# Standard Life Insurance
## Company of Indiana

March 31, 2010

Dear Policyholder,

In the months since the Marion County Circuit Court placed Standard Life Insurance Company of Indiana under an Order of Rehabilitation, we have been working to improve the Company's investment portfolio and assets and to pursue a transaction with a third party that could fully protect Standard Life's policies and contracts with its customers. We have made progress on both goals.

As you may know, we were able to begin allowing limited liquidity to many policyholders in the form of a 10 percent penalty-free withdrawal –"where contractually available" - earlier this year. You can learn the details of this by reading the most recent update to our Frequently Asked Questions (FAQ) posted on this website.

This is in addition to continuing the following benefits for our policyholders:

- Payment of all death claims in full;
- Ability to access earned interest where available;
- Maturities honored based on contract provisions; and
- Hardship withdrawals and income payments in accordance with court-approved procedures.

The negotiations with a third party have been complex and therefore are not yet complete. As you can imagine, once a transaction is finalized, a transition period in the form of an extended moratorium will be necessary to allow time to implement the new operation.

For those reasons, Carol Cutter as the Insurance Commissioner of the State of Indiana has filed a petition with the Court to extend the existing moratorium on loan and cash surrender rights for Standard Life policies to be continuous from March 31, 2010. The National Organization of Life and Health Guaranty Associations has also agreed not to object to the extension and the filing of the petition. Once the Court finalizes the exact terms of the extension, I will publish an additional update.

If you have any questions, please contact Standard Life Insurance Company of Indiana by writing or calling us at (800) 222-3216.

Sincerely yours,

Randolph Lamberjack
Special Deputy Rehabilitator