



## Thrivent Advisor Network, LLC

### Financial Planning and Consulting Services Form ADV Part 2A – Disclosure Brochure

**Effective: March 31, 2021**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Thrivent Advisor Network, LLC (“Thrivent” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (612) 844-8444.

Thrivent is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment adviser does not imply any specific level of skill or training. This Disclosure Brochure provides information through Thrivent to assist you in determining whether to retain the Advisor.

Certain Advisory Persons of Thrivent provide advisory services under a practice name or “doing business as” name or may have their own legal business entities. **However, advisory services are engaged exclusively through Thrivent Advisor Network.** Additional information about Thrivent and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 304569.

### Advisory Persons, Practice Names and Locations

Thrivent Advisor Network (“Thrivent” or the “Advisor”) offers and delivers its investment management and advisory services through a network of investment adviser representatives (herein “Advisory Persons”).

Certain Advisory Persons market and deliver advisory services under a practice name or “doing business as” or may have their own legal business entities whose business names and logos appear on marketing materials as approved by Thrivent, or client statements approved by the custodian. It is important to note that the businesses are legal entities of the Advisory Persons and not of Thrivent, nor the custodian. Additionally, the business entity may provide services other than the services offered by the Advisor Person as disclosed in this Disclosure Brochure and also provided to Client in each Advisory Person’s personalized disclosure Brochure Supplement. **However, advisory services are engaged exclusively through Thrivent Advisor Network.**

Detailed information regarding each Advisory Person is contained in the respective Form ADV 2B (“Brochure Supplement”). In addition, practice names and branch office locations are listed on Schedule D of Thrivent’s Form ADV Part 1 (available at <https://www.adviserinfo.sec.gov/Firm/304569>).

### **Item 2 – Material Changes**

The following material changes have been made to this **Disclosure Brochure** since the last the July 28, 2020 amendments which were distributed to Clients.

#### **Item 14 – Client Referrals and Other Compensation**

- **Other Compensation.** Thrivent Charitable Impact & Investing partners with Advisory Persons and Thrivent Distributors, LLC, the underwriter and distributor for Thrivent Mutual Funds. Thrivent Distributors, LLC donates 1% of the gift value to a donor advised fund in recognition of the Advisory Person when he or she brings donor gifts to Thrivent Charitable Impact & Investing. This fee does not increase cost of the product to you. This donation and the charitable assets are not owned by the Advisory Persons. Thrivent Charitable Impact & Investing is independent of Thrivent Financial and Thrivent’s Advisory Persons. Thrivent Charitable Impact & Investing is not an affiliate of Thrivent.

#### **Item 18 – Financial Information**

- Thrivent’s balance sheet is included in this Disclosure Brochure because the firm collects advance fees of \$1,200 or more for services to be performed six months or more in advance.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually if a material change occurs in the business practices of Thrivent.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD #304569. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (612) 844-8444.

### **Item 3 – Table of Contents**

<b>Item 1 – Cover Page</b> .....	<b>1</b>
<b>Item 2 – Material Changes</b> .....	<b>2</b>
<b>Item 3 – Table of Contents</b> .....	<b>3</b>
<b>Item 4 – Advisory Services</b> .....	<b>4</b>
A. Firm Information .....	4
B. Advisory Services Offered .....	4
C. Other Investment Advisory Services.....	5
D. Assets Under Management .....	5
<b>Item 5 – Fees and Compensation</b> .....	<b>6</b>
A. Fees for Advisory Services .....	6
B. Fee Billing .....	6
C. Other Fees and Expenses .....	7
D. Advance Payment of Fees and Termination.....	7
E. Compensation for Sales of Securities.....	7
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b> .....	<b>8</b>
<b>Item 7 – Types of Clients</b> .....	<b>8</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	<b>8</b>
<b>Item 9 – Disciplinary Information</b> .....	<b>9</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b> .....	<b>9</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b> .....	<b>11</b>
A. Code of Ethics.....	11
B. Personal Trading with Material Interest.....	11
C. Personal Trading in Same Securities as Clients .....	11
D. Personal Trading at Same Time as Client.....	11
<b>Item 12 – Brokerage Practices</b> .....	<b>11</b>
A. Recommendation of Custodian[s] .....	11
B. Aggregating and Allocating Trades.....	13
<b>Item 13 – Review of Accounts</b> .....	<b>13</b>
A. Frequency of Reviews .....	13
B. Causes for Reviews.....	13
C. Review Reports.....	13
<b>Item 14 – Client Referrals and Other Compensation</b> .....	<b>13</b>
A. Compensation Received by Thrivent .....	13
B. Client Referrals from Solicitors .....	14
C. Other Compensation.....	14
<b>Item 15 – Custody</b> .....	<b>15</b>
<b>Item 16 – Investment Discretion</b> .....	<b>15</b>
<b>Item 17 – Voting Client Securities</b> .....	<b>15</b>
<b>Item 18 – Financial Information</b> .....	<b>15</b>
<b>Privacy Policy</b> .....	<b>23</b>

## **Item 4 – Advisory Services**

### **A. Firm Information**

Thrivent is a registered investment adviser with the U.S. Securities and Exchange Commission (“SEC”) offering investment advisory services since 2019. Thrivent is organized as a limited liability company (“LLC”) under the laws of the State of Delaware. Thrivent is a wholly-owned subsidiary of Thrivent Financial Holdings, Inc., a Delaware Corporation, which is in turn a wholly-owned subsidiary of Thrivent Financial for Lutherans.

This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Thrivent. Contact us at (612) 844-8444 if you have questions regarding this Disclosure Brochure.

### **B. Advisory Services Offered**

Thrivent and its Advisory Persons (also collectively referred to as Thrivent”) offer investment advisory services to individuals, high net worth individuals, families, trusts, estates, businesses, and retirement plans (each referred to as a “Client”).

Thrivent and its Advisory Persons serve as fiduciaries to Clients, as defined under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), when offering these advisory services. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Thrivent’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### **Financial Planning and Consulting Services**

Advisory Persons will typically offer a variety of financial planning and consulting services to Clients, pursuant to the Thrivent Financial Planning and Consulting Agreement or included as part of an overall wealth management engagement. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation based on the Client’s financial goals and objectives. This service may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, estate planning, personal savings, education savings, insurance needs, and other areas of a Client’s financial situation.

Advice provide through these services to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may include that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. Advisory Persons may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. Advisory Persons will provide a written summary, which may include Client’s financial situation, observations, and recommendations.

