



THRIVENT[®]
INVESTMENT MANAGEMENT

Managed Accounts Program Brochure

September 2018

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This wrap fee program brochure provides information about the qualifications and business practices of Thrivent Investment Management Inc. If you have any questions about the contents of this brochure, please contact us at 800-847-4836. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Thrivent Investment Management Inc. is also available on the SEC's website at Adviserinfo.sec.gov.

Thrivent Investment Management Inc. is a registered investment adviser. Registration as an investment adviser does not imply a certain level of skill or training.

Managed Accounts Program Brochure

Item 2—Material Changes

We made the following material change to this Managed Accounts Program Brochure since our last annual update, dated March 2018:

On page 19, under the subheading “Disciplinary Information,” the following has been added:

Thrivent initiated a review to identify whether eligible customers received certain available sales charge waivers or breakpoint discounts, for the period beginning January 2011 forward. Thrivent subsequently and promptly established a plan of remediation for those identified customers who did not receive appropriate sales charge waivers or available breakpoint discounts and made restitution to such customers. Thrivent entered into a Letter of Acceptance, Waiver and Consent (AWC) with the Financial Regulatory Authority (FINRA), which was issued on August 9, 2018, and in which Thrivent neither admitted nor denied the allegations. FINRA expressly recognized, in the AWC, Thrivent’s extraordinary cooperation in resolving this matter. The AWC alleged that Thrivent violated NASD Rule 3010 and FINRA Rules 3110 and 2010 by failing to reasonably supervise mutual fund sales to ensure eligible customers received the benefit of applicable sales charge waivers and breakpoint discounts. Thrivent consented to a censure in the AWC and will provide FINRA with certain information regarding its established remediation plan for eligible customers.

Contact us at 800-847-4836 or ask your Financial Representative if at any time you would like to receive an additional brochure.

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Item 4—Services, Fees, and Compensation

Program Overview

Thrivent Investment Management Inc. (“Thrivent” or “we” or “us”) is an investment adviser and broker-dealer registered with the Securities and Exchange Commission. Thrivent sponsors a managed accounts program (“Program”) that is described in this Managed Accounts Program Brochure (“Brochure”). The Program includes the following (each separately is a program):

- Thrivent Advisor (“Advisor”)
- Thrivent Advantage Managed Portfolios (“Advantage”) (closed to new investors)
- Thrivent SELECT Managed Portfolios (“SELECT”)
- Thrivent Income-Focused Managed Portfolios (“Income-Focused”)
- Thrivent Genesis Managed Portfolios™ (“Genesis”)
- Thrivent Shepherd Managed Portfolios® (“Shepherd”)
- Thrivent Shield Managed Portfolio™ (“Shield”)
- Thrivent Separately Managed Account (“SMA”)
- Thrivent Unified Managed Account 1.0 and 2.0 (“UMA”)

The Program enables you to receive ongoing investment advice, brokerage, and related services—including performance, custody, and transaction reporting—for an asset-based fee (“Program Fee”). Participation in a Program may cost you more or less than purchasing these services separately.

Thrivent offers the Program through Envestnet Asset Management Inc. (“Platform Manager”), a registered investment adviser and unaffiliated company that operates a technology platform. The Platform Manager may also provide investment advice to Thrivent. Investment advisory services for the Program will be provided to you by Thrivent, your Financial Representative (“Financial Representative”), and in some instances, the Platform Manager, and other investment managers (“Sub-Managers”) or third-party model providers (“Model Providers”). The Platform Manager has agreements with Sub-Managers and Model Providers to provide investment advisory services for the Genesis, Shepherd, Shield, SMA, and UMA programs.

National Financial Services LLC (“NFS”), Member NYSE/SIPC, a Fidelity Investments® company, will serve as the custodian for your Program assets. Thrivent is not affiliated with NFS. You will be

required to establish one or more brokerage accounts (“Account” or “Accounts”) with NFS to participate in the Program.

Generally, you will pay a Program Fee based on the eligible Program assets (“Eligible Program Assets”) held in your Account. Eligible Program Assets may not be the same for each managed accounts program. Review the Program chart below and the Thrivent Managed Accounts Program Client Agreement (“Client Agreement”) for more information about Eligible Program Assets.

Thrivent does not generally allow the purchase of certain non-traditional (i.e., inverse or leveraged) exchange-traded funds (“ETFs”), exchange-traded notes (“ETNs”), or mutual funds within the Program. A Sub-Manager or Model Provider may use one or more of these non-traditional securities in the SMA or UMA programs.

Thrivent, in its sole discretion, may allow you to hold certain assets in your Account as an accommodation (“Ineligible Program Assets”). Ineligible Program Assets will not be part of the Program for purposes of calculating your Program Fee. Thrivent and your Financial Representative will not provide investment advice or other related Program services for the Ineligible Program Assets in your Account.

We offer no-load or load-waived A shares, institutional, advisory, or fee-based share classes of mutual funds in the Program. These share classes generally, but not always, have lower fees and expenses. We seek to make available the lower cost share class in the Program; therefore, we review the mutual fund families in the Program at least annually to determine if a lower cost share class is available and can be converted to that share class on a tax-free basis by NFS.

Thrivent Mutual Funds (“Thrivent Mutual Funds”) are among the mutual funds available for purchase within the Program. Thrivent Asset Management, LLC (“Thrivent Asset Management”), an affiliate, is the investment manager for Thrivent Mutual Funds and receives a management fee for its services. Thrivent and its affiliates may earn distribution and service fees (“12b-1 fees”) and/or other fees in connection with Thrivent Mutual Funds. We and/or our affiliates may also earn advisory, distribution, and/or other fees from the use of non-proprietary no-load and load-waived mutual funds, closed-end mutual funds, ETFs, and ETNs.

As a shareholder of a mutual fund, you will pay your proportionate share of the fund’s underlying expenses, which may include advisory, administrative, and 12b-1 fees. These fees are in

addition to the Program Fee you pay. Not all mutual fund share classes have 12b-1 fees. To the extent that Thrivent receives distribution and 12b-1 fees, you will receive a credit to your Program Fee. Carefully review the sections below titled **“Fees and Compensation—Other Charges, Fees, and Expenses”** and **“Item 9—Additional Information—Third-Party and Thrivent-Based Financial Incentives”** for further information related to this conflict of interest.

Your Financial Representative will recommend an appropriate managed accounts program for you based upon your investment objectives, financial situation, and needs. The programs and investment-related advice and services your Financial Representative is able to provide depend on the securities licenses and registrations he or she holds and the programs to which Thrivent has granted him or her access. In order to offer managed account

programs, your Financial Representative is required to be registered with Thrivent as an investment adviser representative (i.e., he or she must hold a Series 65 or 66 license).

For some programs, someone other than your Financial Representative will select and manage the investments in your Account. Because your Financial Representative will not have discretionary trading authority over the assets in your Account for Advantage, SELECT, Income-Focused, Genesis, Shepherd, Shield, SMA, and UMA, he or she will have no authority to take an order from you or to advise you with respect to the timing or nature of securities transactions being executed on your behalf.

Review the chart below for an at-a-glance view of the Program, including the investment selection process and various Program fee schedules.

Managed Accounts Program Overview

	Advisor	Advantage	SELECT	Income-Focused	Genesis
Investment Advisory Structure	Non-discretionary	Discretionary	Discretionary	Discretionary	Discretionary
Asset Allocation Model/Strategy Selection	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation
Underlying Model Holdings/Investment Selection	Financial Representative recommends investments to the client Client approves or rejects recommendation	Thrivent, based on recommendations from Thrivent Asset Management personnel	Thrivent, based on recommendations from Thrivent Asset Management personnel	Thrivent, based on recommendations from Thrivent Asset Management personnel	Platform Manager, based on recommendations from BlackRock Investment Management, LLC
Eligible Program Assets	Individual securities, mutual funds (including Thrivent Mutual Funds), and ETFs	Primarily Class S shares of Thrivent Mutual Funds as determined by the investment model (may also include ETFs)	Mutual funds and ETFs (including Thrivent Mutual Funds), as determined by the investment model	Mutual funds and ETFs (including Thrivent Mutual Funds) that seek to generate income, as determined by the investment model	BlackRock iShares ETFs
Minimum Account Size*	\$100,000	\$25,000	\$100,000	\$100,000	\$100,000
Rebalancing and Reallocation	Client approves or rejects recommendations	Thrivent Asset Management personnel determine whether to rebalance and reallocate at least quarterly	Thrivent Asset Management personnel determine whether to rebalance and reallocate at least quarterly	Thrivent Asset Management personnel determine whether to rebalance and reallocate at least quarterly	Recommended by BlackRock Investment Management, LLC and implemented by Platform Manager at least annually

*You may be eligible to open an Account below the initial minimum investment listed in the chart. Review **“Item 5—Account Requirements and Types of Clients”** for additional information.

continued ...

