

Cuts to Federal Employee Retirement Annuities Proposed in House - Denounced by NARFE

In a policy reform proposal to President Obama that would potentially save billions of taxpayer dollars over the next five years, House republican leaders recommended a reduction in the retirement annuities of federal employees and a new rule to require them to work longer to receive their full annuity. The proposal, made on June 4th by Minority Leader John Boehner (R-OH) and Minority Whip Eric Cantor (R-VA), proposed the following:

Update the Formula for Federal Pensions to Reflect Private Sector: Initial pension benefits for federal civilian employees are calculated based on the average of employee's highest earnings over three consecutive years. It is common practice in the private sector to base benefits on a five year average. The Congressional Budget Office has estimated that moving to a five year average would save taxpayers \$1.2 billion over five years.

Eliminate Full-time Union Representatives from Federal Payroll: Under current law, federal employees who are part of a collective bargaining unit may be granted "official time" to perform representational duties on behalf of the union. While on official time, the employee is paid by the government, but is acting on behalf of the union. According to the Office of Personnel Management (OPM), in FY 2008 the federal government spent \$120 million paying employees for their time spent working on union activities. While some employees only spend minimal time on union activities, others are designated as 100% on official time, meaning that they are paid to spend all of their time on union activities. OPM suggested a significant amount of the time spent on general labor-management category (as opposed to dispute resolution or contract negotiations) is spent by those on 100% official time. Eliminating 100% official time would save taxpayers millions of dollars each year. Savings of just 10% a year would save taxpayers \$12 million next year, and \$60 million over five years.

Eliminate Retirement Payments for Federal Workers Who Retire Before Age 62: The federal government provides civilian employees with a benefit not normally offered to private sector employees: federal employees that retire at age 55 or older with at least 30 years of service, or at age 60 with at least 20 years of service receive until they reach 62 a benefit equal to the estimated Social Security benefit for which the worker will become eligible at age 62. This policy not only encourages federal employees to retire early, but it comes at a significant cost to taxpayers. Preliminary estimates indicate that the early retirement benefit costs taxpayers \$267 million a year.

NARFE Deplores the Proposed Cuts: "Not only would these proposals dishonor the government's obligations to its workers, but it also makes public service a much harder sell to the highly talented and skilled individuals needed to take on the challenges of recovering from an unparalleled economic upheaval, fighting two wars and defending the homeland," said National Active and Retired Federal Employees Association (NARFE) President Margaret L. Baptiste. "The federal government should serve as a model to other employees and should not be a part of the mindless race to the bottom, which has contributed to the growing number of employees without adequate retirement savings or health insurance." Baptiste concluded, "Federal workers and annuitants have dedicated their careers and continue to give so much for our nation and our ideals. NARFE urges the Congress not to demean their public service by reducing the retirement and health benefits that are rightfully theirs." For more information, please visit www.myfederalretirement.com.

Stonebridge Life Simplified Issue Term Product

Stonebridge Life has recently introduced an informational flyer for their new Simplified Issue Term Product (shown right). Please contact us to receive a copy of this flyer, or to learn more about the Simplified Issue Term Product with Stonebridge Life.

Introducing the new Simplified Issue Term Product

* FACE AMOUNTS - \$25,000 TO \$250,000

* VERY COMPETITIVE RATES (rates on most states except IL, RI & VT. Refer to the state approval listing for availability in your state.)

Here are a few sample rates...

Age	25 Year Term Annual Rate	20 Year Term Annual Rate	10 Year Term Annual Rate
Age 25	1.50	1.50	1.50
Age 35	1.62	2.13	2.43
Age 45	3.84	5.00	6.17

* Underwriting Guide - The height/weight guidelines as well as medical impairments for the Simplified Issue Term are included in the Stonebridge underwriting guide. Note: The medical requirements grid on page 12 now applies to all Stonebridge products except the Simplified Issue Term. Preferred underwriting classes are now available on fully underwritten amounts of \$100,001 and up for all products except the Simplified Issue Term. All applications for the Stonebridge Term and Term with ROP received after March 31, 2009 will be based on the new underwriting / medical requirements.
* Application (L114 0808) - indicate product name, "Simplified Issue Term". All other Stonebridge products will use the fully underwritten application (L114 0802).
* Same Great Service - Deal Direct with the Home Office
Agent rate guide, new client brochure, & illustration software are all available on Agent Net Info (ANI). Check the state approval listing for availability of product and rates. Applications and additional materials can be ordered online at www.agentnetinfo.com. Go to Support Fulfillment or call 1-866-616-4198, option 5.
ALSO AVAILABLE as of April 1st... Juvenile issue ages on the Stonebridge Lifetime UL product. NOTE: Refer to the state approval list posted on ANI for availability.
If you have questions please give us a call at 1-866-616-4198, Option 2.

Join American Equity for 2009 Convention and Chairman's Club!

This year's American Equity Convention is being held in the Bahamas at the Atlantis Resort from November 11 - November 15, 2009. Qualifying production is Paid Annuity or Single Premium Life Premium of \$2,500,000 Couple (excludes Internal Transfers). This promotion closes on June 30, 2009. Agents producing \$7 million or more by June 30, 2009, are invited to attend the Chairman's Club trip, to be held September 15 - September 20, 2009, in Bermuda at The Fairmont Southampton. Please visit www.american-equity.com for more information.



Focusing on our IHC Financial Agents

IHC Financial Group appreciates our agents! Every edition of *IHC Financial Focus* will contain a section featured on one of our agents. This month's edition is featuring Scott Batchelar of Boston, Massachusetts. Scott Batchelar has been working in the insurance business for about two years. He previously worked in the mortgage and securities industry for 12 years. His favorite product to sell is the Madison National Life Secure Advantage.

In his free time, Scott enjoys playing golf, working out, and spending time in downtown Boston. He is originally from Connecticut; however, he has lived in Boston for 15 years. Scott is also an avid fan of the Boston Red Sox, New England Patriots, and Boston Celtics!

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Stonebridge Life Webinar Series
Stonebridge Life Insurance Company will hold a series of informational webinars covering topics such as Illustration Software (07/07), Review of Transamerica Portfolio (07/28), and Review of Stonebridge Portfolio (08/18). A WebEx link and dial in information will be provided prior to each Webinar. Please contact Elaine Brown to obtain recordings of previous webinars, or for information on future webinars.

Tobacco Bill Includes Federal Employees
Federal employees were not completely ignored in the recent tobacco bill. A provision for creating a Roth 401(k)-like option for TSP participants was included in the bill, as well as perks for CSRS'ers who work part-time toward the end of their careers. For more information, please refer to www.federalnewsradio.com.

Registration Assistance for Agent Portals
IHC Financial Group proudly works with Stonebridge Life, Transamerica, Madison National Life, Allianz, American Equity, Assurity Life, Aviva, Genworth, Great American, and ING. Each offer an agent portal for agents to utilize to access their pending requirements, commissions, supplies, and learn about upcoming promotions. Please contact us for assistance registering online.

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