TLIC VARIABLE INSURANCE ACCOUNT A

Statement of Additional Information

Dated April 30, 2017

Flexible Premium Variable Life Insurance Contract

Offered By:

THRIVENT LIFE INSURANCE COMPANY

Service Center:

4321 North Ballard Road
Appleton, WI 54919-0001
Telephone: 800-847-4836
E-mail: mail@thrivent.com

Corporate Office:

625 Fourth Avenue South
Minneapolis, MN 55415-1665
Telephone: 800-847-4836
E-mail: mail@thrivent.com

This Statement of Additional Information ("SAI") contains additional information about the flexible premium variable life insurance contract (the "Contract") previously offered by Thrivent Life Insurance Company ("Thrivent Life"). This SAI is not a prospectus and should be read together with the prospectus for the contract dated April 30, 2017. Terms used in this SAI that are not otherwise defined herein have the same meanings given to them in the prospectus that is incorporated by reference. A copy of the prospectus may be obtained at no charge by writing Thrivent Life Insurance Company (attention: Customer Service Center) at 4321 North Ballard Road, Appleton, WI 54919, by calling (800) 847-4836, or at www.thrivent.com.

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GENERAL INFORMATION AND HISTORY

Depositor

Thrivent Life is a stock life insurance company organized on April 20, 1982 under the laws of the State of Minnesota. We are an indirect subsidiary of Thrivent Financial for Lutherans ("Thrivent Financial"), a fraternal benefit society organized under Wisconsin law. Thrivent Life began operating by its current name on or about June 13, 2003. Prior to that date, Thrivent Life did business as Lutheran Brotherhood Variable Insurance Products Company.

Registrant

TLIC Variable Insurance Account A (the "Variable Account") is a separate account of ours, which was established on July 27, 1984 and the first investment was made on February 9, 1987. The Variable Account is registered with the Securities and Exchange Commission ("SEC") as a unit investment trust under the Investment Company Act of 1940. Such registration does not involve supervision by the SEC of the management or investment policies or practices of the Variable Account.

SERVICES

Service Agreements and Other Service Providers

Assurance and audit services are currently provided by PricewaterhouseCoopers LLP, whose address is 45 South Seventh Street, Suite 3400, Minneapolis, Minnesota 55402.

Thrivent Life and Thrivent Financial have entered into a Master Services Agreement whereby Thrivent Financial provides Thrivent Life with services relating to the keeping, preparing and filing of accounts, books, records and other documents required under federal or state law and to the daily administration of the accounts, books and records. The services provided include among other things, operations, communications, legal, human resources, investment, distribution, financial, corporate services, product development and marketing. There is no custodian. The basis of the compensation is determined using a cost allocation system agreed upon by the companies. Fees paid by Thrivent Life to Thrivent Financial for all variable life insurance and variable annuity contracts issued by Thrivent Life for such services for the last three fiscal years are shown below.

2014	2015	2016
$8,724,231	$8,379,366	$7,166,356

PREMIUMS

Administrative Procedures

If mandated under applicable law, we may be required to reject an initial premium.

Sometimes we are not able to accept premiums. We reserve the following rights to ensure compliance with provisions in the Internal Revenue Code to retain the tax deferral quality, or exclusion of increases in cash value and death benefits from gross income:

(1) to accept certain premiums;

(2) to refund premiums;

(3) to refund the earnings on premiums;

(4) to refund any necessary accumulated value; and

(5) to increase death benefit.

Automatic Premium Loans

The Contract does not provide for automatic premium loans.

ADDITIONAL INFORMATION ABOUT OPERATION OF CONTRACTS AND REGISTRANT

Incidental Benefits

We offer additional insurance benefits that you can add to your Contract. Certain of these riders are subject to age and underwriting requirements and may be added, if available, or cancelled at any time. The prospectus provides a detailed discussion regarding additional insurance benefits.

Surrender and Withdrawal

The prospectus provides a detailed discussion regarding Surrenders and withdrawals (referred to as Partial Surrenders and Loans in the Contract).

Material Contracts Relating to the Registrant

There are no material contracts relating to the operation or administration of the Variable Account not already disclosed.

PRINCIPAL UNDERWRITER

Identification

Thrivent Investment Management Inc., 625 Fourth Avenue South, Minneapolis, Minnesota 55415, an indirect subsidiary of Thrivent Financial, is a registered broker-dealer and acts as principal underwriter and distributor of the Contracts pursuant to a distribution agreement with us. Thrivent Investment Management Inc. also acts as the distributor of a number of other variable annuity and variable life insurance contracts we offer.

Offering and Commissions

The Contract is no longer sold, however coverage increases are allowed pursuant to Contract terms. Offerings of units issued under the terms of the Contract are continuous.

Duly licensed financial representatives of Thrivent Investment Management Inc. are also licensed by state insurance departments to sell Contracts as registered representatives. The Contracts have been offered in all states and the District of Columbia. The financial representative receives commissions and other distribution compensation on the sale of the Contracts. This will not result in any charge to the Contract Owner in addition to the charges already described in the prospectus. In addition to direct compensation, financial representatives may be eligible to receive other benefits based on the amount of earned commissions. Compensation may be paid in the form of non-cash compensation, subject to applicable regulatory requirements. We intend to recoup commissions and other sales expenses through fees and charges imposed under the Contract. Commissions paid on the contract, including other incentives or payments, are charged directly to the owners of Contracts.

Thrivent Life paid underwriting commissions for the last three fiscal years as shown below. Of these amounts, Thrivent Investment Management Inc. retained $0.

2014	2015	2016
$48,726	$29,279	$58,795

ADDITIONAL INFORMATION ABOUT CHARGES

Sales Load

We charge a sales load, referred to as "Percent of Premium Charge" in the Contract, of 3% on each premium. In addition, we deduct a premium tax charge of 2% of each premium.

We charge a premium processing charge of a maximum of $2.00 per payment. If the premium is received through an automatic premium plan, the maximum premium processing charge is $1.00 per payment.

Special Purchase Plans

We currently do not have any programs such as group discounts that would result in a variation in, or elimination of, any applicable charges. In some situations, certain charges may be waived.

Underwriting Procedures

We require proof of insurability, which may include a medical examination. We offer people who do not use tobacco products the most favorable rates. If increased mortality risks are involved, there may be a higher cost of insurance charged. We reserve the right to change our underwriting requirements.

Increases in Face Amount

Subject to our underwriting guidelines and policies, the Contract Owner has the right to increase the face amount at any time before the Insured's 85th birthday (or 80th birthday for VUL 1 Contracts). Increases in face amount will result in additional charges to cover the increased amount at risk. We compute charges at the existing rates at the time of increase. The cost of insurance rates for each increase will vary based on factors such as sex (in most states), risk class, age and the time elapsed since issue.

You may cancel any increase in face amount by giving written notice before the latest of:

(1) 10 days after you receive the supplement contract page showing the increase;

(2) 45 days after you complete the application for the increase in face amount; and

(3) 10 days after a notice of withdrawal right is mailed or delivered to you.

A new set of Decrease Charges will also apply to each increase in the face amount. The Decrease Charge applies to decreases in face amount during the first 180 months (120 months for "VUL 1 Contracts") following an increase in face amount. The Decrease Charge remains level during the 60 months following an increase in face amount, and then decreases each Contract Year to zero after 180 months (120 months for "VUL 1 Contracts") following an increase in face amount. Decrease Charges depend on the Insured's Issue Age, sex (in most states), amount of decrease in face amount, risk class and duration of the Contract. We will subtract the decrease first from any previous increases in the face amount, starting with the most recent, then as needed from the original face amount.

LAPSE AND REINSTATEMENT

The prospectus provides a detailed discussion regarding lapse and reinstatement provisions of the Contract.

LOANS

The prospectus provides a detailed discussion regarding loans.

STANDARD AND POOR'S DISCLAIMER

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SMALLCAP 600 INDEXES OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THRIVENT FINANCIAL, OTHER THAN THE LICENSORS OR S&P DOW JONES INDICES.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM AND FINANCIAL STATEMENTS

The statutory financial statements of Thrivent Life Insurance Company as of December 31, 2016 and December 31, 2015 and for each of the three years in the period ended December 31, 2016 and the financial statements of each of the subaccounts of TLIC Variable Insurance Account A as of December 31, 2016 and for the period then ended and the statement of changes in net assets for the period ended December 31, 2015 included in this Statement of Additional Information have been so included in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on authority of said firm as experts in auditing and accounting.