Financial planning and consulting recommendations poses a potential conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of Advisor Management Fees paid to the Advisor and its Advisory Persons. Clients are not obligated to implement any recommendations made by our Advisory Persons or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by our Advisory Persons, the Client is under no obligation to implement the transaction through the Advisor.

### Retirement Plan Advisory Services

Thrivent offers advisory services to retirement plans (each a “Plan”) pursuant to The Employee Retirement Income Security Act of 1974 (“ERISA”). Services include both fiduciary and non-fiduciary services to the sponsor of the Plan (the “Plan Sponsor”) and the participants of the Plan (the “Plan Participants”). Services are provided on a non-discretionary basis (ERISA 3(21) Fiduciary Services). Advisory services are negotiated based on the needs of the Plan and the direction and engagement by the Plan Sponsor and are included in the terms of the Thrivent Retirement Plan Advisory Agreement. For the avoidance of doubt, under no circumstances may the Advisor be given any power of attorney or other authority to act on behalf of the Plan.

Thrivent typically offers the following Plan Fiduciary Services pursuant to the scope and terms of Thrivent’s agreement with each Plan Sponsor:

- Vendor Analysis
- Employee Enrollment and Education Tracking
- Investment Policy Statement (“IPS”) Design and Monitoring
- Investment Searches
- Investment Review, Analysis and Monitoring
- Performance Reporting
- ERISA 404(c) Assistance
- Qualified Default Investment Alternative Designation

Thrivent may also offer communication and education services to the Plan and the Plan Participants, pursuant to the terms of the retirement plan advisory agreement. Services may include:

- Assist with Plan Participant enrollment
- Plan Participant Investment Education
- Periodic on-site visits with Plan Sponsor for account updates and reviews
- Periodic Plan Participant Education Advice (may require separate engagement by the Plan Participant)

### Educational Seminars

Advisory Persons of Thrivent may offer financial education seminars to Clients and prospective clients on various financial topics. Such events and services may be part of an overall consulting engagement or a marketing event and may be subject to the financial consulting services fees as described in Item 5.B. below.

### **C. Other Investment Advisory Services**

Thrivent also offers investment management services on a discretionary and nondiscretionary basis. These include wrap-fee and non-wrap-fee programs, as well as an independent manager and investment platform program. Advisor sponsors a Thrivent Wrap-Fee Program where Clients receive ongoing investment advice, brokerage and related services — including performance, custody and transaction reporting for a single asset-based fee. Depending on the level of trading for the Client’s account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Thrivent also offers investment management services where Clients receive ongoing investment advice, but separately pays for securities transactions and brokerage-related fees. The Independent Manager and Investment Platform program offers Clients the ability to utilize unaffiliated investment managers on wrap-fee or non-wrap fee basis. Review the Thrivent Disclosure Brochure and Wrap Fee Program Brochure for a full description of the respective investment management services described in this section C.

### **D. Assets Under Management**

As of December 31, 2020, the Advisor had \$5,060,558,513 in discretionary assets and \$233,695,216 in non-discretionary assets.

## **Item 5 – Fees and Compensation**

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein must enter into a written agreement with the Advisor.

### **A. Fees for Advisory Services**

#### **Financial Planning and Consulting Services**

Fees for financial planning and consulting services are negotiated on a case-by-case basis and are billed on either an hourly or fixed fee basis as agreed in the respective Client agreement. Financial planning or consulting services may be included as part of an overall wealth management engagement or provided as a separate engagement. For separate engagements, financial planning and consulting services are offered as a fixed project scope or on an ongoing engagement.

*Project-based engagements* are offered on a fixed fee basis or fee an hourly fee as determined prior to engaging for these services. Fixed-fee engagements typically range from \$300 to \$20,000. Hourly engagements are billed at a rate of up to \$300 per hour. Certain complex engagements may be offered at a higher fee. Fees are based on several factors, including the experience of the Advisory Person performing the services, the complexity the Client's situation and/or duration the services to be provided. An estimate for total hours and/or costs will be provided to the Client prior to engaging for these services.

*Ongoing financial planning and consulting engagements* may be offered at a fixed annual fee, generally payable in advance of each calendar quarter. Fees are based on several factors, including the experience of the Advisory Person performing the services, the complexity the Client's situation and/or number of meetings during the year. Fees may exceed the fixed engagement fee rate above for complex situations. The total annual fee will be provided to the Client prior to engaging for these services. Ongoing financial planning and consulting engagements will continue until terminated by either party in accordance with the Financial Planning and Consulting Agreement.

#### **Retirement Plan Advisory Services**

Retirement plan advisory fees may be paid in advance or in arrears, as determined by the Plan or Plan Sponsor, pursuant to the terms of the Thrivent Retirement Plan Advisory Agreement. If the Plan or Plan Sponsor elects to pay the Advisory Fee in advance, the fee is billed quarterly, in advance of each quarter, based on the fair market value of portfolio assets supervised by the Advisor on the last business day of the preceding quarter. If the Plan or Plan Sponsor elects to pay the Advisory Fee in arrears, the Advisory Fee is billed quarterly, in arrears, based on the fair market value of portfolio assets supervised by the Advisor on the last business day of the immediately preceding quarter.

Fees are generally based on the market value of assets in the Plan at the end of the prior calendar quarter and charged at an annual rate of up to 1.00%.

Alternatively, the Plan Sponsor and Thrivent may arrange to have fees billed at a fixed annual fee.

### **B. Fee Billing**

#### **Financial Planning Services and Educational Seminars**

For project-based engagements, financial planning and consulting fees will be invoiced up to fifty percent (50%) of the expected project fee upon the execution of the financial planning or consulting agreement with the balance due upon completion of the engagement deliverable[s]. For ongoing retainer engagements, Thrivent may collect up to one quarter (25%) of the annual fee upon the execution of the financial planning or consulting agreement with quarterly payments (payments approximately every 90 days) thereafter for the duration of the agreement. Thrivent and the Client may also agree to a monthly schedule for payment of ongoing financial planning and consulting fees.

#### **Retirement Plan Advisory Services**

Retirement plan advisory fees will be directly invoiced to the Plan Sponsor or deducted from the account of each Plan Participant, depending on the terms of the Thrivent Retirement Plan Advisory Agreement. Regardless of whether the Plan or Plan Sponsor elects that the Plan pay the Advisory Fee or that the Plan Sponsor pay the

Advisory Fee, the Advisor will provide the Plan Sponsor, if required, a written invoice itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third-parties in connection with investments made on behalf of the Client's account[s]. Expenses related to the ordinary servicing of the account[s], including custody fees, security transaction fees, and/or program fees will be paid by the Plan. Other non-ordinary fees or fees incurred at the direction of the Plan or the Plan Sponsor shall be paid by the Plan. In addition, all fees paid to Thrivent for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of Thrivent, but would not receive the services provided by Thrivent which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Thrivent to fully understand the total fees to be paid. Fees paid to Independent Managers are not shared with Thrivent.

