

FBL FINANCIAL GROUP INC  
Form DEF 14A  
March 29, 2019

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by Registrant ☒ [X]  
Filed by Party other than Registrant ☐ [ ]

Check the appropriate box:

- ☐ [ ] Preliminary proxy statement  
☐ [ ] Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))  
☒ [X] Definitive proxy statement  
☐ [ ] Definitive additional materials  
☐ [ ] Soliciting material pursuant to § 240.14a-12

FBL Financial Group, Inc.  
(Name of Registrant as specified in its charter)

Name of person(s) filing proxy statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ [X] No fee required  
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1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing party:

4) Date filed:

FBL Financial Group, Inc.  
5400 University Avenue  
West Des Moines, IA 50266

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF FBL FINANCIAL GROUP, INC.

Date: Wednesday, May 15, 2019  
Time: 8:00 a.m. Central Daylight Time  
Place: FBL Financial Group, Inc. Corporate Headquarters  
5400 University Avenue  
West Des Moines, IA 50266

AGENDA:

1. Elect a Board of Directors;
2. Advisory vote to approve named executive officer compensation;
3. Ratify the appointment of our Independent Registered Public Accounting Firm for 2019.

At the meeting we will also report on FBL Financial Group's 2018 business results and other matters of interest to shareholders. Only shareholders who owned stock at the close of business on March 15, 2019 can vote at this meeting or any adjournments that may take place.

On March 29, 2019, we made available to our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our 2019 proxy statement and annual report, and vote, online. The 2019 proxy statement contains instructions on how you can (i) receive a paper copy of the proxy statement, proxy card and annual report, if you only received the Notice of Internet Availability of Proxy Materials by mail, or (ii) elect for subsequent years to receive your proxy statement, proxy card and annual report over the Internet, if you received them by mail this year.

Enclosed with this Notice of Annual Meeting is the 2019 proxy statement and proxy card, and the 2018 annual report on Form 10-K as filed with the Securities and Exchange Commission. The annual report on Form 10-K contains all information required to be included with an annual report to shareholders. In addition, you may view our online annual report on our website, [www.fblfinancial.com](http://www.fblfinancial.com). Whether or not you plan to attend the meeting, we urge you to vote your shares over the Internet or by telephone, as described in the enclosed materials. If you received a copy of the proxy card by mail, you may date, sign and mail the proxy card in the envelope provided.

By Order of the Board of Directors

/s/ Duane J. Johnson, Jr.  
Duane J. Johnson, Jr.  
Secretary

March 29, 2019

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## Notice of Electronic Availability of Proxy Statement and Annual Report

As required by rules adopted by the Securities and Exchange Commission (“SEC”), FBL Financial Group, Inc. (“FBL” or the “Company”) is making this proxy statement and proxy card, and its annual report on Form 10-K, available to shareholders electronically via the Internet. On March 29, 2019, we began mailing our shareholders a Notice of Internet Availability of Proxy Materials (the “Notice”) containing instructions on how to access this proxy statement and our annual report, and vote, online. If you received a Notice by mail, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review online all of the important information contained in the proxy statement and annual report. The Notice also instructs you on how you may submit your proxy over the Internet.

If you received a Notice by mail and would like to receive a paper copy of our proxy materials, you must request one. There is no charge to you for requesting a paper copy. If you received a paper copy of our proxy materials and want to receive an electronic copy, you must request one. There is no charge to you for requesting an electronic copy.

Please make your request for a paper copy or electronic copy of proxy materials related to the May 15, 2019 shareholders meeting on or before May 1, 2019 to facilitate timely delivery.

You may make your request using one of the following methods:

By telephone: 1-800-579-1639

By e-mail: [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com) (if requesting materials by e-mail, please send a blank e-mail with the 12 Digit Control Number [located on the Notice] in the subject line)

By Internet: [www.proxyvote.com](http://www.proxyvote.com)

## QUESTIONS AND ANSWERS

1 Q: On what may I vote?

- A: 1) the election of four Class A directors;  
2) the approval of a resolution regarding named executive officer compensation, on an advisory basis;  
3) the ratification of the appointment of our Independent Registered Public Accounting Firm for 2019.

2 Q: How does the Board recommend I vote on the proposals?

The Board recommends voting as follows:

- A: FOR each of the nominees for Class A director named in this proxy statement,  
FOR the advisory vote to approve named executive officer compensation,  
FOR ratification of the appointment of the Independent Registered Accounting Firm.

3 Q: Why are there only four Class A director nominees?

We use the controlled company exemption under New York Stock Exchange (“NYSE”) corporate governance rules.

This permits a company with a majority shareholder not to have a majority of its directors be independent and to

- A: vary the makeup of certain director committees. This year the Class B common shareholders will elect six Class B directors, and the Class A common and Series B preferred shareholders will elect four Class A directors. The four Class A director nominees include our Chief Executive Officer and three independent nominees.

4 Q: Who is entitled to vote?

- A: Shareholders as of the close of business on March 15, 2019 (the record date) are entitled to vote at the annual meeting.

5 Q: How do I vote?

Depending on the form of proxy or voting instructions you receive, you may follow directions to cast your vote by telephone or over the Internet. Or, if you receive a printed proxy card, you may sign and date it and return it in the

- A: pre-paid envelope. If you return your signed proxy card but do not indicate how you wish to vote, your shares will be voted in accordance with the Board’s recommendations. Regardless of the method of voting you use, you have the right to revoke your proxy at any time before the meeting by: 1) notifying FBL’s corporate secretary, 2) voting in person or 3) returning a later dated proxy.

6 Q: Who will count the votes?

We have retained Broadridge Investor Communication Solutions, Inc. (“Broadridge”) to distribute our proxy

- A: materials, receive the proxies and tabulate the results. Broadridge’s report will be reviewed by an employee of our legal department who will be appointed as the inspector of election.

7 Q: Is my vote confidential?

Proxy cards, ballots and voting tabulations that identify individual shareholders are mailed or returned directly to Broadridge. An image of them may be forwarded to us after the meeting. We would not release information

- A: identifying individual shareholders unless legally required to do so. We do not receive any identifying information regarding how employees vote Class A common shares held in their 401(k) accounts.

8Q: What shares are included in the proxies?

A: Your proxy represents all of your shares, including those in our direct stock purchase plan administered by our transfer agent, American Stock Transfer & Trust Company. Shares held in custody by Principal Financial Group for the 401(k) plan for employees are represented by a separate voting instruction. If you do not vote by telephone or Internet or return your proxy cards, your shares will not be voted. If employees do not vote by Internet or return their voting instruction card, their shares in the 401(k) plan will be voted in proportion to the votes instructed by other employees.

9Q: What does it mean if I get more than one Notice?

A: If your shares are registered differently and are in more than one account, you may receive more than one Notice. Respond to each Notice to ensure that all your shares are voted. We encourage you to have all accounts registered in the same name and address (whenever possible). You can accomplish this by contacting our transfer agent, American Stock Transfer & Trust Company, at (866) 892-5627. Employees will receive a separate voter instruction card for shares in the 401(k) plan, in addition to a Notice for any shares owned directly.

10Q: How many shares can vote?

As of the record date, March 15, 2019, 24,640,927 shares of Class A common stock, 11,413 shares of Class B common stock and 5,000,000 shares of Series B preferred stock were issued and outstanding. Every shareholder of common stock is entitled to one vote for each share held. Each share of Series B preferred stock is entitled to two votes. In summary, there were a total of 34,652,340 eligible votes as of the record date. The Class A common shareholders and the Series B preferred shareholders vote together to elect the Class A directors; the Class B common shareholders elect the Class B directors. The Class A common shareholders and the Series B preferred shareholders vote together as one class, and the Class B common shareholders vote as one class, on all other matters.

11Q: What is a “quorum”?

A “quorum” means that holders of shares representing a majority of the outstanding votes are present at the meeting in person or represented by proxy. There must be a quorum for the meeting to be held. Directors must receive a plurality of votes cast to be elected. Proposal Two and Proposal Three must receive more than 50% of the votes cast in each voting group to be adopted. If you submit a properly executed proxy, even if you abstain from voting, then you will be considered part of the quorum. However, abstentions and broker non-votes are not counted in the tally of votes FOR or AGAINST a proposal. A WITHHELD vote is the same as an abstention.

12Q: Who can attend the annual meeting?

Your directors and management look forward to personally greeting any shareholders who are able to attend. However, only persons who were shareholders at the close of business on March 15, 2019 can vote.

13Q: How will voting on any other business be conducted?

Although we do not know of any business to be conducted at the 2019 annual meeting other than the proposals described in this proxy statement, if any other business is presented at the annual meeting, giving your proxy authorizes Craig Hill, FBL’s Chairman, and Jim Brannen, FBL’s Chief Executive Officer, to vote on such matters at their discretion.

14Q: Who are the largest shareholders?

See “Stock Ownership of Certain Beneficial Owners and Management” for information concerning security ownership by each person who is known to the Company to be the beneficial owner of more than 5% of any class of the Company’s voting securities as of February 28, 2019.

15Q: How are the Class B directors elected?

Only Farm Bureau organizations affiliated with the American Farm Bureau Federation and in whose geographic territory the Company’s insurance subsidiaries use the Farm Bureau name and logo may own Class B common stock. Farm Bureau organizations or their affiliates in fourteen Midwestern and Western states own Class B shares. By agreement, only presidents of the fourteen state Farm Bureau organizations, and one officer of a state Farm Bureau organization, are eligible for nomination as the six Class B directors. The Class B nominating committee is made up of the presidents of the fourteen state Farm Bureau organizations, who meet annually to determine the nominees. Their determinations are made based on the voting power of the organizations they represent. All of the Class B common shareholders have agreed they will vote to elect the named nominees as

Class B directors. It is expected that the President and an additional officer of the Iowa Farm Bureau Federation will both be Class B directors, as long as that organization remains the largest shareholder.

16Q: When are shareholder proposals due for the next annual meeting?

All shareholder proposals to be considered for inclusion in next year's proxy statement must be submitted in writing to Secretary, FBL Financial Group, Inc., 5400 University Avenue, West Des Moines, Iowa 50266 by

A: November 30, 2019. You must have held the lesser of \$2,000 market value or 1% of the Company's securities entitled to vote on the proposal, for at least one year before submitting a proposal, and you must continue to hold those securities through the date of the meeting.

FBL's advance notice bylaw provisions require that any shareholder proposal to be presented from the floor of the annual meeting must be submitted to the Corporate Secretary at the above address not less than 120 days before the first anniversary of the prior year's annual meeting, which would be no later than January 16, 2020. That notice needs to include as to each matter the shareholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought, the reasons for conducting such business and any material interest in such business of the shareholder and the beneficial owner, if any, on whose behalf the proposal is made; (ii) the name and address of, and class and number of shares owned beneficially and of record by, the shareholder and beneficial owner; and (iii) in the event that such business includes a proposal to amend either the articles of incorporation or the bylaws, the language of the proposed amendment. The shareholder must also comply with all applicable requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder.

17Q: Can a shareholder nominate someone as a director of the Company?

As a shareholder of record, you may recommend any person as a nominee for Class A director.

Recommendations are made by writing to the Secretary of the Company not less than 120 days prior to the first anniversary of the prior year's annual meeting. Your notice needs to set forth your name and address, the name, address, age and principal occupation or employment of the person to be nominated, a representation that you are a record holder of Class A common stock, and intend to appear in person or proxy at the meeting to nominate the person specified, the number and class of shares you own and the number and class of shares, if any, owned by the nominee. You also need to describe any arrangements between you and the nominee and other information as required by the Securities Exchange Act of 1934 and the rules and regulations thereunder, including the nominee's written consent to being named in a proxy statement and to serve as a director if elected. Nominations for Class B directors are governed by an agreement between all the holders of Class B common stock.

## CORPORATE GOVERNANCE

### Company Business

The Company is a holding company which markets individual life insurance and annuity products through distribution channels of our subsidiary Farm Bureau Life Insurance Company ("Farm Bureau Life"), principally under the consumer brand name Farm Bureau Financial Services. The Farm Bureau Life distribution channel markets to Farm Bureau members and other individuals and businesses in the Midwestern and Western sections of the United States. In addition, in the state of Colorado, we offer life insurance and annuity products through a subsidiary of Farm Bureau Life, Greenfields Life Insurance Company.

We also manage all aspects of two Farm Bureau-affiliated property-casualty insurance companies, Farm Bureau Property & Casualty Insurance Company ("Farm Bureau Property & Casualty") and Western Agricultural Insurance Company ("Western Ag"), which operate predominately in eight states in the Midwest and West.

### Board Organization

The Company utilizes the "controlled company" exemption under the NYSE corporate governance standards because the Company has a majority shareholder, the Iowa Farm Bureau Federation. Under the controlled company exemption, a company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company is not required to have a majority of the Board of Directors consist of independent directors, and the corporate governance and compensation committees are not required to consist only of independent directors. The Company's Audit Committee continues to consist of three independent directors.

The Board makes its own determinations from time to time of what form of Board leadership works best for the Company. However, as long as the Company has a single shareholder owning a significant voting block, it is expected that a representative of that shareholder will be Chairman of the Board, and that the Board will not choose to have the same individual serve as Chairman and Chief Executive Officer of the Company. So long as the Chairman of the



Board is affiliated with the majority shareholder, the Board, by action of the independent directors, expects to appoint a Lead Director who will conduct any separate meetings of non-management and independent directors and have such other duties and responsibilities as are set by the Board from time to time. The majority shareholder and the Board have determined that this leadership structure gives appropriate deference to the economic interests of the majority shareholder and the other Farm Bureau-affiliated shareholders, while encouraging valuable input and oversight from the independent directors.

Under this arrangement, Craig Hill, President of the Iowa Farm Bureau Federation, is the Chairman of the Board of FBL. The independent directors have elected Paul Larson as the Lead Director. He was also elected Vice Chairman of the Board and appointed to the Executive Committee. In addition to chairing an executive session of the independent directors in the course of each formal Board meeting, the Lead Director is also the primary recipient of communications from shareholders and other interested parties.

Except as otherwise specified in the Company's bylaws, assignments to, and chairs of, the committees are recommended by the Class A Nominating and Corporate Governance Committee and selected by the Board. All committees report on their activities to the Board. See "Further Information Concerning the Board of Directors" for more information regarding the membership and workings of the various committees.