Report of Independent Auditors

To the Board of Directors of Thrivent Life Insurance Company:

We have audited the accompanying statutory financial statements of Thrivent Life Insurance Company (the "Company"), which comprise the statutory statements of assets, liabilities and capital and surplus as of December 31, 2016 and 2015, and the related statutory statements of operations, capital and surplus and cash flow for each of the three years in the period ended December 31, 2016.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices prescribed or permitted by the State of Minnesota Department of Commerce. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, the financial statements are prepared by the Company on the basis of the accounting practices prescribed or permitted by the State of Minnesota Department of Commerce, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the statutory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2016 and 2015, or the results of its operations or its cash flows for each of the three years in the period ended December 31, 2016.

Report of Independent Auditors, continued

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities and surplus of the Company as of December 31, 2016 and 2015, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2016, in accordance with the accounting practices prescribed or permitted by the State of Minnesota Department of Commerce described in Note 1.

PricewaterhouseCoopers LLP

Minneapolis, Minnesota
February 15, 2017

Thrivent Life Insurance Company

Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus

As of December 31, 2016 and 2015

(in thousands)

	2016	2015
Admitted Assets		
Bonds	$1,999,043	$1,870,682
Stocks	400	400
Cash, cash equivalents and short-term investments	98,310	75,012
Contract loans	14,155	13,370
Receivables for securities	284	43
Investment in Thrivent Cash Management Trust	9,248	12,643
Investment in Thrivent Asset Management, LLC	3,369	2,271
Other invested assets	1,998	1,998
Total cash and invested assets	2,126,807	1,976,419
Accrued investment income	16,433	15,973
Other assets	11,250	10,276
Assets held in separate accounts	1,460,780	1,516,708
Total Admitted Assets	$3,615,270	$3,519,376
Liabilities		
Aggregate reserves for life and annuity contracts	$1,826,937	$1,672,206
Deposit liabilities	118,657	113,835
Contract claims	12,575	17,261
Interest maintenance reserve	6,895	7,474
Transfers due from separate account	(1,897)	(4,029)
Asset valuation reserve	19,067	17,661
Payable for securities	--	14,410
Securities lending obligation	9,248	12,643
Other liabilities	6,622	1,735
Liabilities related to separate accounts	1,460,780	1,516,708
Total Liabilities	3,458,884	3,369,904
Capital and Surplus		
Common stock	5,000	5,000
Gross paid-in and contributed surplus	90,800	90,800
Unassigned funds	60,586	53,672
Total Capital and Surplus	156,386	149,472
Total Liabilities and Capital and Surplus	$3,615,270	$3,519,376

The accompanying notes are an integral part of these statutory-basis financial statements.

Thrivent Life Insurance Company
Statutory-Basis Statements of Operations
For the Years Ended December 31, 2016, 2015 and 2014
(in thousands)

	2016	2015	2014
Revenues			
Premiums	$ 153,956	$ 144,852	$ 115,396
Considerations for supplementary contracts with life contingencies	9,074	7,211	5,436
Net investment income	76,367	79,206	85,570
Separate account fees	22,479	23,612	24,102
Amortization of interest maintenance reserve	1,883	1,768	2,397
Other revenues	--		1
Total Revenues	263,759	256,649	232,902
Benefits and Expenses			
Death benefits	8,202	8,776	5,051
Surrender and other benefits	220,453	224,108	236,173
Change in reserves	154,731	111,230	63,006
Total benefits	383,386	344,114	304,230
Commissions	1,278	1,379	1,150
General insurance expenses	8,365	7,922	9,636
Transfers from separate accounts, net	(138,528)	(115,974)	(113,344)
Total expenses and net transfers	(128,885)	(106,673)	(102,558)
Total Benefits and Expenses	254,501	237,441	201,672
Gain from Operations before Federal Income Taxes and Capital Gains and Losses	9,258	19,208	31,230
Federal income tax expense	2,150	4,818	7,300
Gain from Operations before Capital Gains and Losses	7,108	14,390	23,930
Realized capital gains (losses), net	(413)	(750)	(614)
Net Income	$ 6,695	$ 13,640	$ 23,316

The accompanying notes are an integral part of these statutory-basis financial statements.

Thrivent Life Insurance Company

Statutory-Basis Statements of Capital and Surplus

For the Years Ended December 31, 2016, 2015 and 2014

(in thousands)

	2016	2015	2014
Capital and Surplus, Beginning of Year	$149,472	$159,653	$162,607
Net income	6,695	13,640	23,316
Change in unrealized investment gains (losses)	1,098	531	(2,605)
Change in non-admitted assets	(740)	214	431
Change in asset valuation reserve	(1,406)	(1,416)	127
Change in deferred income taxes	1,267	(150)	(246)
Dividends to shareholder	--	(23,000)	(23,977)
Capital and Surplus, End of Year	$156,386	$149,472	$159,653

The accompanying notes are an integral part of these statutory-basis financial statements.

Thrivent Life Insurance Company
Statutory-Basis Statements of Cash Flow
For the Years Ended December 31, 2016, 2015 and 2014
(in thousands)

	2016	2015	2014
Cash from Operations			
Premiums	$ 163,031	$ 152,061	$ 120,832
Net investment income	78,183	81,401	85,635
Other revenues	22,480	23,613	24,104
	263,694	257,075	230,571
Benefit- and loss-related payments	(229,138)	(226,291)	(234,024)
Transfers from separate account, net	140,660	116,063	114,276
Commissions and expenses	(9,644)	(9,302)	(10,870)
Federal income taxes paid	(3,384)	(3,938)	(10,670)
Net Cash from Operations	162,188	133,607	89,283
Cash from Investments			
Proceeds from investments sold, matured or repaid:			
Bonds	337,207	282,618	320,191
Miscellaneous Proceeds	2	--	--
Total proceeds from investments sold, matured or repaid	337,209	282,618	320,191
Cost of investments acquired:			
Bonds	(465,622)	(376,137)	(377,794)
Miscellaneous Applications	--	(1)	—
Total cost of investments acquired	(465,622)	(376,138)	(377,794)
Net proceeds from (investment in) Thrivent Cash Management Trust	3,395	(4,429)	1,685
Change in contract loans	(785)	(263)	(1,002)
Change in net amounts due to/from broker	(14,650)	14,406	—
Change in securities lending obligation	(3,395)	4,429	(1,685)
Net Cash from Investments	(143,848)	(79,377)	(58,605)
Cash from Financing and Miscellaneous Sources			
Net deposits (payments) on deposit-type contracts	687	(2,775)	(4,645)
Dividends to shareholder	--	(23,000)	(21,800)
Other	4,271	(268)	(127)
Net Cash from Financing and Miscellaneous Sources	4,958	(26,043)	(26,572)
Net Change in Cash, Cash Equivalents and Short-Term Investments	23,298	28,187	4,106
Cash, Cash Equivalents and Short-Term Investments, Beginning of Year	75,012	46,825	42,719
Cash, Cash Equivalents and Short-Term Investments, end of year	$ 98,310	$ 75,012	$ 46,825
Supplemental information:			
Non-cash dividend to Shareholder	$ —	$ —	$ 2,176

The accompanying notes are an integral part of these statutory-basis financial statements.

Thrivent Life Insurance Company
Notes to Statutory-Basis Financial Statements
For the Years Ended December 31, 2016, 2015 and 2014

1. Nature of Operations and Significant Accounting Policies

Nature of Operations

Thrivent Life Insurance Company ("the Company") is a wholly owned subsidiary of Thrivent Financial Holdings, Inc. ("Holdings"), which is a wholly owned subsidiary of Thrivent Financial for Lutherans ("Thrivent Financial"). The Company, together with Thrivent Financial, a fraternal benefit society, provides financial products and services to its members through a network of career financial representatives. Products include variable life insurance and variable annuities. The Company is licensed to sell business in 41 states throughout the United States but has not issued any new contracts since 2003.

Significant Accounting Policies

The accompanying statutory-basis financial statements have been prepared in accordance with statutory accounting practices ("SAP") prescribed or permitted by the State of Minnesota Department of Commerce.

Use of Estimates

The preparation of statutory-basis financial statements in conformity with SAP requires management to make estimates and assumptions that affect the amounts reported in the statutory-basis financial statements and accompanying notes. The more significant estimates involve those relating to fair values of investments and reserves for life and annuity contracts. Actual results could differ from those estimates.

The significant accounting practices used in preparation of the statutory-basis financial statements are summarized as follows.