### **D. Advance Payment of Fees and Termination**

#### Financial Planning Services

Upon termination of the Thrivent Financial Planning and Consulting Services Agreement, the Client shall be responsible for fees based on the nature of the engagement and the services rendered by Thrivent. For hourly engagements, the Client shall be responsible for fees based on the hours of service performed by Thrivent and its Advisory Persons. For project-based engagements on a fixed fee, the retained fee shall be based on the percentage of the engagement deliverable[s] completed at the time of termination. For annual retainer engagements, the Client shall be responsible for fees through effective date of termination. Upon termination, any unearned prepaid fees will be promptly refunded to the Client.

#### Retirement Plan Advisory Services

If the Plan or Plan Sponsor elects to pay the Advisory Fee in advance, the fee is billed quarterly, in advance of each quarter, based on the fair market value of portfolio assets supervised by the Advisor on the last business day of the preceding quarter. Either party may request to terminate the retirement plan advisory agreement, at any time, by providing advance written notice to the other party.

The Plan shall be responsible for advisory fees up to and including the effective date of termination. Upon termination, Thrivent will promptly refund any unearned, prepaid fees to the Plan. The retirement plan advisory agreement with Thrivent is non-transferable without the Plan Sponsor's consent.

### **E. Compensation for Sales of Securities**

Thrivent does not buy or sell securities to generate securities commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

Certain Advisory Persons are also registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"). PKS is an unaffiliated registered broker-dealer (CRD# 35747), member FINRA, SIPC. As a registered representative of PKS, the Advisory Person will implement securities transactions under PKS and not through Thrivent. In such instances, the Advisory Person will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by the Advisory Person in one's capacity as a registered representative is separate and in addition to the Advisor's fees earned for the Financial Planning and Consulting Services described in this Disclosure Brochure. This practice presents a conflict of interest because the Advisory Person who is a registered representative has an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by the Advisor nor Advisory Persons. Neither the Advisor nor Advisory Persons will earn ongoing investment advisory fees in connection with any products or services implemented in the Advisory Person's separate capacity as a registered representative of PKS. Review Item 10 – Other Financial Industry Activities



and Affiliations.

In addition, certain Advisory Persons are licensed as independent insurance professionals. In their capacity as licensed insurance professionals, Advisory Persons will earn commission-based compensation for implementing insurance products on behalf of Clients, which may include insurance products offered by affiliates of the Advisor. Insurance commissions earned by an Advisory Person is separate and in addition to Thrivent's investment advisory fees. This practice presents a conflict of interest as an Advisory Person may have an incentive to recommend insurance products for the purpose of generating commissions rather than solely based on Client needs. Further, affiliates of Thrivent will also earn revenue if insurance products offered by one of the Advisor's affiliates are implemented. Clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with Thrivent or otherwise. Review Item 10 below – Other Financial Industry Activities and Affiliations.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Thrivent does not charge performance-based fees for its investment advisory services.

### **Item 7 – Types of Clients**

Thrivent offers investment advisory services to individuals, high net worth individuals, families, trusts, estates, businesses, and retirement plans. Thrivent does not impose a minimum account or relationship size for the services described in this Disclosure Brochure.

### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

During the planning process, certain general assumptions relating to the market and interest and other rates will be utilized, including, but not limited to, rates of investment performance, inflation rates and tax rates. The recommendations may contain projections relating to our view of the probability Clients will reach their stated financial goals, scenario analyses and an assessment of what may occur upon certain proposed changes to the stated assumptions. The projections rely on hypothetical economic scenarios and assessments using the stated assumptions and are based in large part on the information Clients supply.

Advisory Persons may rely on a number of tools to assist in the financial planning process, including asset allocation and various types of software. Thrivent's Financial Planning and Consulting Service is generally designed with a view toward long-term investing. Advisory Person provide financial planning services concerning various types of securities, investment and certain insurance products. Clients should be aware that investing in securities, investment and insurance products involves inherent risks, including the possible loss of the total principal amount invested. Carefully review all agreement and product offering documents to better understand the risks associated with each security, investment and insurance product.

As part of the financial planning process, based on the financial planning topics the Client selects, certain assumptions regarding their current personal goals and objectives will be utilized, such as their ongoing expenses, desired retirement age, and the number of years until their children enroll in college. Additionally, certain general assumptions relating to the market and interest and other rates will also be utilized, including, but not limited to, rates of investment performance, inflation rates and tax rates. The recommendations may contain projections, such as the likelihood of various investment outcomes or the performance of investment products and services, and are based on the assumptions referenced above. These projections are hypothetical economic scenarios and do not reflect actual investment results or guarantee future results. Items such as future investment results, cash inflows and outflows, and taxes cannot be accurately predicted. The Client's investment results and the actual rates of return they will experience will vary from such projections and are not guaranteed. Assumptions must be reconsidered when situations change to help ensure the results are adjusted accordingly.

Various tools and projections may be utilized and will make fixed assumptions about general economic conditions and market events, including future performance of the equity markets, inflation rates or interest rates. Clients and their Advisory Person can evaluate their financial strategy and planning options modeling varying potential outcomes regarding such markets and rates. There is no guarantee these potential outcomes will be obtained, and results may vary with each use of the applicable tools and projections over time as additional historical data



becomes available or if tools and/or methodologies are modified.

We make a number of assumptions (as referenced above) based on the choices Clients make; the information Clients provide, including ongoing expenses and available assets for investments; our assumption that the investment strategies may include Thrivent's asset allocation models; and products Clients purchased through their Advisory Person, if any. To the extent the information Clients provide and/or the assumptions regarding strategies and allocations are not realized, the results of the analysis may not be useful or appropriate. As a result, it is important for Clients to understand the assumptions utilized in the development of recommendations for Clients and notify their Advisory Person if their personal circumstances change and vary from the stated assumptions.

