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FBL FINANCIAL GROUP INC
Form 8-K
March 18, 2005

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) November 4, 2004

FBL FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Iowa

1-11917

(State or other jurisdiction of incorporation)

(Commission File Number)

(I.R.S. Emplo

5400 University Avenue, West Des Moines, Iowa

(Address of principal executive offices)

Registrant's telephone number, including area code (515) 225-5400

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

At meetings held November 4, 2004, December 16, 2004 and February 25, 2005, the Management Development and Compensation Committee (the "Committee"):

1. set the base salaries of executive officers including the chief executive officer and next four most highly paid executive officers (together, the "Named Executive Officers") for 2005,
2. approved grants of stock options and restricted stock (which included establishment of year 2007 earnings per share and year 2007 return on equity performance goals for the restricted stock) to employees including the Named Executive Officers, which grants were completed January 17, 2005,
3. ratified payment of bonuses paid to employees including the Named Executive Officers on February 1, 2005 based on attainment of 2004 company goals,
4. set company goals for 2005 on which cash bonuses payable in

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5. 2006 will be based, and revised compensation payable to directors.

BASE SALARIES FOR 2005 FOR THE NAMED EXECUTIVE OFFICERS

Name	Title	2005 Ba
William J. Oddy	Chief Executive Officer	\$65
James W. Noyce	Chief Financial Officer and Chief Administrative Officer	\$43
Stephen M. Morain	Senior Vice President and General Counsel	\$42
JoAnn W. Rumelhart	Executive Vice President - Farm Bureau Life	\$33
Bruce A. Trost*	Executive Vice President - P/C Companies	\$33

*Mr. Trost joined the company in November 2004 after announcement of the pending retirement of John Tatum, who was one of the named executive officers in 2004.

STOCK OPTIONS GRANTED JANUARY 17, 2005

The Committee's annual grants of stock options to eligible participants were effective January 17, 2005 pursuant to the 1996 Class A Common Stock Compensation Plan. Grants were made to the Named Executive Officers in the amounts shown below. Consistent with the plan, the options have an exercise price of \$26.35 per share, vest ratably over a five year period and expire ten years after the date of grant.

Name	Number of Options
William J. Oddy	46,054
James W. Noyce	26,085
Stephen M. Morain	8,635
JoAnn W. Rumelhart	15,543
Bruce A. Trost	8,635

RESTRICTED STOCK GRANTS IN 2005

In 2005 for the second year the Committee determined to emphasize performance results by splitting the equity awards of certain executive officers, including the Named Executive Officers, into a stock option component and a restricted stock component. The shares of restricted stock vest after three years if performance criteria are met. For the grants made January 17, 2005, the Committee has set goals of earnings per share in year 2007 and year 2007 return on equity. Grants to the Named Executive Officers are as follows:

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Name -----	Shares of Restricted Stock -----	Grant D -----
William J. Oddy	15,189	\$39
James W. Noyce	8,539	\$22
Stephen M. Morain	2,846	\$ 7
JoAnn W. Rumelhart	5,123	\$13
Bruce A. Trost	2,846	\$ 7

CASH BONUSES PAID IN 2005 FOR 2004 PERFORMANCE

The Named Executive Officers are eligible to receive an annual cash bonus as part of the Company's Management Performance Plan, based on the achievement of performance objectives established for the prior year. The performance objectives are company oriented and are used to determine bonuses for all eligible employees. The Committee reviewed and ratified the payment of the annual bonus which was made February 1, 2005 based on the achievement of targets established for 2004. The Named Executive Officers received the following bonuses under this plan.

Name -----	Bonus Paid in 2005 for 2004 -----
William J. Oddy	\$302,454
James W. Noyce	\$156,516
Stephen M. Morain	\$112,205
JoAnn W. Rumelhart	\$120,568
Bruce A. Trost	\$ 30,789

PERFORMANCE GOALS FOR 2005

The Committee has established eight equally weighted company performance goals for the Management Performance Plan for 2005, which include earnings per share, Farm Bureau Life insurance production, EquiTrust Life collected premiums, agent recruiting, life expenses, property/casualty membership accounts, property/casualty expenses and property/casualty combined ratio. Attainment of the goals under the Management Performance Plan is designed to produce target bonuses to the executive officers of up to 50% of base salary for Mr. Oddy and 40% for Mr. Noyce, Mr. Trost and Ms. Rumelhart, and 25% for Mr. Morain, and for exceptional

performance could allow bonuses of up to 100% of base salary for Mr. Oddy, 80% for Mr. Noyce, Mr. Trost and Ms. Rumelhart, and 50% for Mr. Morain.

DIRECTOR COMPENSATION

The Committee determined to revise the schedule of payments to non-management directors to the following schedule:

Class A directors and Class B directors receive annual retainers of

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\$24,000 and \$10,000, respectively, plus a fee of \$1,250 for each Board meeting attended (\$500 for telephonic meetings). Members of the Audit Committee receive \$1,000 per meeting; members of the Class B Nominating Committee receive \$500 per meeting (\$250 per telephonic meeting); members of the other committees receive \$1,000 per meeting (\$500 per telephonic meeting). The chairperson of the committee receives 50% more than the members. Directors may elect to receive their fees in cash, in shares, or in deferred stock equivalent units pursuant to the Director Compensation Plan. All directors are reimbursed for travel expenses incurred in attending Board or committee meetings, and are reimbursed for travel expenses of their spouse for one Board meeting per year. The non-employee directors each annually receive nonqualified stock options to purchase 4,000 shares at the date of grant fair market value.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) EXHIBITS

- 10.1 Summary Sheet: Named Executive Officer Base Salaries 2005
- 10.2 Rules for Payment of Meeting Fees, Retainers and Expenses to the Board of Directors
- 10.3 Management Performance Plan 2005

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 18, 2005

FBL FINANCIAL GROUP, INC.

/s/ James W. Noyce

James W. Noyce
Chief Financial Officer and Chief
Administrative Officer