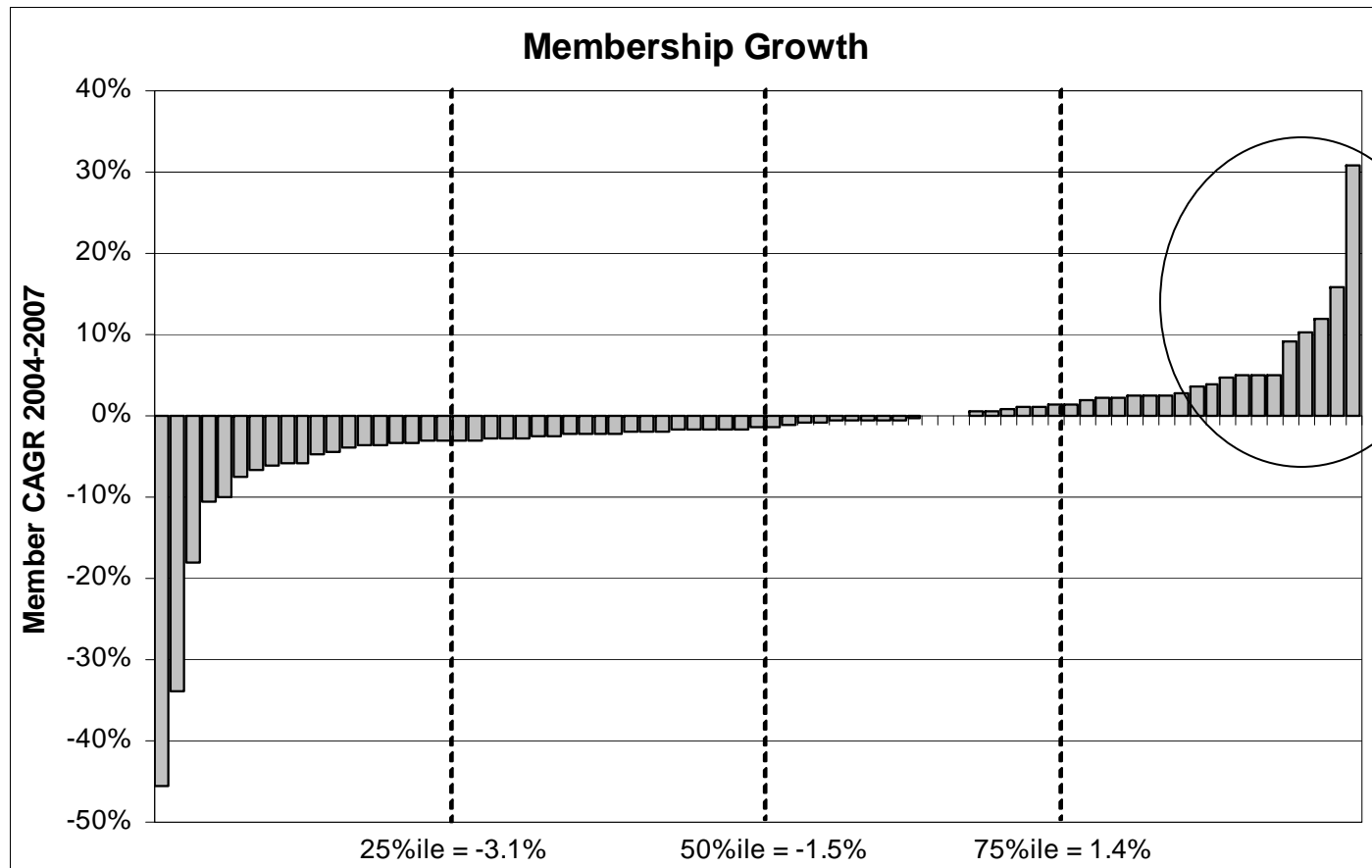


# Collaboration: An Update



# About 2/3 of fraternalists had negative membership growth from 2004-2007

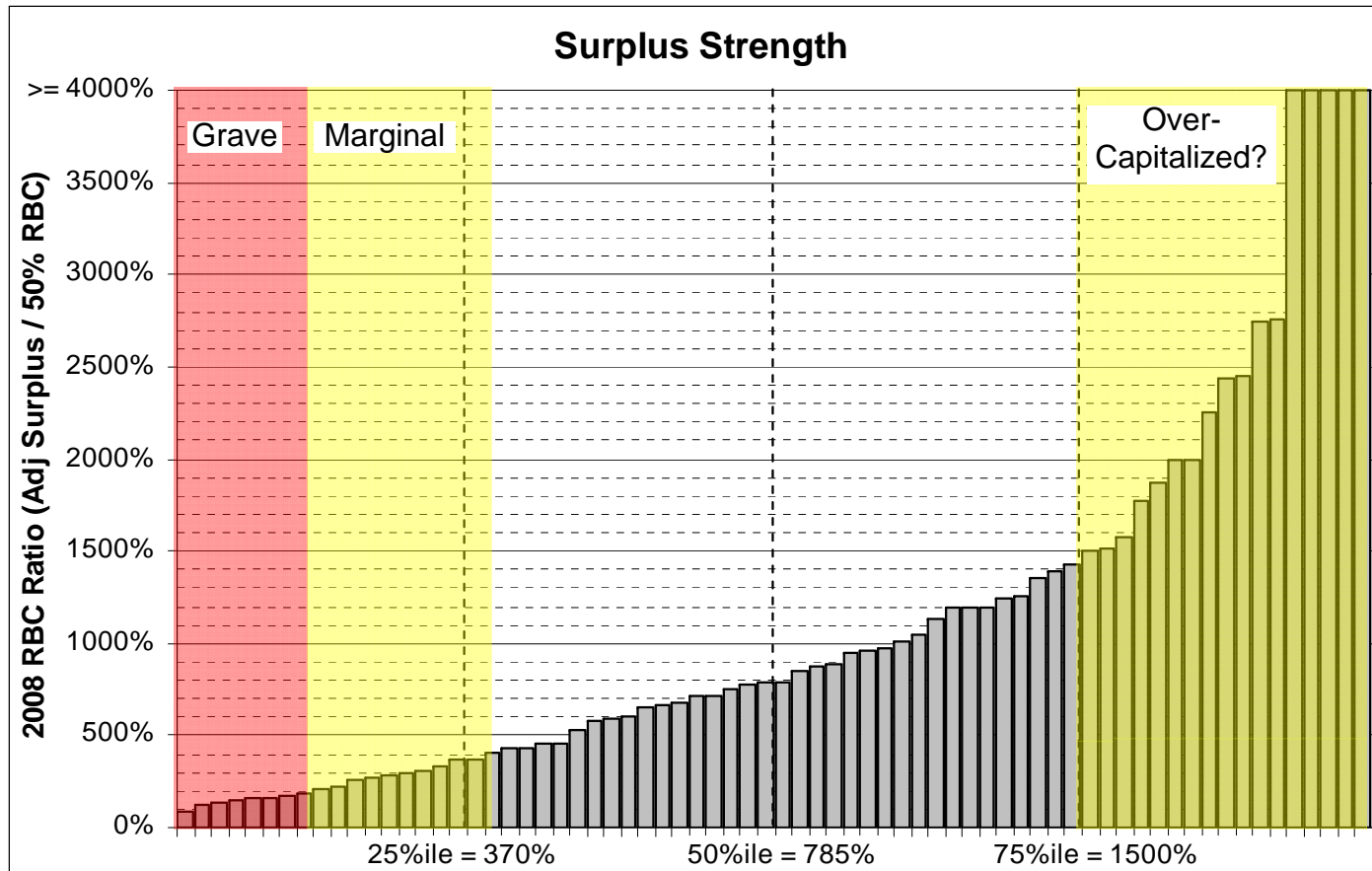


A few fraternalists did experience annual membership growth of 3% or more during this period.

- (1) Thrivent Member CAGR 2004-2007: -2%
- (2) Membership is "benefit membership" which requires product ownership
- (3) Source: NFCA data

# About half of fraternalists are either under-capitalized or potentially over-capitalized

27% of fraternalists have RBC ratios of 400% or below. 25% of have RBC ratios of 1500% or above.