In addition, the same methodologies may produce different results over time as additional historical data becomes available or if the assumptions or methodologies are modified. We also provide model or other asset allocation and portfolio construction strategies that can produce different results because they use different methodologies and goals, and because those services may be targeted to a specific group of individuals with different economic situations and goals. The assumptions used in Client recommendations are based on the information Clients provide and review with their Advisory Persons. Items such as investment results, cash inflows and outflows, and taxes cannot be accurately predicted in the future, so the Client's actual results will vary from what is illustrated. Assumptions must be reconsidered on a frequent basis to help ensure the results are adjusted accordingly.

Recommendations and advice provided to Clients are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond the scope and control of Thrivent and Advisory Persons. Historical data is used to produce assumptions as part of Client recommendations, such as rates of return. It is important to remember that past performance is not a guarantee or predictor of future performance. Recommendations to Clients will generally include model portfolios, not specific security selections. The recommendations from this Service do not constitute an offer or recommendation to buy or sell a particular investment or product. All investments involve some degree of risk, including the potential loss of principal invested. The illustrations are not indicative of future performance of actual investments, which will fluctuate over time and may lose value.

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 Advisory Person.

As noted above, Thrivent generally employs a long-term investment strategy for its Clients, as consistent with their financial goals.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with our Advisory Persons.**

### **Item 9 – Disciplinary Information**

**There are no material legal or disciplinary events involving Thrivent.** Thrivent values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor and its Advisory Persons are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's name or CRD# 304569.

### **Item 10 – Other Financial Industry Activities and Affiliations**

Advisory Persons may have their own legal business entities whose business names and logos may appear on marketing materials as approved by Thrivent, or client statements approved by the Custodian. It is important to note that the businesses are legal entities of the Advisory Persons and not of Thrivent, nor the Custodian. Additionally, the business entity may provide services other than the services offered by the Advisor Person as disclosed in this Disclosure Brochure and also provided to Client in each Advisory Person's personalized disclosure Brochure Supplement.

### Insurance Company

The Advisor is also a licensed insurance agency, and as such, may offer certain insurance products on a commission basis. Advisory Persons may generally introduce Clients to affiliated (e.g. Thrivent Financial for Lutherans) and unaffiliated insurance agencies to manage the insurance process. Advisory Persons will receive a portion of the insurance commission earned by the insurance agency. No Client shall be under any obligation to purchase any insurance products from the Advisor or such introduced insurance agency. The recommendation by an Advisory Person that a Client purchase an insurance product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than based on a particular Client's need. Clients are reminded that they remain free to purchase insurance products through other insurance agencies.

### Affiliates of the Advisor

Thrivent is a wholly owned subsidiary of Thrivent Financial Holdings, Inc., which in turn is a wholly owned subsidiary of Thrivent Financial for Lutherans. 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.

Thrivent Financial for Lutherans ("Thrivent Financial") is a registered investment adviser providing investment management services to Thrivent Series Fund, Inc. and Thrivent Cash Management Trust and responsible for fund administration for these entities. Thrivent Financial is also a fraternal benefit society that issues Thrivent Financial life insurance, variable annuity, fixed indexed annuity and fixed-rate annuity contracts. Thrivent Financial markets life, health and disability insurance to Christians in all 50 U.S. states and the District of Columbia. It is more profitable for Thrivent Financial to sell products issued by Thrivent Financial and its affiliates than those issued by other companies. As a result, the Advisor has a financial incentive to recommend them over other companies' products.

Information about these affiliates and how they work together to offer Clients financial products and services is provided below.

*Thrivent Investment Management, Inc.* (CRD # 18387) is registered as an investment adviser and broker-dealer with the SEC and is a member of FINRA/SIPC. Thrivent Investment Management, Inc. offers financial planning services and managed accounts programs to clients. In its capacity as broker-dealer, it actively markets mutual fund shares, variable insurance contracts and general securities to its clients through its registered representatives. It also serves as the principal underwriter and distributor of variable annuities and insurance issued by Thrivent Financial. **Advisory Persons of Thrivent may, but are not obligated to, utilize any of the products or services offered by** Thrivent Investment Management, Inc. Thrivent Investment Management, Inc. and Thrivent may also share certain supervised persons and management persons.

*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.

*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 Investment Management Inc.'s registered professionals and Thrivent Distributors, LLC.

*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.

*Thrivent Trust Company of Tennessee, Inc.* is a wholly owned subsidiary of Thrivent Financial and is chartered as a Tennessee public trust company offering financial planning and investment management services.

*Newman Financial Services LLC* – This entity is a commonly controlled insurance company offering long-term care insurance.

*PKS (unaffiliated broker dealer)* – As noted in Item 5 above, Certain Advisory Persons are also registered

representatives of PKS. As a registered representative of PKS, the Advisory Person will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by the Advisory Person.

#### Other Business Arrangements

Tax and Accounting Services – Certain Supervised Persons of Thrivent may also provide tax and accounting services for Clients which are separate and distinct from the investment advisory services. Clients of Thrivent are not obligated to utilize these services offered by our Supervised Persons. Neither Thrivent nor its affiliates provide legal advice. Clients are urged to consult with their tax professional, legal advisor or accountant, as applicable, for such advice and questions.

### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

#### **A. Code of Ethics**

Thrivent has implemented a Code of Ethics (the “Code”) that defines the Advisor’s commitment to each Client. This Code applies to all persons associated with Thrivent (“Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding the advisor’s duties to the Client. Thrivent and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Thrivent Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (612) 844-8444 or [Compliance@thriventadvisornetwork.com](mailto:Compliance@thriventadvisornetwork.com).

#### **B. Personal Trading with Material Interest**

Thrivent allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Thrivent does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Thrivent does not have a material interest in any securities traded in Client accounts.

#### **C. Personal Trading in Same Securities as Clients**

Thrivent allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a potential conflict of interest that must be disclosed to Clients and mitigated through policies and procedures. As noted above, we have adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of Thrivent have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Thrivent requiring of its employees and Supervised Persons to report personal securities trades for review by the Compliance Department.

The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

#### **D. Personal Trading at Same Time as Client**

While Thrivent allows Supervised Persons to purchase or sell of the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward.

### **Item 12 – Brokerage Practices**

#### **A. Recommendation of Custodian[s]**

Thrivent’s Financial Planning Services do not include engaging in securities transactions as described above in the Advisory Services section of this Brochure.

With respect to the Retirement Plan Consulting Services, Advisor currently maintains a custodial relationship with

Fidelity Brokerage Services, LLC ("Fidelity") and Charles Schwab & Co., Inc ("Schwab"), or the Plan may utilize Custodians other than Fidelity or Schwab. In any event, all transactions for assets of the Plan shall be governed by and subject to the terms and conditions of any separate agreement required by Custodian. Thrivent does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Thrivent to direct trades to this Custodian as agreed in the investment advisory agreement.

