



**THRIVENT
FINANCIAL®**

Connecting faith & finances for good.®



Open

**KEEP
YOUR BUSINESS
STRONG AND THRIVING**

Business solutions overview

You've worked long and hard to get your business to where it is today. Have you thought about what would happen if something unexpected happened, like losing a critical employee?

Protect and strengthen what you've built with insurance solutions and retirement strategies designed for you and your business.

At Thrivent Financial, we offer an array of solutions that can be structured to help meet your business needs. Because making the right decisions and strategies today can help keep your business strong—and thriving.

THE RIGHT SOLUTIONS TO MEET YOUR GOALS

No matter what your business goals may be, Thrivent is here to help. Our solutions and strategies can help meet a variety of needs, such as:

- Protecting your key employees.
- Helping employees meet their retirement goals.
- Covering health care costs.

Thrivent may have solutions for the following business needs:

- Life insurance for a key person.
- Deferred compensation and salary continuation plans.
- Section 162 bonus plan.
- Split-dollar plan.
- Buy-sell agreements.
 - ✓ Sole-proprietor.
 - ✓ Cross purchase.
 - ✓ Entity/stock redemption.
- Employer-sponsored retirement plans.
- Major medical insurance.
- Long-term care insurance.
- Disability income insurance.

Businesses with more than one owner

Entering into a business with one or more people can be a smart move. Each can benefit from the skills and experience of the other. But where would your business be if something happened to one of the owners?

Buy-sell agreements help ensure your business can continue after the death or disability of an owner.

The agreements may be funded with life or disability income insurance.

The two types of buy-sell agreements generally used in this situation are:

- **Cross purchase**

Individual owners own contracts on each other. Can be used where there are only a few co-owners for whom life insurance contracts would need to be purchased.

- **Entity/stock redemption**

Business owns the contracts on the individual owners. Can be used in partnerships, limited liability companies and corporations where the business itself becomes the logical purchaser of the business interest.

An accurate valuation is critical to ensure a smooth and fair transition of your business. Consult with your attorney and tax accountant for more information on valuing your business and business continuation planning.

SOLUTIONS FOR: PROTECTING KEY EMPLOYEES

Thrivent offers several key-employee strategies to help protect the employees who are so valuable to your business—and increase their loyalty to you.

Life insurance on a key person may protect the business from the potential financial impact of a critical employee's death. Since your business owns the contract, you can use the death benefit proceeds to fund any business needs that result, such as:

- Covering the cost of replacing a key person.
- Replacing any lost business.

In addition, you can use the contract's cash value to fund a deferred compensation or salary continuation plan for the key person.

Deferred compensation or salary continuation plans defer an employee's salary until an agreed-upon date. This provides a valuable benefit to employees without increasing their current income taxes.

Section 162 bonus plan allows a business to pay life insurance premiums on behalf of an employee. The premiums are fully deductible to the employer as compensation to the employee under IRC Section 162. The premiums are taxable income to the employee. The employee is the contract owner, so his or her beneficiaries receive the death proceeds free of income taxes.

Split-dollar plan provides life insurance protection to the employee through premiums paid partially or in full by the employer. Benefits include:

- If the employee dies, employer gets premium dollars back and employee's beneficiary receives the remaining death benefit.
- Cash value grows on a tax-deferred basis and can be used as a retirement fund.

SOLUTIONS FOR: KEEPING YOUR BUSINESS SECURE

When you're a sole proprietor, you **are** the business. That means you may need to put a strategy in place to help keep the business running without you.

Sole-proprietor buy-sell agreement helps ensure the business will continue. The agreement states that you agree to sell, and the buyer agrees to buy the business upon your death. This is usually funded with proceeds of a life insurance contract.



SOLUTIONS FOR: HELPING EMPLOYEES MEET THEIR RETIREMENT GOALS

It's safe to say that tax-advantaged retirement plans are a benefit that employees typically value. Of the small businesses that offer retirement benefits, many say the most important reason for doing so is that it helps with recruitment and retention. Some of the typical retirement plans you may want to consider are shown at the right.

A variety of funding vehicles can be used for these plans, including mutual funds and annuities. All can help ensure employers and employees save the money they'll need for a financially secure retirement. Your financial representative can provide more details about which plan may be right for your employees and your business.

SOLUTIONS FOR: HELPING COVER HEALTH CARE COSTS

Almost all employees want or need affordable health insurance. As an employer, you can give your employees another reason to choose to join—or stay with—your company by offering one or more of these health care coverage options.

- **Major medical insurance** offering comprehensive health coverage for small groups and individuals is available through Thrivent Financial representatives in states where Thrivent has brokerage arrangements.
- **Long-term care insurance** can keep care options open and reduce the financial impact that can accompany the need for extended care because of a disabling accident or chronic illness that could otherwise spell disaster for the employee's financial situation.
- **Disability income insurance** for individuals can help ensure your needs, and those of your employees, are met should the unexpected happen. It provides additional protection for your business by covering you or the key employees whose inability to work could hurt your day-to-day operations. It also can be an important element in buy-sell agreements where you're depending on a partner to help support your business.

Retirement plans for your small business

The following are typical retirement plans offered:

- **Simplified Employee Pension (SEP) plan** allows employees to share in the profits of the company through discretionary employer contributions contributed into the employees' own SEP IRAs.
- **Savings Incentive Match Plan for Employees (SIMPLE)** allows employees to defer part of their salaries on a pretax basis and benefit from employer contributions as well.
- **Profit-sharing plan** allows employees to share in the profits of the company through discretionary employer contributions.
- **401(k) plan** allows employees to defer a portion of their pretax salary and potentially receive matching contributions from the employer.
- **Defined benefit pension plan** provides employees with a specific periodic income payment at retirement.

STRONG, STABLE AND ETHICAL

When you do business with Thrivent, you can take comfort knowing you have a solid partner at your side. Independent insurance analysts A.M. Best and Fitch Ratings give us high marks for our financial strength and ability to pay claims.*

A.M. Best **A++** **Superior**
April 2014
Highest of 16 ratings

Fitch Ratings **AA** **Very Strong**
October 2014
Third highest of 19 ratings



Thrivent also was named one of the “World’s Most Ethical Companies” by Ethisphere Institute—an independent center of research promoting best practices in corporate ethics and governance.

*Ratings reflect Thrivent’s overall financial strength and claims-paying ability, but do not apply to the investment performance of investment products.

FIND OUT MORE

Talk to your Thrivent Financial representative for more information and to determine if one of our business solutions is right for you. Or visit Thrivent.com for more details.

Don’t have a financial representative? Contact us at **800-847-4836** or visit Thrivent.com.

Thrivent Financial and its representatives and employees cannot provide legal, accounting, or tax advice or services. Work with your Thrivent Financial representative and, as appropriate, your attorney and tax professional, for additional information.

A strategy that involves the use of life insurance requires the proposed insured to apply for and be accepted by an insurance company.

Some products are marketed through Thrivent Insurance Agency, Inc., a wholly owned subsidiary of Thrivent Financial.

Insurance products issued or offered by Thrivent Financial, the marketing name for Thrivent Financial for Lutherans, Appleton, WI. Not all products are available in all states. Securities and investment advisory services are offered through Thrivent Investment Management Inc., 625 Fourth Ave. S., Minneapolis, MN 55415, a FINRA and SIPC member and a wholly owned subsidiary of Thrivent. Thrivent Financial representatives are registered representatives of Thrivent Investment Management Inc. They are also licensed insurance agents/producers of Thrivent. For additional important information, visit Thrivent.com/disclosures.



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