Managed Accounts Program Overview, *continued*

	Shepherd	Shield	SMA	UMA
Investment Advisory Structure	Discretionary	Discretionary	Discretionary	Discretionary
Asset Allocation Model/Strategy Selection	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends asset allocation model to the client Client approves or rejects recommendation	Financial Representative recommends Sub-Manager to the client Client approves or rejects recommendation	Financial Representative recommends SMA Sub-Managers, mutual funds (including Thrivent Mutual Funds), and ETFs Client approves or rejects recommendations
Underlying Model Holdings/Investment Selection	Platform Manager, based on recommendations from Vanguard Investment Strategy Group	Platform Manager, based on recommendations from Fund Evaluation Group, LLC	Platform Manager or Sub-Manager	SMA Sleeves – Platform Manager or Sub-Manager Mutual Fund or ETF Sleeves – Financial Representative recommends to the client and the client approves or rejects recommendation
Eligible Program Assets	Vanguard ETFs	Mutual funds, ETFs, and ETNs	Equity, balanced, and fixed-income SMA strategies that invest in individual securities, mutual funds, and ETFs	Equity, balanced, and fixed-income SMA strategies, ETFs, and mutual funds
Minimum Account Size*	\$50,000	\$50,000	\$100,000 – equity and/or taxable fixed-income SMAs \$250,000 – tax-exempt fixed-income SMAs	\$250,000
Rebalancing and Reallocation	Recommended by Vanguard Investment Strategy Group and implemented by Platform Manager at least annually	Recommended by Fund Evaluation Group, LLC and implemented by Platform Manager at least annually	Determined by Platform Manager or Sub-Manager	Determined by Platform Manager or Sub-Manager

*You may be eligible to open an Account below the initial minimum investment listed in the chart. Review **"Item 5–Account Requirements and Types of Clients"** for additional information.

Financial Representatives may work with you either individually, among a team, or in partnership with other Financial Representatives and/or support staff. If your Financial Representative works with other Financial Representatives or support staff, these individuals may have access to your Account and other information and may be responsible for certain aspects of servicing your Account. For example, these other Financial Representatives may participate in the preparation of portfolio reviews, perform investment research, and be available to answer general questions you may have related to your Account. In the case of the Advisor program, these other Financial Representatives may also enter trades at your request.

Investing involves risks, including the potential for loss of principal invested. Strategies and recommendations provided may have tax or legal consequences that you should consider. Thrivent and its Financial Representatives do not provide tax and legal advice. Consult your tax professional and attorney for such advice. The “Services” section below describes each managed accounts program in greater detail.

Services

Advisor

Advisor is a non-discretionary investment advisory program, which means you approve or reject purchase and sell recommendations made by your Financial Representative. You may invest in individual securities, mutual funds, and ETFs. Your Financial Representative will provide you professional investment advice and help you develop an asset allocation strategy or model portfolio, based upon your investment objectives, financial situation, and needs, using a variety of methods and resources to construct a recommended asset allocation.

It is solely your decision to implement any rebalancing recommendations provided by your Financial Representative. The asset allocation model developed and recommended to you includes established parameters from which the model portfolio, over time, may deviate from its original allocation. Your Financial Representative will contact you to obtain your approval to rebalance your Account. You may also contact your Financial Representative and request to have your Account rebalanced.

Advantage

The Advantage program is closed to new investors. Clients who were invested in the program prior to

April 4, 2016, will continue to receive the investment advisory services of the Advantage program.

Advantage is a discretionary investment advisory program. As determined by the asset allocation model, the program invests primarily in Thrivent Mutual Funds; the program may also invest in ETFs. Thrivent and your Financial Representative will help you choose an investment strategy that identifies a particular asset allocation model (the “Model”) based on your investment objectives, financial situation, and needs. Each Model is constructed and maintained by an affiliated Model Provider. Review “**Item 6—Portfolio Manager Selection and Evaluation—Advantage, SELECT, and Income-Focused**” below for more information about the investment management, periodic review, and asset class movements of these portfolios.

The Models currently offered in the Advantage program include strategies that seek long-term capital growth or high level of current income using a range of risk tolerances from conservative to aggressive. A tax-sensitive version of each Model is also available. Tax-sensitive Models are managed with a focus on potential tax implications, including, but not limited to, the amount of trading and rebalancing activity of the Model and the inclusion of certain municipal bond funds in the Model.

SELECT

SELECT is a discretionary investment advisory program. As determined by the Models, the program may invest in no-load and load-waived mutual funds, closed-end mutual funds, and ETFs, as well as Thrivent Mutual Funds. The program offers Models across the risk tolerance spectrum from aggressive to conservative asset allocations. Review the Proposed Investment Strategy for the Models, which contains information about the specific asset allocations, individual holdings, and the investment objective, prior to selecting a Model. Thrivent and your Financial Representative will help you choose an asset allocation Model based on your investment objectives, financial situation, and needs. Each Model is constructed and managed by an affiliated Model Provider as described in “**Item 6—Portfolio Manager Selection and Evaluation—Advantage, SELECT, and Income-Focused**”

A tax-sensitive version of each Model is available. Tax-sensitive Models are managed with a focus on potential tax implications, including, but not limited to, the amount of trading and rebalancing activity of the Model, the inclusion of certain municipal bond funds in the Model, as well as the potential inclusion

of Thrivent Mutual Funds and other no-load and load-waived mutual funds, closed-end mutual funds, and ETFs that are managed in a tax-sensitive manner.

Review **“Item 6—Portfolio Manager Selection and Evaluation—Advantage, SELECT, and Income-Focused”** for more information about the investment management, periodic review, and asset class movements of these portfolios.

Income-Focused

Income-Focused is a discretionary investment advisory program comprised of two series of Models that are constructed and maintained by an affiliated Model Provider. As determined by the Models, the program invests primarily in non-proprietary no-load and load-waived mutual funds, closed-end mutual funds, and ETFs, as well as Thrivent Mutual Funds, that seek to produce dividends or interest income. The Models either seek to provide an income stream or will reinvest dividends and any interest income earned, while managing volatility through various investment strategies. Thrivent and your Financial Representative will initially help you choose an asset allocation Model within this program based on your investment objectives, financial situation, and needs.

Review **“Item 6—Portfolio Manager Selection and Evaluation—Advantage, SELECT, and Income-Focused”** for more information about the investment management, periodic review, and asset class movement of these portfolios.

Genesis

Genesis is a discretionary investment advisory program in which an unaffiliated Model Provider constructs and maintains the model ETF portfolios. The model portfolios are comprised of BlackRock ETFs and provide exposure to U.S. and international stocks and global fixed income. To support broad diversification within each asset class, all of the ETFs underlying the model portfolios track broad-market or market segment indexes. Many of the indexes are capitalization-weighted, meaning that components reflect the makeup of the market or market segment that is tracked. In some cases, the Model Provider may use indexes that are not capitalization-weighted, if in the Model Provider’s view doing so has the potential to improve portfolio outcome.

BlackRock Investment Management, LLC serves as the Model Provider for the program, and Envestnet will have discretionary authority to implement the investment trading, periodic updates, and rebalancing instructions of the Model Provider.

The Model Provider takes an active approach to maintaining the model portfolios, which could result in multiple transaction times a year. The Model Provider, Thrivent, and your Financial Representative will not have discretionary trading authority over the assets in your Accounts for this program. Your Financial Representative will recommend a model based upon your investment objectives, financial situation, and needs.

Shepherd

Shepherd is a discretionary investment advisory program in which an unaffiliated Model Provider constructs and maintains the model ETF portfolios. The model portfolios are comprised of Vanguard ETFs and provide exposure to U.S. and international stocks and global investment-grade bonds. To support broad diversification within each asset class, all of the ETFs underlying the model portfolios track broad-market or market segment indexes. Each index is capitalization-weighted, meaning that its components reflect the makeup of the market or market segment it tracks. These model portfolios seek to track Standard & Poor’s benchmarks for the domestic equity allocation of assets.

Vanguard Investment Strategy Group serves as the Model Provider for the program, and Envestnet will have discretionary authority to implement the investment trading, periodic updates, and rebalancing instructions of the Model Provider. The Model Provider does not take a tactical active approach to maintaining the model portfolios. The Model Provider, Thrivent, and your Financial Representative will not have discretionary trading authority over the assets in your Accounts for this program. Your Financial Representative will recommend a model based upon your investment objectives, financial situation, and needs.

