

2009 IHC Stock Ownership Plan

Producer Program

Still going strong!

Now in its fourth year, the IHC Stock Ownership Plan rewards you with shares of stock in Independence Holding Company (NYSE: IHC) based on your sales of qualifying IHC Group products.

The IHC Stock Ownership Plan is one more way we demonstrate our commitment to your success!

Despite the ups and downs of the market, we believe in the value of this one-of-a-kind incentive opportunity that rewards you with actual shares of stock, not stock options.

Whether you hold your shares or sell them, the choice is yours. Either way, the IHC Stock Ownership Plan is an investment in our collective future.

When you reach \$35,000 in combined annualized premium, you earn 5 shares.*

Additional sales qualify you to earn even more:

Premium	Award
\$35,001-\$100,000	One share for every \$5,000 of premium
\$100,001+	Two shares for every \$5,000 of premium

**Based on combined sum of premium from all qualifying IHC Group products. See back page for details.*

Bonus Opportunities

Accelerator Club

Receive a **10% share bonus** when you earn at least one share of stock in each quarterly reporting period.

Outstanding Achiever

This distinction is given to the best of the best. Receive a **150% share bonus** if you are the top earner for any IHC Group company at the end of the 12-month qualification period.

Calculating Annualized Premium

Qualification period runs January 1-December 31, 2009

Product Type	Premium <i>(max load small group cases not included)</i>	Annualized
Small Group Individual Limited Medical	Monthly gross premium equals all commissionable premium due for the first month of coverage. Cases must be in force for no less than 31 days to count.	First month's premium x 12
Short-Term Medical	Monthly gross premium equals all commissionable premium due for the first month of coverage.	First month's premium x 6 <i>Doubled as part of the 2-for-1 program!</i>
Dental Group Life Disability	Monthly gross premium equals all commissionable premium due for the first month of coverage. Cases must be in force for no less than 31 days to count.	First month's premium x 12 <i>Doubled as part of the 2-for-1 program!</i>

- Annualized premium equals base premium at the time the case is issued.
- Split cases will count toward the first agent listed on the application for insurance.
- Premium is counted in the month the case is issued.
- Premium for cases canceled back to the effective date will not be counted.
- To be awarded shares, producers must contract with at least one member company in the IHC Group, and must be in good standing at the end of the qualification period.

Monitor Your Earning Status Online at www.ihcstock.com



The IHC Group is an organization of insurance carriers, managing general underwriters, third-party administrators and marketing affiliates that has been providing life, health, disability, dental, vision and medical stop-loss insurance solutions to groups and individuals for over 25 years. Each insurance carrier in the IHC Group has a financial strength rating of "A-" (Excellent) from A.M. Best Company, Inc. Collectively, the companies in the IHC Group provide insurance coverage to more than one million individuals and groups.

For more information about the IHC Group, visit www.ihcgroup.com.

The value of a share fluctuates over time. Past performance is not a guarantee of future results. If production requirements are not met or a general agent contract is terminated, all awards will be forfeited. The participating general agent must remain in good standing with IHC. Any stock awards in connection with this program cannot be gifted. IHC reserves the right at any time to modify, amend, suspend or terminate this program. IHC reserves the right to determine who is an eligible general agent for the purposes of the 2009 IHC Stock Ownership Plan. IHC recommends participants consult with their tax advisor to understand any tax matters associated with stock awards.