#### Corporate Governance

The Company is committed to strong corporate governance, as demonstrated by the following practices and structure:

(i) Audit Committee comprised only of independent directors, (ii) designation of an independent Lead Director, (iii) annual election of the full Board of Directors, (iv) adoption of director and executive officer stock ownership guidelines, (v) limitation on the number of public company boards on which Class A directors may serve, (vi) periodic director education programs, (vii) annual Board evaluations, (viii) adoption of Board member criteria, and (ix) requirement for Class A directors to offer their resignation upon a significant change in primary occupational responsibilities.

The Board of Directors has adopted governance guidelines for the Company and the Board to ensure effective corporate governance. The governance principles are summarized below, and the full text of the governance guidelines is posted on the Company's website at [www.fblfinancial.com](http://www.fblfinancial.com).

#### Objective of the Board of Directors

The business of FBL is managed under the direction of the Board. The Board represents the interests of the shareholders; as such, it oversees the strategic direction and conduct of the Company's business activities so as to enhance the long-term value of the Company. One of the Board's principal roles is to select and oversee a well-qualified and responsible Chief Executive Officer and management team to run the Company on a daily basis.

#### Board and Board Committee Responsibilities Include:

- Nominate Board candidates for election by the shareholders;
- Oversee management, including the selection, monitoring, evaluation and compensation of the Chief Executive Officer and other senior executives;
- Oversee compliance with laws, regulations and ethical behaviors;
- Understand the major risks in the Company's business and available risk management techniques and confirm that control procedures are adequate;
- Promote integrity and candor in the audit of the Company's financial statements and operations, and in all financial reporting and disclosures;
- Review and approve management's strategic and business plans;
- Review and approve major transactions, financial plans, objectives and actions, including significant capital allocations and expenditures;
- Monitor management's performance of its plans and objectives and advise management on significant decisions; and
- Assess its own effectiveness.

#### Board Operation

The Board normally has four regularly scheduled meetings each year and special meetings as needed. Committee meetings are normally held in conjunction with Board meetings, plus additional meetings as needed. The Chairman, the Lead Director, the Board and the committee chairs are responsible for conducting meetings and informal consultations in a fashion that encourages communication, meaningful participation and timely resolution of issues. Directors receive the agenda and materials in advance of meetings and may ask for additional information from, or meet with, senior management at any time. Strategic planning sessions are held periodically at regular Board meetings. Board education sessions are held at least annually. With the exception of one director, in 2018 all directors attended educational training sessions.

#### Board's Role in Risk Oversight

The Board of Directors is responsible for risk oversight. The Audit Committee monitors financial reporting risks and enterprise risk management (ERM). The Management Development and Compensation Committee reviews the potential of risks being related to or created by compensation and incentive systems. It concluded in February 2019 that the Company's compensation policies and practices for all employees, including executive officers, do not create risks that are reasonably likely to have a material adverse effect on the Company.

The Company's management team monitors all other risks on an ongoing basis. An employee-staffed Enterprise Risk Management Committee is responsible for identifying risks that impact any and all of our businesses, establishing a reporting system to appropriately address risks and communicating results regularly to the management team, Audit Committee and

Board of Directors. The Enterprise Risk Management Committee monitors quarterly surveys of the identified risks for possible elevations or changes in risk status with relation to established risk tolerances. A “dashboard” report is provided quarterly to the management team and the Audit Committee for their assessments of these risks.

#### Board Advisers

The Board and its committees (consistent with their respective charters) may retain their own advisers and consultants as they consider necessary to carry out their responsibilities.

#### Board Evaluation

The Class A Nominating and Corporate Governance Committee coordinates an annual evaluation process by the directors of the Board's performance and procedures, including evaluation of committee performance. The Board and each of the standing committees have conducted annual evaluations of their performance and procedures, including the adequacy of their charters, as established in the bylaws and charter documents.

#### Board Compensation

The Management Development and Compensation Committee, in accordance with the policies and principles set forth in its charter, reviews and makes recommendations to the full Board with respect to the compensation of directors. As part of such review, the Management Development and Compensation Committee periodically reviews director compensation, including additional compensation for committee members, in comparison to companies that are similarly situated to ensure that such compensation is reasonable, competitive and customary. In addition, the Board will review all consulting contracts with, or other arrangements that provide other indirect forms of compensation to, any director or former director.

#### Director Share Ownership Guidelines

To more closely align the interests of directors and the Company's shareholders, the Board has determined that directors are required to own FBL stock worth three times their annual retainer within five years of becoming a director. The annual retainer is \$30,000 for Class A directors and \$12,500 for Class B directors, resulting in a share value ownership requirement equivalent to \$90,000 for Class A directors and \$37,500 for Class B directors. "Ownership" includes shares owned outright, in retirement plans, in the Directors Compensation Plan when funded by restricted stock units, and other grants of restricted stock units. For Class B directors, "ownership" also includes any Class A common stock owned by the Class B director's employer, an affiliate of such employer, the Farm Bureau entity of which the director is president, or the affiliate of such an entity. Our directors may choose to receive some or all director fees in cash-settled restricted stock units under the Directors Compensation Plan, which are recognized as the ownership of equivalent shares for purposes of the share ownership guidelines. As of February 28, 2019, all of our directors have met or are on track to meet the ownership requirements.

#### Corporate Conduct

We have adopted a Code of Business Ethics and Conduct that applies to all employees, officers and directors of the Company and meets the requirements of a "code of business conduct and ethics" under the listing standards of the NYSE. We have also adopted a Code of Ethics for Senior Financial Officers that meets the requirements of a “code of ethics” as defined by Item 406 of Regulation S-K. Both the Code of Business Ethics and Conduct and the Code of Ethics for Senior Financial Officers (together, the "Codes") are posted on our website at [www.fblfinancial.com](http://www.fblfinancial.com) under the heading Corporate Governance - Governance Documents. We intend to satisfy applicable disclosure requirements regarding amendments to, or waivers from, any provision of the Codes on our website. The Company has also adopted a Corporate Compliance Manual, which memorializes compliance practices.

#### Communications with the Board of Directors

The Board has established a process for shareholders and other interested parties to communicate with members of the Board, including the Lead Director. If you have any concern, question or complaint regarding our compliance with any policy or law, or would otherwise like to contact the Board, you can mail materials c/o Secretary, FBL Financial Group, Inc., 5400 University Avenue, West Des Moines, IA 50266, or e-mail [Contact.Board@FBLFinancial.com](mailto:Contact.Board@FBLFinancial.com).

## COMPENSATION OF NON-EMPLOYEE DIRECTORS

Cash compensation payable to our non-employee directors is shown in the table below.

Non-employee directors annual fee	\$45,000
Class A Director retainer	30,000
Class B Director retainer	12,500
Board meeting fees	1,500
Board telephonic meeting fees	1,000
Committee meeting fees	
Audit	1,000
Management Development and Compensation	1,000
Class A Nominating and Corporate Governance	1,000
Executive	1,000
Class B Nominating	500
By telephone	250
Other Retainers	
Lead Director	10,000
Audit chair	10,000
Management Development and Compensation chair	10,000
Class A Nominating and Corporate Governance chair	5,000

Non-employee directors who serve on the boards of both the Company and its wholly owned subsidiary, Farm Bureau Life, receive the higher of the two retainers paid to directors, not both. Directors may elect to receive their fees in cash or in cash-settled deferred stock equivalent units pursuant to the Director Compensation Plan. All directors are reimbursed for travel expenses incurred in attending Board and committee meetings.

## 2018 Director Compensation Table

Name(a)	Fees Earned/Paid in Cash(f) (\$)	Stock Awards (\$)	All Other Compensation(g) (\$)	Total (\$)
Roger K. Brooks	99,500	—	—	99,500
Richard W. Felts(b)	62,000	—	21,300	83,300
Joe D. Heinrich(c)	54,000	—	—	54,000
Craig D. Hill(d)	—	75,116	—	75,116
James A. Holte(e)	53,500	—	24,300	77,800
Paul A. Juffer	102,500	—	—	102,500
Paul E. Larson	114,500	—	—	114,500
Kevin D. Paap	54,000	—	21,300	75,300
Scott E. VanderWal	56,500	—	21,300	77,800

Excludes Mr. Brannen, who as Chief Executive Officer of the Company was not separately compensated for his (a) service as a director. See “Executive Compensation” and “Summary Compensation Table” for further information regarding Mr. Brannen’s compensation.

Mr. Felts is an officer of the Kansas Farm Bureau. Of the indicated compensation amount, a portion of that payable (b) to Mr. Felts is paid to the Kansas Farm Bureau, and he is separately compensated by that organization for his services, including service as a director of the Company.

Mr. Heinrich is an officer of the Iowa Farm Bureau Federation. Of the indicated compensation amount, a portion of (c) that payable to Mr. Heinrich is paid to the Iowa Farm Bureau Federation, and he is separately compensated by that organization for his services, including service as a director of the Company.

As a corporate officer, Mr. Hill is also considered an employee of the Company. As such, he received stock awards (d) consisting of service-based cash-settled restricted stock units which vest and are paid over a five-year period.

Mr. Holte is an officer of the Wisconsin Farm Bureau Federation. Of the indicated compensation amount, a portion (e) of that payable to Mr. Holte is paid to the Wisconsin Farm Bureau Federation, and he is separately compensated by that organization for his services, including service as a director of the Company.

Various directors have elected to defer various amounts of earned fees to the Director Compensation Plan, a nonqualified deferred compensation vehicle which accumulates cash-settled restricted stock units based on the (f) market price of the Company's Class A common stock on the date of fee payments. The Director Compensation Plan also accumulates dividend equivalents on the restricted stock units at the same rate as dividend payments on the Company's Class A common stock.

(g) Includes Farm Bureau Life director retainer, Farm Bureau Life board and committee meeting fees, group life premiums for Farm Bureau Life directors, Class B Nominating Committee fees and guest travel.

**FURTHER INFORMATION CONCERNING THE BOARD OF DIRECTORS**

The Board of Directors met four times during 2018. All of the directors attended at least 75% of the aggregate of all meetings of the Board and each committee of which they were members. The Company has adopted a formal policy that attendance of directors at the annual shareholder meeting is expected. All directors attended the last annual meeting in May 2018.

The committees of the Board of Directors and the number of meetings held by each committee in 2018 were:

Committee Name	Number of Meetings Held During 2018
Executive Committee	6
Audit Committee	8
Management Development and Compensation Committee	6
Class A Nominating and Corporate Governance Committee	3
Class B Nominating Committee	1

The Executive Committee is composed of Mr. Hill (Chair), Mr. Brannen, Mr. Felts, Mr. Larson and Duane J. Johnson, Jr., Secretary of the Company, who is Executive Director and Secretary-Treasurer of the Iowa Farm Bureau Federation. The Executive Committee may exercise all powers of the Board of Directors during intervals between meetings of the Board, with certain exceptions.

The Audit Committee consists of Mr. Larson (Chair), Mr. Brooks and Mr. Juffer. The Audit Committee must include only Class A directors who are independent of management and free from any relationships that would interfere with the exercise of independent judgment. The Board of Directors has determined that the above members of the Audit Committee meet such standards, and further that all are “financially literate” and have “accounting or related financial management expertise,” as required by the NYSE Listed Company Manual. Further, the Board of Directors has determined that all members are “audit committee financial experts,” as that term is defined in SEC regulations. The Audit Committee hires FBL's Independent Registered Public Accounting Firm and reviews the professional services to be provided by the firm and its independence from our management. The Audit Committee also reviews the scope of the audit by the Independent Registered Public Accounting Firm and its fees, our annual and quarterly financial statements and related filings with the SEC, the system of internal accounting controls and other matters involving the accounting, auditing and financial reporting practices and procedures of the Company as it may find appropriate or as may be brought to its attention, oversees risk analysis and meets quarterly with members of the internal audit staff. The Audit Committee is required to review with the Independent Registered Public Accounting Firm and management any material transaction or series of similar transactions to which FBL was, within the past year, or is currently expected to be, a party, and with respect to which a director, executive officer, or holder of more than five percent of any class of voting stock of the Company is a party. Additionally, if the Audit Committee determines that any transaction or proposed transaction between FBL and Farm Bureau Property & Casualty or Western Ag may be unfair to FBL, the Board is required to submit the matter to a coordinating committee for resolution. A copy of the current Audit Committee Charter is available on our website, [www.fblfinancial.com](http://www.fblfinancial.com).

The Management Development and Compensation Committee consists of Mr. Brooks (Chair), Mr. Felts, Mr. Juffer and Mr. VanderWal. A Stock Subcommittee consisting only of the two independent directors has been formed to manage equity-based security grants under Section 16 of the Securities Exchange Act. The Committee's responsibilities are to assure that the executive officers of the Company and its wholly-owned affiliates are compensated effectively in a manner consistent with the shareholders' interests and consistent with the compensation strategy of the Company, internal equity considerations, competitive practice and the requirements of the appropriate regulatory bodies, to oversee hiring, promotion and development of executive talent within the Company, including management succession planning and review, and to administer any benefit plans related to or based on the Company's equity securities. The committee has full responsibility for determining the compensation of the Chief Executive Officer, in conjunction with the Board's review of the Chief Executive Officer's performance. A copy of the current Management Development and Compensation Committee Charter is available on our website, [www.fblfinancial.com](http://www.fblfinancial.com).

The Class A Nominating and Corporate Governance Committee is composed of Mr. Juffer (Chair), Mr. Heinrich, Mr. Holte and Mr. Paap. The responsibilities of the Class A Nominating and Corporate Governance Committee include assisting the Board in (i) identifying qualified individuals to become Class A directors, consistent with criteria approved by the Board, (ii) determining the composition of the Board of Directors and its committees, (iii) monitoring a process to assess Board effectiveness and (iv) developing and implementing the Company's corporate governance guidelines. The Class A Nominating and Corporate Governance Committee also takes the lead in preparing and conducting annual assessments of Board and committee performance, and makes recommendations to the Board for improvements in the Board's operations. It also



periodically reviews other matters involving the Company's corporate governance, including director education and the size of the Board, and recommends appropriate changes to the Board. A copy of the current Class A Nominating and Corporate Governance Committee Charter and the corporate governance guidelines are available on our website, [www.fblfinancial.com](http://www.fblfinancial.com).