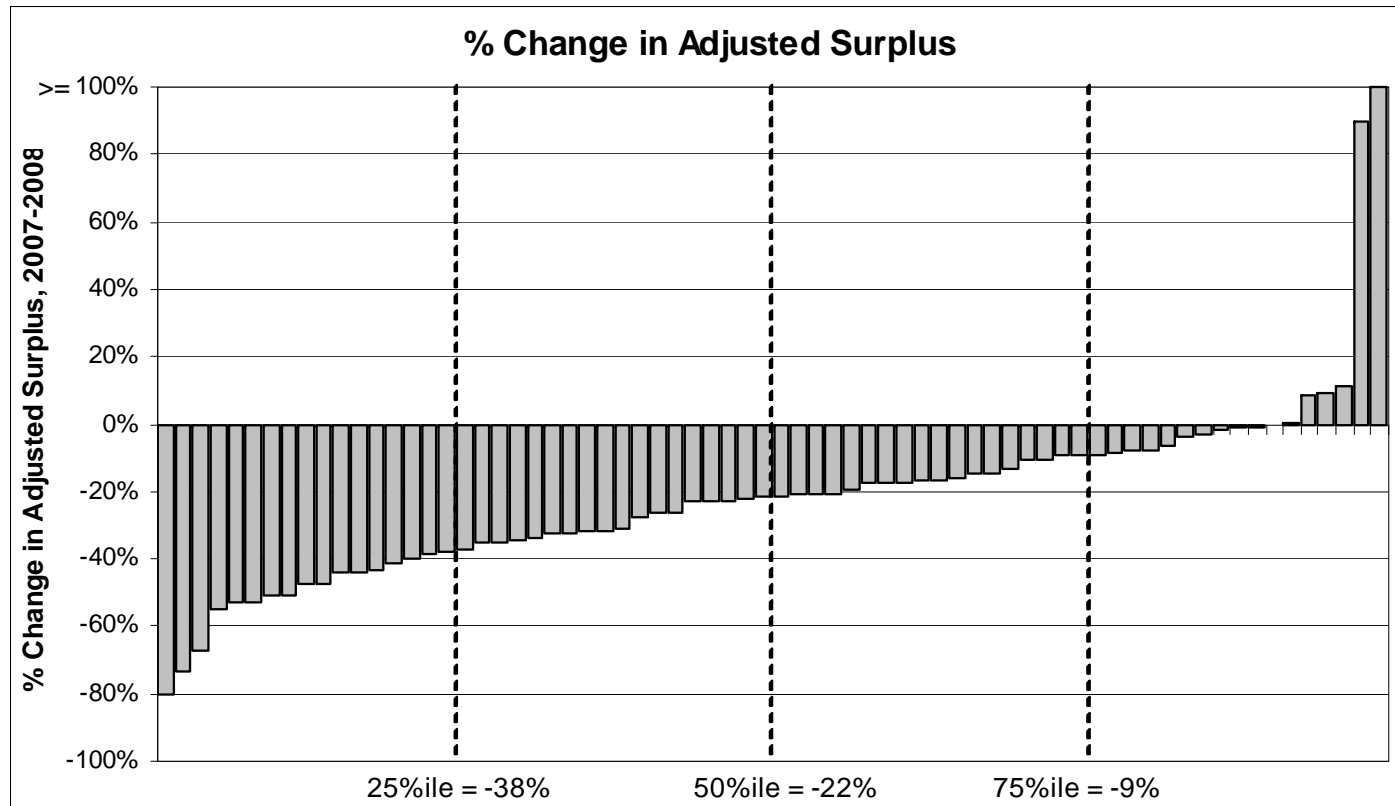
- RBC Ratio of 200% is the level that the NFCA has defined as “Grave”
- 200% is also the “Company Action Level” where state regulators ordinarily require a written corrective action plan
- RBC ratio of 300% defined as NFCA “threshold level”
- RBC ratio of 400% roughly corresponds to B to C++ rating from A.M. Best (using rule of thumb where BCAR ratio approximately 20% to 25% of RBC ratio)

(1) Thrivent 2008 RBC Ratio: 970%

(2) Source: NFCA data

# Surplus took a big hit in 2008

20% of fraternalists lost 40% or more of their adjusted surplus. 39% lost 30% or more.