Further, Thrivent does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Thrivent does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. Thrivent may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its overall reputation. Clients are not obligated to use the recommended Custodian and Thrivent will not charge any extra fee or cost associated with using a Custodian not recommended by Thrivent. However, if the recommended Custodian is not engaged, Thrivent may be limited in the services it can provide comparable to other clients. Thrivent will generally recommend that Clients establish their account[s] at Fidelity Clearing & Custody Solutions and other divisions of Fidelity Investments, Inc. ("Fidelity"), a FINRA- registered broker-dealer, "qualified custodian" and member of SIPC or Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC. Thrivent maintains institutional relationships with both Fidelity and Schwab, whereby the Advisor receives economic benefits. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** – Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. **Thrivent does not receive research or other product services sponsored or offered by any broker- dealer. However, the Advisor does receive certain economic benefits from Fidelity and Schwab. Please see Item 14 below.**

**2. Brokerage Referrals** – Thrivent does not receive any compensation from any third-party in connection with the recommendation for establishing a brokerage account. **However, Thrivent's affiliate Thrivent Investment Management Inc. receives compensation from PKS, an unaffiliated registered broker-dealer, for referring certain persons to become registered representatives of PKS. This referral fee is based on revenue derived from sales of the registered representative of PKS. These registered representatives will also be investment advisor representatives of the Advisor. The referral compensation creates an incentive for investment advisor representatives of Thrivent who also register with PKS to use PKS for brokerage services.**

**3. Directed Brokerage** – All Clients are serviced on a "directed brokerage basis", where Thrivent will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). In selecting the Custodian, Thrivent will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking in to account such factors as: 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. Thrivent will execute its transactions through an unaffiliated broker-dealer selected by the Client. Thrivent may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade

## **Item 13 – Review of Accounts**

### **A. Frequency of Reviews**

Generally, Advisory Persons will conduct formal reviews of the financial planning engagements at least annually depending on the needs of the Client. Thrivent has supervisory procedures and processes related to Financial Planning and Consulting Services, which includes periodically reviewing the advice provided by the Advisory Persons and other aspects of the engagement.

### **B. Causes for Reviews**

Engagements may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or new goals. The Client is encouraged to notify Thrivent if changes occur in the Client's personal financial situation that might adversely affect the Client's investment financial plan.

### **C. Review Reports**

The Plan and its Plan Participants will receive independent statements from their respective custodians no less frequently than quarterly. In addition, the Advisor will provide the Plan with a written invoice itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

## **Item 14 – Client Referrals and Other Compensation**

### **A. Compensation Received by Thrivent**

#### **Participation in Institutional Advisor Platform (Fidelity)**

Thrivent has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity platform is provided at no charge to the Advisor. The Advisor receives economic benefits from Fidelity such as, recruiting and training support services for Advisory Persons, expense reimbursement, software, and related support, without cost, as the Advisor renders investment management services to Clients that maintain assets at Fidelity. This support creates an incentive for Advisor to select or recommend Fidelity based on Advisor's receipt of such support in conducting its advisory services, rather than on Clients' interest in receiving most favorable execution. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this Custodian over one that does not provide such economic benefits. The services provided by Fidelity, how they benefit the Advisor, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

#### **Participation in Institutional Advisor Platform (Schwab)**

Thrivent may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Thrivent's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Thrivent is not affiliated with Schwab. Schwab provides Thrivent with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Thrivent client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.



Schwab also makes available to Thrivent other products and services that benefit Thrivent but may not benefit its clients' accounts. These benefits may include national, regional or Thrivent specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Thrivent by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Thrivent in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Thrivent's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Thrivent's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to Thrivent other services intended to help Thrivent manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to Thrivent by independent third-parties.

Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Thrivent. While, as a fiduciary under the Investment Advisers Act, Thrivent endeavors to act in its clients' best interests, Thrivent's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to Thrivent of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### Insurance Company

As noted in Item 10, Thrivent also serves as an insurance agency, where the Advisor may recommend to Clients the purchase of certain insurance products. Thrivent will benefit from any revenue generated from the sale of a recommended insurance products.

#### **B. Client Referrals from Solicitors**

Thrivent may engage and compensate affiliated (e.g. Thrivent Investment Management, Inc.) and unaffiliated third-parties (each a "Solicitor") for Client referrals in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940. Thrivent and/or its Advisory Persons may also engage various online directories and referral sources which are paid either a percentage of the advisory fee received from the Client or a fixed fee. Clients will not pay a higher fee to Thrivent as a result of such payments to a Solicitor or other referral source. The Advisor will enter into an agreement with the Solicitor, which requires disclosure of the compensation and other conflicts is provided to the prospective client prior to or at the time of entering into the advisory agreement.

#### **C. Other Compensation**

Advisory Persons may be eligible to receive compensation for referring individuals who become Advisory Persons of Thrivent. The compensation paid to the referring Advisory Person is based on the referred individuals becoming an Advisory Person of Thrivent coupled with revenue from Advisor Management Fees earned by the referred individual.

An Advisory Person who refers prospective Clients or Clients to another Advisory Person may share in the fee for the services provided. These fees may be a single payment or ongoing.

Advisory Persons are eligible to receive a cash bonus from their team practice based on what is earned by the whole team.

Advisory Persons may be eligible to receive non-cash compensation (e.g., attend sales conferences and other



recognition events). Receipt of non-cash compensation is based on sales of investment advisory services and or other products.

Some Advisory Persons may receive a loan from Thrivent or Thrivent Financial for Lutherans to invest in their practice. The loan may provide for partial loan forgiveness if Advisory Persons and or their practice exceed their targeted sales of investment advisory services and or other products.

Thrivent Trust Company pays Advisory Persons a fee for referring Clients to the Trust Company for its professional personal trust, estate and investment management services.

Thrivent affiliates and unaffiliated third parties may pay for and sponsor certain conferences hosted by Thrivent for its Advisory Persons. Costs include, but are not limited to, room rental, presentation materials, meals, entertainment/leisure outings and promotional gifts.

Thrivent Charitable Impact & Investing (formerly InFaith Community Foundation) allows and investment advisors an opportunity to provide investment advisory and management services for donor advised funds at Thrivent Charitable Impact & Investing. Advisory Persons who are approved to offer these services will receive compensation for such services.