The Class B Nominating Committee reviews nominations for election to the Board as Class B directors pursuant to a shareholders agreement among the Class B shareholders, and nominates candidates to fill Class B director vacancies. The Committee members are the presidents of the fourteen state Farm Bureau organizations in the trade area of Farm Bureau Life, including those who are current Class B directors. Mr. Hill chairs the committee.

In addition to the Board committees, we have established several operational committees consisting of employees, the activities of which are reported to the Board. Mr. Brannen sits on some of these committees in his capacity as Chief Executive Officer. The Board may establish other committees in its discretion.

#### PROPOSAL NUMBER ONE ELECTION OF CLASS A DIRECTORS

There are four nominees for election as Class A directors, to be elected by the vote of the Class A common shareholders and Series B preferred shareholders, voting together as a single class. One nominee is the Chief Executive Officer of the Company and three nominees are independent of management. Each of the nominees have previously been elected by the shareholders. The Board of Directors, based on information received in questionnaires and in personal interviews, has determined that all nominees are qualified to serve, and the three independent nominees Mr. Brooks, Mr. Juffer and Mr. Larson possess the degree of independence from management and from the Company mandated by the SEC and NYSE.

##### Process of Nominations

The Class A Nominating and Corporate Governance Committee identifies potential Board candidates from its own network of business and industry contacts, and from recommendations from other directors, Class B shareholders and management. The committee will also consider nominations made by Class A shareholders, as explained in the answer to question 17 under "Questions and Answers." The Board has established criteria for the committee to use in assessing nominees in the areas of competency, skills/experience and personal characteristics.

Competency includes: high performance standards and business credibility, freedom from conflicts that could interfere with the director's independent judgment related to the business of the corporation, the ability to devote adequate time to fulfill the director's duties, the individual's current or former occupation/industry, financial and technical expertise and geographic location, in relation to the Board's existing needs, and current service on no more than three other publicly traded companies.

Skills/experience includes: financial literacy, executive level business experience, leadership skills including strategic planning and sound judgment, technical skills in identified areas of need (such as life insurance, accounting, finance, investments or legal), general industry knowledge as well as career specialization and relevant technical skills, and achievement in business, career, education and community; agribusiness or public company experience is a plus.

Personal characteristics include: integrity, representing the highest personal and professional ethics, accountability, willingness to make informed judgments, maturity and confidence of judgment, courage of convictions, knowledge of and commitment to fulfilling fiduciary duties, including duties of loyalty and care, willingness to act in good faith, rationally and fair, practical wisdom, commitment to developing knowledge to advance the interest of the company and the industry, commitment to prepare for and attend meetings, and willingness to resign upon significant change in abilities or value of contribution due to altered employment status, residency, geographic location or health.

The Class A Nominating and Corporate Governance Committee reviews the preceding criteria along with candidates' qualifications. Additionally, the Company recognizes the value that diverse viewpoints can bring to business performance, and will seek qualified candidates in its geographic area who have diverse backgrounds and characteristics including diversity of education, professional experience, skills, ethnicity, gender, age and life experience. The Class A Nominating and Corporate Governance Committee also reviews the candidates' independence from the Company and its management, based on responses to written questions, background checks and personal interviews.

##### Independence Determinations

In making its independence determinations, the Board specifically reviewed information that Director Paul E. Larson is also a director of other companies in the insurance industry. In particular, Mr. Larson is a director of Wellmark, Inc. and Wellmark of South Dakota, Inc., which provide Blue Cross-Blue Shield health insurance policies sold by agents of the Company's insurance affiliates in Iowa and South Dakota. Wellmark also pays a royalty to the Iowa Farm Bureau Federation for such sales made in Iowa. Additionally, Wellmark entities administer and provide stop loss coverage for the group health plan of the Iowa Farm Bureau Federation and its affiliated companies, including the Company, and a Wellmark subsidiary administers a separate health benefit plan offered by the Iowa Farm Bureau Federation to its members. In reviewing these relationships, the Board noted that Mr. Larson serves only as a director of Wellmark, Inc. and Wellmark of South Dakota, Inc.,

and not as a partner, shareholder or officer of those entities or other affiliates of Wellmark. Mr. Larson also serves as a director of GuideOne Mutual Insurance Company and GuideOne Specialty Mutual Insurance Company, which are each property-casualty insurers that are not in competition with the Company. Based on these facts, the Board determined that these relationships do not affect the independence of Mr. Larson.

There were no other relationships involving the independent directors and the Company that required an assessment of independence by the Board. All directors are elected annually, and serve a one-year term until the next annual meeting. If any director is unable to stand for election, the Board expects to designate a substitute. In that case, proxies voting for the original director candidate will be cast for the substituted candidate.

Nominees for Class A Director

#### Director Qualifications

The following paragraphs provide information as of the date of this proxy statement about each nominee. The information presented includes information each director has given us about his age, all positions he holds, his principal occupation and business experience for the past five years and the names of other publicly-held companies of which he currently serves as a director or has served as a director during the past five years. In addition to the information presented below regarding each nominee's specific experience, qualifications, attributes and skills that led our Board to the conclusion that he should serve as a director, we also believe that all of our director nominees have a reputation for integrity, honesty and adherence to high ethical standards. They each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to FBL and our Board. Finally, we value their significant experience on other public company, private company and community boards of directors and board committees.

#### Attributes of Class A Nominees

In nominating the Class A Directors, the Class A Nominating and Corporate Governance Committee determined that the last sentence of each nominee's biographical paragraph which follows captures the essence of the specific experiences, qualifications, attributes or skills that qualify the person to serve as a director. Ages are as of December 31, 2018.

James P. Brannen, Chief Executive Officer and Class A director

Member: Executive Committee

Class A Director since 2013 Age: 56

Mr. Brannen was named Chief Executive Officer in August 2012. Prior to his appointment as Chief Executive Officer, he served as Chief Financial Officer, Chief Administrative Officer and Treasurer since 2007. Mr. Brannen joined FBL in 1991 and held various positions in the tax and accounting areas prior to being named Vice President - Finance in 2000. Prior to joining FBL, Mr. Brannen managed corporate tax matters for insurance companies at Ernst & Young. Since October of 2015, Mr. Brannen has served on the board of directors of public company Great Western Bancorp, Inc. and its bank subsidiary, Great Western Bank. He is a graduate of the University of Iowa with a major in accounting. He is a member of the American Institute of Certified Public Accountants and the Iowa Society of Certified Public Accountants. Mr. Brannen serves in several civic and industry organizations, including the board of directors of the Greater Des Moines Partnership and the Iowa Business Council, and the Board of Governors of the Property Casualty Insurers Association of America. We believe Mr. Brannen's qualifications to sit on our Board of Directors include his position as Chief Executive Officer and his intimate knowledge of the Company and the insurance industry gained through many years of employment.

Roger K. Brooks, Class A director

Member: Audit and Management Development and Compensation Committees

Class A Director since 2009 Age: 81

Mr. Brooks is the retired Chief Executive Officer and Chairman of AmerUs Group. He retired from AmerUs in 2005, after nearly 50 years of service. Mr. Brooks has served on numerous community boards and is a member of the Iowa Insurance Hall of Fame and Iowa Business Hall of Fame. He was previously a Fellow of the Society of Actuaries. Mr. Brooks graduated magna cum laude with a bachelor's degree in mathematics from the University of Iowa. He also participated in Stanford University's Executive Program. We believe Mr. Brooks' qualifications to sit on our Board of Directors include his demonstrated insurance industry expertise and experience through his 50 year tenure at AmerUs Group, retiring as its Chief Executive Officer and Chairman.

Paul A. Juffer, Class A director

Member: Audit, Class A Nominating and Corporate Governance and Management Development and Compensation Committees

Class A Director since 2017 Age: 58

Mr. Juffer is the Managing Partner of LWBJ Financial, LLC ("LWBJ"), where he has practiced as a certified public accountant since 1997. LWBJ and its wholly owned subsidiaries, LWBJ, LLP and LWBJ Capital Advisors, LLC, provide public accounting, business consulting, mergers and acquisitions advisory and other transaction-related services to clients. Through LWBJ, Mr. Juffer has served as Chief Financial Officer for several emerging technology companies, including most recently for Harrisvaccines, Inc. from 2013 to 2015. Prior to his time at LWBJ, he was Chief Financial Officer for a technology company and worked as an auditor at KPMG. Mr. Juffer holds Series 7, Series 24, Series 63 and Series 79 licenses and is a member of the American Institute of Certified Public Accountants and the Iowa Society of Certified Public Accountants. He has a bachelor's degree in accounting from the University of Iowa. We believe Mr. Juffer's qualifications to sit on our Board of Directors include his background in accounting, financial management and technology.

Paul E. Larson, Class A director, Lead Director and Vice Chairman of the Board

Member: Audit and Executive Committees

Class A Director since 2004 Age: 66

Mr. Larson retired in 1999 as President of Equitable Life of Iowa and its subsidiary, USG Annuity and Life, after 22 years with the companies. Mr. Larson holds both a law degree and a certified public accountant designation. He was named Outstanding CPA in Business and Industry by the Iowa Society of CPAs in 1999, and inducted into the American Institute of CPA's Business and Industry Hall of Fame in 2000. Since 2017, he has served on the board of directors of Greenfields Life Insurance Company, a subsidiary of Farm Bureau Life. He is also a member of the board of directors of non-public companies Wellmark, Inc., Wellmark of South Dakota, Inc., GuideOne Mutual Insurance Company and GuideOne Specialty Mutual Insurance Company. We believe Mr. Larson's qualifications to sit on our Board of Directors include his accounting and financial management background, and 20 years of experience with a public life insurance company.

YOUR BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THESE NOMINEES FOR CLASS A DIRECTOR.

Nominees for Class B Director, to be elected by the Class B Common Shareholders

Attributes of Class B Director Nominees

In nominating the Class B Directors, the Class B Nominating Committee determined that the last sentence of each nominee's biographical paragraph which follows, in capsule form, captures the essence of the specific experiences, qualifications, attributes or skills that qualify the person to serve as a director. Ages are as of December 31, 2018.

Craig D. Hill, Class B director, Chairman of the Board and chair of the Executive Committee

Member: Executive and Class B Nominating Committees

Class B Director 2002 to 2004, and since 2007 Age: 63

Mr. Hill was elected President of the Iowa Farm Bureau Federation and its subsidiary, Farm Bureau Management Corporation, in December 2011 and has served on its board of directors since 1989. He was its Vice President from 2001 to 2011. He served on the board of Farm Bureau Life from 1989 to 2007, and again from December 2011 when he also became its President. He has been on the board of Farm Bureau Property & Casualty since 1989, and also serves on the board of Western Ag. Mr. Hill is also a director of the American Farm Bureau Federation and FB BanCorp. Mr. Hill farms 1,000 acres of row crops and has a swine operation in Warren County, Iowa. We believe Mr. Hill's qualifications to sit on our Board of Directors include his point of view as President of our majority shareholder, his experience as a director of our primary operating and managed companies and his knowledge of the rural marketplace.

Richard W. Felts, Class B director

Member: Executive, Management Development and Compensation and Class B Nominating Committees

Class B Director since 2015 Age: 70

Mr. Felts is President of the Kansas Farm Bureau. He is also a director of Farm Bureau Life, the chairman of Farm Bureau Property & Casualty and the chairman of Western Ag. He farms near Liberty, Kansas and is a partner in Felts Farms, a diversified grain and livestock operation. Mr. Felts earned a bachelor's degree in agriculture and animal science from Kansas State University. We believe Mr. Felts' qualifications to sit on our Board of Directors include his experience as a director of our primary operating and managed companies and his knowledge of agriculture and the rural marketplace for our insurance products.

Joe D. Heinrich, Class B director

Member: Class A Nominating and Corporate Governance Committee

Class B Director since 2013 Age: 57

Mr. Heinrich was elected Vice President of the Iowa Farm Bureau Federation in 2011 and to its board of directors in 2004. He is a director of Farm Bureau Property & Casualty and Western Ag. Mr. Heinrich and his family farm with his nephew. Together, they have a diversified operation including corn, soybeans, oats and hay, plus a beef cow-calf herd and a dairy operation. We believe Mr. Heinrich's qualifications to sit on our Board of Directors include his experience as a director of our primary operating subsidiary and managed companies, and his point of view as Vice President of our majority shareholder.

James A. Holte, Class B director

Member: Class A Nominating and Corporate Governance and Class B Nominating Committees

Class B Director since 2016 Age: 65

Mr. Holte was first elected as President of the Wisconsin Farm Bureau Federation in 2012 and has served on its board of directors since 1995. He is also a director of Farm Bureau Life and the American Farm Bureau Federation and is President and a director of Rural Mutual Insurance Company. Mr. Holte farms near Elk Mound, Wisconsin, raising beef cattle and growing corn, soybeans and alfalfa. We believe Mr. Holte's qualifications to sit on our Board of Directors include his experience as a director of our primary operating subsidiary and his knowledge of agriculture and the rural marketplace.

Kevin D. Paap, Class B director

Member: Class A Nominating and Corporate Governance and Class B Nominating Committees

Class B Director since 2017 Age: 58

Mr. Paap has served as President of the Minnesota Farm Bureau Federation since 2005 and has served on its board of directors since 1997. Mr. Paap serves on the board of directors of Farm Bureau Life, Farm Bureau Property & Casualty and Western Ag. He also serves on the board of trustees of the Minnesota FFA Foundation and on the board of directors for the Center for Rural Policy and Development. Mr. Paap owns and operates a farm in Blue Earth County, Minnesota, growing corn and soybeans. We believe Mr. Paap's qualifications to sit on our Board of Directors include his experience as a director of our primary operating subsidiary and managed companies, and his knowledge of the rural marketplace.