Investments

Bonds: Bonds are generally carried at amortized cost, depending on the nature of the security and as prescribed by National Association of Insurance Commissioner ("NAIC") guidelines. Discounts or premiums on bonds are amortized over the term of the securities using the modified scientific method. Discounts or premiums on loan-backed and structured securities are amortized over the term of the securities using the modified scientific method, adjusted to reflect anticipated pre-payment patterns. Interest income is recognized when earned.

Stocks: Preferred stocks are generally carried at amortized cost.

Contract loans: Contract loans are generally carried at their aggregate unpaid balances. Policy loans are collateralized by the cash surrender value of the associated insurance contracts.

Cash, cash equivalents and short-term investments: Cash and cash equivalents, which consist of demand deposits and highly liquid investments purchased with an original maturity of three months or less, are carried at amortized cost. Short-term investments have contractual maturities of one year or less at the time of acquisition. Included in short-term investments are investments in money market mutual funds, which are carried at fair value, and investments in commercial paper and agency notes, which are carried at amortized cost.

Investment in Thrivent Cash Management Trust: The Company invests in the Thrivent Cash Management Trust ("Cash Mgt. Trust") which is an affiliated money market mutual fund, as part of the securities lending program. The investment in the Cash Mgt. Trust is carried at fair value.

1. Nature of Operations and Significant Accounting Policies, continued

Significant Accounting Policies, continued

Investments, continued

Investment in Thrivent Asset Management, LLC:

The Company has a 20% investment interest in Thrivent Asset Management, LLC ("Asset Mgt."), a limited liability company which is valued based on its U.S. generally accepted accounting principles ("GAAP") equity. The Company's Board of Directors approved the transfer of one-half of the Company's 40% ownership interest in Asset Mgt. to Holdings through a dividend distribution arrangement on March 26, 2014. As a result the Company recorded a dividend to shareholder in the amount of $2 million and reduced its investment by the same amount.

Other invested assets: Other invested assets include investments in surplus notes, which are carried at amortized cost.

Securities lending : Securities loaned under the Company's securities lending agreement are carried in the Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus at amortized cost or fair value, depending on the nature of the security and as prescribed by NAIC guidelines. The Company generally receives cash collateral in an amount that is in excess of the market value of the securities loaned, and the cash collateral is invested in the Cash Mgt. Trust. A liability is also recognized for the amount of the collateral. Market values of securities loaned and collateral are monitored daily and additional collateral is obtained as necessary. The Company requires a minimum level of collateral to be held for loaned securities. The Company presents securities lending agreements on a gross basis in the statutory-basis financial statements.

Unrealized investment gains and losses: Unrealized investment gains and losses on unaffiliated stocks are accounted for as a direct increase or decrease of surplus.

Realized capital gains and losses: Realized capital gains and losses on sales of securities are determined using primarily an average cost method.

The Company periodically reviews its security portfolios and evaluates those securities where the current fair value is less than amortized cost for indicators that the decline in value is other-than-temporary. This review includes an evaluation of each security issuer's creditworthiness, such as its ability to generate operating cash flow and remain current on all debt obligations, as well as any changes in its credit ratings from third party agencies. Other factors include the severity and duration of the impairment, the Company's ability to collect all amounts due according to the contractual terms of the debt security, and the Company's ability and intent to hold the security for a period of time sufficient to allow for any anticipated recovery in the market.

The potential need to sell securities in an unrealized loss position but which have no other indications of other-than-temporary impairment is evaluated based on the current market environment, near-term and long-term asset liability management strategies and target allocation strategies for various asset classes. Generally, the Company has the ability and intent to hold securities in an unrealized loss position for a period of time sufficient for the security to recover in value. Investments that are determined to be other-than-temporarily impaired are generally written down, primarily to fair value, and the write-down is included in realized capital gains and losses in the Statutory-Basis Statements of Operations. If, in response to changed conditions in the capital markets, the Company decides to sell a security in an unrealized loss position, a realized loss is

1. Nature of Operations and Significant Accounting Policies, continued

Significant Accounting Policies, continued

Investments, continued

Realized capital gains and losses, continued

recognized in the period that the decision is made to sell that security. Certain realized capital gains and losses on bonds sold prior to their maturity are transferred to the interest maintenance reserve.

Interest maintenance reserve: The Company is required to maintain an interest maintenance reserve ("IMR"). The IMR is used to defer realized capital gains and losses, net of income taxes, on fixed income investments. Net realized capital gains and losses deferred to IMR are amortized into investment income over the estimated remaining term to maturity of the investment sold.

Fair value of financial instruments: In estimating the fair values for financial instruments, the amount of observable and unobservable inputs used to determine fair value is taken into consideration. Each of the financial instruments has been classified into one of three categories based on that evaluation. A Level 1 financial instrument is valued using quoted prices for identical assets in active markets that are accessible. A Level 2 financial instrument is valued based on quoted prices for similar instruments in active markets that are accessible, quoted prices for identical or similar instruments in markets that are not active, or model-derived valuations where the significant value driver inputs are observable. A Level 3 financial instrument is valued using significant value driver inputs that are unobservable.

Separate Accounts

Separate account assets and liabilities reported in the accompanying Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus represent funds that are separately administered for variable life insurance and variable annuities and for which the contract holder, rather than the Company, bears the investment risk. Fees charged on separate account contract holder deposits are recognized when due. Separate account assets, which consist of investment funds, are carried at fair value based on published market prices. Separate account liability values are not guaranteed; however, general account reserves include provisions for the guaranteed minimum death and living benefits contained in the contracts. Reserve assumptions for these benefits are discussed in the section Aggregate Reserves for Life and Annuity Contracts.

Aggregate Reserves for Life and Annuity Contracts

Contract reserves are based on statutory mortality and interest requirements and are designed to be sufficient to provide for all contractual benefits. Variable life insurance reserves for contracts issued prior to January 31, 1993, are equal to full account value. Reserves for all other variable life contracts are determined according to the Commissioner's Reserve Valuation Method using interest rates of 4% to 5%. Reserves for variable annuities are computed using the methods and assumptions specified in Actuarial Guideline 43, including assumptions for guaranteed minimum death benefits. Reserves for supplemental benefits, minimum death benefit guarantees, and other fixed benefits are maintained in the general account and are determined using statutory mortality/morbidity bases and interest rates predominantly ranging from 2.5% to 4.0%. The Company waives deduction of deferred fractional premiums upon death of insureds and returns any portion of the final premium related to coverage beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.

1. Nature of Operations and Significant Accounting Policies, continued

Significant Accounting Policies, continued

Deposit Liabilities

Deposit liabilities have been established on certain annuity and supplemental contracts that do not subject the Company to mortality and morbidity risk. Changes in future benefits on these deposit-type contracts are classified as deposit-type transactions and thereby excluded from net additions to contract reserves.

Contract Claims Liabilities

Claim liabilities are established in amounts estimated to cover incurred claims. These liabilities are based on individual case estimates for reported claims and estimates of unreported claims, based on past experience.

Asset Valuation Reserve

The Company is required to maintain an asset valuation reserve ("AVR"), which is a liability calculated using a formula prescribed by the NAIC. The AVR is intended to protect surplus against potential declines in the value of investments that are not related to changes in interest rates. Increases or decreases in the AVR are reported as direct adjustments to surplus in the Statutory-Basis Statements of Capital and Surplus.

Premiums and Considerations

Variable life premiums, annuity premiums and considerations on supplementary contracts are recognized when received.

Income Taxes

The Company files a consolidated federal income tax return with Holdings. The federal income taxes are recognized on a separate-return basis, in accordance with a tax-sharing agreement with Holdings, whereby the federal income tax provision is based upon amounts estimated to be currently payable and deferred income taxes resulting from temporary differences between statutory-basis financial statement carrying amounts and income tax bases of assets and liabilities using enacted income tax rates and laws.

New Accounting Guidance

In 2016, the Company adopted changes to Statement of Statutory Accounting Principle (SSAP) No. 1 (Accounting Policies, Risks & Uncertainties, and Other Disclosures) requiring a new disclosure of the nature and amount of any assets received as collateral, reflected as assets within the financial statements, and the recognized liability to return these collateral assets, including a comparison to admitted assets. The additional disclosure was added in footnote 2.

