



January 5, 2016

Independence Holding Company and American Independence Corp. Announce Sale of Stop Loss Business to Swiss Re Corporate Solutions, a Division of Swiss Re

STAMFORD, Conn. and NEW YORK, Jan. 05, 2016 (GLOBE NEWSWIRE) -- Independence Holding Company (NYSE:IHC) and American Independence Corp. (NASDAQ:AMIC) today announced that they have entered into an agreement to sell the stock of IHC Risk Solutions LLC (RS) and co-insure to Swiss Re Corporate Solutions' largest US carrier, Westport Insurance Corporation, all of the in-force stop-loss business of Standard Security Life Insurance Company of New York (SSL) and Independence American Insurance Company (IAIC) produced by RS, as of January 1, 2016, for an aggregate of \$152,500,000 in cash. AMIC and its subsidiaries, including IAIC, are expected to receive approximately 89% of the purchase price with the balance being paid to SSL. The transaction has been approved by the independent members of the Boards of Directors of IHC, AMIC and SSL and by the holders of approximately 92% of the outstanding stock of AMIC. It is anticipated that the transaction, which is subject to certain closing conditions including applicable regulatory approvals, will close in the first quarter of 2016. This transaction will result in very significant gains in both income and book value of both IHC and AMIC, which amounts will not be fully determined until after closing of the transaction.

Roy T. Thung, Chief Executive Officer of IHC and AMIC, commented, "We are delighted that this transaction will unlock significant value for the shareholders of both AMIC and IHC and will materially increase liquidity in both companies. We will continue to focus on growing our specialty health, group life and disability, DBL and occupational accident lines of business through organic growth and acquisitions. In addition, the IHC Board of Directors has appointed a special committee of independent directors which has been authorized to hire independent advisors to recommend to the full Board of Directors the price at which IHC would take AMIC private in 2016. After completion of the going private transaction, IHC will own 100% of SSL, IAIC and Madison National Life Insurance Company, Inc."

About Independence Holding Company

Independence Holding Company (NYSE:IHC) is a holding company principally engaged in the life and health insurance business through its insurance company subsidiaries (Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company) and its marketing and administrative affiliates. Standard Security Life furnishes medical stop-loss, group limited medical, short-term medical, group long-term and short-term disability, group life, statutory disability benefit policies (DBL) in New York, group and individual dental, vision and various supplemental products. Madison National Life sells group life and disability, group limited medical, group and individual dental, and various supplemental products. Independence American offers pet insurance, non-subscriber occupational accident, short-term medical, medical stop-loss, group and individual dental and various supplemental products. IHC owns certain subsidiaries through its majority ownership of American Independence Corp. (NASDAQ:AMIC), which is a holding company principally engaged in the insurance and reinsurance business.

About American Independence Corp.

American Independence Corp. (NASDAQ:AMIC) is a holding company principally engaged in health insurance and reinsurance. It provides specialized health coverage and related services to commercial customers and individuals. Through Independence American Insurance Company and its other subsidiaries, it offers medical stop-loss, non-subscriber occupational accident, pet insurance, group major medical, short-term medical, vision, dental and various supplemental products, which are marketed through its subsidiaries IHC Specialty Benefits, Inc., IPA Direct, LLC and IPA Family, LLC. AMIC markets medical stop-loss through its marketing and administrative company IHC Risk Solutions, LLC.

Forward-looking Statements

Certain statements and information contained in this release may be considered "forward-looking statements," such as statements relating to management's views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the markets in which Independence Holding Company (IHC) and American Independence Corp (AMIC) and operates, new federal or state governmental regulation, IHC's and AMIC's ability to effectively operate, integrate and leverage any past or future strategic acquisition, and other factors which can be found in IHC's and AMIC's other news releases and filings with the Securities and Exchange Commission. IHC and AMIC expressly disclaims any duty to update its forward-looking statements unless required by applicable law.

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