Scott E. VanderWal, Class B director

Member: Management Development and Compensation and Class B Nominating Committees

Class B Director since 2011 Age: 55

Mr. VanderWal has been president of the South Dakota Farm Bureau Federation since 2004, and a member of its board of directors since 1997. He has also served as the Vice President of the American Farm Bureau Federation since 2016, and as a member of its board of directors since 2006. Mr. VanderWal is also a member of the boards of directors of Farm Bureau Life, Farm Bureau Property & Casualty (including chair of the audit and budget committee), Western Ag and FB BanCorp, and serves as Vice Chairperson and as a member of the executive committee for the U.S. Farmers & Ranchers Alliance. Mr. VanderWal received a bachelor's degree in General Agriculture, with a Plant Science minor, from South Dakota State University in 1985. His family farm operation near Volga, South Dakota includes corn, soybeans, custom cattle feeding and custom harvesting. Mr. VanderWal does the overall financial management, accounting, crop management and planning for the farm operation. We believe Mr. VanderWal's qualifications to sit on our Board of Directors include his experience as a director of our primary operating subsidiary and managed companies, and his knowledge of the rural marketplace.

## STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows how many shares of Class A common stock were beneficially owned, as of February 28, 2019, by each director, nominee for director and named executive officer, individually, and the directors and executive officers (as designated by the Board of Directors) as a group. The percentage of FBL Class A common shares beneficially owned by any director or executive officer does not exceed 1%, and by all directors and executive officers as a group does not exceed 1%.

Name	Shares Beneficially Owned	
James P. Brannen	29,481	(a)(b)
Roger K. Brooks	2,849	
Richard W. Felts	—	
Charles T. Happel	—	
Joe D. Heinrich	—	
Craig D. Hill	1,000	
James A. Holte	—	
Paul A. Juffer	—	
Paul E. Larson	13,020	(c)
Kevin D. Paap	3,299	
Daniel D. Pitcher	5,492	(a)
Donald J. Seibel	21,940	(a)(b)(d)
D. Scott Stice	—	
Scott E. VanderWal	2,000	
All directors and executive officers as a group (18 persons, including those listed above)	82,345	

(a) Includes share units held in the 401(k) Savings Plan equivalent to the following shares: Mr. Brannen, 14,439; Mr. Pitcher, 5,492; and Mr. Seibel, 1,774.

Includes share equivalent units held in the Executive Salary and Bonus Deferred Compensation Plan and the (b)Employer Match Deferred Compensation Plan for the following named executive officers: Mr. Brannen, 15,042; and Mr. Seibel, 7,889.

(c)Includes deferred units in the Director Compensation Plan equivalent to the following shares: Mr. Larson, 6,667.

(d)Includes 12,277 shares for which Mr. Seibel shares voting and investment power with his spouse.

Set forth below is information as of February 28, 2019 concerning security ownership by each person who is known to the Company to be the beneficial owner of more than 5% of any class of the Company's voting securities.

Name and Address	Class A Common Stock		Class B Common Stock		Series B Preferred Stock	
	Shares Beneficially Owned	% of Class	Shares Beneficially Owned	% of Class	Shares Beneficially Owned	% of Class
Iowa Farm Bureau Federation (a) 5400 University Ave. West Des Moines, IA 50266	14,760,303	59.9 %	7,619	66.8 %	5,000,000	100.0 %
Dimensional Fund Advisors LP (b) Building One 6300 Bee Cave Rd. Austin, TX 78746	2,064,900	8.4 %	—	—	—	—

Farm Bureau Mutual Holding Company (a)(c)

5400 University Ave.

199,016 0.8 % 2,390 20.9 % — —

West Des Moines, IA 50266

The Class B common stock is convertible into an equal number of shares of Class A common stock at the election (a) of the holder. Shares listed under “Class A common stock - shares beneficially owned” do not include shares deemed to be owned as a result of the shareholder’s ownership of Class B common stock.

Information is as of December 31, 2018 based on a Schedule 13G/A filed with the U.S. Securities and Exchange Commission. Dimensional Fund Advisors LP (“Dimensional”) has sole voting power with respect to 2,002,789 shares of Class A common stock and sole dispositive power with respect to 2,064,900 shares of Class A common (b) stock. Dimensional has indicated that it has beneficial ownership with respect to the shares as a result of acting as an investment adviser to four investment companies and acting as investment manager or sub-adviser to certain other commingled funds, group trusts and separate accounts. Dimensional disclaims beneficial ownership.

(c) Ownership is through indirect subsidiaries Farm Bureau Property & Casualty and Western Ag.



**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act requires certain officers and directors of a public company, and persons who own more than ten percent of a registered class of a public company's equity securities, to file reports of beneficial ownership and changes in beneficial ownership with the SEC. Based solely on our review of the copies of such reports received by us, or upon written representations received from certain reporting persons, we believe that during 2018 our Section 16 officers, directors and ten-percent shareholders complied with all Section 16(a) filing requirements applicable to them.

**EXECUTIVE OFFICERS**

Our executive and other officers provide services to the Company and to certain affiliates. Services performed for affiliates are charged to the affiliates on the basis of a time allocation and the affiliates are required to reimburse the Company for the cost of services. As explained in the section "Certain Relationships and Related Party Transactions - Transactions with Farm Bureau Property & Casualty and Affiliates," we receive management fees for managing certain affiliates whose financial statements are not consolidated with ours.

The executive officers of the Company, as named by the Board of Directors, are as follows:

Name	Age	Position
James P. Brannen	56	Chief Executive Officer
Donald J. Seibel	55	Chief Financial Officer and Treasurer
Casey C. Decker	44	Chief Information Officer
Lori K. Geadelmann	53	General Counsel
Nicholas C. Gerhart	43	Chief Administrative Officer
Charles T. Happel	57	Chief Investment Officer
Daniel D. Pitcher	57	Chief Operating Officer - Property Casualty Companies
D. Scott Stice	50	Chief Marketing Officer
Raymond W. Wasilewski	60	Chief Operating Officer - Life Companies

The following describes the business experience, principal occupation and employment during the last five years of the executive officers:

Biographical information for Mr. Brannen is found above under "Proposal Number One - Election of Class A Directors."

Donald J. Seibel was named Chief Financial Officer and Treasurer in August 2012. He had previously been Vice President - Finance and a member of the executive management team since 2007. Mr. Seibel joined FBL in 1996 and became GAAP Accounting Vice President in 1998 and Vice President - Accounting in 2002. Prior to joining FBL, Mr. Seibel worked in public accounting at Ernst & Young. Mr. Seibel holds a bachelor's degree in accounting from Iowa State University, is a certified public accountant and chartered global management accountant, a member of the American Institute of Certified Public Accountants and the Iowa Society of Certified Public Accountants, and holds the Fellow Life Office Management Institute (FLMI) certification. Mr. Seibel is also active in civic and industry organizations, currently serving on the Audit Committee for the Iowa State University Alumni Association and on the board of directors of Greater Des Moines Habitat for Humanity and Variety - The Children's Charity.

Casey C. Decker was named Chief Information Officer in June 2016. He joined FBL in 2004 and progressed through various information technology roles, leading to Business Technology Vice President from February 2012 to July 2014. Beginning in July 2014 until his appointment as Chief Information Officer, Mr. Decker served as Agency Support Vice President, leading the team that provides strategies and solutions to support agents in growing successful and sustainable businesses. Prior to joining FBL, he was the Director of Technology for a not-for-profit organization in Chicago with responsibilities for creating and leading programs that improved information systems capabilities for various social service agencies and public schools. Mr. Decker holds a bachelor's degree from Drake University and a master's degree in Management Information Systems from DePaul University. He serves on the boards of directors of the Food Bank of Iowa, Junior Achievement of Central Iowa and the Global Insurance Accelerator.

Lori K. Geadelmann was named General Counsel in March 2018. She joined FBL in 1993 and prior to being named as General Counsel, most recently served as Vice President - Assistant General Counsel and Corporate Compliance

Officer. Ms. Geadelmann received a B.A., with distinction, from Iowa State University and a J.D. degree, with honors, from Drake University Law School. She serves on the life and health guaranty association boards in Iowa, Colorado, Kansas, Montana and Wyoming, chairing the Iowa and Colorado boards of directors. She also serves as chair of the Life and Financial Services Committee for the Federation of Iowa Insurers. Ms. Geadelmann is a Chartered Life Underwriter (CLU) and member of the

Polk County Bar Association, Iowa State Bar Association, Association of Corporate Counsel and Society of Corporate Compliance and Ethics.

Nicholas C. Gerhart joined FBL and was named Chief Administrative Officer in January 2017. In this role, he has responsibility for enterprise strategic planning, government relations, human resources and health services, among other administrative functions. Mr. Gerhart served as the Insurance Commissioner of the State of Iowa from February 2013 until December 2016. Prior to serving as Insurance Commissioner, he worked at Sammons Financial Group, an insurance holding company, and American Equity Investment Life Insurance Company. Mr. Gerhart earned his law degree and health law certificate from St. Louis University School of Law and a Masters of Health Administration from St. Louis University School of Public Health. He also earned a B.A. from the University of Northern Iowa. Mr. Gerhart is an active community leader and currently serves on the board of directors of The Homestead and the board of trustees of ChildServe. He also serves on the board of directors of Carpe Data, a private data company.

Charles T. Happel, CFA, is Chief Investment Officer. He joined the Company in 1984 as a Farm Bureau Financial Services agent, moving to the corporate office in 1986. Over the next fifteen years, he held various positions in investments, including securities analyst and portfolio manager. Mr. Happel became Securities Vice President in 2001, developing and executing strategy for property-casualty and equity mutual fund portfolios. He assumed the position of Vice President - Investments in August 2008, and was named Chief Investment Officer in September 2009. Mr. Happel is a graduate of the University of Northern Iowa and earned an MBA from Drake University. He is a Chartered Financial Analyst (CFA) Charterholder and holds a number of industry designations, including CFP, FLMI, ChFC, CLU and CPCU. Mr. Happel is a member of the CFA Institute and the CFA Society of Iowa.

Daniel D. Pitcher is Chief Operating Officer – Property Casualty Companies. Prior to his current position, he served as Vice President, Property-Casualty Companies from 2007 to 2011. Mr. Pitcher joined FBL in 1998 and held various information system roles including as Information Systems Vice President in 2002. Prior to joining FBL, Mr. Pitcher spent 15 years with Nationwide/Allied Insurance in various life and property casualty information systems roles. Mr. Pitcher holds a bachelor's degree in business administration from Drake University and the FLMI certification. He is a member of the board of directors of United Way of Central Iowa.

D. Scott Stice was named Chief Marketing Officer in June 2013. He has overall responsibility for sales, marketing and distribution for the Company's brand, Farm Bureau Financial Services, and its multiline exclusive agency force. Prior to joining FBL, Mr. Stice was Senior Vice President and head of field strategy and execution at Farmers Insurance from 2011 to 2013, and Senior Vice President Eastern Operations from 2008 to 2011. Mr. Stice began his insurance career with Farmers Insurance as an exclusive agent in 1990, and held various agency, marketing and field operations positions. Mr. Stice earned a bachelor's degree in business management and administration from the University of the Redlands, and an MBA from Pepperdine University. He serves on the board of directors of the Greater Des Moines American Heart Association.

Raymond W. Wasilewski was named Chief Operating Officer – Life Companies in July 2014. Previously he had served as Chief Administrative Officer since May 2013, with responsibility for Information Technology, Human Resources and Agency Services. He joined the management team in 2011 as Vice President, Information Technology. He has been with FBL Financial Group since 1997. Mr. Wasilewski holds a bachelor's degree in vocational education from Southern Illinois University and a master's degree in computer information systems from Nova Southeastern University. Before joining FBL Financial Group, he was a consultant, a commercial software designer, a computer science and electronics instructor at Alaska Junior College and served in the U.S. Navy for 17 years in the cryptography field.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information regarding compensation during 2018 for the following executive officers of FBL:

James P. Brannen, Chief Executive Officer

Donald J. Seibel, Chief Financial Officer and Treasurer

Charles T. Happel, Chief Investment Officer

Daniel D. Pitcher, Chief Operating Officer - Property Casualty Companies

D. Scott Stice, Chief Marketing Officer

These executive officers are referred to in this Compensation Discussion and Analysis and in the subsequent tables as our named executive officers, or “NEOs.”

## Overview

### Reimbursement of Compensation Expenses by Managed Affiliates

We sell individual life insurance and annuity products through an exclusive distribution channel in the Midwestern and Western sections of the United States. Several subsidiaries support various functional areas of our life insurance companies and other affiliates by providing investment advisory and marketing and distribution services.

In addition, we manage all aspects of two Farm Bureau-affiliated property-casualty companies, Farm Bureau Property & Casualty and Western Ag (together, the “PC Companies”). The financial results of the PC Companies are not included in our consolidated financial results. We earn a management fee from the PC Companies for our management services. Additionally, we are reimbursed for compensation and other expenses incurred by us in providing services to the PC Companies. While nearly all employees are employed by and compensated by the Company, the compensation expenses of our executive officers and employees are allocated between us and our subsidiaries on the one hand, and the PC Companies on the other hand, based on time and responsibility estimates and studies. For the NEOs, the PC Companies reimbursed us for the following percentage of their 2018 total compensation expense: Mr. Brannen, 45%; Mr. Seibel, 35%; Mr. Happel, 0%; Mr. Pitcher, 100%; and Mr. Stice, 50%. Although none of Mr. Happel’s compensation expense was directly reimbursed to us, the PC Companies pay fees to one of our subsidiaries for investment advice and related services, as further described under “Certain Relationships and Related Party Transactions - Transactions with Farm Bureau Property & Casualty and Affiliates.”

Enterprise wide, the PC Companies reimbursed us for approximately 70.8% of our 2018 total salary and payroll tax expenses, 50.1% of our 2018 annual cash incentives and 48.0% of our 2018 long-term incentives and deferred compensation. As a result, the PC Companies are paying their proportionate share of our total salaries, cash incentives and long-term incentives, as well as all other forms of compensation and benefits. These allocations and reimbursements should be considered in any analysis of FBL’s compensation costs, executive compensation costs and costs and uses of short-term and long-term incentive plans.

We value good relationships with the state and local Farm Bureau entities which sponsor and allow us and the PC Companies to do business in their geographic areas. We believe attention to the property-casualty business allows us to do a more effective job of cross-selling life insurance products to property-casualty customers, and our cross-sales are consistently significantly above industry averages. We further emphasize this relationship by including property-casualty-related components in both our annual cash incentive and our long-term incentive programs.

### Executive Compensation Philosophy and Goals

The Management Development and Compensation Committee (referred to as the “Committee” in this Compensation Discussion and Analysis) periodically reviews the executive compensation program in light of trends in practice, regulatory guidance, internal developments and other considerations as appropriate. The programs reflect the key compensation principles at FBL as stated below.