Shield

Shield is a discretionary investment advisory program in which an unaffiliated Model Provider constructs and maintains a portfolio designed to achieve modest volatility, downside protection in falling markets, low correlation to equity markets, and consistent capital appreciation. The portfolio uses mutual funds, ETFs, and ETNs that provide exposure to alternative investment strategies, including global macro, strategic income, market neutral, managed futures, and arbitrage segments. This program is intended to be used in conjunction with a portfolio that provides market exposure to traditional equity and fixed income securities.

Fund Evaluation Group, LLC serves as the Model Provider for this program, and Envestnet will have discretionary authority to implement the investment trading, periodic updates, and rebalancing instructions of the Model Provider. The Model Provider takes an active approach to maintaining the model portfolios, which could result in multiple transaction times a year.

The Model Provider, Thrivent, and your Financial Representative will not have discretionary trading authority over the assets in your Accounts for this program. Your Financial Representative will recommend the model based upon your investment objectives, financial situation, and needs.

Separately Managed Account (SMA)

SMA is a discretionary investment advisory program in which the Platform Manager or selected Sub-Managers provide discretionary investment management services for the assets in your Account. Your Financial Representative and/or Thrivent will recommend Sub-Managers to you with investment objectives and philosophies that are compatible with your financial situation and needs. It is solely your decision to accept or reject Sub-Managers recommended to you by Thrivent and/or your Financial Representative.

Once you have selected a Sub-Manager(s), you will not be able to direct Sub-Manager(s) to either purchase or sell securities for your Account. Certain Sub-Managers may utilize model portfolios developed by Model Provider(s) pursuant to agreements between the Sub-Managers and Model Providers. As described in the Sub-Managers' respective Form ADV Part 2A brochure and other applicable disclosure brochures, in these instances the Sub-Manager has investment discretion for trading in the Account. Thrivent and your Financial Representative will not have discretionary trading authority over the assets in your Accounts for this program.

Unified Managed Account (UMA)

UMA is an investment advisory program in which the Platform Manager provides overlay portfolio management services and combines multiple investment styles and levels of discretion using SMA Sub-Managers, mutual funds, and/or ETFs to help facilitate diversification within an individually managed account. The program includes professional money management, manager due diligence, performance reporting, and associated services and support. Thrivent, through your Financial Representative, will provide non-discretionary assistance in analyzing your investment objectives

and providing recommendations as to how you can effectively allocate your Account assets in the program by using model allocations provided by either the Platform Manager (UMA 1.0) or by your Financial Representative (UMA 2.0).

The recommendations of various investment vehicles ("Sleeve") are intended to correspond to the proposed asset classes and investment styles of the program Model allocations. A Sleeve is a distinct investment selection for accounting purposes (e.g., SMA Sub-Manager, mutual fund, ETF). It is solely your decision to accept or reject SMA Sub-Managers, mutual funds, and/or ETFs recommended to you by Thrivent, your Financial Representative, or the Platform Manager.

The Platform Manager, as the overlay portfolio manager, will implement a systematic process of coordinating and maintaining each investment within your Account and will rebalance your Account as needed to maintain your chosen investment allocation.

The SMA Sub-Manager(s) will have discretionary investment authority over the management of the applicable Sleeve(s) within your Account. You will not be able to direct the Sub-Manager(s) and/or the Platform Manager to purchase or sell securities for your Account. However, you may request and direct changes to your model allocation and to the Sleeve(s) within your Account by working with your Financial Representative. Thrivent and your Financial Representative will not have discretionary trading authority over the assets in your Account for this program.

Transaction Execution

The Platform Manager and/or a Sub-Manager may effect transactions for your Account in the SMA and UMA programs with or through a broker, dealer, or bank other than NFS if the Platform Manager or such Sub-Manager believes that "best execution" on transactions may be obtained through another broker, dealer, or bank, including any broker-dealer that is affiliated with such Sub-Manager. Sub-Managers may execute transactions through brokers, dealers, and banks that provide Sub-Managers with credit toward acquisition of research products and service in exchange for placing brokerage with these firms. When a Sub-Manager directs transactions for execution with or through a broker, dealer, or bank other than NFS, these transactions are referred to as "step-out trades." In certain circumstances, additional trading costs incurred as part of the step-out trades may be passed along to you; can be included in the purchase or sale price of the transacted security;

and would be in addition to the Program Fee. Any additional trading costs incurred may impact and reduce the investment performance of your Account. Any price improvement as a result of obtaining best execution may contribute to the investment performance of your Account. Thrivent is not a party to step-out trades and is not in a position to negotiate the price or transaction-related cost(s) with the broker, dealer, or bank selected by the Sub-Manager in these situations.

Trade Allocations

The Platform Manager, Thrivent, or a Sub-Manager may aggregate multiple client transaction orders to seek the most favorable price and/or lower execution costs at the time of execution.

Trade Errors

Thrivent will seek to correct any trade error that occurs in your Account. In so doing, Thrivent will retain any gains, but will not pass along any losses to you, as a result of correcting the trade error.

Cash Management

Generally, when you open your Account, you will select and authorize that uninvested cash balances in the Account are “swept” into a money market mutual fund (the “Sweep Program”). A default money market fund will be designated on your behalf if you do not select a money market mutual fund in connection with your Account. The money market mutual fund options available to you as part of the Sweep Program are not affiliated with Thrivent. As a shareholder of a money market mutual fund, you will pay your proportionate share of the advisory, administrative, and 12b-1 fees, in addition to the Program Fee on Account assets invested in money market mutual fund shares, to the extent permitted by applicable law. Review the terms and conditions of the Sweep Program carefully to ensure that you understand how the program works and the benefits and costs of the Sweep Program. The terms and conditions and available products within the Sweep Program may change. We will notify you of certain changes to the Sweep Program.

Refer to the Client Agreement for information about deposits and withdrawals. Also refer to the Client Agreement for a description of how dividends and distributions will be paid with respect to securities held in the Account.

Program Account Reviews and Reports

Performance reporting, custodial statements, and trade confirmations are account features available in the Program unless otherwise indicated below. You should review these documents upon receipt and promptly notify Thrivent of any discrepancies.

Performance Reporting

You and your Financial Representative will receive quarterly performance reports detailing the following types of activity in your Account:

- **Portfolio appraisal**—Reports on your portfolio’s holdings by asset class, current market value of all positions, and unrealized gains/losses.
- **Realized gains and losses**—Indicates the gain or loss from a disposition of a security during the quarter.
- **Quarterly performance**—Summarizes the current quarterly performance of the portfolio.
- **Performance history**—Summarizes the performance of the entire account and compares it to various market indexes.
- **Cost basis**—Year-end summary statements provide cost basis information.

Consolidated quarterly performance reports may be available if you or members of your household have multiple Accounts within the Program with the same taxpayer identification number and/or household mailing address.

Custodial Statements

NFS will send you customary custodial statements at least quarterly. These statements contain information including, but not limited to, the cash balance of the account; type, name, and amount of each security position held; the current market value of each security; account activity for the previous quarter period; and, if available, the unrealized gain or loss of each security.

Trade Confirmations

NFS will also send you confirmations of each purchase and sale transaction effected in your account and/or any other transaction where the firm is obligated to send you a confirmation.

If you are enrolled in the Advantage, SELECT, Income-Focused, Genesis, Shepherd, Shield, SMA, or UMA programs, you may elect to forgo the receipt of trade confirmations at the time of each transaction and instead receive a quarterly confirmation summary report with your custodial statement.

Advisor Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee* (annual as a % of assets)	Net Direct Program Fee (annual as a % of assets)
Up to \$100,000	2.45%	2.00%
\$100,000–\$249,999	2.20%	1.75%
\$250,000–\$499,999	1.95%	1.50%
\$500,000–\$999,999	1.95%	1.50%
\$1,000,000–\$2,999,999	1.70%	1.25%
\$3,000,000–\$4,999,999	1.45%	1.00%
\$5,000,000–\$9,999,999	1.40%	0.95%
\$10,000,000 and above	1.35%	0.90%

Advantage Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee** (annual as a % of assets)	Net Direct Program Fee (annual as a % of assets)
Up to \$100,000	2.45%	1.60%
\$100,000–\$249,999	2.40%	1.55%
\$250,000–\$499,999	2.35%	1.50%
\$500,000–\$999,999	2.30%	1.45%
\$1,000,000 and above	2.20%	1.35%

SELECT, Income-Focused, Genesis, Shepherd, and Shield Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee* (annual as a % of assets)	Net Direct Program Fee (annual as a % of assets)
Up to \$100,000	2.30%	1.85%
\$100,000–\$249,999	2.30%	1.85%
\$250,000–\$499,999	2.15%	1.70%
\$500,000–\$999,999	2.00%	1.55%
\$1,000,000–\$2,999,999	1.90%	1.45%
\$3,000,000–\$4,999,999	1.70%	1.25%
\$5,000,000–\$9,999,999	1.55%	1.10%
\$10,000,000 and above	1.40%	0.95%

SMA Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee (annual as a % of assets)
Up to \$500,000	2.50%
\$500,000–\$999,999	2.40%
\$1,000,000–\$2,999,999	2.30%
\$3,000,000–\$4,999,999	2.20%
\$5,000,000–\$9,999,999	2.00%
\$10,000,000 or above	1.90%

UMA Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee* (annual as a % of assets)	Net Direct Program Fee (annual as a % of assets)
Up to \$500,000	2.95%	2.50%
\$500,000–\$999,999	2.85%	2.40%
\$1,000,000–\$2,999,999	2.75%	2.30%
\$3,000,000–\$4,999,999	2.65%	2.20%
\$5,000,000–\$9,999,999	2.45%	2.00%
\$10,000,000 or above	2.35%	1.90%

*The Maximum Program Fee Reduction is equal to 0.45% per annum of all assets in the Account.