In 2016, the Company adopted changes to SSAP No. 26 (Bonds); No. 32 (Preferred Stock); and No. 43R (Loan-Backed and Structured Securities which requires disclosure by investment type, the number "5*" securities, book adjusted carrying value and fair value for those securities. The "5*" securities are securities which are unrated but are current on principal and interest payments. The Company held no "5*" securities at December 31, 2016 or 2015.

1. Nature of Operations and Significant Accounting Policies, continued

Significant Accounting Policies, continued

New Accounting Guidance, continued

In 2016, the Company adopted changes to SSAP No. 100 (Accounting Policies, Risks & Uncertainties, and Other Disclosures) which requires 'Deposit liabilities with no defined or contractual maturities' to be omitted from the table of Fair Value of All Financial Instruments in footnote 7. Prior year amounts were adjusted to conform to current year presentation.

Subsequent Events

The Company evaluated events or transactions that may have occurred after the Statutory-Basis Statement of Assets, Liabilities and Capital and Surplus date for potential recognition or disclosure through February 15, 2017, the date the statutory-basis financial statements were available to be issued. There were no subsequent events or transactions which required recognition or disclosure.

2. Investments

Bonds

The admitted value and fair value of the Company's investment in bonds is summarized as follows (in thousands):

	Admitted Value	Gross Unrealized		Fair Value
		Gains	Losses	
December 31, 2016				
U.S. government and agency securities	$ 187,928	$ 4,566	$ 425	$ 192,069
U.S. state and political subdivision securities	1,012	467	—	1,479
Securities issued by foreign governments	16,427	626	188	16,865
Corporate debt securities	1,282,225	52,248	11,976	1,322,497
Residential mortgage-backed securities	371,438	4,867	3,969	372,336
Commercial mortgage-backed securities	110,286	1,036	2,115	109,207
Other debt obligations	29,727	441	258	29,910
Total bonds	$1,999,043	$64,251	$18,931	$2,044,363
December 31, 2015				
U.S. government and agency securities	$ 170,376	$ 5,760	$ 136	$ 176,000
U.S. state and political subdivision securities	1,012	440	—	1,452
Securities issued by foreign governments	16,920	949	504	17,365
Corporate debt securities	1,181,874	43,667	35,332	1,190,209
Residential mortgage-backed securities	374,808	7,117	2,661	379,264
Commercial mortgage-backed securities	103,810	1,354	558	104,606
Other debt obligations	21,882	485	168	22,199
Total bonds	$1,870,682	$59,772	$39,359	$1,891,095

2. Investments, continued

Bonds, continued

The admitted value and fair value of bonds by contractual maturity as of December 31, 2016, are shown below (in thousands). Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Admitted Value	Fair Value
Due in one year or less	$ 102,362	$ 103,071
Due after one year through five years	451,996	472,683
Due after five years through ten years	767,041	774,711
Due after ten years	736,019	752,272
Total bonds	$2,057,418	$2,102,737

The following table shows the fair value and gross unrealized losses aggregated by investment category and length of time that individual bonds have been in a continuous unrealized loss position (dollars in thousands):

	Less than 12 Months			12 Months or More		
	Number of Securities	Fair Value	Gross Unrealized Losses	Number of Securities	Fair Value	Gross Unrealized Losses
December 31, 2016						
U.S. government and agency securities	4	$ 44,161	$ 425	—	$ —	$ —
Securities issued by foreign governments	3	4,258	188	—	—	—
Corporate debt securities	312	316,110	7,856	52	49,904	4,120
Residential mortgage-backed securities	21	227,093	3,376	5	7,569	593
Commercial mortgage-backed securities	9	43,362	2,115	—	—	—
Other debt obligations	4	13,608	227	1	981	31
Total bonds	353	$648,592	$14,187	58	$58,454	$ 4,744
December 31, 2015						
U.S. government and agency securities	5	$ 37,814	$ 136	—	$ —	$ —
Securities issued by foreign governments	1	1,450	504	—	—	—
Corporate debt securities	450	425,153	25,053	49	36,020	10,279
Residential mortgage-backed securities	17	179,829	1,645	7	19,152	1,016
Commercial mortgage-backed securities	8	41,080	558	—	—	—
Other debt obligations	3	8,926	35	2	3,877	133
Total bonds	484	$694,252	$27,931	58	$59,049	$11,428

Based on the Company's current evaluation of its securities in accordance with its impairment policy, a determination was made that the declines in the securities summarized above are temporary in nature.

2. Investments, continued

Stocks

The cost and fair value of the Company's investment in stocks as of December 31 are summarized as follows (in thousands):

	2016	2015
Unaffiliated preferred stock:		
Cost/statement value	$400	$400
Gross unrealized gains	14	7
Gross unrealized losses	—	—
Fair value	$414	$407

The Company had no stocks in an unrealized loss position as of December 31, 2015 or 2014.

Securities Lending

Elements of the securities lending program are presented below as of December 31 (in thousands):

	2016	2015
Loaned securities:		
Carrying value	$9,230	$13,213
Fair value	9,039	12,363
Cash collateral reinvested:		
Carrying value	$9,248	$12,643
Fair value	9,248	12,643
Aging of cash collateral liability:		
Open collateral positions	$9,248	$12,643

Pledged and Restricted Assets

The Company owns assets which are pledged to others as collateral or are otherwise restricted totaling $12 million and $16 million as of December 31, 2016 and 2015, respectively. Total pledged and restricted assets, which include state deposits and collateral held under securities lending agreements, are less than 1% of total admitted assets. Securities on deposits with state insurance departments totaled $2 million and $3 million at December 31, 2016 and 2015, respectively.

Collateral Received

As of December 31, 2016 and 2015, the Company has received collateral of $9 million and $13 million, respectively, for the securities lending program, which is invested in the Thrivent Cash Mgt. Trust.

2. Investments, continued

Net Investment Income

Investment income by type of investment for the years ended December 31 is summarized as follows (in thousands):

	2016	2015	2014
Bonds	$75,753	$73,656	$74,430
Stocks	32	32	32
Contract loans	1,046	1,027	963
Cash, cash equivalents and short-term investments	334	60	16
Thrivent Asset Management, LLC	-	5,225	11,168
Other invested assets	436	424	185
	77,601	80,424	86,794
Investment expenses	(1,234)	(1,218)	(1,224)
Net investment income	$76,367	$79,206	$85,570

Realized Capital Gains and Losses

Realized capital gains and losses for the years ended December 31 were as follows (in thousands):

	2016	2015	2014
Net gains (losses) on sales:			
Bonds:			
Gross gains	$ 3,525	$ 3,417	$ 5,072
Gross losses	(1,265)	(3,442)	(1,266)
Other	2	-	-
Net gains (losses) on sales	2,262	(25)	3,806
Provisions for losses	(580)	(754)	(628)
Realized capital gains (losses)	1,682	(779)	3,178
Transfers from (to) interest maintenance reserve, net of tax	(1,303)	20	(2,460)
Taxes on realized capital gains and losses	(792)	9	(1,332)
Realized capital gains (losses), net	$ (413)	$ (750)	$ (614)

Proceeds from the sale of investments in bonds were $241 million, $213 million and $239 million for the years ended December 31, 2016, 2015 and 2014, respectively.

2. Investments, continued

Realized Capital Gains and Losses, continued

The Company recognized no other-than-temporary impairments on loan-backed and structured securities during 2016 or 2015. The Company recognized other-than-temporary impairments during the years ended December 31, 2014 on the following loan-backed and structured securities where the present value of cash flows expected to be collected were less than the amortized cost basis of the security (in thousands):

CUSIP	Book Value Before Impairment	Impairment Recognized	Amortized Cost After Impairment	Fair Value as of Date Impaired
75971EAJ5	$3,026	$628	$2,398	$2,320
	$3,026	$628	$2,398	$2,320

3. Policyholder Liabilities

Many of the contracts issued by the Company, primarily annuities, do not subject the Company to mortality or morbidity risk. These contracts may have certain limitations placed upon the amount of funds that can be withdrawn without penalties. The following table summarizes these liabilities by their withdrawal characteristics as of December 31 (dollars in thousands):

	General Account	Separate Account Without Guarantees	Total	% of Total
December 31, 2016				
Subject to discretionary withdrawal:				
At fair value	$ —	$1,213,952	$1,213,952	38%
At book value without adjustment	1,769,730	—	1,769,730	56
Not subject to discretionary withdrawal	158,692	19,797	178,489	6
Total	$1,928,422	$1,233,749	$3,162,171	100%
December 31, 2015				
Subject to discretionary withdrawal:				
At fair value	$ —	$1,268,818	$1,268,818	41%
At book value without adjustment	1,612,292	—	1,612,292	53
Not subject to discretionary withdrawal	156,796	21,401	178,197	6
Total	$1,769,088	$1,290,219	$3,059,307	100%

3. Policyholder Liabilities, continued

The above policyholder liabilities are recorded in the following captions of the Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus as of December 31 (in thousands):

	2016	2015
Aggregate reserves for life and annuity contracts	$1,809,765	$1,655,253
Deposit liabilities	118,657	113,835
Liabilities related to separate accounts	1,233,749	1,290,219
Total	$3,162,171	$3,059,307

The Company has no insurance in force as of December 31, 2016, 2015 and 2014, where the gross premiums are less than the net premiums according to the standard valuation requirements set by the State of Minnesota.