We expect that the FBL compensation program will help us attract and retain highly qualified and motivated employees at all levels, encourage and reward achievement of our annual and long-term goals and operating plans and align officers’ and employees’ interests with shareholders, all in an effort to increase shareholder value. With respect to our executive officers, we intend that our executive compensation program will effectively and appropriately compensate them and will guide their activities in response to targeted incentives we provide, both over the short and long terms. We measure the appropriateness of the compensation package by comparing it to payments made by other companies in the insurance and financial services industries. Our target is to have overall executive compensation at approximately the blended average of the median of survey data and compensation for peer group companies for comparable positions and performance.

We used a variety of compensation elements to reach these goals in 2018. These include base salary, annual cash performance-based incentives, long-term incentive awards measured by our stock price and by the financial performance of Farm Bureau Property & Casualty, retirement benefits, general employee benefits, executive benefits and limited perquisites. These elements are reviewed periodically and adjusted as appropriate.

We strive to develop simple and effective programs that reflect the value of our Company. Transparency and integrity in the design, administration and communication of our program are key objectives.

Management Development and Compensation Committee and Supporting Resources

The Committee is in charge of all aspects of executive compensation. See “Further Information Concerning the Board of Directors” for additional information regarding the Committee. Our Chief Executive Officer and Chief Financial Officer typically attend meetings of the Committee.

The Committee has retained FW Cook as its compensation consultant, and has determined there are no relationships between the consultant and the Company or its affiliates that compromise the consultant’s independence. The consultant is

exclusively accountable to the Committee. On occasion, certain executive officers may provide information regarding the compensation and benefit programs and business context to the consultant and review drafts of the consultant's reports, where not concerning executive officer compensation, for accuracy with respect to Company information. The Company from time to time has also utilized the services of the Hay Group in reviewing its employment and compensation arrangements, including executive compensation.

At our 2018 annual meeting of shareholders, our shareholders cast an advisory vote to approve the compensation of our NEOs as disclosed in our proxy statement for that meeting. The proposal received the affirmative vote of more than 99% of the shares voted on that proposal, excluding abstentions and broker non-votes. The Committee believes this vote demonstrates shareholders' support for the Company's executive compensation practices.

#### Compensation Program for Named Executive Officers

What our compensation program is designed to reward

To create shareholder value, we want to reward our NEOs when they deliver the performance our shareholders seek. We utilize base salary as a building block towards these objectives, establishing a salary range for particular positions based on survey data and job responsibilities. Being competitive in base salary is a minimum requirement to obtain and retain skilled insurance executives in the Des Moines, Iowa area given the significant number of home offices of insurers located in our area. Annual cash incentives keyed to short-term objectives provide a second step in appropriate compensation. The performance targets used to determine annual cash incentives emphasize earnings, growth and efficiency. The targets act as drivers of Company improvement and are proxies for Company performance and profitability. The Committee believes achievement of the targets will result in Company growth and profitability and will support Company objectives and promote shareholder interests. Finally, achievement of long-term objectives is enhanced by the use of long-term incentive ("LTI") compensation awards. Our cash-settled restricted stock units have a value measured by our stock price to provide alignment with shareholders. Our cash-settled restricted surplus units have a value measured by the change in surplus of Farm Bureau Property & Casualty to provide alignment with the PC Companies managed by the Company. Both the restricted stock units and the restricted surplus units vest annually over a five-year period, which is intended to retain executives and provide a longer-term planning horizon. All units are settled in cash to avoid diluting shareholders.

The combination of compensation elements used is meant to provide, for each element and in total, compensation that is market competitive, enabling us to attract and retain the caliber of executive leadership we need to be successful. Because comparative compensation information is just one of many factors considered in setting executive compensation, the Committee has discretion in determining the nature and extent of its use. The Committee reviews market information from two sources: the Hay Group database and proxy statements of peer group companies. The peer group, as approved by the Committee and adjusted to reflect any mergers and acquisitions, consisted of nine companies for 2018, as shown below. The group includes only companies where executive compensation information is publicly available. The companies are selected based on geography, industry focus and comparable size.

American Equity Investment Life Holding Company	Primerica, Inc.
EMC Insurance Group, Inc.	RLI Corp.
Horace Mann Educators Corporation	State Auto Financial Corporation
Kemper Corporation	United Fire Group, Inc.
National Western Life Insurance Company	

#### Why we pay each element of compensation

Our compensation decisions typically start from an understanding of the competitive marketplace for insurance executive talent, together with our review of Company goals and objectives and our review of tally sheets listing the present total compensation available to our NEOs. We find the combination of base salaries, annual cash incentives, long-term incentives, some level of benefits and perquisites, together with retirement benefits, is normal in our universe of insurance and financial services firms. Competitive base salaries assist in our ability to attract and retain executives. Performance-based incentive elements, both annual and long-term, encourage executives to realize Company short-term and long-term goals.

The purpose of each element of compensation for 2018 is shown in the following table.





Category	Reward Element	Purpose
Base pay	Salary	Base compensation, a competitive requirement
Annual incentive	Management Performance Plan	Cash incentive for annual operating performance
Long-term incentives	Performance and service-based cash-settled restricted stock units	Retention for share price appreciation, sustained financial performance and alignment with shareholder interests
	Performance and service-based cash-settled restricted surplus units	Retention for increase in surplus of managed property-casualty insurer, sustained financial performance and alignment with PC Companies
Benefits	Various (see “Benefits” below)	Participant health, welfare and savings
Perquisites	Retirement and tax planning, executive physical exams and company car	Services and facilities provided to executives where beneficial to the Company
Retirement benefits	Defined contribution 401(k) plan	Tool for accumulation of assets, including share ownership
	Defined benefit pension plan (frozen to new entrants after 2012)	Assure income continuation in retirement consistent with benefits available to other salaried employees
Termination arrangements	Severance and change in control policy	Encourage continued service of executives despite risk of termination due to change in control

How we determine amounts under each element of compensation

#### The Role of Executive Officers in the Compensation Process

The Company’s executive officers make compensation assumptions every year in preparing budgets for the following year. Our Chief Executive Officer and Chief Financial Officer make recommendations to the Committee on Company compensation, including compensation for the other NEOs, covering salary, annual cash incentives and long-term incentives. Other elements of compensation are reviewed periodically. The Committee makes its own determination of the Chief Executive Officer’s compensation that includes a review of performance evaluations from each member of the Board, with the assistance of the compensation consultant, the Lead Director and the Chairman. When recommending pay adjustments, the Chief Executive Officer considers internal pay equity among the executive officers and with other employees, subject to the review of the Committee.

#### Base Salaries

In addition to the Chief Executive Officer's recommendations, the Committee periodically requests input on executive compensation ranges from its compensation consultant. To determine a specific salary within the range of recommendations, the Committee considers management input regarding the executive officer's length of service in the position, experience, skills in handling short-range and long-range operational and strategic issues and completion of annual goals. The performance of the Chief Executive Officer is reviewed annually by the Committee, and includes input from the full Board. Annual reviews of the other NEOs are performed by the Chief Executive Officer and reviewed with the Committee.

#### Annual Cash Incentives

The Committee believes that a significant portion of annual cash compensation for the executive officers should be at risk and tied to the Company's operational and financial results. Multiple business goals are established annually under our Management Performance Plan, weighted among earnings, growth and efficiency goals, including goals related to the PC Companies. Although difficult to maximize all annual goals due to their counterbalance (that is, achieving an efficiency goal might make it more difficult to achieve a growth goal, and vice versa), the goals are designed to align with factors that allow for the overall success of the Company on both a short-term and long-term basis consistent with sound risk management. The Committee retains discretion to adjust goals applicable to all awards when there is adequate reason to do so. For example, unexpected events could make a goal impossible to meet despite the best efforts of management and employees, or could make a goal too easy to meet. The Committee also has discretion to change or eliminate the payment of annual cash incentives.

Performance triggers must be met before payments are made under the Management Performance Plan. In 2018, the property-casualty insurance triggers required that the aggregate statutory surplus of our two managed property-casualty companies increase or the risk-based capital ratio increase. The life insurance triggers required an

increase in statutory surplus, excluding changes in the asset valuation reserves, dividends and capital contributions, or an increase in the risk-based capital ratio. The triggers were satisfied in 2018.

Additionally, our Chief Executive Officer has the authority, subject to the approval of the Committee, to increase or decrease payments to other executive officers by an amount up to 25% of each individual's attained cash incentive for the year, so long as cumulative payments to all executive officers do not increase or decrease the total payment to all executive officers by more than 5%. No discretionary awards were made for 2018.

The goals under the Management Performance Plan have been grouped and weighted to emphasize their relative importance. Earnings goals are 50% of the total, followed by growth at 30% and efficiency at 20%. The weighting within each of these categories is split equally between goals related to property-casualty insurance and life insurance.

#### 2018 Management Performance Plan Goals

Goal	Threshold	Target	Cap	Weighting
<b>EARNINGS</b>				
FBL Operating Income Per Share	\$4.01	\$4.22	\$4.43	25%
P&C Combined Ratio	101.6%	96.6%	94.6%	25%
<b>GROWTH</b>				
FBL Production Credit	\$44,498,075	\$45,727,188	\$46,500,488	10%
Life applications	31,048	31,669	32,290	5%
P&C Membership Accounts	361,978	367,408	369,478	10%
P&C Non-Crop Insurance Premiums	\$1,404,276,086	\$1,420,880,000	\$1,437,457,639	5%
<b>EFFICIENCY</b>				
FBL Expenses	\$102,222,090	\$100,217,735	\$96,209,026	10%
P&C Company Expenses	\$227,979,031	\$223,508,854	\$214,568,500	10%

#### Payments Pursuant to Management Performance Plan

The range of potential payments as a percentage of base salary under the Management Performance Plan for each of our NEOs for 2018 is shown in the following table. The target percentage represents the amount available if a goal is met at a 100% level. Unless a threshold level is reached with respect to a goal, no attainment is achieved and no payment is realized by our NEOs for that goal. At the threshold level, payment related to a goal equals 50% of the target level. Payments rise proportionally for each goal up to 150% of the target level if the maximum level is reached and are capped at 150% of the target level to avoid encouraging excessive short-term risk-taking. Actual payments for 2018 are also shown below as a percentage of salary and as award amounts.

#### 2018 Management Performance Plan Opportunities and Awards

Name	Threshold % of Salary	Target % of Salary	Maximum % of Salary	2018 Actual % of Salary	Award Amount
James P. Brannen	32.5%	65.0%	97.5%	68.0%	\$535,014
Donald J. Seibel	27.5%	55.0%	82.5%	57.6%	\$231,275
Charles T. Happel	27.5%	55.0%	82.5%	57.6%	\$226,652
Daniel D. Pitcher	27.5%	55.0%	82.5%	57.6%	\$248,434
D. Scott Stice	27.5%	55.0%	82.5%	57.6%	\$238,032

In approving the payment of awards under the Management Performance Plan for 2018, the Committee exercised its discretion to reduce payment for the portion of the award based upon the Company's non-GAAP operating income per share goal. This resulted in attainment of this goal decreasing from 133.3% to 101.8%, and overall attainment under the Management Performance Plan decreasing from 113.0% to 104.6%. The operating income per share goal had been adopted based upon the Company's financial plan for 2018, which assumed the corporate federal income tax rate in effect prior to enactment of the Tax Cuts & Jobs Act of 2017. The resulting lower federal income tax rate had the effect of increasing operating income per share in 2018. In considering the impact of the change in the federal income tax rate on this goal, the Committee reviewed information that converted the operating income per share goal into pre-tax operating income per share, then compared actual pre-tax



operating income to the converted pre-tax target. The Committee also took into account other events and transactions in 2018 that were not contemplated in the Company's financial plan that impacted the Company's operating income, including the Company's change in method of accounting for low income housing tax credit investments, offering a voluntary early retirement program to certain employees based on age and tenure, the correction of an immaterial error related to a closed block of business and wage increases and employee bonuses paid following the enactment of the Tax Cuts & Jobs Act of 2017.

#### Long-Term Incentives

The Company's LTI program has two components: (i) grants of cash-settled restricted stock units tied to our stock price under the Cash-Based Restricted Stock Unit Plan (the "Stock Unit Plan"), and (ii) grants of cash-settled restricted surplus units tied to the performance of Farm Bureau Property & Casualty under the Cash-Based Restricted Surplus Unit Plan (the "Surplus Unit Plan"). In 2018, approximately 50% of our LTI awards to NEOs were made pursuant to the Stock Unit Plan and approximately 50% were made pursuant to the Surplus Unit Plan.

The Committee bases LTI awards on the position and salary of participants, so that the size of the award increases with the level of the position. For the NEOs in 2018, the LTI levels as a percentage of base salary were as follows: Mr. Brannen, 80%; Mr. Seibel, 65%; Mr. Happel, 65%; Mr. Pitcher, 65%; and Mr. Stice, 65%.

#### Awards Under the Stock Unit Plan

Awards made under the Stock Unit Plan to our NEOs in 2018 consisted of grants of performance and service-based cash-settled restricted stock units. The Committee believes that LTI grants tied to equity values are an effective and important tool in aligning the goals and interests of our NEOs with those of shareholders. Currently the Committee utilizes only cash-settled, rather than stock-settled, units to avoid shareholder dilution.

The restricted stock units awarded to NEOs in 2018 vest over five years, with 20% vesting on each anniversary of the grant, thus encouraging retention and a long-term focus. The payment amount equals the market value on the date of vesting of a corresponding number of shares of our Class A common stock, plus dividend equivalents accrued between the grant date and the vest date at the same rate as dividends on shares of our Class A common stock. Since the size of the award depends upon the market value of our common stock, the Committee believes participants will remain incentivized to take actions to improve the Company's stock price.

The restricted stock unit grants to our NEOs in 2018 were also subject to performance terms, in addition to the five-year vesting schedule described above. In 2018, the restricted stock unit grants to our NEOs were subject to the Company achieving 2018 non-GAAP operating income before taxes per share of not less than \$2.95, which was achieved.

See the 2018 Grants of Plan-Based Awards table under the columns "Estimated Future Payouts Under Equity Incentive Plan Awards" and "Grant Date Fair Value of Stock and Option Awards" for the number of restricted stock units granted and date-of-grant value for each of our NEOs in 2018.

