



STATE OF UTAH INSURANCE DEPARTMENT
REPORT OF FINANCIAL EXAMINATION

of

STANDARD LIFE AND CASUALTY INSURANCE COMPANY

of

Salt Lake City, Utah

as of

December 31, 2009



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January 12, 2011

Honorable Neal T. Gooch, Commissioner
Utah Insurance Department
3110 State Office Building
Salt Lake City, Utah 84114

Honorable Monica J. Lindeen, Commissioner
Secretary, Western Zone, NAIC
840 Helena Avenue
Helena, Montana 59601

Honorable Joseph Torti, III, Superintendent
Chair, Financial Condition (E) Committee, NAIC
State of Rhode Island
Department of Business Regulation
Division of Insurance
1511 Pontiac Avenue, Building 69-2
Cranston, Rhode Island 02920

Pursuant to your instructions and in compliance with statutory requirements, a limited scope examination, as of December 31, 2010, has been made of the information systems and technology of:

STANDARD LIFE AND CASUALTY INSURANCE COMPANY

Salt Lake City, Utah

hereinafter referred to in this report as the Company, and the following report of the limited scope examination is respectfully submitted.

SCOPE OF EXAMINATION

Period Covered by Examination

We have performed our limited scope examination of Standard Life and Casualty Insurance Company. This examination covers the period of January 1, 2007 through December 31, 2010. The last full scope examination was completed November 7, 2007.

Limited Scope Examination

The limited scope examination was called in preparation for a full scope examination to be conducted later in 2011. The limited scope examination was called to focus on the information systems technology used within the Company. The information contained within this limited scope examination will be used to assist with the work to be performed in the full scope examination.

The limited scope examination was not performed to identify or communicate all matters related to understanding the financial condition of the Company. The examination was focused on the functions and controls related to information systems technology.

Status of Prior Examination Findings

The last full scope examination was completed as of November 7, 2007. There were no information systems technology findings noted in the prior examination report.

Areas of Review and Procedures Performed

The limited scope examination was performed on the information systems of Standard Life and Casualty Insurance Company. The examination focused on the identified COBIT objective areas of planning and organization, acquisition and implementation, delivering and supporting, and monitoring and evaluating.

These objective areas were reviewed and a risk rating was associated with each of the objectives. Controls for each of the objectives were then reviewed to determine if the control lowered the objectives associated risk.

The examiners performed interviews with company management to determine which controls are in place and the ability of the controls to mitigate risks associated with the IT objective areas. Some testing was also performed on limited controls to determine their effectiveness.

SUMMARY OF SIGNIFICANT FINDINGS

The examination did not expose an IT adverse findings or adjustments to be reported in the examination report.

ACKNOWLEDGEMENT

Aaron Phillips, CFE, participated in the examination representing the Utah Insurance Department. He joins the undersigned in acknowledging the assistance and cooperation extended during the course of the examination by officers, employees, and representatives of the Company.

Respectfully Submitted,

A handwritten signature in black ink that reads "Aaron Phillips". The signature is written in a cursive style with a large initial "A".

Aaron Phillips, CFE

Utah Insurance Department