.

	1		2	3
15.02		$		-%
15.03		$		-%
15.04		$		-%
15.05		$		-%

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 16.01 is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	Type (Residential, Commercial, Agriculture)		2	3
16.02	COMMERCIAL	$	342,750,000	0.4%
16.03	COMMERCIAL	$	295,364,851	0.3%
16.04	COMMERCIAL	$	290,000,000	0.3%
16.05	COMMERCIAL	$	257,885,000	0.3%
16.06	COMMERCIAL	$	255,514,932	0.3%
16.07	COMMERCIAL	$	195,000,000	0.2%
16.08	COMMERCIAL	$	194,700,000	0.2%
16.09	COMMERCIAL	$	191,625,000	0.2%
16.10	COMMERCIAL	$	176,147,326	0.2%
16.11	COMMERCIAL	$	170,500,000	0.2%

Amount and percentages of the reporting entity's total admitted assets held in the following categories of mortgage loans:

			Loans	
16.12	Construction Loans	$	401,386,071	0.5%
16.13	Mortgage loans over 90 days past due	$	-	-%
16.14	Mortgage loans in the process of foreclosure	$	-	-%
16.15	Mortgage loans foreclosed	$	-	-%
16.16	Restructured mortgage loans	$	-	-%

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as

		Residential			Commercial		Agriculature	
	Loan-to-Value	1	2	3	4	5	6	
17.01	above 95%	$ -	-%	$	-%	$ -	-%	
17.02	91% to 95%	$ -	-%	$	-%	$ -	-%	
17.03	81% to 90%	$ -	-%	$	-%	$ -	-%	
17.04	71% to 80%	$ -	-%	$ 1,223,853,363	1.4%	$ -	-%	
17.05	below 70%	$ -	-%	$ 6,238,444,488	7.2%	$ -	-%	

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 18.01. is yes, responses are not required for the remainder of Interrogatory 18

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description 1		2	3
18.02		$		-%
18.03		$		-%
18.04		$		-%
18.05		$		-%
18.06		$		-%

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans: 0 0.00%

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets?
Yes [X] No [ ]

If response to 19.01 above is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loadns:		
	Largest three investments held in mezzanine real estate loa	$ -	-%
19.03		$ -	-%
19.04		$ -	-%
19.05		$ -	-%

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year-end		1st Qtr	At End of Each Quarter 2nd Quarter	3rd Quarter
		1	2	3	4	5
20.01	Securities lending (do not include assets held as collateral for such transactions)	$ 2,021,951,192	2.3%	$ 989,821,977	1,111,507,528	$ 1,237,108,104
20.02	Repurchase agreements	$ -	-%	$ -	$ -	$ -
20.03	Reverse repurchase agreements	$ -	-%	$ -	$	$ -
20.04	Dollar repurchase agreements	$ -	-%	$ -	$ -	$ -
20.05	Dollar reverse repurchase agreements	$ -	-%	$ -	$ -	$ -

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floor:

		Owned			Written	
		1	2		3	4
21.01	Hedge	$ -	-%		$ -	-%
21.02	Income generation	$ -	-%		$ -	-%
21.03	Other	$ -	-%		$ -	-%

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year-end		At End of Each Quarter 1st Quarter	2nd Qtr	3rd Qtr
		1	2	3	4	5
22.01	Hedging	$ 34,494,550	0.0%	$ 33,055,191	$ 34,164,523	$ 33,818,039
22.02	Income generation	$ -	0.0%	$ -	$ -	$
22.03	Replications	$ -	0.0%	$ -	0 -	$ -
22.04	Other	$ -	0.0%	$ -	$ -	$ -

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for future contracts:

		At Year-end		At End of Each Quarter 1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
23.01	Hedging	$ 18,299,963	0.0%	$ 14,913,441	$ 16,425,373	$ 19,554,188
23.02	Income generation	$ -	0.0%	$ -	$ -	$ -
23.03	Replications	$ -	0.0%	$ -	$ -	$ -
23.04	Other	$ -	0.0%	$ -	$ -	$ -