#### Awards Under the Surplus Unit Plan

Awards made under the Surplus Unit Plan to our NEOs in 2018 consisted of grants of performance and service-based cash-settled restricted surplus units. The Committee believes that LTI grants tied to the results of Farm Bureau Property & Casualty are an effective and important tool in tying the goals and interests of our NEOs more closely to the goals and interests of our managed affiliates. This relationship is described in greater detail above, under "Overview - Reimbursement of Compensation Expenses by Managed Affiliates."

Like the restricted stock units awarded under the Stock Unit Plan, the restricted surplus units granted to NEOs in 2018 are performance and service-based, cash-settled, and vest over five years, with 20% vesting on each anniversary of the grant, thus encouraging retention and a long-term focus. Since the payment amount depends upon the results of Farm Bureau Property & Casualty, the Committee believes participants will remain incentivized to take actions in the best long-term interest of our managed affiliate. As administered in 2018, the notional value of each restricted surplus unit granted was \$100, with the value increasing or decreasing based on the average annual percentage change in surplus of Farm Bureau Property & Casualty for the three calendar years preceding the first vesting date following the grant date. In August 2018, the Committee approved changing the surplus calculation applicable to restricted surplus units granted in 2018, 2019 and 2020 to exclude the impact of additional defined benefit plan contributions in 2017 and 2018 by Farm Bureau Property & Casualty in excess of planned contribution amounts. In November 2017, the

Committee had approved a similar change in surplus calculation applicable to restricted surplus units granted in 2017. Making additional defined benefit plan contributions in 2017 and 2018 was expected to be beneficial to Farm Bureau Property & Casualty, but would have decreased its surplus and accordingly the valuation of the restricted surplus units based in part on 2017 or 2018 results. By excluding the impact of the additional defined benefit plan contribution amounts from the surplus calculation for 2017 and 2018, the goal of the Committee was to avoid penalizing management, including our NEOs, for taking actions beneficial to the Company's managed affiliate.

The restricted surplus unit grants to our NEOs in 2018 were also subject to performance terms, in addition to the five-year vesting schedule described above. The grants to our NEOs were subject to the PC Companies achieving fire and casualty direct written premium, excluding multi-peril crop and crop hail, of not less than \$1,065,660,000 in 2018, which was achieved.

See the 2018 Grants of Plan-Based Awards table under the columns for “Estimated Future Payouts Under Non-Equity Incentive Plan Awards” for the number of restricted surplus units granted and the notional value of such units on the date of grant for each of our NEOs in 2018.

#### Benefits

FBL offers benefit plans such as retirement, 401(k), vacation, medical, life and disability insurance to executive officers on the same basis as offered to all employees. Executive officers also participate in an executive disability policy with benefits up to 75% of salary.

We previously maintained an executive universal life insurance plan that was frozen because it was not common among our peers. Two of our NEOs, Mr. Brannen and Mr. Seibel, continue to receive benefits under this plan because they were executives at the time the plan was frozen. See the 2018 All Other Compensation table below for detail.

#### Perquisites

The Company provides executive officers with the use of company-leased vehicles. The Company also makes available to executive officers limited reimbursement for retirement planning services and tax return assistance, along with a program of annual executive physicals.

#### Retirement and Termination Benefits

Our defined retirement benefit plan was frozen to new entrants at the end of 2012 to reduce our risk in regard to substantial fluctuations in our liabilities and expense while still providing our executives and employees with competitive retirement opportunities. Employees who had not attained certain age and service requirements by that date no longer accrue additional years of service in the plan. An increased 401(k) benefit was provided to new employees and to those who did not meet the age and service requirements. See the further description of the Company’s retirement plans under “Pension Benefits” below.

#### Change in Control and Severance Arrangements

Our NEOs and certain other officers are subject to a severance plan which will pay from six months to twelve months of base salary, based on years of service, to such officers upon a change of control where the executive is terminated involuntarily without cause.

#### Additional Information Regarding Executive Compensation

Other policies and items important to a shareholder’s understanding of the Company’s overall executive compensation program include the following.

#### Timing of Grants of Incentive Awards

The Committee expects to pay the annual short-term cash incentive in February of each year and expects to make LTI grants of cash-settled restricted stock units and cash-settled restricted surplus units in February or March. The Company does not time its grants in coordination with the release of material non-public information.

#### Stock Ownership Guidelines

The Committee believes that a fundamental goal of executive compensation is to encourage and create opportunities for long-term executive stock ownership which will tie the efforts of the executives to goals of increasing shareholder value. Accordingly, executive officers are expected to establish ownership positions that are of significant value as a multiple of their annual salary. Ownership for this purpose includes shares owned outright, in retirement and deferred compensation plans and outstanding grants of cash-settled restricted stock units.

To encourage ownership, the Committee established Stock Ownership Guidelines that require the Chief Executive Officer to own FBL common stock worth 1.5 times annual base salary within five years of his or her start or promotion date. Other executive officers are required to own FBL common stock worth one times annual base salary within five years of their start or promotion dates. All executive officers have met or are on schedule to meet the ownership requirements on a timely basis. Other officers of the Company, other than executive officers, are encouraged to own FBL common stock during their tenure commensurate with their income and net worth.





#### Clawback Policy

To further align management's interests with those of shareholders and support good governance practices, the Committee adopted a clawback policy applicable to performance-based incentive awards to executive officers. In the event the Company or Farm Bureau Property & Casualty is required to prepare an accounting restatement due to errors, omissions or fraud, or any financial or operational metric of the Company or Farm Bureau Property & Casualty was calculated incorrectly (whether or not the Company or Farm Bureau Property & Casualty is required to restate their respective financial statements), the Committee may, in its sole discretion, direct the Company to recover from each of the executive officers the excess value received from any incentive award over the value actually earned based on the restated or corrected performance, regardless of the executive officer's lack of misconduct. The policy also allows the Company to seek to recoup benefits from any employee involved in the misconduct causing the restatement.

#### Anti-Hedging and Anti-Pledging Policy

Our policies do not permit our directors or executive officers, including our NEOs, to "hedge" their ownership by (i) selling FBL securities short, (ii) trading puts, calls or other derivatives on FBL securities, (iii) holding FBL securities in a margin account or pledging such securities as collateral for a loan, or (iv) entering into hedging, monetization or similar arrangements with respect to FBL securities.

#### Tax Matters

Section 162(m) of the Internal Revenue Code limits the deductibility by public companies of compensation paid to each covered executive officer to \$1 million per taxable year. The Tax Cuts & Jobs Act of 2017 eliminated the exception for qualifying performance-based compensation from the deduction limitations of Section 162(m), effective for taxable years beginning after December 31, 2017, unless such performance-based compensation qualifies for transition relief that may be applicable to certain arrangements in place as of November 2, 2017. The Committee views the tax deductibility of executive compensation as one of many factors to consider in structuring the Company's executive compensation program. The Committee may award compensation that it determines to be consistent with the goals of our executive compensation program even if such compensation is not deductible for tax purposes.

#### COMPENSATION COMMITTEE REPORT

The Management Development and Compensation Committee of FBL Financial Group, Inc. has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

Roger K. Brooks, Chair

Richard W. Felts

Paul A. Juffer

Scott E. VanderWal

## SUMMARY COMPENSATION TABLE

The following table provides information regarding the total compensation of each of the NEOs for the fiscal years ended December 31, 2018, 2017 and 2016.

Name & Position	Year	Salary ____(\$)_	Stock Awards(a) ____(\$)_	Non-Equity Incentive Plan Compensation(b) ____(\$)_	Change in Pension Value and Non-Qualified Deferred Compensation Earnings(c) ____(\$)_	All Other Compensation (d) ____(\$)_	Total ____(\$)_
James P. Brannen Chief Executive Officer	2018	786,600	314,633	849,614	927,316	62,343	2,940,506
	2017	760,000	303,971	918,190	1,099,238	58,524	3,139,923
	2016	735,000	293,976	756,271	844,434	56,813	2,686,494
Donald J. Seibel Chief Financial Officer	2018	401,853	130,581	361,875	303,484	71,297	1,269,090
	2017	388,264	126,177	391,701	351,617	67,158	1,324,917
	2016	375,134	121,947	321,539	257,973	60,999	1,137,592
Charles T. Happel Chief Investment Officer	2018	393,821	128,018	354,652	432,196	51,147	1,359,834
	2017	380,503	123,689	383,894	502,222	49,290	1,439,598
	2016	367,636	119,473	315,148	392,510	42,269	1,237,036
Daniel D. Pitcher Chief Operating Officer - P/C	2018	431,668	140,264	388,734	347,564	51,920	1,360,150
	2017	417,071	135,574	420,699	361,488	51,278	1,386,110
	2016	402,967	130,938	345,451	351,644	40,813	1,271,813
D. Scott Stice Chief Marketing Officer	2018	413,595	134,426	372,432	—	110,536	1,030,989
	2017	399,609	129,839	403,158	—	120,738	1,053,344
	2016	386,095	125,507	330,972	—	110,923	953,497

- The amounts in this column reflect the most probable outcome award value at the date of the grant in accordance with FASB ASC Topic 718. The 2018 awards were in the form of performance-based cash-settled restricted stock units which vest ratably over a five-year period. The value equals the date of grant market value of an equal number of common shares. When paid, the actual amount will depend upon the market value of the corresponding shares. The maximum 2018 award value as of the date of grant, if paid, would be the amount indicated. For assumptions used in determining values, see footnote 8 to the consolidated financial statements contained in the Company's Form 10-K for the year ended December 31, 2018. Also see "Compensation Discussion and Analysis - Long-Term Incentives - Awards Under the Stock Unit Plan" for further detail regarding the restricted stock units. Consists of awards under the Management Performance Plan, which are paid between February 1 and March 15 of the year following performance, and awards of performance-based cash-settled restricted surplus units which vest ratably over a five-year period. See "Compensation Discussion and Analysis - Annual Cash Incentives" and
- (b) "Compensation Discussion and Analysis - Long-Term Incentives - Awards Under the Surplus Unit Plan," respectively, for further detail. The value of the restricted surplus units equals the notional value on the date of grant. When paid, the actual amount will depend upon the results of Farm Bureau Property & Casualty.

Represents actuarial increases in the present value of the benefits to the NEOs under the Company's pension plans determined using interest rate and mortality rate assumptions consistent with those used in the Company's financial statements and includes amounts which the NEO may not currently be entitled to receive because such amounts are not vested.

(d) All other compensation for 2018 includes the following:

2018 ALL OTHER COMPENSATION

Name	Life Insurance Executive UL(a)	Life Insurance Term(a)	Registrant Contribution to Defined Contribution Plans	Perquisites and Other Personal Benefits(b)	Medical, Dental & LTD Insurance	Vacation Paid or Sold	Auto Allowance	Total
	____(\$)_	____(\$)_	____(\$)_	____(\$)_	____(\$)_	____(\$)_	____(\$)_	____(\$)_
James P. Brannen	9,776	9,227	8,250	2,982	15,682	—	16,426	62,343
Donald J. Seibel	6,012	3,033	8,250	4,270	20,835	11,855	17,042	71,297
Charles T. Happel	—	3,046	8,250	4,189	18,353	2,836	14,473	51,147
Daniel D. Pitcher	—	6,695	8,250	—	12,238	8,020	16,717	51,920
D. Scott Stice	—	3,096	60,586	1,677	21,875	9,128	14,174	110,536

NEOs received the costs of an executive life insurance program in two components. First is a universal life insurance policy, the value of which was frozen at year end 2006. The ongoing payments will make the policy at the 2006 value paid up at age 65. Second is the cost of term life insurance to bring the total insurance benefit to two times salary and annual cash incentive.

Perquisites and other personal benefits include retirement and tax planning, executive physicals, tickets and taxable guest travel.

#### 2018 CEO Pay Ratio

As reflected in the Summary Compensation Table above, the total compensation of our Chief Executive Officer in 2018 was \$2,940,506. We estimate the total compensation of our median employee, excluding the Chief Executive Officer, was \$67,317 in 2018. As a result, the Chief Executive Officer's annual total compensation was approximately 44 times that of the median employee. As permitted by SEC rules, the median employee utilized for 2018 is the same employee identified in 2017 because there have been no changes in our employee population or employee compensation arrangements that we reasonably believe would result in a significant change to our pay ratio disclosure. In 2017, we identified our median employee based on total cash compensation paid to employees from January 1, 2017 through October 30, 2017 for individuals employed by us on October 30, 2017. Given the different methods that various public companies may use to estimate their CEO pay ratio, the estimated ratio set forth above should not be used as a basis for comparison between companies.

#### 2018 GRANTS OF PLAN-BASED AWARDS

Name	Grant Date	Date of Board Action	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(a)(b)				Estimated Future Payouts Under Equity Incentive Plan Awards(c)		Grant Date Fair Value of Stock and Option Awards (\$)
			Units (#)	Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Maximum (#)	
James P. Brannen	N/A	N/A	—	255,645	511,290	766,935	—	—	—
	2/1/2018	11/15/2017	—	—	—	—	4,419	—	314,633
	2/1/2018	11/15/2017	3,146	—	314,600	—	—	—	—
Donald J. Seibel	N/A	N/A	—	110,510	221,019	331,529	—	—	—
	2/1/2018	11/15/2017	—	—	—	—	1,834	—	130,581
	2/1/2018	11/15/2017	1,306	—	130,600	—	—	—	—
Charles T. Happel	N/A	N/A	—	108,301	216,602	324,902	—	—	—
	2/1/2018	11/15/2017	—	—	—	—	1,798	—	128,018
	2/1/2018	11/15/2017	1,280	—	128,000	—	—	—	—
Daniel D. Pitcher	N/A	N/A	—	118,709	237,417	356,126	—	—	—
	2/1/2018	11/15/2017	—	—	—	—	1,970	—	140,264
	2/1/2018	11/15/2017	1,403	—	140,300	—	—	—	—
D. Scott Stice	N/A	N/A	—	113,739	227,477	341,216	—	—	—
	2/1/2018	11/15/2017	—	—	—	—	1,888	—	134,426
	2/1/2018	11/15/2017	1,344	—	134,400	—	—	—	—

For each of our NEOs, the first row indicates awards under the Management Performance Plan. Threshold payments for this plan represent the total amount payable if each performance goal's minimum requirements were met. Actual amounts payable for a goal would be zero if a threshold for a goal is not met. See "Compensation Discussion and Analysis - Annual Cash Incentives" for further detail.