In a separate arrangement, Thrivent Charitable Impact & Investing partners with Advisory Persons and Thrivent Distributors, LLC, the underwriter and distributor for Thrivent Mutual Funds. Thrivent Distributors, LLC donates 1% of the gift value to a donor advised fund in recognition of the Advisory Person when he or she brings donor gifts to Thrivent Charitable Impact & Investing. This fee does not increase cost of the product to you. This donation and the charitable assets are not owned by the Advisory Persons. Thrivent Charitable Impact & Investing is independent of Thrivent Financial and Advisory Persons. Thrivent Charitable Impact & Investing is not an affiliate of Thrivent.

### **Item 15 – Custody**

Thrivent does not have custody of client funds or securities in connection with its Financial Planning and Consulting Services.

#### **Client Money Movements**

If the Client authorizes the Advisor to move money from one of the Client's account[s] to one or more other accounts of the Client on an ongoing basis, the Advisor may be deemed to have custody of those assets. The Advisor does not engage in business practices whereby the Advisor or its Advisory Persons would have actual physical custody over the Client's account[s]. To mitigate this risk, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

### **Item 16 – Investment Discretion**

Thrivent does not accept discretionary authority to manage securities accounts on behalf of clients with its Financial Planning and Consulting Services.

### **Item 17 – Voting Client Securities**

Thrivent's Financial Planning and Consulting Services does not involve the voting of client securities.

### **Item 18 – Financial Information**

Neither Thrivent, nor its management, have any adverse financial situations that would reasonably impair the ability of Thrivent to meet all obligations to its Clients. Neither Thrivent, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise.



## **Report of Independent Auditors**

To the Management and Board of Directors of Thrivent Advisor Network, LLC.

We have audited the accompanying statement of financial condition of Thrivent Advisor Network, LLC as of December 31, 2020.

### ***Management's Responsibility for the Statement of Financial Condition***

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a statement of financial condition that is free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Thrivent Advisor Network, LLC as of December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

*PricewaterhouseCoopers LLP*

March 29, 2021

**Thrivent Advisor Network, LLC**  
Statement of Financial Condition  
As of December 31, 2020  
(dollars in thousands)

**Assets**

Cash and Cash Equivalents	\$	1,980
Notes Receivable		5,312
Prepaid Expenses		404
Accounts Receivable		270
Income Tax Receivable		634
Other Assets		114

**Total Assets** \$ 8,715

**Liabilities**

Notes Payable to Related Parties	\$	5,437
Payable to Related Parties		702
Accrued Expenses		679
Deferred Revenue		370
Interest Payable to Related Parties		33

**Total Liabilities** \$ 7,221

**Members' Equity**

Additional Paid in Capital	9,100
Accumulated Deficit	<u>(7,606)</u>

**Total Members' Equity** 1,494

**Total Liabilities and Members' Equity** \$ 8,715

**Thrivent Advisor Network, LLC**  
Notes to Statement of Financial Condition  
(dollars in thousands)

**Note 1. Nature of Operations and Significant Accounting Policies**

**Nature of Operations**

Thrivent Advisor Network, LLC (“the “Company”) is a registered investment advisor (“RIA”) under the Investment Advisors Act of 1940. The Company is a wholly owned subsidiary of Thrivent Financial Holdings, Inc. (“Holdings”), which in turn is a wholly owned subsidiary of Thrivent Financial for Lutherans (“Thrivent”).

The Company offers and delivers its investment management and advisor services through a network of investment advisor representatives (“Advisors”). Advisors of the Company provide advisor services under a practice name or “doing business as” name or may have their own legal business entities. However, advisor services are engaged exclusively through Thrivent Advisor Network.

The Company and its Advisors provide investment advisor services to retail investors (“Clients”) that include investment management, retirement planning, and financial planning and consulting. Investment advice is primarily for low-cost, diversified mutual funds and exchange traded funds, but may also utilize individual equities, bonds, limited partnerships, and other types of securities, as appropriate. Advisors may also provide investment advice with respect to both Thrivent’s proprietary variable life and annuity products as well as non-proprietary variable products. Advisors may also engage the advisory services of affiliated and unaffiliated investment managers.

Company services are offered on both a discretionary and non-discretionary basis. These services are provided to Clients for an asset-based fee (i.e., a wrap fee program) or by separate securities transaction and brokerage-related fees (i.e., non-wrap fee program).

The Company does not buy or sell securities to generate securities commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

The Company clears transactions under a fully disclosed agreement with unaffiliated third-party clearing broker-dealers. Where the Company does not exercise discretion over the selection of the Custodian, it may recommend the Clients establish their account[s] at Fidelity Clearing & Custody Solutions and other divisions of Fidelity Investments, Inc. (“Fidelity”), a FINRA-registered broker-dealer, “qualified custodian” and member of SIPC or Charles Schwab & Co., Inc. (“Schwab”), a registered broker-dealer, member SIPC for custody and execution services.

The Company receives capital contributions from Holdings to support its current operations. See Note 3 for related party disclosure.

**Significant Accounting Policies**

The accompanying financial statement has been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

**Thrivent Advisor Network, LLC**  
Notes to Statement of Financial Condition  
(dollars in thousands)

**Note 1. Nature of Operations and Significant Accounting Policies (cont.)**

***Use of Estimates***

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. These estimates reflect the best judgment of management and actual results could differ significantly from those estimates.

The significant accounting practices used in preparation of the statement of financial condition are summarized as follows:

***Cash and Cash Equivalents***

Cash and cash equivalents consist of amounts on deposit with banks and investments in money market mutual funds, of which \$1,945 was invested in registered money market funds as of December 31, 2020. The Company considers all highly liquid securities and other investments purchased with an original or remaining maturity of three months or less at the date of purchase to be cash equivalents. Cash equivalents are carried at fair value. The fair value of cash equivalents is based on quoted daily net asset values of the invested fund and are classified as Level 1.

***Notes Receivable***

The Company will at times issue a loan agreement to an external Advisor for the purpose of transitioning to the Company's RIA platform. Payment terms and interest rates vary based on the Advisor loan agreement with an average term of 7 years and interest rate of 2%. As of December 31, 2020, principal of \$5,306 and accrued interest of \$6 was outstanding.

***Credit Loss Reserve***

The Company grants loans to Advisors in conjunction with a program established primarily to recruit and retain certain Advisors (See *Notes Receivable*). These loans are contingent on the Advisors' continued relationship with the Company and require repayment if Advisors leave during a contractual service period. These loans generally amortize over a contractual service period of 7 years from the initial date of the loan and amounts related to accrued interest are reported in the same balance sheet line item as the other elements of the loan's amortized cost. The Company estimates the allowance for credit losses by considering credit quality indicators and the recoverability of an outstanding loan balance from Advisors that left the Company.

