



THRIVENT®

**INVESTMENT
MANAGEMENT**

Managed Accounts Program Brochure

Thrivent Advisor Guided Program

March 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 have not made any material changes to this Thrivent Advisor Guided brochure (“Brochure”) since our last annual update dated March 2017.

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. This Brochure provides information regarding Thrivent Advisor Guided (“Advisor Guided”), a discretionary investment advisory and managed accounts program sponsored by Thrivent. Advisor Guided is a part of Thrivent’s overall Managed Accounts Program (the “Program”).

The Program also includes a number of other investment advisory and managed accounts programs sponsored by Thrivent with the objective of managing a portfolio of assets on both a discretionary and non-discretionary basis. These programs include Thrivent Advisor (“Advisor”)—a non-discretionary investment advisory program—as well as other discretionary investment advisory programs that include Thrivent Advantage Managed Portfolios (“Advantage”), Thrivent SELECT Managed Portfolios (“SELECT”), Thrivent Income-Focused Managed Portfolios (“Income-Focused Portfolios”), Thrivent Genesis Managed Portfolios™ (“Genesis”), Thrivent Shepherd Managed Portfolios® (“Shepherd”), Thrivent Separately Managed Account (“SMA”), and Thrivent Unified Managed Account 1.0 and (“UMA”). If you are interested in learning more about these other programs, ask your Financial Representative (“Financial Representative”) for a copy of the Thrivent Investment Management Inc. Managed Accounts Program Brochure (“Managed Accounts Program Brochure”).

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. At this time, Advisor Guided is only available through a limited number of Financial Representatives.

Thrivent offers the Program through Envestnet Asset Management, Inc. (“Platform Manager”), a registered investment adviser and unaffiliated company that operates a technology platform. Thrivent, along with your Financial Representative, will be the sole

provider of investment advisory services for Advisor Guided. The Platform Manager does not provide investment advisory services for Advisor Guided.

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. Review the chart below and the Thrivent Managed Account Client Agreement for Thrivent Advisor Guided (“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. 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, 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 to Consider"** 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 select and manage the investments in your Account. Review the charts below for an at-a-glance view of the Advisor Guided program and its Program Fee schedule.

Advisor Guided Program Overview

Investment Advisory Structure	Discretionary
Asset Allocation Model/Strategy	Financial Representative recommends
Underlying Model Holdings/Investment Selection	Financial Representative determines
Eligible Program Assets	Individual securities, mutual funds, and ETFs
Minimum Account Size ¹	\$100,000
Rebalancing and Reallocation	Financial Representative determines

Advisor Guided Fee Schedule

Value of Eligible Program Assets	Maximum Program Fee ² (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%

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 instance, these other Financial Representatives may enter trades at the direction of your Financial Representative, participate in the preparation of portfolio reviews, perform investment research, and be available to

answer general questions you may have related to your Account.

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 the Advisor Guided program in greater detail.

¹ 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.

² The Maximum Program Fee Reduction is equal to 0.45% per annum of all assets in the Account.

Services

Advisor Guided is a discretionary investment advisory program. You may invest in individual securities, mutual funds, and ETFs. Your Financial Representative will provide you with professional investment advice, develop an asset allocation strategy or model portfolio, and make specific security selections based upon your investment objectives, financial situation, and needs, that are intended to help you work toward your financial goals.

After your Financial Representative implements your mutually agreed upon allocation strategy or model portfolio, she or he will periodically adjust the allocation of the strategy or model portfolio as well as buy, sell, or otherwise effect transactions in Eligible Program Assets in your Account. These adjustments will occur as necessary and at the sole discretion of your Financial Representative. The asset allocation model developed for you includes established parameters from which the model portfolio may deviate or vary from its original allocation before your Financial Representative may rebalance your Account. Your Financial Representative may use the same asset allocation model with more than one client. A random trade rotation is used when rebalancing the model, which may result in certain clients receiving a less favorable price than other clients purchasing or selling the same security. Review **“Item 9—Additional Information—Code of Ethics, Personal Trading, and Participation or Interest in Client Transactions”** for further information.

Cash Management

Generally, when you open your Account, you will select and authorize that your 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 Rule 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 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 for Advisor Guided. 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 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**—Provides cost basis information in year-end summary statements.

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

You will receive customary custodial statements from NFS 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

You will be sent 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. You may elect and consent 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. 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.

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 the Advisor Guided program in accordance with the fee schedule provided in the chart above. 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 account program(s) you have selected.
- The amount of assets in your Account.
- Your personal financial needs, objectives, and complexity of your financial situation.
- 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 Guided 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 is equal to 0.45% per annum of all assets in the Account. 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

For Advisor Guided, a portion of your Program Fee is paid to Thrivent and your Financial Representative 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.

Other Charges, Fees, and Expenses to Consider

In addition to the Program Fee, as a shareholder of a mutual fund you will pay your proportionate share of management fees, 12b-1 (distribution) 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 the funds 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 a share class will be selected for both the initial and any subsequent purchases of the specific mutual fund.

Your Financial Representative has the ability to purchase mutual funds that do not offer an institutional or other lower-cost share class in the Program. Or, the representative may purchase 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 (including money market mutual funds). In addition, Thrivent manages this conflict by training its Financial Representatives on their responsibilities as a fiduciary under the Investment Advisers Act and the duty of care 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 the following:

- Electronic fund and wire transfer fees
- Transaction fees for certain Ineligible Program Assets
- Custodial fees
- 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 markups 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 and Thrivent

Your Financial Representative recommending Advisor Guided 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 retain a higher percentage of the Program Fee negotiated for choosing one service over another 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. Similar Program services,

or separate services, may be available with other investment advisers not affiliated with Thrivent.