4. Income Taxes

The current income tax expense of the Company as of December 31 was as follows (in thousands):

	2016	2015	2014
Federal	$2,150	$4,818	$7,300
Federal income tax on net capital gains	792	(9)	1,332
Total federal income taxes	$2,942	$4,809	$8,632

The components of the Company's net income tax asset as of December 31 were as follows (in thousands):

	2016	2015
Tax receivable	$ 1,922	$ 1,390
Net deferred tax asset	9,319	8,792
Total	$11,241	$10,182

As of December 31, 2016 and 2015, the tax receivable and the deferred tax asset are components of other assets on the Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus.

4. Income Taxes, continued

Deferred income taxes reflect the impact of temporary differences between the statutory-basis financial statement carrying amounts and the tax bases of assets and liabilities. The components of the Company's net deferred tax asset as of December 31, were as follows (in thousands):

	2016	2015
Deferred tax assets:		
Ordinary:		
Reserves	$ 2,907	$ 2,982
Deferred acquisition costs	1,667	1,687
Deferred compensation	2,227	2,103
Minority owned affiliate	867	-
Charitable contribution carryover	240	-
Other	24	22
Total ordinary	7,932	6,794
Capital:		
Investments	5,957	5,754
Total capital	5,957	5,754
Total deferred tax assets	13,889	12,548
Deferred tax liabilities:		
Ordinary:		
Market discount accretion	(720)	(646)
Total deferred tax liabilities	(720)	(646)
Net deferred tax asset	13,169	11,902
Non-admissible deferred tax assets (all ordinary)	3,850	3,110
Total admissible net deferred tax assets	$ 9,319	$ 8,792

Components of admissible net deferred tax assets:		
Ordinary:		
Available to be recovered from loss carrybacks	$3,362	$3,038
Deferred tax assets to be offset against deferred tax liabilities	720	646
Deferred tax liabilities	(720)	(646)
Capital:		
Available to be recovered from loss carrybacks	2,123	1,323
Expected to offset future taxable capital losses	3,834	4,431
Total admissible net deferred tax assets	$9,319	$8,792

There are no taxes contingencies recorded that warrant disclosure, and the Company has made no provisions for uncertain tax positions. Tax years 2014 through 2016 remain subject to examination by the Internal Revenue Service (IRS).

4. Income Taxes, continued

As of December 31, 2016, the Company had impaired capital losses of $17 million and capital gains in the carryback period of $6 million. Through tax planning strategies the remaining capital losses were admitted as the Company had unrealized capital gains of $64 million as of December 31, 2016. The impact of tax-planning strategies in the determination of adjusted gross deferred tax assets ("DTAs") and the determination of net admitted DTAs, by percentage and by tax character is 0% and 64% for ordinary and capital assets, respectively. The Company's tax planning strategies do not include the use of reinsurance.

The adjusted capital and surplus used in determining the recovery period and threshold limitations was $175 million and $167 million for the years ended December 31, 2016 and 2015, respectively. The ratio percentage used in determining the recovery period and threshold limitation was 1135% and 1053% for the years ended December 31, 2016 and 2015, respectively. The resulting adjusted gross deferred tax limitation threshold was $26 million and $25 million for the years ended December 31, 2016 and 2015, respectively.

The Company's effective tax rate for the years ended December 31, 2016, 2015 and 2014 was 17%, 27% and 29%, respectively. The difference between the statutory tax rate and the effective tax rate is due primarily to the dividends received deduction. During 2016 the Company recognized the tax impact of the future deductibility for certain costs incurred by its minority-owned affiliate. The amount increased 2016 tax expense by $0.9 million that had not been recognized in the prior year. This item had no impact on pre-tax income for any period.

At December 31, 2016, the Company had no capital loss carryforward. In addition, tax expenses of $2 million, $6 million and $9 million from the years 2016, 2015 and 2014, respectively, are available for offset against future losses.

5. Separate Accounts

The Company administers and invests funds segregated into separate accounts for the exclusive benefit of variable life and variable annuity contract holders. All of the separate accounts of the Company are considered non-guaranteed; however, all variable deferred annuity contracts within the non-guaranteed separate account contain a guaranteed minimum death benefit backed by the general account. As of December 31, 2016 and 2015, the maximum amount of that guarantee was estimated at $5 million and $9 million, respectively. There were no explicit risk charges paid by separate account contract holders for these guarantees. The following table presents the amounts paid for guaranteed death benefits for the years ended December 31 (in thousands):

	2016	2015	2014	2013	2012
Payments for guaranteed benefits	$234	$390	$45	$256	$255

The distribution of investments in the separate account assets as of December 31 was as follows:

	2016	2015
Equity funds	67%	67%
Bond funds	24	24
Balanced funds	8	8
Other	1	1
Total separate account assets	100%	100%

5. Separate Accounts, continued

The following tables summarize activity for the separate account as of and for the years ended December 31 (in thousands):

	NonIndexed Guarantee	Non-Guaranteed	Total
December 31, 2016			
Reserves:			
For accounts with assets at fair value	$—	$1,458,883	$1,458,883
By withdrawal characteristics:			
Subject to discretionary withdrawal:			
At fair value	$—	$1,439,086	$1,439,086
Not subject to discretionary withdrawal	—	19,797	19,797
Total	$—	$1,458,883	$1,458,883
December 31, 2015			
Reserves:			
For accounts with assets at fair value	$—	$1,512,679	$1,512,679
By withdrawal characteristics:			
Subject to discretionary withdrawal:			
At fair value	$—	$1,491,278	$1,491,278
Not subject to discretionary withdrawal	—	21,401	21,401
Total	$—	$1,512,679	$1,512,679

	2016	2015	2014
Premiums, considerations and deposits:			
Non-indexed guarantee	$ —	$ —	$ —
Non-guaranteed	31,814	37,279	33,829
Total	$31,814	$37,279	$33,829

	2016	2015	2014
Transfers to separate accounts	$ 31,814	$ 37,279	$ 33,829
Transfers from separate accounts	(170,350)	(153,253)	(147,174)
Other items	8	-	1
Transfers from separate accounts, net	$(138,528)	$(115,974)	$(113,344)

6. Capital and Surplus

The capital stock of the Company consists of 2,000,000 shares of common stock authorized, issued and outstanding with a par value of $2.50 per share. The amount of dividends that the Company may pay to its parent without prior approval of the State of Minnesota Department of Commerce is limited to the greatest of 10% of statutory-basis surplus as of the prior year-end or 100% of statutory-basis gain from operations. In 2015 and 2014, the Company declared cash dividends to its parent in the amounts of $23 million and $22 million, respectively. No dividends were declared in 2016. Additionally, in 2014 $2 million of ownership in Asset Mgt. was transferred as a dividend.

The Company is subject to certain risk-based capital ("RBC") requirements as specified by the NAIC. Under those requirements, the amount of capital and surplus maintained by a life insurance company is to be determined based on the various risk factors related to it. The Company exceeds the RBC requirements as of December 31, 2016 and 2015.

Unassigned funds were represented or reduced by the following categories and amounts as of December 31 (in thousands):

	2016	2015
Unrealized gains and losses	$ 3,367	$ 2,269
Non-admitted assets	(3,852)	(3,112)
Asset valuation reserve	(19,067)	(17,661)

7. Fair Value of Financial Instruments

The financial instruments of the Company have been classified, for disclosure purposes, into one of three categories based on the evaluation of the amount of observable and unobservable inputs used to determine fair value.

Fair Value Descriptions

Level 1 Financial Instruments

Level 1 financial instruments reported at fair value include short-term investments and investment in cash management trust. Short-term investments reported at fair value include investments in money market funds, and the fair value is based on quoted daily net asset value of the invested funds. The fair value of the investment in Cash Mgt. Trust is based on the quoted daily net asset values of the invested funds.