A loan is placed on non-accrual status when, based on current information, it is probable that the Company will be unable to collect scheduled payments of principal and interest when due according to the contractual terms of the underlying loan agreement. Generally, loans with principal or interest payments that are more than 90 days past due are placed on non-accrual status. The amortized cost basis of these loans is written-off against the allowance for credit losses when management deems the amount to be uncollectible.

Notes to Statement of Financial Condition  
(dollars in thousands)

**Note 1. Nature of Operations and Significant Accounting Policies (cont.)**

***Prepaid Expenses***

Prepaid expenses consist of amounts paid to vendors in advance of the service period in which the service is being provided. All prepaid expense amounts are expected to be expensed within one year as the services are provided.

***Accounts Receivable***

Accounts Receivable includes fees earned but not collected from clients who have entered into financial planning services agreements, various fees due from the sale of non-proprietary products, managed account fees earned but not collected from Advisors and reimbursement of trade fees paid to custodians to be collected from Advisors.

***Payables to Related Parties***

***Payable to Related Parties***

Payables to related parties consist of amounts due to Thrivent for general and administrative costs charged or allocated as described in Note 3 - Related Party Transactions but not paid as of December 31, 2020.

***Notes/Interest Payable to Related Parties***

A revolving note was entered into between Holdings and the Company ("Borrower"). Holdings may at its sole discretion, make loans and advances to the Borrower if needed to finance recruitment of external practices onto the Company's RIA platform. Holdings provided \$5,700 in 2020 to the Company to fund the transition of two external Advisors. Payment terms and interest rates vary based on the funding loan agreement with an average term of 7 years and interest rate of 6%. As of December 31, 2020, principal of \$5,437 and accrued interest of \$33 was outstanding.

***Accrued Expenses***

Accrued expenses consist of amounts for services provided by a vendor that have not been paid, amounts received for financial plans that have not been reimbursed to the Advisor and a transition expense owed to an Advisor. All accrued expenses are typically settled within the following month.

***Deferred Revenue***

Deferred revenue represents unearned financial planning fees collected from clients prior to the satisfaction of performance obligations, including delivery of financial plans and providing financial advice over the term of the contract. All deferred revenue amounts are expected to be earned within one year, as the performance obligations are satisfied.

***New Accounting Guidance***

***Credit Losses***

Effective January 1, 2020, the Company adopted ASU 2016-13 (Topic 326 – Financial Instruments-Credit Losses), which updated the accounting for certain types of financial instruments by replacing the current incurred loss model for estimating credit losses with a new model that requires an entity to estimate the credit losses expected over the life of the asset. The standard was adopted and did not have a current year impact to the Company's financial statements.



Notes to Statement of Financial Condition  
(dollars in thousands)

**Note 1. Nature of Operations and Significant Accounting Policies (cont.)**

*Leases*

Effective 2019, the Company adopted ASU 2016-02 (Topic 842-Leases), which requires a lessee to recognize assets and liabilities for leases with lease terms of more than 12 months and requires new qualitative and quantitative disclosures. Adopting the standard did not have an impact to the Company's financial statements as it does not currently have any leases with lease terms of more than 12 months or embedded leases.

**Note 2. Income Taxes**

The Company is a single member LLC owned by Holdings. As such, it is a disregarded entity for federal income tax purposes. Nonetheless, its operations are included in the consolidated federal income tax return of Holdings and Holdings' wholly owned subsidiaries. Consolidated federal income tax liabilities or credits, including utilization of loss carryforwards, are allocated among the affiliated members in accordance with a tax-sharing agreement with Holdings and are settled quarterly. Deferred tax assets and liabilities are determined based on the difference between the financial statement carrying amounts and tax bases of assets and liabilities using enacted tax rates expected to apply to taxable income in the periods in which the deferred tax asset or liability is expected to be settled or realized. The deferred tax amounts are settled when the amounts are included in the consolidated tax return. Uncertain tax positions are recognized if they are more likely than not to be sustained upon examination, based on the technical merits of the position. The amount of tax benefit recognized is the largest amount of benefit that is greater than 50% likely of being realized upon settlement. A valuation allowance is recognized, if based on the weight of available evidence, it is more-likely-than-not (likelihood of more than 50%) that some portion, or all, of the deferred tax asset will not be realized.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company had no temporary differences as of December 31, 2020.

At December 31, 2020 the Company had no federal or state net operating loss carryforwards.

The Company is required to establish a valuation allowance for any portion of the deferred income tax assets that management believes will not be realized. In the opinion of management, it is more likely than not that the Company will realize the benefit of the deferred income tax assets, and therefore, no such valuation allowance has been established.

There are no unrecognized or uncertain tax positions at December 31, 2020. Tax years 2020 and 2019 are open under the statute of limitations are subject to examination by the Internal Revenue Service.

**Note 3. Related Party Transactions**

In accordance with its intercompany services agreement, the Company reimbursed Thrivent for various services and costs paid by Thrivent on behalf of the Company. These reimbursements were for compensation, promotional and marketing materials, general and administrative expenses such as accounting, marketing, legal, compliance, and technology. The Company also reimburses Thrivent for benefits, and incentives on behalf of the Company. Some of the reimbursements for costs such as benefits and incentives are based on allocation amounts agreed upon in the intercompany services agreement between Thrivent and the Company. Also see Note 1 for related party notes payable.

**Thrivent Advisor Network, LLC**

Notes to Statement of Financial Condition  
(dollars in thousands)

**Note 4. Commitments and Contingent Liabilities**

The Company is involved in the normal course of business in legal, regulatory and arbitration proceedings, including class actions, concerning matters arising in connection with the conduct of its activities as a diversified financial services firm. These include proceedings specific to the Company as well as proceedings generally applicable to business practices in the industries in which it operates. The

Company can also be subject to litigation arising out of its general business activities, such as its investments, contracts, leases, and employment relationships. Uncertain economic conditions, heightened and sustained volatility in the financial markets and significant financial reform legislation may increase the likelihood that clients and other persons or regulators may present or threaten legal claims or that regulators increase the scope or frequency of examinations of the Company or the financial services industry generally.

As with other financial services firms, the level of regulatory activity and inquiry concerning the Company's businesses remains elevated. From time to time, the Company receives requests for information from, and/or has been subject to examination or claims by the SEC, state insurance and securities regulators, state attorneys general and various other governmental and quasi-governmental authorities on behalf of themselves or clients concerning the Company's business activities and practices, and the practices of the Company's field representatives.