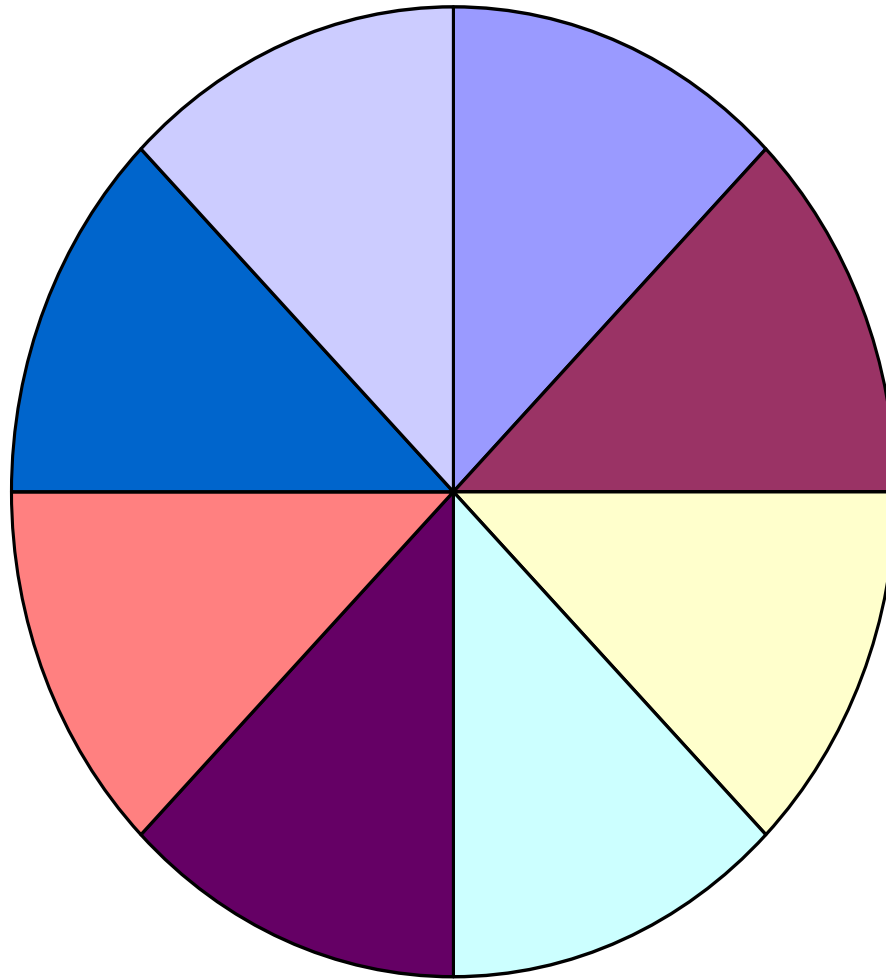


(1) Thrivent 's adjusted surplus declined by 18%.