Level 1 financial instruments not reported at fair value include bonds, which are priced based on quoted market prices, and primarily include U.S. Treasury bonds and cash.

Level 2 Financial Instruments

Level 2 financial instruments reported at fair value include assets held in separate accounts. The fair values for separate account assets are based on published daily net asset values of the funds in which the separate accounts are invested.

Level 2 financial instruments not reported at fair value include bonds, unaffiliated preferred stocks, cash equivalents, other invested assets and liabilities related to separate accounts.

Bonds that are priced using a third party pricing vendor include corporate debt securities, asset-backed

7. Fair Value of Financial Instruments, continued

Fair Value Descriptions, continued

Level 2 Financial Instruments, continued

securities and other debt obligations. Pricing from a third party pricing vendor varies by asset class but generally includes inputs such as estimated cash flows, benchmark yields, reported trades, issuer spreads, bids, offers, credit quality, industry events and economic events. Fair values of unaffiliated preferred stocks are priced using market quotes where stocks are not considered actively traded.

Cash and cash equivalents consist of demand deposits and highly liquid investments purchased with an original maturity date of three months or less. The carrying amounts for cash and cash equivalents approximate their fair values. Other invested assets include investments in surplus notes in which the fair values are based on quoted market prices. The fair values for separate account assets are based on published daily net asset values of the funds in which the separate accounts are invested. The carrying amounts of liabilities related to separate accounts reflect the amounts in the separate account assets and approximate their fair values.

Level 3 Financial Instruments

Level 3 financial instruments not reported at fair value include contract loans, deferred annuities and other deposit contracts. The reported amounts for contract loans approximate their fair values. The fair values for deferred annuities and other deposit contracts, which include supplementary contracts without life contingencies and deferred income settlement options, are estimated to be the cash surrender value payable upon immediate withdrawal.

Financial Instruments Carried at Fair Value

The fair values of the Company's financial instruments measured and reported at fair value are presented below (in thousands).

	Level 1	Level 2	Level 3	Total
December 31, 2016				
Short-term investments	$ 10	$ —	$—	$ 10
Investment in Thrivent Cash Management Trust	9,248	—	—	9,248
Assets held in separate accounts	—	1,460,780	—	1,460,780
Total	$ 9,258	$1,460,780	$—	$1,470,038
December 31, 2014				
Short-term investments	$ 846	$ —	$—	$ 846
Investment in Thrivent Cash Management Trust	12,643	—	—	12,643
Assets held in separate accounts	—	1,516,708	—	1,516,708
Total	$13,489	$1,516,708	$—	$1,530,197

Transfers

The Company had no transfers into or out of Level 1 or Level 2 fair value measurements during 2015 or 2014 that required disclosures. Transfers between fair value hierarchy levels are recognized at the end of the reporting period.

7. Fair Value of Financial Instruments, continued

Valuation Assumptions

The results of the valuation methods presented in this footnote are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. As a result, the derived fair value estimates, in many cases, could not be realized in immediate settlement of the financial instrument. These fair values are for certain financial instruments of the Company; accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company.

Fair Value of All Financial Instruments

The carrying value and estimated fair value of all financial instruments as of December 31 were as follows (in thousands).

	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
December 31, 2016					
Financial assets:					
Bonds	$1,999,043	$143,073	$1,901,290	$ —	$2,044,363
Unaffiliated preferred stocks	400	—	414	—	414
Cash, cash equivalents and short-term investments	98,310	10	98,300	—	98,310
Contract loans	14,155	—	—	14,155	14,155
Investment in cash management trust	9,248	9,248	—	—	9,248
Other invested assets	1,998	—	2,547	—	2,547
Assets held in separate accounts	1,460,780	—	1,460,780	—	1,460,780
Financial liabilities:					
Deferred annuities	1,672,909	—	—	1,672,269	1,672,269
Other deposit contracts	50,537	—	—	50,537	50,537
Liabilities related to separate accounts	1,460,780	—	1,460,780	—	1,460,780

	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
December 31, 2015					
Financial assets:					
Bonds	$1,870,682	$135,127	$1,755,969	$ —	$1,891,096
Unaffiliated preferred stocks	400	—	407	—	407
Cash, cash equivalents and short-term investments	75,012	846	74,166	—	75,012
Contract loans	13,370	—	—	13,371	13,371
Investments in cash management trust	12,643	12,643	—	—	12,643
Other invested assets	1,998	—	2,484	—	2,484
Assets held in separate accounts	1,516,708	—	1,516,708	—	1,516,708
Financial liabilities:					
Deferred annuities	1,516,350	—	—	1,515,877	1,515,877
Other deposit contracts	53,042	—	—	53,042	53,042
Liabilities related to separate accounts	1,516,708	—	1,516,708	—	1,516,708

8. Contingent Liabilities

The Company is involved in various lawsuits, contractual matters and other contingencies that have arisen from the normal course of business. The Company assesses its exposure to these matters periodically and adjusts its provision accordingly. As of December 31, 2016, the Company believes adequate provision has been made for any potential losses that may result from these matters.

9. Related Party Transactions

As of December 31, 2016 and 2015, the Company had no directly-owned subsidiary, controlled or affiliated (SCA) investments that are valued using methods in accordance with SSAP No. 97 *Investments in Subsidiary, Controlled and Affiliated Entities.*

The Company has an agreement whereby Thrivent Financial provides administrative and operating functions on behalf of the Company. The total value of services provided to the Company under the terms of this agreement totaled $9 million, $9 million and $10 million for the years ended December 31, 2016, 2015 and 2014, respectively, which is included in general insurance expense on the Statutory-Basis Statement of Operations. As of December 31, 2016 and 2015, the Company has a net payable to Thrivent Financial totaling $5 million and $1 million, respectively, which is included in other liabilities on the Statutory-Basis Statements of Assets, Liabilities and Capital and Surplus.

The Company has an agreement with an affiliate who distributes its variable products. Under the terms of the agreement, the Company paid commissions, bonuses and other benefits to the affiliate totaling $1 million for each of the three years ended December 31, 2016, 2015 and 2014.

10. Basis of Presentation

The preceding statutory-basis financial statements of the Company have been prepared in accordance with accounting practices prescribed or permitted by the State of Minnesota Department of Commerce, which practices differ from GAAP.

The following describes the more significant statutory accounting policies that are different from GAAP accounting policies:

Bonds and Preferred Stocks

For GAAP purposes, investments in bonds and preferred stocks are reported at fair value with unrealized gains and losses reported as a separate component of comprehensive income.

Acquisition Costs

For GAAP purposes, costs incurred that are directly related to the successful acquisition and issuance of new or renewal insurance contracts are deferred to the extent such costs are deemed recoverable from future profits and amortized in proportion to estimated margins from interest, mortality and other factors under the contracts.

Contract Liabilities

For GAAP purposes, liabilities for future contract benefit reserves and expenses are estimated based on expected experience or actual account balances.

10. Basis of Presentation, continued

Non-Admitted Assets

For GAAP purposes, certain assets are not charged directly to stockholders' equity and are not excluded from the balance sheet.

Interest Maintenance Reserve

For GAAP purposes, certain realized investment gains and losses for fixed maturity securities sold prior to their maturity are not deferred and amortized into operating results over the remaining maturity of the sold security.

Asset Valuation Reserve

For GAAP purposes, an asset valuation reserve is not maintained.

Premiums and Withdrawals

For GAAP purposes, funds deposited and withdrawn on universal life and investment-type contracts are not recorded in the income statement.

Reconciliation of Accounting Bases

Differences between GAAP financial statements and statutory-basis financial statements as of December 31, 2016 and 2015 and for the three years ended December 31, 2016 have not been quantified but are presumed to be material.

