

CHARITABLE LIFE INSURANCE OPTIONS FROM THRIVENT FINANCIAL

Whether helping members select life insurance for personal purposes or for charitable goals, many of the same benefits and features are considered attractive. Below is a Thrivent Financial product comparison to help you in discussions around which product is most appropriate for the member's charitable wishes.

Product	From the Donor's Perspective	From the Charity's Perspective
Term	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Initial premiums are inexpensive. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> Premiums will increase dramatically after level period. Premiums not income tax-deductible. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Donor may choose a larger face amount due to inexpensive initial premiums. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> Highly unlikely that charity will ultimately receive death benefit.
L100	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level premiums. Dividends may be used to help pay premiums (not guaranteed). <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> Premiums need to be paid for entire lifetime. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level death benefit. Dividends may be used to increase the death benefit available for the charitable organization (not guaranteed). If donor ceases premiums, RPU can ensure some remaining death benefit. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> If donor ceases premiums, contract with APL would continue through loans until lapse because of overloan situation.
L65	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level premiums. Dividends may be used to help pay premiums (not guaranteed). Premiums need to be paid only to age 65. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> Highest premiums. Available only if age 55 or younger. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level death benefit. Dividends may be used to increase the death benefit available for the charitable organization (not guaranteed). If donor ceases premiums, RPU can ensure some remaining death benefit. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> If donor ceases premiums, contract with APL would continue through loans until lapse because of overloan situation.
Pres Plus	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level premiums for base of contract. Can select premiums (within limits) at time of purchase. Dividends may be used to help pay premiums (not guaranteed). 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level death benefit provided by base of contract. Dividends may be used to increase the death benefit available for charitable organization when no DTI remains on the contract (not guaranteed). If donor ceases premiums, RPU can

	<p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Premiums need to be paid for entire lifetime. • May have to pay higher premiums to maintain full target coverage if dividends are inadequate. 	<p>ensure some remaining death benefit.</p> <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • If donor ceases premiums, contract with APL would continue through loans until lapse because of overloan situation.
Partner Pres Plus	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Guaranteed level premiums for base of contract. • Can select premiums (within limits) at time of purchase. • Dividends may be used to help pay premiums (not guaranteed). <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Premiums need to be paid until first death. • May have to pay higher premiums to maintain full target coverage if dividends are inadequate. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Receives death benefit earlier – at first death. • Dividends may be used to increase the death benefit available for the charitable organization when no DTI remains on the contract (not guaranteed). • Guaranteed level death benefit provided by base of contract. • If donor ceases premiums, RPU can ensure some remaining death benefit. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • No death benefit provided at first death. • Receives death benefit later – at second death. • If donor ceases premiums, contract with APL would continue through loans until lapse because of overloan situation.
UL	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Ability to tailor premiums to budget. • Ability to flex premiums. • Favorable current interest rates may allow payment of lesser premiums. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Unfavorable current interest rates may necessitate payment of larger premiums than planned. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • May provide an increasing death benefit (Option 2). <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • If donor ceases premiums, cash value will be used to pay contract expenses until contract lapses.
VUL	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Ability to tailor premiums to budget. • Ability to flex premiums. • Favorable subaccount performance may allow payment of lesser premiums. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Unfavorable subaccount performance may necessitate payment of larger premiums than planned. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Favorable subaccount performance may provide a larger death benefit for the charity (Option 2) <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • If donor ceases premiums, cash value will be used to pay contract expenses until contract lapses.

<p>UL-LP</p>	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Lower premiums than most other permanent life insurance contracts. • Flexible premium nature of product allows for single pay, payments for limited number of years or payment for life to fund the guarantee. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Timing of premium is very important – late and/or early payment may adversely affect the status of the lapse protection guarantee. 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Donor may choose a larger face amount due to lower premiums. • Guaranteed level death benefit. • Payment for limited number of years is preferable in order to further protect death benefit. <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • If donor ceases premiums, cash value will be used to pay contract expenses until contract lapses. Little to no cash value means contract may be near-worthless if premiums cease.
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Source of product information: Thrivent Financial for Lutherans

Gifts of Charitable Life Insurance Through the LCF

Many have found charitable life insurance to be a practical and affordable way to make a meaningful charitable gift, and there's great flexibility depending on the donor's financial situation. Additional advantages to giving life insurance through the LCF include:

- By making the Lutheran Community Foundation the owner and beneficiary of the life insurance contract, the donor can take a charitable tax deduction for ongoing premiums paid on the contract*.
- Upon the insured's death, the death benefit goes to the donor's choice of funds at the LCF, benefiting charities selected by the donor or areas of charitable work.
- Donors can pay premiums using cash or publicly traded securities. If the donor wishes to pay premiums using publicly traded securities, capital gain taxes on the appreciated value of securities owned for more than one year can be bypassed.
- Since life insurance is typically a non-probate asset, the life insurance proceeds will be paid directly to the LCF, potentially avoiding any delay in payment.
- Donors can change the charities recommended to benefit at any time by contacting the LCF.

For more information about charitable life insurance, contact the LCF Charitable Giving Services staff at 1-800-365-4172.

**Thrivent Financial sends charitable life insurance premium notices direct to the client/donor. The donor's premium payments should be sent direct to Thrivent Financial, unless annual premiums exceed 30% of his/her adjusted gross income for the year. If this is the case, it may benefit the donor to direct payments to the LCF as charitable deductions for premium payments made direct to the life insurance company are limited to 30% of a donor's AGI and excess deductions cannot be carried over to future tax years. Premium payments (of cash) made to the LCF are capped at 50% of the donor's AGI and excess deductions may be carried to future years.*

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