The 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 changes, including effecting transactions, to your portfolio beyond certain parameters. Trades for certain mutual funds determined and maintained by NFS on a No Transaction Fee ("NTF") list are not included in these transaction parameters. Please ask your Financial Representative for further information on the NTF list.

NFS may provide Thrivent a periodic business credit based on the total amount of assets in the Program and Thrivent brokerage accounts. This business credit would reduce the amount of Thrivent's expenses for clearing and execution services.

Household Billing Rate

If you have multiple Accounts with the same taxpayer identification number and/or home mailing address, you are eligible to receive a reduced household billing rate applicable to all Accounts within either the same or similar managed account program. If you are eligible to receive a reduced household billing rate, it is your choice whether to household your Accounts.

Your Financial Representative may have a financial incentive to recommend programs to you that could result in a higher Program Fee because you may not qualify for a reduced household billing rate. This creates a potential conflict of interest. Financial Representatives are trained to review reduced household billing with clients when appropriate.

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.

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 (ERISA), 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

Factors to consider in assessing the costs of Advisor Guided include the following:

- The combination of investment advisory, custodial, and brokerage services and the investment product offerings available through Advisor Guided may not be available separately.
- When purchasing no-load mutual funds within your Account, you will be paying 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 those 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 Advisor Guided to you. The decision to select Advisor Guided 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 available as part of the Program.

- The cost, potential benefits, and potential risks of the Advisor Guided program.
- Your investment objectives and the complexity of your investment strategy.
- The types 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.
- The frequency with which you expect your Financial Representative to trade.
- Your anticipated use of other services and features available within the Advisor Guided program.
- 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 portfolio 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. Keep in mind that 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 may want to consider other account options that may be more economically advantageous for you (e.g., holding a money market position in a transaction-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 or service recommendation, 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 and check-writing features are not available in Advisor Guided.

The minimum initial investment amount is provided in the "Advisor Guided Program Overview" chart above. You may be eligible to open an Advisor Guided Account below the stated minimum by aggregating Accounts you hold with Thrivent and/or its affiliates.

Generally, all of the following criteria must be met for eligibility for such aggregation of applicable Accounts, including those in the Program:

- You must initially place or currently hold greater than \$250,000 in assets with Thrivent or its affiliates.
- No individual Account may be less than \$50,000 in market value upon 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 requirement at Account opening.

If you decide to participate in the Program, you will sign a Thrivent Investment Management Inc. Managed Accounts Program Client Agreement for Thrivent Advisor Guided, which will govern your participation in the Program.

Item 6—Portfolio Manager Selection and Evaluation

Thrivent's Selection of Your Financial Representative

Your Financial Representative may use a variety of methods and resources to construct a recommended allocation strategy or model portfolio. 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 Guided 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 will have a disclosure brochure.

Your Financial Representative has been approved by Thrivent to offer the Advisor Guided program based on a review of, among other things, the Financial Representative's level of experience, professional designations, due diligence process, investment management process, and compliance evaluation.

The Financial Representative is also subject to an initial and ongoing review of the services he or she provides for Advisor Guided. The purpose of this review is to help ensure that the services provided by your Financial Representative are in alignment with Program requirements. Your Financial Representative's ability to offer the Advisor Guided program is not an indication of past performance and should not be treated as an indication of future results. In addition, Thrivent will conduct a review of the information that has been provided by your Financial Representative at the time of his or her acceptance to offer Advisor Guided to help ensure adherence to his or her due diligence and investment management process. The performance of your portfolio is calculated and provided by the Platform Manager. Thrivent does not calculate the portfolio performance of your Financial Representative.

Conflicts of Interest

Thrivent, along with your Financial Representative, will be the sole provider of investment advisory services in Advisor Guided.

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. 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 when your Financial Representative elects to purchase a Thrivent Mutual Fund in your Account.

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 Advisor Guided may be complex and involve a higher degree of risk than other available strategies. The use of complex products and strategies is not suitable for all investors. 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.

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 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 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. To obtain prospectuses, contact your Financial Representative or call 800-847-4836 to obtain prospectuses. Rebalancing may have adverse tax consequences for your Account. Neither Thrivent nor its Financial Representatives provide tax advice. You should consult with your tax advisor for such advice.

Performance-Based Fees and Side-by-Side Management

Thrivent does not charge performance-based fees for Advisor Guided.

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 your Advisor Guided Account. You will receive proxy materials, tender offer materials, prospectuses, shareholder reports, class action proceedings, or other shareholder information directly from NFS.

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 account 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.

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

Your Financial Representative will be available during normal business hours for consultation regarding your Account. Thrivent will also communicate with you at least quarterly to request that you contact Thrivent about any material changes to your Investor Profile or other relevant information.

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 the 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 Fund 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.

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 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 also serves as a distributor of Thrivent Mutual Funds and 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.³ 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.

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 make wise money choices that reflect their values, and it provides opportunities for them to be even more generous where they live, work, and worship. Insurance and annuity products issued by Thrivent Financial and its subsidiaries help create the dollars that make possible the grassroots membership support of communities and congregations. Funding for this support comes from Thrivent Financial's tax exemption as a not-for-profit 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.

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 is a life insurance company licensed to sell insurance products in 42 states and the District of Columbia.

³Lutheran 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.

Thrivent Insurance Agency, Inc., also an indirect wholly owned subsidiary of Thrivent Financial, is licensed to sell health, disability, variable annuity, and variable life 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 the 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 Advisor Guided. 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 affiliates. 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.

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 are 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. Please 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 make 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—Performance Reporting.”** 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 compensates financial associates of Thrivent Financial and Thrivent Life Insurance Company (who are also registered representatives of Thrivent) 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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