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Thrivent Life Insurance Company and
Contract Owners of TLIC Variable Insurance Account A

In our opinion, the accompanying statement of assets and liabilities and the related statements of operations and of changes in net assets present fairly, in all material respects, the financial position of each of the subaccounts of TLIC Variable Insurance Account A offered through Flexible Premium Variable Life Insurance Contract sponsored by Thrivent Life Insurance Company, as indicated in Note 1, as of December 31, 2016, the results of each of their operations for the period then ended, and the changes in each of their net assets for each of the periods indicated in Note 1, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the management of Thrivent Life Insurance Company. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of December 31, 2016 by correspondence with Thrivent Series Fund, Inc., provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP
Minneapolis, Minnesota
April 28, 2017

TLIC VARIABLE INSURANCE ACCOUNT A
STATEMENTS OF ASSETS AND LIABILITIES
DECEMBER 31, 2016

Subaccount	Investments at fair value	Net Assets	Contracts in accumulation period	Accumulation units outstanding	Unit value (accumulation)	Series funds, at cost	Series funds shares owned
Aggressive Allocation	$ 7,995,392	$ 7,995,392	$ 7,995,392	456,957	$ 17.50	$ 6,921,477	548,193
Moderately Aggressive Allocation	$27,871,858	$27,871,858	$27,871,858	1,627,627	$ 17.12	$24,162,106	1,946,753
Moderate Allocation	$25,757,313	$25,757,313	$25,757,313	1,558,418	$ 16.53	$22,873,969	1,888,892
Moderately Conservative Allocation	$ 5,555,498	$ 5,555,498	$ 5,555,498	360,087	$ 15.43	$ 5,153,045	434,706
Growth and Income Plus	$ 336,250	$ 336,250	$ 336,250	25,639	$ 13.11	$ 341,569	32,954
Balanced Income Plus	$ 559,415	$ 559,415	$ 559,415	32,490	$ 17.22	$ 598,084	39,704
Diversified Income Plus	$ 1,257,670	$ 1,257,670	$ 1,257,670	71,743	$ 17.53	$ 1,193,120	162,073
Opportunity Income Plus	$ 265,279	$ 265,279	$ 265,279	18,014	$ 14.73	$ 266,680	26,303
Partner Healthcare	$ 478,907	$ 478,907	$ 478,907	24,649	$ 19.43	$ 548,564	31,899
Partner Emerging Markets Equity	$ 220,032	$ 220,032	$ 220,032	18,834	$ 11.68	$ 227,733	19,319
Real Estate Securities	$ 669,699	$ 669,699	$ 669,699	38,547	$ 17.37	$ 512,056	28,814
Small Cap Stock	$ 1,307,922	$ 1,307,922	$ 1,307,922	70,775	$ 18.48	$ 1,102,980	70,723
Small Cap Index	$ 971,838	$ 971,838	$ 971,838	40,324	$ 24.10	$ 839,399	53,446
Mid Cap Stock	$26,319,676	$26,319,676	$26,319,676	1,093,992	$ 24.06	$22,027,436	1,379,387
Mid Cap Index	$ 729,981	$ 729,981	$ 729,981	30,791	$ 23.71	$ 615,949	42,771
Partner Worldwide Allocation	$ 7,899,107	$ 7,899,107	$ 7,899,107	777,120	$ 10.16	$ 7,063,038	868,884
Partner All Cap	$ 485,455	$ 485,455	$ 485,455	25,581	$ 18.98	$ 399,532	37,367
Large Cap Growth	$75,131,668	$75,131,668	$75,131,668	660,246	$113.79	$50,979,372	2,717,593
Partner Growth Stock	$ 555,379	$ 555,379	$ 555,379	24,981	$ 22.23	$ 471,795	30,829
Large Cap Value	$ 1,486,259	$ 1,486,259	$ 1,486,259	82,268	$ 18.07	$ 1,116,161	88,262
Large Cap Stock	$ 584,526	$ 584,526	$ 584,526	36,629	$ 15.96	$ 510,705	48,326
Large Cap Index	$ 1,020,463	$ 1,020,463	$ 1,020,463	51,224	$ 19.92	$ 841,380	32,878
High Yield	$19,798,682	$19,798,682	$19,798,682	294,474	$ 67.24	$23,830,045	4,150,493
Income	$11,084,194	$11,084,194	$11,084,194	199,015	$ 55.70	$10,900,997	1,100,835
Bond Index	$ 275,286	$ 275,286	$ 275,286	18,949	$ 14.53	$ 275,424	25,376
Limited Maturity Bond	$ 1,271,703	$ 1,271,703	$ 1,271,703	101,803	$ 12.49	$ 1,271,621	129,674
Money Market	$ 3,977,741	$ 3,977,741	$ 3,977,741	1,733,111	$ 2.30	$ 3,977,741	3,977,741

The accompanying notes are an integral part of these financial statements.

TLIC VARIABLE INSURANCE ACCOUNT A
STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Investment Income	Expenses						
Subaccount	Dividends	Mortality & expense risk charges	Net investment income (loss)	Net realized gain (loss) on sale of investments	Capital gain distributions	Change in unrealized appreciation (depreciation) of investments	Net gain (loss) on investments	Net increase (decrease) in net assets resulting from operations
Aggressive Allocation	$ 75,762	$ (46,384)	$ 29,378	$ 97,976	$ 420,933	$ 154,453	$ 673,362	$ 702,740
Moderately Aggressive Allocation	$ 400,863	$(166,026)	$234,837	$ 346,546	$1,142,026	$ 802,650	$ 2,291,222	$ 2,526,059
Moderate Allocation	$ 429,723	$(151,188)	$278,535	$ 214,830	$ 648,169	$ 874,790	$ 1,737,789	$ 2,016,324
Moderately Conservative Allocation	$ 92,840	$ (33,222)	$ 59,618	$ 61,035	$ 61,386	$ 172,000	$ 294,421	$ 354,039
Growth and Income Plus	$ 7,561	$ (1,994)	$ 5,567	$ (718)	$ 5,856	$ 9,167	$ 14,305	$ 19,872
Balanced Income Plus	$ 12,591	$ (3,093)	$ 9,498	$ (4,593)	$ 17,398	$ 9,207	$ 22,012	$ 31,510
Diversified Income Plus	$ 39,894	$ (7,107)	$ 32,787	$ 4,356	$ 3,186	$ 33,926	$ 41,468	$ 74,255
Opportunity Income Plus	$ 5,762	$ (1,022)	$ 4,740	$ (345)	$ —	$ 2,703	$ 2,358	$ 7,098
Partner Healthcare	$ 21,220	$ (3,091)	$ 18,129	$ (4,302)	$ 19,204	$ (128,390)	$ (113,488)	$ (95,359)
Partner Emerging Markets Equity	$ 2,138	$ (1,315)	$ 823	$ (1,826)	$ —	$ 20,427	$ 18,601	$ 19,424
Real Estate Securities	$ 10,053	$ (4,078)	$ 5,975	$ 17,288	$ 2,682	$ 19,939	$ 39,909	$ 45,884
Small Cap Stock	$ 3,979	$ (7,001)	$ (3,022)	$ 5,280	$ 58,067	$ 207,169	$ 270,516	$ 267,494
Small Cap Index	$ 7,058	$ (4,492)	$ 2,566	$ (356)	$ 50,794	$ 127,343	$ 177,781	$ 180,347
Mid Cap Stock	$ 86,703	$(135,884)	$ (49,181)	$ 87,485	$2,366,167	$ 3,413,635	$ 5,867,287	$ 5,818,106
Mid Cap Index	$ 5,182	$ (3,640)	$ 1,542	$ 3,230	$ 30,291	$ 78,262	$ 111,783	$ 113,325
Partner Worldwide Allocation	$ 174,003	$ (47,007)	$126,996	$ 51,324	$ —	$ 34,525	$ 85,849	$ 212,845
Partner All Cap	$ 1,324	$ (2,844)	$ (1,520)	$ 6,095	$ 22,453	$ (308)	$ 28,240	$ 26,720
Large Cap Growth	$ 413,179	$(452,424)	$ (39,245)	$1,877,364	$6,237,762	$(9,856,892)	$(1,741,766)	$(1,781,011)
Partner Growth Stock	$ —	$ (3,052)	$ (3,052)	$ 19,658	$ 23,567	$ (31,597)	$ 11,628	$ 8,576
Large Cap Value	$ 17,534	$ (7,718)	$ 9,816	$ 19,788	$ 76,112	$ 97,900	$ 193,800	$ 203,616
Large Cap Stock	$ 7,022	$ (3,109)	$ 3,913	$ 3,074	$ —	$ 21,247	$ 24,321	$ 28,234
Large Cap Index	$ 15,092	$ (5,064)	$ 10,028	$ 8,881	$ 5,214	$ 67,706	$ 81,801	$ 91,829
High Yield	$1,096,425	$(115,636)	$980,789	$ (382,727)	$ —	$ 1,597,196	$ 1,214,469	$ 2,195,258
Income	$ 391,693	$ (68,394)	$323,299	$ 31,672	$ 8,381	$ 246,835	$ 286,888	$ 610,187
Bond Index	$ 4,945	$ (1,766)	$ 3,179	$ 1,140	$ 598	$ (2,665)	$ (927)	$ 2,252
Limited Maturity Bond	$ 23,361	$ (7,256)	$ 16,105	$ (330)	$ —	$ 9,968	$ 9,638	$ 25,743
Money Market	$ —	$ (16,551)	$ (16,551)	$ —	$ —	$ —	$ —	$ (16,551)

The accompanying notes are an integral part of these financial statements.