(b)

For each of our NEOs, the third row indicates awards under the Cash-Based Restricted Surplus Unit Plan. The target amount represents the notional value of the restricted surplus units awarded. For information regarding service and performance requirements applicable to these awards, see the discussion of our Long-Term Incentives in the Compensation Discussion and Analysis section.

For each of our NEOs, the second row indicates awards under the Cash-Based Restricted Stock Unit Plan. The value of the restricted stock units awarded under this plan are determined by reference to the market value of the (c) same number of shares of our Class A common stock. For information regarding service and performance requirements applicable to these awards, see the discussion of our Long-Term Incentives in the Compensation Discussion and Analysis section.

#### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information about our Class A common stock that may be issued upon the exercise of options, warrants and rights, or granted as restricted stock, under our existing equity compensation plans, as of December 31, 2018. These plans include a stock compensation plan, a deferred compensation plan for executives and a deferred compensation plan for directors. Details regarding these plans can be found in Notes 1 and 8 to the Company's audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

Plan Category	(1) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(2) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	(3) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (1))	(4) Total of Securities in Columns (1) and (3)
Equity compensation plans approved by shareholders:				
Stock compensation plans (a)	11,176	\$ 25.11	—	11,176
Director's deferred compensation plan	50,194		105,687	155,881
Executive deferred compensation plan	48,312		95,304	143,616
Total	109,682		200,991	310,673

Equity compensation plans not approved by shareholders:

Employer match deferred compensation plan	3,327	\$ —	—	3,327
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(a) The Stock Compensation Plan also permits the grant of restricted stock and other forms of equity, without limiting the number of shares which may be subject to any one kind of grant.

#### OUTSTANDING EQUITY AWARDS AT YEAR END 2018

Name	Stock Awards Equity Incentive Plan Awards Number of Units or Shares, Other Rights that have not Vested (a) (#)	Market or Payout Value of Unearned Shares, Units or Rights that have not Vested (b) \$
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James P. Brannen 17,744 1,164,894

Donald J. Seibel 7,485 491,390  
 Charles T. Happel 7,335 481,543  
 Daniel D. Pitcher 8,009 525,791  
 D. Scott Stice 7,674 503,798

These awards are cash-settled restricted stock units that vest and are paid ratably over five years of service.

(a) Assuming that each of the NEOs continues to be employed by the Company and satisfies any applicable performance goals, restricted stock unit vesting dates are as follows:

Name	2/1/2019	2/1/2020	2/1/2021	2/1/2022	2/1/2023
James P. Brannen	7,472	4,885	2,739	1,764	884
Donald J. Seibel	3,213	2,035	1,137	733	367
Charles T. Happel	3,149	1,994	1,114	718	360
Daniel D. Pitcher	3,431	2,176	1,221	787	394
D. Scott Stice	3,287	2,085	1,170	754	378

(b) Calculated based on the closing market price of the Company's Class A common stock on December 31, 2018.

OPTION EXERCISES AND  
STOCK VESTED IN 2018

Name	Stock Awards Number of Value Shares Realized Acquired on Vesting(a) Vesting (#) (\$)
James P. Brannen	9,015,740,119
Donald J. Seibel	4,111,338,531
Charles T. Happel	4,017,330,749
Daniel D. Pitcher	4,376,360,286
D. Scott Stice	2,909,235,237

The dollar amounts shown are determined by multiplying the number of restricted stock units vested by the closing (a) price of the Company's Class A common stock on the vesting date and any dividend equivalents attributable to such restricted stock units. The restricted stock units are settled in cash.

PENSION BENEFITS

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)
James P. Brannen	Qualified Retirement Plan	27	1,308,698
	Supplemental Retirement Plan	27	5,174,946
Donald J. Seibel	Qualified Retirement Plan	22	1,028,092
	Supplemental Retirement Plan	22	1,433,889
Charles T. Happel	Qualified Retirement Plan	32	1,702,640
	Supplemental Retirement Plan	32	2,236,758
Daniel D. Pitcher	Qualified Retirement Plan	20	970,106
		20	1,589,539



Supplemental  
Retirement  
Plan

D. Scott Stice      N/A              —              —

The table above utilizes interest rate and mortality rate assumptions consistent with those used in the Company's financial statements. For a description of valuation methods and material assumptions used in accounting for pension obligations, see note 8, Retirement and Compensation Plans, to the Company's audited consolidated financial statements included in the Company's annual report on Form 10-K for the year ended December 31, 2018.

Employees who had attained age 21, had one year of service and were employed prior to January 1, 2013 are generally covered under the FBL Financial Group Retirement Plan and the FBL Financial Group Supplemental Retirement Plan (together, the "plan"). The two plans operate in tandem to provide benefits to participants. The FBL Financial Group Retirement Plan is a qualified plan under Section 401(a) of the Internal Revenue Code and the FBL Financial Group Supplemental Retirement Plan is a non-qualified plan which provides benefits according to the overall plan formulas, but includes compensation exceeding limits on compensation that can be taken into account under Section 401(a)(17) and provides benefits provided by the formula which are otherwise limited by Section 415 of the Internal Revenue Code. The plan was frozen to new entrants at the end of 2012, and employees who had not attained 40 years of age and 10 years of service by that date no longer accrue additional years of service in the plan.

The plan is a defined benefit plan which provides benefits to retirees who have at least 10 years of service and have attained age 55, or have five years of service and have attained age 65. The amount provided is a percentage of the high 36 consecutive-month average salary and annual cash incentive calculated according to the following formula: for service prior to 1998, 2% per year for the first 10 years of service, plus 2.5% for each year in excess of 10 years of service, up to 30 years of service; for service after 1997 and prior to 2008, 1.675% per year of service, plus 0.325% per year of service times the average salary and annual cash incentive less social security covered compensation; for service after 2007, 1.275% per year of service, plus 0.225% per year of service times the average salary and annual cash incentive less social security covered compensation. Unreduced early retirement benefits are provided when age plus years of service equal 85 on the benefit earned before 2002. Reduced early retirement benefits on the benefits earned prior to 2008 are generally provided with reductions of 3% per year

before age 65. Reduced early retirement benefits on the benefits earned beginning in 2008 are generally provided with reductions of 6.67% per year for ages 60 to 64, and 3.33% per year for ages 55 to 59. There is an automatic annual cost of living adjustment not to exceed 4.0% on the benefit earned before 2002.

Years of service include all years in which an individual first exceeds 1,000 hours of service and any year thereafter in which the person exceeds 500 hours of service. The compensation covered by the plan is calculated based upon total salary and annual cash incentives paid to the participant during the given year.

The qualified plan provides a monthly benefit for life with a guarantee of 120 monthly payments. Participants may instead elect to receive another form of monthly payment under the plan or a lump sum payment, or elect to receive a portion of the benefit monthly and the remaining portion in lump sum.

The non-qualified plan provides either a lump sum payment or substantially equal annual payments up to fifteen years. Members of the Company's management team, including our NEOs, are not permitted to elect a lump sum payment with respect to the present value of the accrued benefit earned after the year in which they first became a member of the management team, or earned after 2007 for those participants who were members of the management team at that time. Instead, such payments are made in substantially equal annual amounts over an elective period of five to fifteen years. However, if the present value of any participant's accrued benefit is less than \$100,000, the payment is made in a lump sum, regardless of any contrary election and regardless of whether the participant is a member of the management team.

#### 2018 NON-QUALIFIED DEFERRED COMPENSATION

The Company sponsors a Non-Qualified Excess 401(k) Plan (the "Excess Plan"), which replaced the Company's Employer Match Deferred Compensation Plan ("MDCP") and Executive Salary and Bonus Deferred Compensation Plan ("SBDCP") effective January 1, 2014. The Excess Plan provides the opportunity to make deferrals of salary and the annual cash incentive. Those employees who continue to accrue years of service in the FBL Financial Group Retirement Plan, discussed above under "Pension Benefits," are not eligible to receive company contributions to the Excess Plan. Employees not accruing service under the FBL Financial Group Retirement Plan receive matching contributions from the Company in an amount equal to 100% of the first 4% of compensation deferred, plus 50% of the next 2% of compensation deferred, after also taking into account deferrals and company matching contributions received in the 401(k) plan, and are also eligible for discretionary contributions from the Company based on age and years of service. Matching contributions vest immediately, while discretionary contributions vest after three years of service. Earnings are based on various investment funds available. Distributions may begin upon a separation from service, while still employed or upon a change in control. Participating employees may receive distributions in a lump sum or in up to 10 annual installments.

Contributions to the MDCP ceased as of December 31, 2013. All contributions to the MDCP were made by the Company; there were no employee contributions to the plan. MDCP earnings are based on a Farm Bureau Life fixed income annuity or on units representing the Company's Class A common stock. Contributions of amounts based on the investment fund are distributed in cash. Contributions of amounts based on FBL stock are distributed in shares of common stock for contributions prior to 2012, and in cash for contributions thereafter. Distributions are made in lump sum within 90 days of employee termination or after six months if the individual is a specified employee under Internal Revenue Code Section 409A, or if approved, for an unforeseen financial hardship.

Contributions to the SBDCP also ceased as of December 31, 2013. The SBDCP consisted of the deferral of a portion of salary and annual cash incentive. Earnings are based on units representing the Company's Class A common stock. Distributions are made in shares of common stock for deferrals prior to 2012, and in cash for deferrals thereafter. Participating employees could elect to receive distributions in a lump sum or in five or ten annual installments, and to choose to receive distributions upon termination or another specified future date.

The following table provides information regarding contributions and earnings under our non-qualified deferred compensations plans in 2018 for each NEO, as well as each NEO's aggregate balance in such plans on December 31, 2018.



Name	Plan	Executive Contributions in Last FY (\$)	Registrant Contributions in Last FY (\$)	Aggregate Earnings in Last FY (\$)	Aggregate Balance at Last FYE (\$)
James P. Brannen	Employer Match Deferred Compensation Plan	—	—	(2,288 )	183,794
	Executive Salary and Bonus Deferred Compensation Plan	—	—	(14,217 )	1,141,863
	NQ Excess 401(k)	122,838	—	(30,295 )	432,525
Donald J. Seibel	Employer Match Deferred Compensation Plan	—	—	169	5,801
	Executive Salary and Bonus Deferred Compensation Plan	—	—	(7,828 )	628,759
	NQ Excess 401(k)	213,121	—	28,704	1,045,198
Charles T. Happel	NQ Excess 401(k)	—	—	5,419	349,037
Daniel D. Pitcher	N/A	—	—	—	—
D. Scott Stice	NQ Excess 401(k)	169,717	35,361	(36,029 )	819,762

#### POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The text and table below reflect the amounts payable to each of the NEOs in the event of termination of employment at December 31, 2018 under various scenarios. The value of equity awards was calculated using the Company's year-end closing stock price of its Class A common stock, \$65.65 per share.

Regardless of the manner in which an NEO's employment terminates, he or she is entitled to receive certain amounts earned during the term of employment. Such amounts would include: (i) base salary to the termination date, (ii) accrued and vested retirement plan amounts and (iii) vested amounts under the Company's non-qualified deferred compensation plans, as discussed above under "2018 Non-Qualified Deferred Compensation." Those NEOs not accruing service under the FBL Financial Group Retirement Plan would also receive accrued employer match contributions under the Excess Plan in the event of termination of employment. As of December 31, 2018, this would have resulted in \$20,593 in additional Excess Plan contributions for the account of Mr. Stice.

The Company's revised severance plan for the NEOs is discussed in the Compensation Discussion and Analysis section under "Change in Control Arrangements." The following table indicates the amounts potentially payable to each of the NEOs at December 31, 2018 in the event of an involuntary termination not for cause, whether following a change in control or otherwise. Except as discussed above, no amounts are payable to the NEOs at December 31, 2018 in the event of a voluntary termination or a termination for cause.

Name	Termination Scenario	Severance (\$)	Total (\$)
James P. Brannen	Involuntary Termination Not for Cause	786,600	786,600
Donald J. Seibel	Involuntary Termination Not for Cause	401,853	401,853
Charles T. Happel	Involuntary Termination Not for Cause	393,821	393,821
Daniel D. Pitcher	Involuntary Termination Not for Cause	431,668	431,668
D. Scott Stice	Involuntary Termination Not for Cause	206,798	206,798

#### Payments Upon Retirement

In the event of retirement, an NEO would be entitled to receive the amounts accrued and vested under the FBL Financial Group Retirement Plan and the FBL Financial Group Supplemental Retirement Plan, as discussed above under "Pension Benefits." The NEO would also receive a prorated annual cash incentive based upon completed service. Since the plan year for the Company's annual cash incentive ends on December 31, an NEO who retired on December 31, 2018 would have received the full amount reflected under the "Award Amount" column of the table titled "2018 Management Performance Plan Opportunities and Awards" in the Compensation Discussion and Analysis section.

Unvested restricted stock units and unvested restricted surplus units are forfeited at retirement. Retiring NEOs who still participate in our frozen executive universal life insurance plan, as discussed in the Compensation Discussion and Analysis section under “Benefits,” also receive a lump sum payment sufficient for the policy to be paid up at its December 31, 2006 value at age 65, to endow at age 95. For our NEOs who participate in the executive universal life insurance plan, this would have resulted in lump sum payments of \$82,380 to Mr. Brannen and \$60,927 to Mr. Seibel had they retired on December 31, 2018.