(2) Source: NFCA data



# Compliance Areas, What are they?



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

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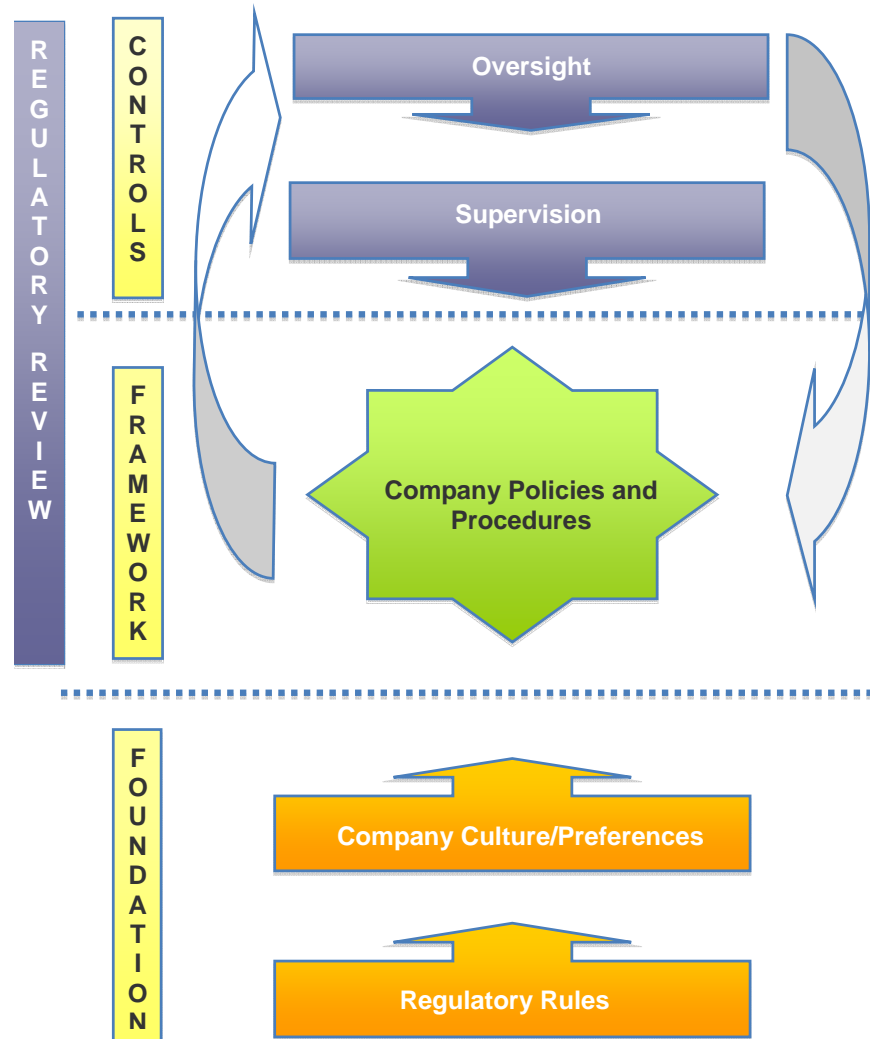
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# Compliance Framework & Controls