**The Maximum Program Fee Reduction is equal to 0.85% per annum of all assets in the Account.

You can change your election or request individual trade confirmations for any transaction at any time and at no additional cost to you. Talk with your Financial Representative for further information or to obtain a copy of the Managed Accounts Quarterly Confirmation Summary Request authorization form. Similarly, you may also instruct Thrivent to direct NFS to send your trade confirmations for these Program services to Thrivent, the Platform Manager, or a Sub-Manager, as applicable. If you provide such instruction, you will be provided a summary of all transactional activity in your custodial statement as described above.

If you are enrolled to receive custodial statements and trade confirmations electronically, you will receive notification electronically when the applicable documents are available. If Thrivent is unable to notify you of the availability of these documents electronically, we will automatically revert your account delivery preferences to paper delivery and mail documents to you.

Fees and Compensation

You will be charged a quarterly Program Fee for each Account in a managed accounts program in accordance with the applicable fee schedule(s) provided on the following page. Program Fees may be negotiable under certain circumstances. A small percentage of your assets may be held in a money market mutual fund to facilitate the payment of fees.

The Program Fee will vary among clients. Factors typically considered to determine your Program Fee include:

- The managed accounts program(s) you have selected.
- The amount of assets in your Account.
- Your personal financial needs, objectives, and complexity of your financial situation.
- The complexity of your financial situation and subsequent analysis needed to determine a recommended asset allocation.
- The number of Accounts you have with the same taxpayer identification number and/or home mailing address.
- The level of anticipated or actual trading within the Advisor program.
- The experience level and credentials of your Financial Representative.
- Whether you have previously paid a sales load or surrender charge to Thrivent or an affiliate on the assets or liquidation proceeds transferred into the Program.

Calculation of Program Fees

The Program Fee is based on a percentage of the total market value of the billable Eligible Program Assets in the Account as of the last business day of the end of the quarter (the “Maximum Program Fee”) and in accordance with the Client Agreement. Thrivent, in its sole discretion, determines which assets are billable and included in the calculation of the Program Fee.

NFS will deduct the Program Fee from your Account. Fees deducted directly from the Account (the “Net Direct Program Fee”) are calculated by reducing the Maximum Program Fee to offset your pro rata share of the asset-based fees, if any, that Thrivent and its affiliates receive from applicable mutual funds held in your Account (“Maximum Program Fee Reduction”).

The fees included in the offset are provided below.

Thrivent Mutual Funds:

- Investment advisory fees charged by the investment manager of the funds.
- The offset does not include administrative fees, transfer agent fees, sub-transfer agent fees, or networking fees.

Non-proprietary mutual funds:

- Reimbursement payments.
- Administrative fees.
- Transfer agent fees or other servicing and account maintenance fees paid to us or our affiliate that are related to these programs.

The Maximum Program Fee Reduction for all programs except Advantage is equal to 0.45% per annum of all assets in the Account. The Maximum Program Fee Reduction for Advantage is equal to 0.85% per annum of all assets in Advantage. The Maximum Program Fee Reduction will be applied to your Maximum Program Fee in order to determine the Net Direct Program Fee that will be deducted directly from the Account.

The credit amount will equal the amount that Thrivent received that is in excess of the Maximum Program Fee Reduction.

Allocation of the Program Fee

A portion of your Program Fee is paid to Thrivent, your Financial Representative, and the Platform Manager for their services. The amount of the fees paid to your Financial Representative and/or Thrivent depends upon the Program Fee that you negotiate with your Financial Representative and the amount of the fee payable to your Financial Representative pursuant to Thrivent’s compensation policies. The amount of the fees paid to the Platform Manager

varies by program. In addition, a portion of the Program Fee is paid to others for their services as described below.

Advantage, SELECT, and Income-Focused

A portion of your Program Fee (approximately 0.25%) may be paid to an affiliate for services provided by Thrivent Asset Management.

Shield

A portion of your Program Fee (approximately 0.13%) is paid to the Model Provider.

SMA

A portion of your Program Fee (approximately 0.15% to 0.75%) is paid to Sub-Manager(s).

UMA

A portion of your Program Fee (approximately 0.11% to 0.22%) is paid to the Platform Manager. In addition, 0.02% is paid to the Platform Manager for each Sub-Manager selected for the Account.

The Program Fee may vary depending upon the asset classes and/or Model Provider in the Account. An Account with a higher percentage of assets managed by Sub-Managers will have a higher fee than an Account with a lower percentage of assets managed by Sub-Managers.

Other Charges, Fees, and Expenses

In addition to the Program Fee, as a shareholder of a mutual fund, you will pay your proportionate share of management fees, 12b-1 fees, shareholder servicing fees, and other charges and expenses (applicable periodically during the holding period and/or at the time you terminate your Agreement), as permitted by law, that are normally imposed by Thrivent Mutual Funds and non-proprietary no-load and load-waived mutual funds, closed-end mutual funds, ETFs, and ETNs. Each mutual fund has various share classes that have their own unique fees and expenses. These charges, fees, and expenses will vary among mutual funds as described in the applicable mutual fund prospectuses, and may include short-term trading fees. Many mutual funds offer an institutional class, or other share class, which generally has lower fees and expenses. If the applicable mutual fund purchase amount either meets or exceeds the applicable required minimum investment amount, such share class will be selected for both the initial and any subsequent purchases of the specific mutual fund.

Your Financial Representative can recommend mutual funds that do not offer an institutional or other lower cost share class in the Program. Or, the representative may recommend mutual funds that require you to pay distribution and 12b-1 fees. As

a result, it is more profitable for Thrivent if you choose to invest in the mutual funds that charge you fees. To address this conflict, you will be paid back an amount that is at least equal to the fees Thrivent or its affiliates are being paid for your portion of the investment in the mutual fund. In addition, Thrivent manages this conflict by training its Financial Representatives on their responsibilities as a fiduciary and the duty of care under the Investment Advisers Act owed to clients, among other important issues, and through Thrivent's policies and procedures to monitor and supervise Financial Representatives.

Fees and charges that are not included in the Program Fee, but may be incurred in addition to the Program Fee, include:

- Electronic fund and wire transfer fees
- Custodial fees
- Transaction fees for certain Ineligible Program Assets
- Exchange fees
- IRA and other qualified account fees
- Other miscellaneous charges and other charges imposed by law

You will be billed separately for these other fees and charges. In addition, dealer mark-ups and market maker spreads may impact the price you receive when your trades are executed by NFS on your behalf.

Additional Compensation and Charges Applicable to Your Financial Representative.

Your Financial Representative recommending the Program may receive additional compensation as a result of your participation in the Program. The amount of this compensation may be more or less than what your Financial Representative would receive if you participated in other Thrivent services or paid separately for investment advice, brokerage, and other services. Your Financial Representative's compensation may vary among each of the Thrivent programs, depending on, among other things, the level of trading in your Account.

Your Financial Representative may get paid a higher percentage of the Program Fee, depending upon the program(s) you select. Therefore, your Financial Representative may have a financial incentive to recommend one program over other services offered by Thrivent, which could create a conflict of interest. Thrivent manages this conflict of interest through its new account or service suitability review

process, surveillance, and by training Financial Representatives regarding the Program and related services.

Financial Representatives may be paid with commissions for the sale of products and services other than the Program or products. Similar Program services, or separate services, may be available with other investment advisers not affiliated with Thrivent.

The Advisor program has established parameters for the number of transactions within an account at no incremental cost to your Financial Representative. However, your Financial Representative may pay a ticket charge for each trade executed in the Account beyond such parameters within a 12-month period. You do not pay this charge. Since your Financial Representative may incur charges for executed transactions, this creates a potential conflict of interest, because your Financial Representative may have less incentive to make recommendations to you or purchase securities that lead to changes, including transactions, to your Account. Trades for certain mutual funds determined and maintained by NFS on a No Transaction Fee ("NTF") list are not included in these transaction parameters. Talk with your Financial Representative for further information on the NTF list.