#### Payments Upon Death or Disability

In the event of an NEO's death or disability, the NEO or his beneficiary would receive a prorated annual cash incentive based upon completed service as discussed above under "Payments Upon Retirement." Additionally, unvested restricted stock units and unvested restricted surplus units are prorated based on the number of months from the grant date to termination by reason of death or disability as compared to the number of months from the grant date to the vesting date for each 20% portion of the restricted stock units and restricted surplus units. As of December 31, 2018, the amounts payable for unvested restricted stock units to each of the NEOs in the event of death or disability would have been as follows: Mr. Brannen, \$449,637; Mr. Seibel, \$193,405; Mr. Happel, \$189,597; Mr. Pitcher, \$206,404; and Mr. Stice, \$197,869. As of December 31, 2018, the amounts payable for unvested restricted surplus units to each of the NEOs in the event of death or disability would have been as follows: Mr. Brannen, \$218,977; Mr. Seibel, \$90,850; Mr. Happel, \$88,995; Mr. Pitcher, \$97,511; and Mr. Stice, \$93,459. The NEOs would also receive the amounts accrued and vested under the FBL Financial Group Retirement Plan and the FBL Financial Group Supplemental Retirement Plan in the event of death or disability, as discussed above under "Pension Benefits." Those NEOs not accruing service under the FBL Financial Group Retirement Plan would receive accrued employer discretionary contributions under the 401(k) plan and Excess Plan in the event of death or disability. As of December 31, 2018, this would have resulted in \$34,343 in additional plan contributions for the account of Mr. Stice.

Each of the NEOs is insured under the Company's group term life insurance and Mr. Brannen and Mr. Seibel are insured under the frozen executive universal life insurance plan. In each case, the total life insurance benefit is two times salary and annual cash incentive. The NEOs also participate in an executive disability policy with benefits up to 75% of salary.

#### CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

##### Review, Approval or Ratification of Transactions with Related Parties

Pursuant to our Corporate Compliance Manual and our Code of Business Ethics and Conduct, all employees, including our NEOs, who have, or whose immediate family members have, any direct or indirect financial or other participation in any business that supplies goods or services to, or is a customer of FBL Financial Group, are required to disclose such interest to us prior to transacting such business. Our employees are expected to make reasoned and impartial decisions in the work place. As a result, approval of the transaction is denied if we believe that the employee's interest in such business could influence decisions relative to our business, or have the potential to adversely affect our business or the objective performance of the employee's work. Our Corporate Compliance Committee and Corporate Compliance Officer implement our Code of Business Ethics and Conduct and related policies, and the Audit Committee is responsible for overseeing our ethics and compliance program. Our Board members are also subject to compliance with our Code of Business Ethics and Conduct. Our Code of Business Ethics and Conduct is in writing. To obtain a copy, please see the "Corporate Governance" section above in this proxy statement.

The charter of the Audit Committee requires that it review with the independent registered public accountants and management at each of its regular quarterly meetings any Company transactions involving more than \$120,000 where a direct or indirect material interest in the transaction is held by any director, executive officer, nominee for director, 5% shareholder, immediate family member of such person or companies managed by the Company. The Audit Committee is directed to refer to the Board any transactions which it deems unfair to the Company. Additionally, the Company's practice is that if the Audit Committee or Board believes a transaction with Farm Bureau Property & Casualty or Western Ag is outside of our normal business practices, a committee consisting of two independent directors of the Company and two independent directors of Farm Bureau Property & Casualty or Western Ag, as applicable, will determine whether the transaction should be completed, and on what terms. The transactions listed below represent continuing relationships and contracts which have been reviewed by the Audit Committee in prior years.

##### Transactions with Iowa Farm Bureau Federation

As discussed elsewhere in this proxy statement, the Iowa Farm Bureau Federation is our majority shareholder. We are licensed by the Iowa Farm Bureau Federation to use the "Farm Bureau" and "FB" designations in Iowa, and pursuant

thereto, incurred royalty expense of \$581,000 for 2018. In addition, we lease our home office properties under a 10-year operating lease expiring December 31, 2021, with automatic five year renewals thereafter until a party provides notice of non-renewal, from a wholly-owned subsidiary of the Iowa Farm Bureau Federation. Rent expense for the lease totaled \$4,311,000 for 2018. This amount is net of \$174,000 in amortization of the deferred gain on the exchange of our home office properties for common stock that took place on March 31, 1998.

We also provide certain services to, and receive certain services from, the Iowa Farm Bureau Federation and its wholly owned subsidiary, Farm Bureau Management Corporation. The entity providing such services is reimbursed based on an allocation of the cost of providing such services. The Iowa Farm Bureau Federation paid us approximately \$292,000 for these services in 2018, and we paid the Iowa Farm Bureau Federation related expenses totaling approximately \$1,725,000 during the same period.

#### Transactions with Farm Bureau Property & Casualty and Affiliates

As discussed elsewhere in this proxy statement, we manage all aspects of two Farm Bureau-affiliated property-casualty companies, Farm Bureau Property & Casualty and Western Ag. We have a management agreement with Farm Bureau Property & Casualty under which we provide general business, administrative and management services. Fee income from Farm Bureau Property & Casualty and its affiliates for these services during 2018 totaled \$2,001,000.

We also have agreements with the Farm Bureau property-casualty companies operating within our marketing territory, including Farm Bureau Property & Casualty. Under the agreements, the property-casualty companies are responsible for the development and management of our agency force for a fee. We paid \$5,879,000 to Farm Bureau Property & Casualty under this arrangement during 2018.

We provide certain other services to, and receive certain services from, Farm Bureau Property & Casualty and its affiliates. The company providing such services is reimbursed based on an allocation of the cost of providing such services. Our subsidiaries Farm Bureau Life and FBL Leasing Services, Inc. own aircraft that are available for use by our affiliates. In 2018, Farm Bureau Property & Casualty and its affiliates paid us approximately \$515,000 for the use of such aircraft. Also, through our subsidiary, FBL Leasing Services, Inc., we leased computer equipment and furniture to Farm Bureau Property & Casualty and others. In 2018, Farm Bureau Property & Casualty paid us approximately \$5,082,000 related to such leases. We also participate in an expense allocation agreement with Farm Bureau Property & Casualty for the use of property and equipment. We incurred lease expense relating to this agreement of approximately \$342,000 in 2018. We provide investment advice and related services to Farm Bureau Property & Casualty through our subsidiary, FBL Financial Services, Inc. Farm Bureau Property & Casualty and its affiliates paid us approximately \$2,804,000 for these services in 2018. Additionally, Farm Bureau Property & Casualty and other Farm Bureau organizations will, on occasion, enter into structured settlement arrangements with FBL Assigned Benefit Company (“ABC”), one of our indirect wholly-owned subsidiaries. For a fee, ABC relieves Farm Bureau Property & Casualty of its contractual obligations relating to a policyholder and funds payments to the policyholder with an annuity contract purchased from Farm Bureau Life. Premiums paid to us during 2018 under this arrangement from Farm Bureau Property & Casualty and its affiliates totaled approximately \$1,080,000.

#### PROPOSAL NUMBER TWO - ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION

In 2018, we received the affirmation of over 99% of shares voting, excluding abstentions and broker non-votes, in regard to a resolution approving our pay practices for executive compensation as discussed in “Executive Compensation - Compensation Discussion and Analysis.” Consistent with our practice of reviewing NEO compensation with our shareholders on an annual basis, we again seek a non-binding advisory vote from our shareholders to approve the compensation of our NEOs as described under “Executive Compensation - Compensation Discussion and Analysis” and the tabular disclosure regarding NEO compensation (together with the accompanying narrative disclosure) in this proxy statement. Because your vote is advisory, it will not be binding upon the Board of Directors. The Management Development and Compensation Committee will consider the shareholder vote in deciding whether any changes to our NEO compensation practices or other actions are appropriate.

As we discuss in our Compensation Discussion and Analysis, our compensation program is designed to reward our NEOs when they deliver the performance that our shareholders seek. In 2018, the components of our NEO compensation included: (i) base salary, (ii) an annual cash incentive based on the achievement of earnings, growth and efficiency goals, and (iii) long-term incentive compensation through cash-based restricted stock units and cash-based restricted surplus units. Please see the Compensation Discussion and Analysis section for additional details regarding the compensation of our NEOs.

This proposal gives you, as a shareholder, the opportunity to approve our NEO compensation as disclosed in this proxy statement by voting for or against the following resolution:

RESOLVED, that the shareholders approve, on an advisory basis, the compensation of the Company’s named executive officers, as disclosed in the Compensation Discussion and Analysis, the compensation tables and the related disclosure contained in the Company’s Proxy Statement for its 2019 Annual Meeting.



The affirmative vote of a majority of the Class A common shares and Series B preferred shares present or represented and entitled to vote either in person or by proxy, voting as one class, is required to approve this non-binding proposal. Also required for approval is the affirmative vote of a majority of the Class B common shares present or represented and entitled to vote either in person or by proxy. Votes marked as “abstain” and broker non-votes shall be of no effect in causing the matter to be approved or not to be approved.

THE BOARD OF DIRECTORS BELIEVES THAT THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS IS APPROPRIATE AND UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE

NAMED EXECUTIVE OFFICER COMPENSATION AS DESCRIBED IN THE COMPENSATION DISCUSSION AND ANALYSIS, THE COMPENSATION TABLES AND OTHERWISE IN THIS PROXY STATEMENT.

#### REPORT OF THE AUDIT COMMITTEE

The purpose of the Audit Committee is to assist the Board in its general oversight of FBL's financial reporting, internal controls, compliance, risk analysis and audit functions. The Audit Committee Charter describes in greater detail the full responsibilities of the Audit Committee. The Charter is available on the Company's website, [www.fblfinancial.com](http://www.fblfinancial.com). The Audit Committee is comprised solely of independent directors as defined by the listing standards of the NYSE.

The Audit Committee is responsible for hiring the independent registered public accounting firm. Ernst & Young LLP has served as the Company's auditor since 1993. The Audit Committee has reviewed and discussed the audited consolidated financial statements with management and Ernst & Young LLP.

Management is responsible for the preparation, presentation and integrity of FBL's financial statements, accounting and financial reporting principles, establishing and maintaining disclosure controls and procedures, establishing and maintaining internal control over financial reporting, evaluating the effectiveness of disclosure controls and procedures, evaluating the effectiveness of internal control over financial reporting and evaluating any change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

Ernst & Young LLP is responsible for performing an independent audit of FBL's consolidated financial statements and expressing an opinion on whether the consolidated financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles. Ernst & Young LLP is also responsible for performing an independent audit of internal control over financial reporting and expressing an opinion on whether FBL maintained, in all material respects, effective internal control over financial reporting.

During the course of 2018, management continued its evaluation of FBL's system of internal control over financial reporting in response to the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations. The Audit Committee was kept apprised of the progress of the evaluation and provided oversight and advice to management during the process. In connection with this oversight, the Audit Committee received periodic updates provided by management and Ernst & Young LLP at each regularly scheduled Audit Committee meeting. The Audit Committee reviewed management's report on the effectiveness of the Company's internal control over financial reporting contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. The Audit Committee continues to oversee FBL's efforts related to its internal control over financial reporting and management's preparations for the evaluation of the effectiveness of internal control over financial reporting in fiscal year 2019.

The Audit Committee reviewed Ernst & Young LLP's Report of Independent Registered Public Accounting Firm included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 containing Ernst & Young LLP's opinion on internal control over financial reporting. The Audit Committee also reviewed Ernst & Young LLP's Report of Independent Registered Public Accounting Firm included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 containing Ernst & Young LLP's opinion on the consolidated financial statements.

The Audit Committee has discussed with Ernst & Young LLP the matters required to be discussed by Public Company Accounting Oversight Board ("PCAOB") Auditing Standard 1301. In addition, Ernst & Young LLP has provided the Audit Committee with the written disclosures and the letter required by applicable requirements of the PCAOB regarding communications by Ernst & Young LLP with the Audit Committee concerning independence. The Audit Committee has also discussed with Ernst & Young LLP the firm's independence.

Based on the Audit Committee's review of the audited consolidated financial statements and the discussions with and representations from management and Ernst & Young LLP referred to above, the Audit Committee recommended to the Board of Directors that FBL's audited consolidated financial statements be included in FBL's Annual Report on Form 10-K for fiscal year 2018, for filing with the Securities and Exchange Commission.

#### AUDIT COMMITTEE

Paul E. Larson, Chair

Roger K. Brooks  
Paul A. Juffer

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**PROPOSAL NUMBER THREE - RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed, and the Board has approved, Ernst & Young LLP as our Independent Registered Public Accounting Firm for 2019. You are being asked to ratify this action of the Audit Committee. Should you not ratify the Audit Committee's action, it will review the matter, and may make such decision as it believes appropriate, consistent with its role as the sole body responsible for appointing the Independent Registered Public Accounting Firm. That decision may include retaining the Independent Registered Public Accounting Firm despite not receiving your ratification, or dismissing the firm at any time if conditions warrant.

Ernst & Young LLP provided audit and other services during 2018 and 2017 for fees totaling \$1,875,501 and \$1,838,811, respectively. This included the following fees:

Audit Fees: \$1,729,330 and \$1,648,230, respectively, for the annual audit of the Company's consolidated financial statements and review of interim financial statements in the Company's reports on Form 10-Q;

Audit-Related Fees: \$95,530 and \$72,965, respectively, primarily for employee benefit plan audits; and

Tax Fees: \$50,641 and \$117,616, respectively, for tax compliance, tax consulting and tax planning.

The Company's policy, as reflected in the Audit Committee Charter, is that all services provided by the Company's Independent Registered Public Accounting Firm, and fees for such services, must be approved by the Audit Committee. The Audit Committee has determined to grant general pre-approval authority to management of \$25,000 per engagement for tax, audit and audit-related services, not to exceed \$50,000 in total in any calendar quarter. In each case the services must not impair the independence of the Independent Registered Public Accounting Firm. These engagements are ratified by the Audit Committee on a quarterly basis. Engagements exceeding those limits require specific pre-approval by the Audit Committee. The Audit Committee reviews with Ernst & Young LLP whether the non-audit services to be provided are compatible with maintaining the firm's independence. Permissible non-audit services are usually limited to fees for tax services, accounting assistance or audits in connection with acquisitions and other services specifically related to accounting or audit matters such as audits of employee benefit plans.

Representatives of Ernst & Young LLP are expected to be present at the annual meeting, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

**YOUR BOARD UNANIMOUSLY RECOMMENDS YOUR VOTE FOR THE RATIFICATION OF ERNST & YOUNG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2019.**

The affirmative vote of a majority of the Class A common shares and Series B preferred shares present or represented and entitled to vote either in person or by proxy, voting as one class, is required to ratify the appointment of Ernst & Young LLP. Also required for ratification is the affirmative vote of a majority of the Class B common shares present or represented and entitled to vote either in person or by proxy. Votes marked as "abstain" shall be of no effect in causing the matter to be approved or not to be approved.













