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John Rehagen, Chair
Monica Macaluso, Vice Chair
Mutual Recognition of Jurisdictions (E) Working Group
National Association of Insurance Commissioners
1100 Walnut St., Ste. 1000
Kansas City, MO 64106

RE: Application of Cayman Islands, Republic of Korea, and Guernsey for Qualified Jurisdiction status

November 3, 2026

Dear Chair Rehagen and Vice Chair Macaluso:

The Guardian Life Insurance Company of America (Guardian)[1] appreciates this opportunity to comment on the above-mentioned applications to the National Association of Insurance Commissioners (NAIC) for recognition as qualified jurisdictions.

As an insurer serving the life and retirement needs of policyholders for over 165 years, Guardian is acutely aware of the growing and evolving challenges in safeguarding the ability to retire with dignity. Aging populations, longer lifespans, and the continuing shift of retirement responsibility to individuals are reshaping how families must plan for financial security, making it increasingly important for insurers to prudently manage financial resources and risks. It is critical that the insurance industry and regulatory community get it right, to protect the solvency and reputation of the U.S. industry, as our products are needed now more than ever.

In this setting, U.S. insurers' access to reinsurance capacity, including foreign, is an important feature of the apparatus for risk management and policyholder protection. Guardian believes that enabling cross-border reinsurance can coexist with preserving the strength of the time-tested U.S. insurance regulatory system. This requires partnering with like-minded foreign jurisdictions that are committed to providing this degree of rigorous supervision of reinsurers accepting risk ceded from the U.S. Moreover, the NAIC's growing focus on cessions to non-reciprocal jurisdictions may accelerate applications by jurisdictions to seek recognition as qualified jurisdictions. With the continued and increasing attention to reinsurance among U.S. insurance regulators and their counterparts globally, the NAIC's robust qualified jurisdiction process is as important as ever.

[1] Founded in 1860, Guardian is one of the largest mutual life insurers in the United States, with over $100 billion in assets. Guardian's offerings range from life insurance, disability income insurance, annuities, and investments for individuals to workplace benefits, such as dental, vision, life, disability income, and supplemental benefits. The company employs over 5,000 colleagues and a network of over 2,700 financial professionals in 53 agencies nationwide. For more information, please visit www.GuardianLife.com.

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Where jurisdictions face challenges to achieving that high bar, the potential grant of qualified jurisdiction status deserves more careful thought. A premature admittance as a qualified jurisdiction can introduce risk to the U.S. insurance system; in the extreme case, it can lead to insurer insolvency, which is then borne by solvent insurers and the taxpayers, in addition to the negative reputational impact borne by the industry writ large. The insurance marketplace already benefits from a number of time-tested reciprocal and qualified jurisdictions. Accordingly, the burden of proof for any applicant jurisdiction should remain high.

We therefore urge the NAIC to take a discerning, principled approach to evaluating the above-mentioned qualified jurisdiction applications. Guardian strongly believes that qualified jurisdiction status should only be granted when a foreign jurisdiction's regime can demonstrate that its regulatory framework achieves the same robust level of protection as the U.S. system and those of other qualified jurisdictions. To this end, qualified jurisdiction applicants' regimes should reflect, among other things, these dimensions of regulation and supervision:

- **Strong and proven capital, liquidity, and financial resource requirements:** The keystone to an effective financial regulatory regime is a sufficiently stringent, risk-appropriate prudential capital framework. Capital fosters solvency; in turn, institutional soundness and systemic stability are further ensured by liquidity requirements, and both are buttressed by appropriate rules on financial resources to meet solvency and counterparty obligations. The assessment of a prudential regime should also incorporate whether that regime has been proven through times of significant credit stress. Assessments should address the quality, availability, and independence of capital resources under stress, including affiliated investments, contingent support arrangements, material counterparty exposures, and asset-liability and liquidity mismatches.

  A regime without adequately stringent prudential requirements, proven through stressed times, can invite institutions to take outsized risks and make commitments they may not be able to keep, as well as engage in regulatory arbitrage.

- **Regulatory and public reporting to advance transparency:** Financial regulators are data driven when at their best, which is made possible only through adequate reporting of information to regulators. Building on this, regulators need a sufficiently wide network of memoranda of understanding with counterpart regulators to enable free-flowing exchange of confidential supervisory information, thereby allowing them to act on early warning signals. Supplementing regulators' supervisory oversight is the market's own scrutiny and diligence in evaluating counterparties and transactions. But this, too, rests on data and transparency through public reporting. Public disclosure and confidential regulator-to-regulator information sharing serve distinct but complementary purposes. Data from reinsurers including regulatory reporting on topics like solvency and risk management, and public reporting like financial statements and investment disclosures, substantially enhance the oversight of and engagement with reinsurers. Qualified jurisdictions should require transparency comparable to that required of insurers domiciled in the U.S.

  Rule frameworks that fail to embrace transparency leave regulators and counterparties, as well as the public, at risk of sizeable information asymmetries regarding institutions' health and creditworthiness.

- **Consistent and rigorous application of rules in practice:** From licensing institutions to regulating transactions and enterprises, the application of rules in practice must promote a

level playing field among regulated entities. This not only allows regulators of cross-border business to cooperate within a common set of parameters but also avoids jurisdiction shopping or regulatory arbitrage.

A regime that does not promote consistent enforcement of requirements can attract weaker institutions seeking to skirt regulatory stringency, which can ripple back to undercut U.S. cedants' soundness.

- **Alignment with widely accepted regulatory standards:** Regulators here and abroad have reached common understandings as to core elements of insurance regulatory frameworks, including defined expectations on a range of topics including governance and risk management, investment diversification, affiliated asset concentration, and fraud prevention. Being in the business of taking on risk, reinsurers must continually remain abreast of their own risks in their evolving, dynamic books, while regulators must ensure they can effectively oversee and assess these practices to ensure they remain evergreen.

  When governance and risk management are allowed to be relaxed under a regulatory regime, problems may fester unnoticed until their impacts can become sizable and cascade.

- **Sufficient staff and experience effectively supervising the reinsurance market:** Appreciating the challenges that authorities face in identifying and attracting talent, it is still important to be selective in recognizing a jurisdiction as a qualified jurisdiction. Authorities need a sufficient level and depth of staffing in order to effectively supervise. A jurisdiction with a track record of successfully supervising reinsurers, with adequate rigor applied by experienced and knowledgeable staff, earns trust whereby cedants can place risk with confidence that they will get the protection they rely on in their own risk management. The assessment should consider demonstrated technical capacity to review complex life reinsurance structures and timely collaboration with U.S. supervisors.

  Where an authority struggles to find sufficient, seasoned staff to execute its mandate, additional time may be needed before it can be relied upon by U.S. cedants akin to the way we can safely rely on U.S. regulators and our system.

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The insurance industry is it a critical juncture in its evolution. With retirement needs greater than they have ever been, appropriate oversight of reinsurance regimes is of paramount importance to maintain the long-term stability of the industry, and, most importantly, to ensure that policyholders receive the benefits they have been promised.

Guardian thanks the NAIC for considering these comments, and is encouraged by the continued robust, judicious application of the qualified jurisdiction process.

Sincerely,



Sarah Williams
Chief Risk Officer
Guardian Life Insurance Company of America