

Smedsrud Jeffrey C
 Form 4
 March 19, 2013

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Smedsrud Jeffrey C

2. Issuer Name and Ticker or Trading Symbol
 INDEPENDENCE HOLDING CO [IHC]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 8009 34TH AVENUE SOUTH #360
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/19/2013

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior Vice President

BLOOMINGTON,, MN 55420
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	(A) or Disposed of (D)		Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				(A)	(D)								
Employee Stock Option (right to buy)	\$ 9.99	03/19/2013	03/19/2013	D		D	(1)	27,500 (2)		(1)	03/19/2013	Common Stock	27,500
Employee Stock Option (right to buy)	\$ 9.99	03/19/2013	03/19/2013	A		A	(1)	27,500		(1)	03/19/2018	Common Stock	27,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Smedsrud Jeffrey C 8009 34TH AVENUE SOUTH #360 BLOOMINGTON,, MN 55420			Senior Vice President	

Signatures

Jeffrey C. 03/19/2013
 Smedsrud

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option and the grant of a replacement option. The option originally expired on March 19, 2013 and provided for vesting in 3 equal annual installments commencing on March 19, 2009. The new option expires on March 19, 2018 and provides for vesting in 2 equal annual installments commencing on March 19, 2014.

(2) Adjusted for the 10% stock dividend paid on February 17, 2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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