Household Billing Rate

If you have multiple Accounts within the Program, the same taxpayer identification number and/or home mailing address, you are eligible to household all of your Accounts within the Program for billing purposes ("householding"). Householding may result in a reduced billing rate. If you are eligible to receive a reduced household billing rate, it is your choice whether or not to household your Accounts. If you do not elect to household all of your Accounts, you may pay a higher billing rate.

Thrivent and your Financial Representative may receive a financial benefit by not paying a reduced fee should you qualify for, but opt out of, household billing. Financial Representatives are trained to review household billing rates with clients when appropriate.

Linking Accounts

If you have multiple Accounts with the same taxpayer identification number and/or home mailing address, you may link those Accounts for purposes of billing by selecting a primary account ("Primary Account") from which to pay the Program Fees. The Account selected as the Primary Account may not be a retirement account. A retirement account, as used in this Brochure, is a plan subject to the provisions

of Title I, Part 4 of the Employee Retirement Income Security Act of 1974; a tax-qualified plan of self-employed persons; or an individual retirement account or other plan within the meaning of section 4975(e) of the Internal Revenue Code of 1986, as amended.

Factors to Consider in Assessing Program Costs

There are a number of factors to consider when assessing the costs of the programs. These factors include:

- The combination of investment advisory, custodial, and brokerage services, and the investment product offerings available through a particular managed account program may not be available separately.
- When purchasing no-load mutual funds within your Account, you will pay a fee on assets that could otherwise be purchased directly from a mutual fund company outside of the Program.
- While mutual funds available through the Program are purchased without a sales load, it may cost less to purchase the same mutual fund through a transaction-based brokerage account or an account held directly with the mutual fund company if breakpoint discounts are available.
- The source of investible assets and the time period for which you have held the assets could affect whether the assets are included in the Program Fee calculation.
- Whether you have previously paid a sales load to Thrivent or its affiliates within a 24-month period prior to enrollment in the Program.

Is the Program Appropriate for You?

Your Financial Representative and/or Thrivent may recommend to you one or more programs.

The decision to select one or more managed account programs is solely yours. Discuss, among other things, the following with your Financial Representative to determine if the recommended program is appropriate for you:

- Whether it is more advantageous for you to enroll in the Program or to pay separately for other products or services that may not offer the combination of investment advisory, custodial, and brokerage services, and investment product offerings, as part of the Program.
- The cost, potential benefits, and potential risks of the program(s).
- Your investment objectives and the complexity of your investment strategy.

- The types of and number of investments you hold and intend to make, including the percentage of the overall portfolio that you intend to hold in a cash or money market investment.
- Your desire for diversification across mutual fund families and other investments.
- In the case of Advisor, the frequency with which you expect to trade.
- Your anticipated use of other services and features specific to each program as described in this Brochure.
- The payment preference of an asset-based fee for ongoing investment advice and other related services compared to a commission-based brokerage account.

At any time, an Account can vary greatly in the size, number, and diversity of the securities held due to, among other things, market conditions and your current investment needs and objectives.

Generally, it is recommended that you diversify your holdings in an effort to help reduce your portfolio's overall market risk. Investment diversification does not ensure a profit or protect against loss. If you intend to hold a concentrated portfolio, including a concentrated position of cash or money market investment, for an extended period of time, you should consider other account options that may be more economically advantageous for you (e.g., holding a money market position in a commission-based brokerage account).

Your Financial Representative must obtain and maintain appropriate securities licenses and registrations to offer investment advisory services. In addition, your Financial Representative receives training related to offering and servicing accounts in the Program. Training includes understanding factors relative to client needs and the suitability of product and service recommendations, expected trading or transaction frequency, payment preference (e.g., asset-based fee or a commission-based fee arrangement), and desire for ongoing investment advice.

Item 5—Account Requirements and Types of Clients

As a registered investment adviser, Thrivent provides investment management and advisory services to individuals, trusts, estates, nonprofit organizations, corporations, and other business entities.

Certain types of account registration may not be available through the Program, including certain

tax-qualified retirement plans subject to ERISA. In limited circumstances, you may hold a non-qualified retirement plan within the Program subject to certain requirements, including Thrivent's receipt of appropriate plan certification and other relevant documentation.

Margin accounts are not available within the Program.

The minimum initial investment amount for each program is provided in the **"Managed Accounts Program Overview"** chart found in **"Item 4—Services, Fees, and Compensation—Program Overview"** (page 5). You may be eligible to open an Account below the initial minimum investment by aggregating accounts you hold with Thrivent and/or its affiliates. The general criteria are listed below.

All Programs

No individual Account may be less than \$50,000 in market value at Account opening. However, in certain circumstances a Shepherd Account may be established at a minimum of \$25,000.

At least one of the Accounts must meet the \$100,000 minimum investment at Account opening.

Advisor

Place or hold more than \$250,000 in assets with Thrivent and/or its affiliates.

Advantage, Income-Focused, SELECT, Genesis, Shepherd, and Shield

Place or hold more than \$150,000 in assets with Thrivent and/or its affiliates.

If you decide to participate in the Program, you will sign a Thrivent Investment Management Inc. Managed Accounts Client Agreement, which will govern your participation in the program(s) you select.

Item 6—Portfolio Manager Selection and Evaluation

Advisor

Your Financial Representative may use a variety of methods and resources to construct a recommended asset allocation. The resources utilized may include research and/or model management services that your Financial Representative obtained through an agreement with a third-party provider. Thrivent does not directly contract with unaffiliated third-party research and model management providers for this purpose. Your Financial Representative is expected to conduct adequate due diligence of these providers and for all recommendations made to you, including model portfolios. Ask your Financial Representative about any third-party providers used to help provide

investment recommendations for you in an Advisor Account. Review a copy of the provider's disclosure brochure (Part 2A of Form ADV). The Part 2A of Form ADV brochure is a required document only for registered investment advisers; therefore, not all providers may have a disclosure brochure.

Advantage, SELECT, and Income-Focused

Thrivent Asset Management serves as an affiliated Model Provider to Thrivent for the Advantage, SELECT, and Income-Focused programs, and is responsible for Model management, including both asset allocation and securities selection. You grant Thrivent trading discretion to implement securities transactions in your Account(s) as recommended by Thrivent Asset Management. Thrivent Asset Management employs both strategic and tactical management techniques based on an assessment of the economy, markets, and asset class movement when managing the Models. Actual allocations may vary from the target allocations over time.

Thrivent Asset Management's personnel who are primarily responsible for producing the Models are listed below.

David Charles Francis

Vice President, Investment Equities, 2002–Present
Education: MBA, University of Pittsburgh, 1978
B.A., University of Pittsburgh, 1977
Professional Designation: CFA®—Chartered Financial Analyst*

Kristine Joy Mogollon

Director, Investment Product Management, 2012–Present; Senior Investment Product Manager, 2003–2012
Education: MBA, University of Minnesota, 1997
B.S.B., University of Minnesota, 1994
Professional Designation: CFA®—Chartered Financial Analyst*

Mark Lien Simenstad

Chief Investment Strategist, 2017–Present; Vice President, Fixed Income Mutual Funds/Separate Accounts, 2002–2017
Education: MBA, University of Minnesota, 1983
B.A., St. Olaf College, 1981
Professional Designation: CFA®—Chartered Financial Analyst*

David Scott Royal

Chief Investment Officer, 2017–Present; President of Thrivent Mutual Funds, 2015–Present; Vice President and Deputy General Counsel 2006–2015
Education: J.D., Yale University, 1997
B.A., Yale University, 1993

Stephen Douglas Lowe

Vice President, Fixed Income Mutual Funds/Separate Accounts, 2017–Present; Senior Portfolio Manager, Fixed Income, 2009–2017
Education: MBA University of Minnesota, 1996
B.A. University of Colorado, 1984
Professional Designation: CFA®—Chartered Financial Analyst*

Darren Michael Bagwell

Senior Equity Portfolio Manager, 2015–Present; Director of Equity Research 2002–2015
Education: MBA, Columbia University, 1990
B.M.S., Kettering University, 1989
Professional Designation: CFA®—Chartered Financial Analyst*

You will not be able to direct Thrivent Asset Management, Thrivent, or your Financial Representative to either purchase or sell specific securities in your Account in the Advantage, SELECT, and/or Income-Focused programs. You may, however, impose reasonable restrictions on the management of your Account, which may include a request that Thrivent not purchase one or more specific investments for your Account. In those instances, Thrivent Asset Management will seek to replace investments or to reallocate among the remaining investments in the Model. Any restriction you impose is subject to the review and approval of Thrivent Asset Management. A restriction that is inconsistent with the Model strategy, or unreasonable in light of the nature of the Program, may not be accepted. Reasonable restrictions that are accepted may affect the performance of your Account in comparison to other Accounts using the Models that have not selected similar restrictions.