These legal and regulatory proceedings and disputes are subject to uncertainties and, as such, it is inherently difficult to determine whether any loss is probable or even possible, or to reasonably estimate the amount of any loss. The Company cannot predict with certainty if, how or when such proceedings will be initiated or resolved or what the eventual settlement, fine, penalty or other relief, if any, may be, particularly for proceedings that are in their early stages of development or where plaintiffs seek indeterminate damages. Some issues may need to be resolved, including through potentially lengthy discovery and determination of important factual matters and by addressing unsettled legal questions relevant to the proceedings in question, before a loss or range of loss can be reasonably estimated for any proceeding. An adverse outcome could have a material adverse effect on the Company's financial condition or results of operations.

**Note 5. Subsequent Events**

The Company evaluated events and transactions that may have occurred after the balance sheet date for potential recognition or disclosure through March 29, the date the statement of financial condition was available to be issued.

On March 25, 2021, the Company received a capital contribution of \$6,000 from Holdings for ongoing operations.

## Privacy Policy

Effective Date: March 31, 2021

FACTS	WHAT DOES THRIVENT ADVISOR NETWORK, LLC DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial services companies choose how they share your personal information. Federal and state law gives clients the right to limit some but not all sharing. Federal and state law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>▪ Social Security Number, date of birth, address, and contact information</li> <li>▪ Assets, liabilities, income, expenses, and investment experience</li> <li>▪ Account transactions and retirement assets</li> <li>▪ Tax reporting and investment performance</li> </ul> <p>We may share any/all the information we collect depending on what is needed for the stated purpose.</p>
How?	All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies may share their clients' personal information; the specific reasons Thrivent Advisor Network, LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Thrivent Advisor Network, LLC share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, report to credit bureaus, or engage with service providers who act on our behalf to support our operations. This includes sharing information with an advisor's supervisory broker-dealer, as is legally required.	YES	NO
<b>For our marketing purposes –</b> to offer our products and services to you	YES	YES
<b>For joint marketing with other financial companies</b>	NO	We do not share
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences with us	YES	NO
<b>For our affiliates' everyday business purposes –</b> information contained on your application or in your credit report	YES	YES
<b>For our affiliates to market to you –</b>	YES	YES
<b>For nonaffiliates to market to you –</b>	NO	We do not share
<b>To another registered investment adviser firm --</b> If your independent advisor terminates his or her relationship with us and moves to a new firm, we or your independent advisor may disclose your personal information to the new firm, unless you instruct us not to.	YES	YES*

## To limit our sharing

- Call us at: 1-800-688-6062
- Write to us at:  
Thrivent Advisor Network, LLC  
600 Portland Ave S, Ste 100  
Minneapolis, MN 55415-4402

**Please note:** If you are a new customer, we can begin sharing your information 30 days from the date we provide you this notice. If you are a former customer, we will continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

## Who we are

### Who is providing this notice?

This notice describes the privacy practices of Thrivent Advisor Network, LLC, a Registered Investment Advisor. Your financial advisor is an investment adviser representative of Thrivent Advisor Network, LLC and we are required to provide this notice to inform you of how we collect, share, and protect your personal information.

## What we do

### How does Thrivent Advisor Network, LLC collect my personal information?

We collect your personal information in a few ways:

- Directly from you, such as when you open an investment account, complete advisory agreements, investment questionnaires or suitability documents.
- From other third parties, such as credit reporting agencies.
- Through your transactions and interactions with us and our affiliates.

### How does Thrivent Advisor Network, LLC protect my personal information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural, and electronic security measures such as secure passwords, encrypted file storage, and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect your personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

Please note: Your personal information is processed in the United States, which means that privacy laws may be less stringent than they are in your country of residence. This also means that government agencies, courts or law enforcement in the United States may be able to access your information.

### Why can't I limit all sharing?

Federal law gives you the right to limit sharing only in certain situations:

- To Affiliates
  - If we share information about your creditworthiness
  - If affiliates use your information to market to you.
- To Nonaffiliates
  - If they wish to obtain your information to market to you

\*In addition, residents of CA, MA, & VT are opted out of all nonaffiliate sharing, per state law. Clients in these states may choose to opt-in for this sharing.

### What if I am a joint contract owner or joint account owner?

You may be receiving this notice on behalf of all owners. As a joint owner, you may choose one or more of the sharing options that apply in your home state on behalf of all joint owners or only on your own behalf.

### What are the data processing options

If you reside in the EU, permanently or temporarily, you may be entitled to the

<b>for residents of the European Union?</b>	<p>following options:</p> <ul style="list-style-type: none"> <li>• Revocation of consent or restricted processing. If you revoke your consent for the processing of personal information, or if you wish to restrict the ways in which we can use your information, we may no longer be able to provide you certain services. In some cases, we may be legally required or permitted to use your information for specific reasons—with or without your consent—so we may limit or deny your request to revoke consent or restrict our processing.</li> <li>• Deletion of your information. We retain your personal information for the period necessary to fulfill the purposes outlined in this policy unless a longer retention period is required by one of Thrivent’s industry regulators. However, if required by law and permitted by our regulators, we will grant a request that we delete your personal information.</li> </ul> <p>EU residents should mail any applicable requests to the address above.</p>
<b>How do I access and update the information Thrivent Advisor Network, LLC has about me?</b>	<p>Accurate information helps us to provide you better customer service, increase the efficiency of our operations, and comply with laws. You may request access to and correction of your personal information by contacting your investment adviser.</p>

<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies. Thrivent Advisor Network, LLC, affiliates include lines of business such as life insurance, long-term care insurance, brokerage, investments, trust, banking, mutual funds, and distribution partners.</p>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies. Thrivent Advisor Network, LLC, does not share with any nonaffiliates for marketing purposes.</p>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you. Thrivent Advisor Network, LLC, does not have any joint marketing agreements.</p>

<b>Other important information</b>
<p>This notice outlines our privacy practices for clients; those individuals who have purchased, or applied for, a product or service with Thrivent Advisor Network. For additional information regarding our collection, use, and sharing of personal information for situations and scenarios outside of the client relationship, please review our <a href="#">Privacy Policy</a>, available at <a href="http://thriventadvisornetwork.com/privacy-security/">thriventadvisornetwork.com/privacy-security/</a>.</p> <p>Complaints can be sent to us at the address provided above. Depending on where you live, you may also be able to contact local or state agencies to report specific concerns.</p>