# Four Swimlane Collaboration Scorecard: Overall Assessment = **GREEN**

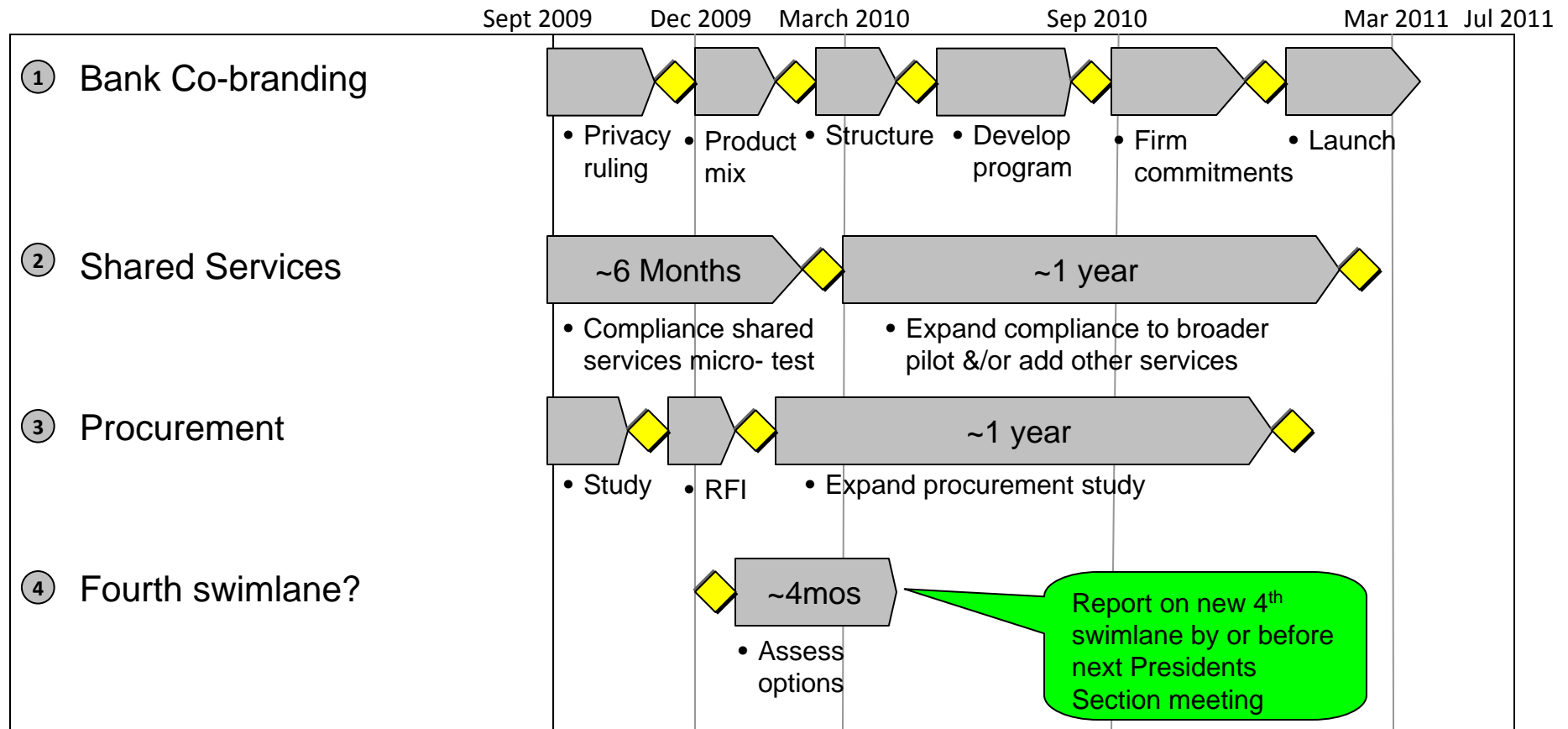
	Bank	Compliance	Procurement	Grp. Benefits
<b>Goals</b>	<ul style="list-style-type: none"> <li>•Enhance relationship value</li> <li>•Generate new revenue stream</li> <li>•Aid recruiting</li> </ul>	<ul style="list-style-type: none"> <li>•Improve risk management</li> <li>•Decrease costs</li> <li>•Expand FBS knowledge base</li> </ul>	<ul style="list-style-type: none"> <li>•Decrease costs</li> <li>•Access to add'l vendors</li> </ul>	<ul style="list-style-type: none"> <li>•Expand options w/in system</li> <li>•Decrease costs</li> </ul>
<b>Tactics</b>	<ul style="list-style-type: none"> <li>•Meetings</li> <li>•Data review</li> <li>•Immersive research</li> </ul>	<ul style="list-style-type: none"> <li>•Surveys</li> <li>•Meetings</li> <li>•Webinars</li> <li>•Shared staffing</li> </ul>	<ul style="list-style-type: none"> <li>•Surveys</li> <li>•Data review</li> <li>•Interviews</li> <li>•Potentiall RFIs/RFPs</li> </ul>	<ul style="list-style-type: none"> <li>•Surveys</li> <li>•Discussion</li> <li>•Research</li> </ul>
<b>Learning</b>	<ul style="list-style-type: none"> <li>•Significant interest</li> <li>•9 FBS task force</li> <li>•Room for 2 more</li> </ul>	<ul style="list-style-type: none"> <li>•Significant interest</li> <li>•6 FBSs in test</li> <li>•Closed through first 6 month testing phase</li> </ul>	<ul style="list-style-type: none"> <li>•Less interest than expected</li> <li>•7 FBSs currently</li> <li>•Room for ~4 more</li> </ul>	<ul style="list-style-type: none"> <li>•Prohibitive regulatory and pragmatic constraints</li> </ul>
<b>Score</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Red</b>

Significant progress to date across all lanes

One "red" is actually a positive

We're seeing collaboration across small, medium and large FBSs

# Working timeline: Multi-lane, multi-phased approach



- ◆ Key Gating Criteria**
- ① Product compatibility? Likelihood of revenues?
  - ② Risk mgt more effective; collaboration working?
  - ③ Drive expense reductions? Vendors responsive?