The investment selection process considers many factors, including a review of the adherence to investment objectives, management style consistency, risk-adjusted return metrics, expenses, and compliance and regulatory requirements. Thrivent Asset Management will adjust the Models at its sole discretion and Thrivent can choose to implement without prior or other notice to you.

While the Advantage program invests primarily in Thrivent Mutual Funds, Thrivent Asset Management considers many factors before including certain investments in the Models for the Advantage program. Factors include assessing the asset class and composition of a particular Thrivent Mutual Fund and its fit within a Model based on other Thrivent Mutual Funds held within the Model, including risk controls, style consistency, and short-

*Designation granted by the CFA Institute. The graduate-level, self-study program includes a series of three examinations and requires individuals to adhere to a strict code of ethics governing their professional conduct.

term, tactical basis or longer-term strategic position. The full composition of the Model is reviewed relative to risk and return metrics and expenses. ETFs may be selected when Thrivent Asset Management decides to include an asset class or investment type in the Models for which there is no representative Thrivent Mutual Fund.

The selection process for the SELECT and Income-Focused programs considers a variety of both quantitative and qualitative criteria and includes, among other factors, an evaluation of the potential income, as applicable, and performance versus market indexes and relevant peer groups with similar investment strategies. Investment selections reflect Thrivent Asset Management's judgment of appropriate securities included in any of the model portfolios for which it constructs and maintains.

Thrivent Asset Management has an extensive knowledge of Thrivent Mutual Funds, including their risk controls, style consistency, and regulatory and compliance infrastructure, and the fact that some Thrivent Mutual Funds are managed in a style that seeks to optimize their effectiveness in certain asset allocation programs. Thrivent Asset Management's consideration of such factors may result in a significant investment in Thrivent Mutual Funds in the Models. There is no assurance that Thrivent Mutual Funds will meet their investment objectives or perform better than similar funds from other mutual fund providers.

Thrivent Asset Management may validate internal analysis through various methods, including, but not limited to, on-site visits, due-diligence meetings with firm personnel, and written and verbal commentary from each mutual fund provider.

Thrivent Asset Management periodically reviews the operations of each mutual fund, including any Thrivent Mutual Funds, for what it views as significant changes to investment management personnel, investment objectives, management style, and performance. The review process is performed at least annually and is based on information acquired from various sources that includes, but is not limited to, third-party software and data research providers as well as discussions and commentary with the respective management firms. Thrivent and your Financial Representative assume no responsibility for a selected manager's performance, compliance with applicable regulations, or other matters.

Advantage, SELECT, and Income-Focused are designed to provide a tactical investment overlay on strategically designed portfolios. Thrivent Asset

Management monitors asset class movement that could result in investment style drift. At least quarterly, Thrivent Asset Management will review market and asset class conditions and determine if, and to what extent, that allocation adjustments are necessary. The portfolios may also be rebalanced back to target weights due to market conditions.

Thrivent hired the Platform Manager to conduct an annual due diligence assessment of Thrivent Asset Management as the Model Provider for Advantage, SELECT, and Income-Focused. The Platform Manager uses compliance questionnaires and reviews portfolio performance, assets under management, personnel changes, portfolio turnover, and other factors it deems appropriate to provide Thrivent with a report providing comprehensive review of the Model Provider.

Genesis, Shepherd, Shield, SMA, and UMA Programs

You will not be able to direct the Platform Manager, a Sub-Manager, Thrivent, or your Financial Representative to either purchase or sell specific securities in your Account in the Genesis, Shepherd, Shield, SMA, and UMA programs. You may, however, impose reasonable restrictions on the management of your Account, which may include a request that the Platform Manager or Sub-Manager not purchase one or more specific investments for your Account. Any restriction you impose is subject to the review and approval of the Platform Manager or Sub-Manager. A restriction that is inconsistent with the model portfolio or strategy, or unreasonable in light of the nature of the Program, may not be accepted. Reasonable restrictions that are accepted may affect the performance of your Account in comparison to other Accounts using the model portfolio or strategy that have not selected similar restrictions.

Thrivent and the Platform Manager provide access to "Approved" and "Available" Sub-Managers and Model Providers as defined by the Platform Manager. The Platform Manager employs a multi-phase approach to its research, selection, and periodic due diligence of the "Approved" Sub-Managers and Model Providers. This due diligence is conducted based on, among other things, the Sub-Manager's and Model Provider's investment management process, philosophy, and performance.

The Platform Manager provides an annual compliance questionnaire to all Sub-Managers and Model Providers. This process is employed to gain a better understanding of, among other things, the internal processes, operational and data controls, background and regulatory history of the Sub-Manager and Model

Provider. In addition, Thrivent conducts a review of the information that has been provided by the “Available” Sub-Managers to the Platform Manager. Thrivent does not calculate the portfolio performance of Sub-Managers and Model Providers. Carefully review applicable Sub-Manager and Model Provider Disclosure Brochures and the Platform Manager’s Form ADV Part 2 for further details.

Conflicts of Interest Related to Portfolio Manager Selection and Evaluation

It is more profitable for the organization to sell products issued by Thrivent Financial and our affiliates than those issued by other companies. As a result, we have a financial incentive to recommend them over other companies’ products. Eligible Program Assets for SELECT and Income-Focused may include one or more Thrivent Mutual Funds. Eligible Program Assets for Advantage are composed primarily of Thrivent Mutual Funds. When you invest in Thrivent Mutual Funds, Thrivent Asset Management receives fees (including revenue sharing) for serving as the investment manager for the mutual funds and for providing administrative and accounting services to the funds pursuant to an Administrative Services Agreement. A conflict of interest exists if your Financial Representative recommends a Thrivent Mutual Fund in your Advisor or UMA Account or when Thrivent Asset Management recommends that Thrivent purchase one or more Thrivent Mutual Funds in the Advantage, SELECT, and Income-Focused programs. To mitigate the conflict, Thrivent periodically monitors Thrivent Asset Management’s asset allocation selection process as discussed in **“Item 6—Portfolio Manager Selection and Evaluation.”**

Risks

Investing involves risks and there is no guarantee that models will achieve their stated objectives.

Certain products and strategies, including those recommended by your Financial Representative, may present more risk than other strategies due to the nature and/or complexity of the product or strategy. For instance, an options strategy in the Advisor program may be complex and involve a higher degree of risk than other available strategies. Options involve risks that include, among others, the potential for loss of part or all of your options investment due to restrictions on exercising options imposed by regulatory bodies. The existence of a secondary market for options is not guaranteed. Your Financial Representative can provide you with copies of Thrivent’s Options Account Agreement and

The Options Clearing Corporation’s Characteristics and Risks of Standardized Options brochure if you are interested in options investing. Review these documents before investing in options. The Options Clearing Corporation is not affiliated with Thrivent.

In addition, the use of complex products and strategies and alternative investment strategies that provide exposure to global macro, strategic income, market neutral, managed futures, and arbitrage segments is not suitable for all investors. These types of strategies are not guaranteed to produce a positive return and as an alternative investment strategy, performance may not move in line with general stock market trends, as both positive and negative share movements affect the overall value of the funds.

While fixed income has traditionally been considered a more conservative investment in comparison to equity securities, it is an investment with associated risks that should be considered before investing. A fixed income investor cannot expect to experience moderate to higher levels of income, or moderate to higher levels of yield, without assuming some or all of the potential risks associated with the underlying investments. While there are various risks specific to fixed income investing, some of the primary risks for an income-focused portfolio include credit risk, which is the risk of default; duration risk, which is the sensitivity of a bond to a change in interest rates; and interest rate risk, which is the risk that a fixed income investment can decline in value if interest rates rise. In a low interest rate market environment, the risk that rates will rise means the value of the investments may fluctuate and/or decline, including the possibility that you may lose money by investing in the portfolio. Review the applicable prospectuses for information about the underlying investments in the Income-Focused program and potential risks and benefits.

Ineligible Program Assets may be maintained in the account as an accommodation to you. In certain instances, Thrivent will not liquidate Ineligible Program Assets, including those considered illiquid, unique, or hard-to-value assets, for reinvestment into the relevant program without your specific authorization.

Investing in a discretionary or non-discretionary investment wrap program (and its respective investment options) involves risks, including the possible loss of principal. Individual prospectuses for applicable securities, including mutual funds held in an account, contain more complete information

on the investment objectives, risks, charges, and expenses of the investment company, which investors should read and consider before investing. Contact your Financial Representative or call 800-847-4836 to obtain prospectuses.

