

GIVING LIFE INSURANCE THROUGH INFaITH COMMUNITY FOUNDATION

When people buy life insurance to support their favorite charities, there are advantages and disadvantages to consider. The following overview of Thrivent Financial products can help you and your clients determine the best charitable solution for your client's circumstances and goals.

Product	From the Donor's Perspective	From the Charity's Perspective
Whole Life 121	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level premiums Dividends can be used to help pay premiums or purchased paid-up additional coverage (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 can be used to increase the death benefit available for the charitable organization (not guaranteed) If donor stops paying premiums, reduced paid-up (RPU) can help ensure some remaining death benefit <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> If donor stops paying premiums, contract with automatic premium loan (APL) would continue through loans until lapse due to over-loan situation
Whole Life 65	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level premiums Dividends can be used to help pay premiums or purchased paid-up additional coverage (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 to those 55 or younger 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level death benefit Dividends can be used to increase the death benefit available for the charitable organization (not guaranteed) If donor stops paying premiums, RPU can help ensure some remaining death benefit <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> If donor stops paying premiums, contract with APL would continue through loans until lapse due to over-loan situation.
Single Premium Whole Life	<p><i>Advantages</i></p> <ul style="list-style-type: none"> A single premium is paid at issue for lifetime coverage <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> More likely to become a Modified Endowment Contract (MEC) since a substantial single premium may be involved. Consider potential tax consequences 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> Guaranteed level death benefit Dividends can be used to increase the death benefit available for the charitable organization (not guaranteed) <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> A loan could cause contract to lapse if the debt exceeds the cash value

<p>Whole Life Plus Term Protection</p>	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Guaranteed level premiums for base of contract • Can choose mix of permanent and term insurance (within limits) at time of purchase to establish a premium that fits budget • Dividends can be used to help pay premiums (not guaranteed) <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Premiums for base amount need to be paid for entire lifetime. One-year term insurance (OYT) renewable until age 100; leaving only base amount and existing paid-up coverage • May have to pay higher premiums to maintain full target amount if dividends are inadequate 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Guaranteed level death benefit provided by base of contract • Dividends can be used to increase the death benefit available for charitable organization when no OYT remains on the contract (not guaranteed) • If donor stops paying premiums, RPU can ensure some remaining death benefit <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • If donor stops paying premiums, contract with APL would continue through loans until lapse due to over-loan situation
<p>Survivor Whole Life</p>	<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 can 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 second death • May have to pay higher premiums to maintain full target amount if dividends are inadequate 	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Dividends can be used to increase the death benefit available for the charitable organization when no dividend term insurance remains on the contract (not guaranteed) • Guaranteed level death benefit provided by base of contract • If donor stops paying premiums, RPU can ensure some remaining death benefit <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • No death benefit provided until second death • If donor stops paying premiums, contract with APL would continue through loans until lapse due to over-loan situation
<p>UL</p>	<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 stops paying 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 stops paying premiums, cash value will be used to pay contract expenses until contract lapses
Term	<p><i>Advantages</i></p> <ul style="list-style-type: none"> • Initial premiums may be inexpensive relative to permanent insurance <p><i>Disadvantages</i></p> <ul style="list-style-type: none"> • Premiums may increase dramatically after initial term period • Premiums may not qualify for an income tax deduction 	<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

Product information source: Thrivent Financial

Giving Life Insurance through InFaith Community Foundation

Many find that life insurance is a practical, affordable and flexible way to make a meaningful charitable gift. Specific benefits to giving life insurance through the Foundation include:

- By making InFaith Community Foundation owner and beneficiary of the life insurance contract, donors 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 donor advised fund at the Foundation, benefiting their recommended charities.
- Donors can pay premiums using cash or publicly-traded securities. If the donor wishes to pay premiums using publicly-traded securities, capital gains 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, life insurance proceeds will be paid directly to the Foundation, potentially avoiding any delay in payment.
- Donors can change charities at any time by contacting the Foundation.

For more information about giving with life insurance, contact a Gift Planner at InFaith Community Foundation at 800.365.4172.

About Premium Notices & Payments

- Thrivent Financial sends life insurance premium notices direct to the client/donor.
- Donor premium payments should be sent direct to Thrivent Financial unless annual premiums exceed 30% of his/her adjusted gross income (AGI) for the year. In these cases, it may benefit the donor to direct payments to InFaith Community Foundation as charitable deductions for cash premium payments made direct to the foundation are capped at 50% of the donor's AGI and excess deductions may be carried to future years. Premium payments made direct to Thrivent Financial are limited to 30% of a donor's AGI and excess deductions cannot be carried over to future tax years.

Spreading Joy. Changing Lives.