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA
As of December 31, 2024

Appendix A-001
Section SI01. Summary Investment Schedule

Investment Categories	Gross Investment Holdings*		Admitted Assets as Reported in the Annual Statement			
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage
1. Bonds:						
1.1 US Treasury Securities	42,677,901	0.054%	$ 42,677,901		$ 42,677,901	0.054%
1.2 US Government agency and corporate obligations (excluding mortgage-backed securities):	366,549,319	0.461%	366,549,319		366,549,319	0.461%
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)	160,695,480	0.202%	160,695,480		160,695,480	0.202%
1.4 Securities issued by states, territories and possessions and political subdivisions in the US:	98,592,414	0.124%	98,592,414		98,592,414	0.124%
1.5 Long-Term Bonds U.S. special revenue and special assessment obligations, etc. non-guaranteed	855,644,752	1.075%	855,644,752		855,644,752	1.075%
1.6 Long-Term Bonds (Schedule D, Part 1): Industrial and miscellaneous	49,434,199,908	62.128%	49,434,199,908		49,434,199,908	62.130%
1.7 Long-Term Bonds (Schedule D, Part 1): Hybrid securities	101,436	0.000%	101,436		101,436	0.000%
1.8 Long-Term Bonds (Schedule D, Part 1): Parent, subsidiaries and affiliates	350,000,000	0.440%	350,000,000		350,000,000	0.440%
1.9 Long-Term Bonds (Schedule D, Part 1): SVO identified funds		-%	-		-	-%
1.10 Long-Term Bonds (Schedule D, Part 1): Unaffiliated Bank loans	1,557,984,111	1.958%	1,557,984,111		1,557,984,111	1.958%
1.11 Long-Term Bonds (Schedule D, Part 1): Total long-term bonds	**52,866,445,321**	66.441%	**52,866,445,321**		**52,866,445,321**	66.444%
2. Other debt and other fixed income securities (excluding short term):						
2.01 Preferred stocks (Schedule D, Part 2, Section 1): Industrial and miscellaneous (Unaffiliated)	158,000,030	0.199%	158,000,030		158,000,030	0.199%
2.02 Preferred stocks (Schedule D, Part 2, Section 1): Parent, subsidiaries and affiliates	-	-%	-		-	-%
2.03 Preferred stocks (Schedule D, Part 2, Section 1): Total preferred stocks	-	-%	-		-	-%
3. Equity interests:						
3.01 Common stocks (Schedule D, Part 2, Section 2): Industrial and miscellaneous Publicly traded (Unaffiliated)	4,790,227	0.006%	4,790,227		4,790,227	0.006%
3.02 Common stocks (Schedule D, Part 2, Section 2): Industrial and miscellaneous Other (Unaffiliated)	134,481,155	0.169%	134,481,155		134,481,155	0.169%
3.03 Common stocks (Schedule D, Part 2, Section 2): Parent, subsidiaries and affiliates Publicly traded		-%	-		-	-%
3.04 Common stocks (Schedule D, Part 2, Section 2): Parent, subsidiaries and affiliates Other	1,072,541,442	1.348%	1,072,541,442		1,072,541,442	1.348%
3.05 Common stocks (Schedule D, Part 2, Section 2): Mutual funds	-	-%	-		-	-%
3.06 Common stocks (Schedule D, Part 2, Section 2): Unit investment trusts		-%	-		-	-%
3.07 Common stocks (Schedule D, Part 2, Section 2): Closed-end funds		-%	-		-	-%
3.08 Common stocks (Schedule D, Part 2, Section 2): Total common stocks	**1,211,812,824**	1.523%	**1,211,812,824**		**1,211,812,824**	1.523%
4. Mortgage loans:						
4.01 Mortgage loans (Schedule B): Farm mortgages	-	-%	-		-	-%
4.02 Mortgage loans (Schedule B): Residential mortgages	-	-%	-		-	-%
4.03 Mortgage loans (Schedule B): Commercial mortgages	7,462,297,837	9.378%	7,462,297,837		7,462,297,837	9.379%
4.04 Mortgage loans (Schedule B): Mezzanine real estate loans	-	-%	-		-	-%
4.05 Mortgage loans (Schedule B): Total mortgage loans	**7,462,297,837**	9.378%	**7,462,297,837**		**7,462,297,837**	9.379%
5. Real Estate Investments:						
5.01 Real estate (Schedule A): Properties occupied by company	-	-%	-		-	-%
5.02 Real estate (Schedule A): Properties held for production of income	263,006,419	0.331%	263,006,419		263,006,419	0.331%
5.03 Real estate (Schedule A): Properties held for sale	-	-%	-		-	-%
5.04 Real estate (Schedule A): Total real estate	**263,006,419**	0.331%	**263,006,419**		263,006,419	0.331%
6. Cash					-	
6.01 Cash, cash equivalents and short-term investments: Cash (Schedule E, Part 1)	171,021,312	0.215%	171,021,312		171,021,312	0.215%
6.02 Cash, cash equivalents and short-term investments: Cash equivalents (Schedule E, Part 2)	1,888,130,438	2.373%	1,888,130,438		1,888,130,438	2.373%
6.03 Cash, cash equivalents and short-term investments: Short-term investments (Schedule DA)	689,318,620	0.866%	689,318,620		689,318,620	0.866%
6.04 Cash, cash equivalents and short-term investments: Total cash, cash equivalents and short-term investments	**2,748,470,370**	3.454%	**2,748,470,370**		**2,748,470,370**	3.454%
7 Contract loans	6,070,500,796	7.629%	6,069,365,003		6,069,365,003	7.628%
8 Derivatives (Schedule DB)	211,379,464	0.266%	211,379,464		211,379,464	0.266%
9 Other invested assets (Schedule BA)	6,520,004,325	8.194%	6,518,097,896		6,518,097,896	8.192%
10 Receivables for securities	75,944,791	0.095%	75,944,791		75,944,791	0.095%
11 Securities Lending (Schedule DL, Part 1)	1,981,007,332	2.490%	1,981,007,332		1,981,007,332	2.490%
12 Other invested assets (Page 2, Line 11)		-%	-		-	-%
13. Total Invested Assets	**$ 79,568,869,509**	**100.00%**	**$ 79,565,827,287**		**$ 79,565,827,287**	**100.00%**

* Gross Investment Holdings as valued in compliance with NAIC Accounting Practices & Procedures Manual

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