Reallocation or rebalancing can have adverse tax consequences for your Account. While tax-sensitive Models are available through Advantage and SELECT, Thrivent and your Financial Representative do not provide tax advice. Discuss with your tax advisor whether a tax-sensitive Model is appropriate for you as well as any other tax-related information related to any of the programs.

Performance-Based Fees and Side-by-Side Management

Thrivent does not charge performance-based fees for the Program.

Voting Client Securities

Thrivent, its affiliates, and the Platform Manager do not provide proxy voting services, or have other duties or responsibilities regarding corporate actions, nor will they advise you regarding the voting of proxies or such other materials with respect to the securities held in the Advisor, Advantage, SELECT, and Income-Focused programs. You will receive proxy materials, tender offer materials, prospectuses, shareholder reports, class action proceedings, or other shareholder information directly from NFS. With respect to Eligible Program Assets in the Genesis, Shepherd, Shield, SMA, and UMA programs managed by the Platform Manager and/or a Sub-Manager, the respective manager will perform proxy voting duties and other duties or responsibilities regarding corporate actions with respect to the securities held in those Accounts.

Item 7—Client Information Provided to Portfolio Managers

You will complete an investment profile questionnaire (“Investor Profile”) designed to gather information about your financial situation, risk tolerance, time horizon, investment objectives, and any other relevant information, including, as applicable, any reasonable investment restrictions on the management of your Account. Thrivent and your Financial Representative will not independently verify any information you provide to us. Based on an analysis of the Investor Profile, Thrivent and your Financial Representative will recommend an investment strategy and managed accounts program through which the strategy can be implemented. You

are responsible for notifying Thrivent immediately of any changes to your information as it could affect the services provided to you.

Thrivent will notify the Platform Manager, and the Platform Manager will notify the applicable Sub-Manager of the information contained on your Investor Profile, as well as any subsequent changes you submit to Thrivent in writing. Any reasonable restrictions you wish to impose on the management of your Advantage, SELECT, or Income-Focused account will be provided to Thrivent Asset Management for approval.

Protecting the privacy of your data is a responsibility we take very seriously. The practices and procedures Thrivent has in place to protect and safeguard your data are rigorous, thorough, and include strict standards of security. Thrivent has physical, electronic, and procedural safeguards in place to help protect your data. Review our Privacy Notice provided to you annually, or review our policies on Thrivent.com, regarding the protection of your information and your information sharing choices.

Item 8—Client Contact With Portfolio Managers

Personnel from Thrivent Asset Management or other qualified personnel may be available to you only upon request to discuss the management of your Account with respect to the Advantage, SELECT, and Income-Focused programs. You may contact the Sub-Managers, Model Providers, or other qualified personnel to discuss the management of your Genesis, Shepherd, Shield, SMA, and/or UMA Accounts. Your Financial Representative will coordinate the contact with the appropriate personnel to discuss your Account(s). Your Financial Representative will generally be available for consultation regarding the Program during normal business hours.

Item 9—Additional Information

Disciplinary Information

In December 2014, Thrivent, without admitting or denying any finding, entered into a Letter of Acceptance, Waiver and Consent with Financial Industry Regulatory Authority (“FINRA”) that found Thrivent violated SEC rule 10b-10, NASD Conduct Rules 2230 and 2110 and FINRA Rules 2232 and 2010 by failing to deliver trade confirmations to Thrivent Mutual Funds shareholders pertaining to

certain one-time and certain other mutual fund share redemptions. This failure was caused by coding errors in the computerized system that Thrivent had established through an outside vendor to generate and send the confirmations. These mutual fund redemptions were disclosed to customers on certain periodic account statements and there was no negative impact on shareholder account values. The activity that was the subject of this settlement was not related to Thrivent's investment advisory programs. Thrivent agreed to a censure and fine of \$375,000.

Thrivent initiated a review to identify whether eligible customers received certain available sales charge waivers or breakpoint discounts, for the period beginning January 2011 forward. Thrivent subsequently and promptly established a plan of remediation for those identified customers who did not receive appropriate sales charge waivers or available breakpoint discounts and made restitution to such customers. Thrivent entered into a Letter of Acceptance, Waiver and Consent (AWC) with the Financial Regulatory Authority (FINRA), which was issued on August 9, 2018, and in which Thrivent neither admitted nor denied the allegations. FINRA expressly recognized, in the AWC, Thrivent's extraordinary cooperation in resolving this matter. The AWC alleged that Thrivent violated NASD Rule 3010 and FINRA Rules 3110 and 2010 by failing to reasonably supervise mutual fund sales to ensure eligible customers received the benefit of applicable sales charge waivers and breakpoint discounts. Thrivent consented to a censure in the AWC and will provide FINRA with certain information regarding its established remediation plan for eligible customers.

Other Financial Industry Activities and Affiliations

Thrivent is registered as a broker-dealer and an investment adviser with the SEC and is a member of the FINRA. In its capacity as broker-dealer, Thrivent actively markets mutual fund shares, variable insurance contracts, and general securities to its clients through its registered representatives.

Registered representatives evaluate each recommendation provided to clients to help ensure the recommendations are suitable based on a client's financial situation and investment objectives.

Thrivent has a fully disclosed clearing agreement with NFS to provide trade execution, clearing services, custody of Program assets and Thrivent brokerage

accounts, and other related services. Thrivent offers Thrivent Mutual Funds and serves as the principal underwriter and distributor of variable products issued by Thrivent Financial for Lutherans ("Thrivent Financial") and Thrivent Life Insurance Company, a wholly owned indirect subsidiary of Thrivent Financial.

Thrivent is a wholly owned subsidiary of Thrivent Financial Holdings, Inc., which in turn is a wholly owned subsidiary of Thrivent Financial.* Thrivent Financial Holdings, Inc. also has other subsidiaries that engage in activities that may be material to Thrivent's investment advisory business or its investment advisory clients. Information about these affiliates and how they work together to offer you financial products and services is provided below. While Thrivent Financial is proud to support Christians through its members and its benevolent efforts, it and its affiliates are not a church or part of a church. Thrivent Financial is a financial services membership organization that helps Christians be wise with money and live generously. Thrivent Financial is, in every major aspect, the largest fraternal benefit society in the United States.

For more than a century, Thrivent Financial has helped its member-owners and provides opportunities for them to be even more generous where they live, work, and worship. Thrivent Financial insurance and annuity products help create the dollars that make possible the grassroots membership support of communities and congregations. Funding for this support is made possible by our tax-exempt status as a fraternal benefit society. Thrivent Financial has also established a church lending program designed to provide primarily secured mortgage loans for new churches, schools and church buildings, renovations, and remodeling. As a result, recipients of these loans may have an incentive to refer prospective clients to Thrivent and/or certain of its affiliates.

Neither Thrivent nor its affiliates provide tax, legal, or accounting advice. Consult with your tax professional, legal advisor, or accountant, as applicable, for tax planning, tax preparation services, legal issues, or accounting questions.

Broker-Dealer

Thrivent Distributors, LLC is an indirect, wholly owned subsidiary of Thrivent Financial and is a registered broker-dealer serving as the principal underwriter and distributor for Thrivent Mutual Funds.

*Lutheran Brotherhood and Aid Association for Lutherans merged on January 1, 2002, creating the largest fraternal benefit society in the United States. The name of the merged organization was thereafter changed to Thrivent Financial for Lutherans. Thrivent was formerly known as AAL Capital Management Corporation. In 2013, Thrivent Financial members voted to extend Thrivent Financial's common bond beyond Lutherans to include all Christians.

Insurance

Thrivent Financial markets life, health, and disability insurance to Christians in all 50 U.S. states and the District of Columbia.

Thrivent Life Insurance Company, an indirect, wholly owned subsidiary of Thrivent Financial, is a Minnesota stock life insurance company licensed to sell insurance products in 42 states and the District of Columbia. Thrivent Life Insurance Company does not sell new business, but it maintains and services existing contracts.

Thrivent Insurance Agency, Inc., an indirect wholly owned subsidiary of Thrivent Financial, serves as a life and health insurance agency engaged in the distribution of non-proprietary life and health insurance products.

Investment Adviser

Thrivent Asset Management, LLC is an indirect, wholly owned subsidiary of Thrivent Financial and the registered investment adviser providing portfolio management and fund administration services to Thrivent Mutual Funds and Thrivent Core Funds. Thrivent Mutual Funds are distributed by Thrivent's registered representatives and Thrivent Distributors, LLC.

Thrivent Financial is a registered investment adviser providing investment management services to Thrivent Series Fund, Inc. and Thrivent Cash Management Trust. Thrivent Financial is also responsible for fund administration for these entities.

Trust Company

Thrivent Trust Company is a wholly owned subsidiary of Thrivent Financial and serves as a federal savings bank offering professional fiduciary and discretionary investment management services.

Third-Party and Thrivent-Based Financial Incentives

It is more profitable for the organization to sell products issued by Thrivent Financial and our affiliates than those issued by other companies. As a result, we have a financial incentive to recommend them over other companies' products. In addition, it is generally more profitable for us if you purchase certain services that are sponsored and advised by Thrivent and its affiliates, such as Advantage, SELECT, and Income-Focused. Please see information related to this conflict of interest described above in **"Item 4—Services, Fees, and Compensation."** Your Financial Representative may share the compensation he or she receives with other Financial Representatives.

Based on proprietary and certain non-proprietary mutual funds its customers own, Thrivent receives revenue-sharing payments from affiliates and third-party companies. These additional payments compensate Thrivent for distribution, training, marketing, and sales support services. This additional compensation is not paid to any Financial Representative. These payments may present a potential conflict of interest because Thrivent's receipt of additional compensation gives it a financial incentive to include mutual funds for which the firm receives revenue-sharing payments in the Program. Visit Thrivent.com for more information about these financial arrangements, including a full list of providers.

Thrivent and third-party companies pay for some events during which financial representatives learn about products and services offered by Thrivent or its affiliate. Costs cover, but are not limited to, training materials, travel, lodging, and meals. They also pay for certain educational events for clients or prospective clients. Costs include, but are not limited to, room rental, presentation materials, meals, entertainment/leisure outings, and promotional gifts.

In some instances, Thrivent and its affiliates pay a Financial Representative additional compensation in the form of a cash bonus, sales award, or a higher proportion of fees. This additional compensation is based on the number of the Financial Representative's new clients who become Thrivent Financial members because the clients bought a membership-eligible product.

Financial Representatives may be eligible to receive compensation from Thrivent Financial to support their marketing efforts. This compensation is based in part on the number of the Financial Representative's new clients who become Thrivent Financial members because they bought a membership-eligible product.

Thrivent Financial may provide Financial Representatives subsidized retirement benefits and subsidized insurance benefits based on commissions they receive. Certain Financial Representatives who are not eligible for retirement or insurance benefits may receive a proportionately higher commission.

Thrivent Financial pays additional compensation for a limited period of time to certain Financial Representatives based on sales of insurance and annuity products prior to Jan. 1, 2017.

Thrivent Financial or its affiliates also pay additional compensation to certain Financial Representatives for training and coaching other Financial Representatives on specific products and services that we offer, and on practice management. A portion of this compensation may be based on incremental sales of these products and services sold by the Financial Representatives receiving the training.

Some Financial Representatives may elect to take out a loan from Thrivent Financial to invest in their practice. They may receive partial loan forgiveness if they exceed their expected sales of life and health insurance products.

Certain Financial Representatives are eligible to receive a cash bonus from their team practice based on what is earned by the whole team. This bonus is not taken out of your payments toward your retirement investment.

Field management personnel, who supervise and coach Financial Representatives, are paid when Financial Representatives sell products. Some Thrivent Financial corporate employees also are paid because they provide related training and support.

NFS provides Thrivent Investment Management Inc. a business credit based on the total amount of assets in the managed account programs.

While Thrivent and its Financial Representatives endeavor to put client interests first, the receipt of additional incentives may create a conflict of interest. Incentive programs are subject to industry regulations and addressed in Thrivent's internal compliance policies, which in some cases limit such payments, items, and benefits with the overall aim to avoid compromising advice or recommendations given to clients by special incentives.

Code of Ethics, Personal Trading, and Participation or Interest in Client Transactions

Thrivent's Code of Ethics ("Code") establishes the standards of business conduct required by all individuals involved in its investment advisory business. The Code sets forth business conduct principles regarding compliance with laws and regulations, fiduciary duty of investment advisers, conflicts of interest, gifts and entertainment, personal securities transactions, insider trading, and confidentiality.

Thrivent will provide a copy of our Code to any client

or prospective client upon request. Send your written request to:

Thrivent

Attn: Broker-Dealer and Investment Advisory Compliance

MS 1410

625 Fourth Ave. S.

Minneapolis, MN 55415

Thrivent's Code requires certain persons, defined as Access Persons, to disclose specific accounts in which they have a beneficial interest. These accounts are monitored electronically for activity that is inconsistent with the fiduciary duty owed to Thrivent's clients. Thrivent's Access Persons are subject to a personal trading policy intended to help mitigate conflicts of interest when trading their personal securities accounts. When Thrivent's electronic monitoring system flags activity that is inconsistent with this policy, the transaction(s) are reviewed and appropriate corrective action is taken as needed.

Thrivent and its affiliates perform advisory and/or brokerage services for other clients and give advice and take action for other clients (including those not participating in the Program) that may differ from the advice given or the timing or the nature of any action taken for your Account. In addition, Thrivent may, but is not obligated to, purchase or sell, or recommend for purchase or sale, any security that Thrivent or any of its affiliates may purchase or sell for their own accounts or the account of any other client. All client trade orders are submitted to NFS for execution on an agency basis. Thrivent may, however, execute trade corrections, trade adjustments, or worthless security trades when necessary through a Thrivent account maintained with NFS and established for this purpose. While the statements and trade confirmations sent by NFS directly to clients may reflect that these transactions were executed on a principal basis, Thrivent does not maintain any proprietary trading accounts with NFS in which principal trades are executed; does not make trade corrections or adjustments from securities owned by Thrivent; and does not charge any markup or markdown on these transactions.

Review of Accounts

Your Financial Representative will make reasonable efforts to conduct a comprehensive review of your Account at least annually. This annual review process will include reviewing your Investor Profile, other investment guidelines (including, as applicable, any

reasonable restrictions you have imposed on the management of your Account), and other relevant factors and information that you provide. Based on the assets in your Account, among other factors, your Financial Representative may recommend changes to your Account, including, but not limited to, changes to model portfolios and rebalancing. You and your Financial Representative may encounter circumstances that may prevent or delay this review from occurring on an annual basis.

A review of client accounts by Thrivent registered principals may occur periodically, depending upon factors specific to that account, including, but not limited to, certain types of account activity, or lack thereof, the types of securities being purchased or sold, the share class of mutual fund holdings, and the account holdings relative to your financial status and investment objectives. As a result of such review, we may take certain actions, up to and including, the termination of the advisory services.

As a client in the Program, you can expect to receive regular reports and other materials as discussed above in **“Item 4—Services, Fees and Compensation—Program Account Reviews and Reports.”** These materials include quarterly account statements and performance reports, and in certain circumstances you will receive monthly statements. Your account statements will be sent by NFS.

Client Referrals and Other Compensation

Thrivent does not engage any unaffiliated third-party cash solicitation or referral arrangement to solicit investment advisory services to prospective new clients. However, a licensed and state-registered Thrivent Financial Representative who refers you to another Thrivent Financial Representative may share in the fee for the services provided. These fees may be a single payment or ongoing in nature.

This arrangement is only allowed if the Financial Representative making the referral is appropriately licensed and state registered. Any payments to the Financial Representative making a referral will not increase the Program Fee.

In addition and separate from the above-referenced arrangement, Thrivent Trust Company can compensate Financial Representatives for referring you to Thrivent Trust Company for its professional personal trust, estate, and investment management services. Any such compensation payment will be disclosed to the client, when applicable and as required by law, and will not increase the client's fees. Such payments may be made for the duration of the client accounts held with Thrivent Trust Company.

In another separate arrangement, InFaith Community Foundation partners with Thrivent Distributors, LLC, the underwriter and distributor for Thrivent Mutual Funds, pays your Financial Representative for his or her work in bringing donor gifts to InFaith Community Foundation to the extent these donor gifts are invested in Thrivent Mutual Funds. This fee does not increase cost of the product to you. InFaith is independent of Thrivent Financial and Thrivent's Financial Representatives. InFaith is not an affiliate of Thrivent.

Financial Information

Thrivent does not require prepayment of investment advisory fees six months or more in advance.

Thrivent requires that checks for deposit into client Accounts be made payable to NFS as custodian of the Account. Checks made payable to Thrivent will be promptly returned to you. In addition, Thrivent requires that you mail any certificates directly to NFS for processing. Your Financial Representative is not permitted to accept them.

NFS is responsible for sending Account statements reflecting, among other things, any securities transactions in your Account. In certain instances, Thrivent will also send you a quarterly statement describing certain Account activity during the previous quarter. We encourage you to carefully review and compare the Account statements that you receive from NFS with those you receive, if any, from Thrivent.

Thrivent is not aware of any financial condition that is reasonably likely to impair its ability to meet any contractual commitments to clients.



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INVESTMENT MANAGEMENT