TLIC VARIABLE INSURANCE ACCOUNT A

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	Increase (decrease) in net assets from operations				Increase (decrease) in net assets from contract related transactions							
Subaccount	Net investment income (loss)	Net realized gain (loss) on investments and capital gain distributions	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Transfers for contract benefits and terminations	Cost of insurance and administrative charges	Transfers between subaccounts	Net Change in Net Assets from Unit Transactions	Net Change in Net Assets	Net Assets Beginning of Year	Net Assets End of Year
Aggressive Allocation	$ 29,378	$ 518,909	$ 154,453	$ 702,740	$ 326,660	$ (515,007)	$ (243,458)	$ (235,201)	$ (667,006)	$ 35,734	$ 7,959,658	$ 7,995,392
Moderately Aggressive Allocation	$234,837	$1,488,572	$ 802,650	$ 2,526,059	$1,078,836	$(1,072,033)	$ (837,644)	$(1,874,534)	$(2,705,375)	$ (179,316)	$28,051,174	$27,871,858
Moderate Allocation	$278,535	$ 862,999	$ 874,790	$ 2,016,324	$ 769,290	$(1,930,102)	$ (959,339)	$ 714,238	$(1,405,913)	$ 610,411	$25,146,902	$25,757,313
Moderately Conservative Allocation	$ 59,618	$ 122,421	$ 172,000	$ 354,039	$ 148,098	$ (759,836)	$ (222,240)	$ 213,923	$ (620,055)	$ (266,016)	$ 5,821,514	$ 5,555,498
Growth and Income Plus	$ 5,567	$ 5,138	$ 9,167	$ 19,872	$ 10,797	$ (14,371)	$ (6,828)	$ (6,857)	$ (17,259)	$ 2,613	$ 333,637	$ 336,250
Balanced Income Plus	$ 9,498	$ 12,805	$ 9,207	$ 31,510	$ 13,396	$ (4,419)	$ (17,833)	$ 56,881	$ 48,025	$ 79,535	$ 479,880	$ 559,415
Diversified Income Plus	$ 32,787	$ 7,542	$ 33,926	$ 74,255	$ 48,603	$ (14,675)	$ (51,416)	$ 82,511	$ 65,023	$ 139,278	$ 1,118,392	$ 1,257,670
Opportunity Income Plus	$ 4,740	$ (345)	$ 2,703	$ 7,098	$ 10,560	$ (6,583)	$ (9,032)	$ 166,749	$ 161,694	$ 168,792	$ 96,487	$ 265,279
Partner Healthcare	$ 18,129	$ 14,902	$ (128,390)	$ (95,359)	$ 16,143	$ (6,681)	$ (15,717)	$ 12,494	$ 6,239	$ (89,120)	$ 568,027	$ 478,907
Partner Emerging Markets Equity	$ 823	$ (1,826)	$ 20,427	$ 19,424	$ 16,057	$ (6,118)	$ (5,541)	$ 1,240	$ 5,638	$ 25,062	$ 194,970	$ 220,032
Real Estate Securities	$ 5,975	$ 19,970	$ 19,939	$ 45,884	$ 18,421	$ (17,537)	$ (19,411)	$ (23,240)	$ (41,767)	$ 4,117	$ 665,582	$ 669,699
Small Cap Stock	$ (3,022)	$ 63,347	$ 207,169	$ 267,494	$ 37,937	$ (111,859)	$ (38,627)	$ (20,587)	$ (133,136)	$ 134,358	$ 1,173,564	$ 1,307,922
Small Cap Index	$ 2,566	$ 50,438	$ 127,343	$ 180,347	$ 69,754	$ (26,376)	$ (17,975)	$ 99,275	$ 124,678	$ 305,025	$ 666,813	$ 971,838
Mid Cap Stock	$ (49,181)	$2,453,652	$ 3,413,635	$ 5,818,106	$ 697,900	$ (884,370)	$ (771,235)	$ (250,258)	$(1,207,963)	$ 4,610,143	$21,709,533	$26,319,676
Mid Cap Index	$ 1,542	$ 33,521	$ 78,262	$ 113,325	$ 34,530	$ (4,303)	$ (15,890)	$ 71,725	$ 86,062	$ 199,387	$ 530,594	$ 729,981
Partner Worldwide Allocation	$126,996	$ 51,324	$ 34,525	$ 212,845	$ 432,298	$ (318,364)	$ (293,470)	$ (75,071)	$ (254,607)	$ (41,762)	$ 7,940,869	$ 7,899,107
Partner All Cap	$ (1,520)	$ 28,548	$ (308)	$ 26,720	$ 10,724	$ (2,837)	$ (11,366)	$ (8,465)	$ (11,944)	$ 14,776	$ 470,679	$ 485,455
Large Cap Growth	$ (39,245)	$8,115,126	$(9,856,892)	$(1,781,011)	$2,512,435	$(3,461,608)	$(2,385,616)	$ (811,611)	$(4,146,400)	$(5,927,411)	$81,059,079	$75,131,668
Partner Growth Stock	$ (3,052)	$ 43,225	$ (31,597)	$ 8,576	$ 14,979	$ (69,374)	$ (13,705)	$ 113,615	$ 45,515	$ 54,091	$ 501,288	$ 555,379
Large Cap Value	$ 9,816	$ 95,900	$ 97,900	$ 203,616	$ 36,802	$ (68,338)	$ (41,689)	$ 82,835	$ 9,610	$ 213,226	$ 1,273,033	$ 1,486,259
Large Cap Stock	$ 3,913	$ 3,074	$ 21,247	$ 28,234	$ 14,973	$ (13,507)	$ (15,068)	$ 83,989	$ 70,387	$ 98,621	$ 485,905	$ 584,526
Large Cap Index	$ 10,028	$ 14,095	$ 67,706	$ 91,829	$ 52,809	$ (15,443)	$ (23,390)	$ 153,799	$ 167,775	$ 259,604	$ 760,859	$ 1,020,463
High Yield	$980,789	$ (382,727)	$ 1,597,196	$ 2,195,258	$ 776,399	$ (981,174)	$ (701,868)	$ (281,596)	$(1,188,239)	$ 1,007,019	$18,791,663	$19,798,682
Income	$323,299	$ 40,053	$ 246,835	$ 610,187	$ 452,319	$ (872,878)	$ (454,938)	$ 2,433	$ (873,064)	$ (262,877)	$11,347,071	$11,084,194
Bond Index	$ 3,179	$ 1,738	$ (2,665)	$ 2,252	$ 9,348	$ (14,550)	$ (10,959)	$ 19,162	$ 3,001	$ 5,253	$ 270,033	$ 275,286
Limited Maturity Bond	$ 16,105	$ (330)	$ 9,968	$ 25,743	$ 56,784	$ (66,913)	$ (67,858)	$ 119,237	$ 41,250	$ 66,993	$ 1,204,710	$ 1,271,703
Money Market	$ (16,551)	$ —	$ —	$ (16,551)	$ 361,716	$ (285,011)	$ (273,247)	$ 1,593,341	$ 1,396,799	$ 1,380,248	$ 2,597,493	$ 3,977,741

The accompanying notes are an integral part of these financial statements.

TLIC VARIABLE INSURANCE ACCOUNT A
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Increase (decrease) in net assets from operations				Increase (decrease) in net assets from contract related transactions							
Subaccount	Net investment income (loss)	Net realized gain (loss) on investments and capital gain distributions	Change in net unrealized appreciation (depreciation) on investments	Net Change in Net Assets from Operations	Proceeds from units issued	Transfers for contract benefits and terminations	Cost of insurance and administrative charges	Transfers between subaccounts	Net Change in Net Assets from Unit Transactions	Net Change in Net Assets	Net Assets Beginning of Year	Net Assets End of Year
Aggressive Allocation	$ 39,255	$ 805,240	$ (918,535)	$ (74,040)	$ 368,185	$ (492,924)	$ (234,866)	$ (439,980)	$ (799,585)	$ (873,625)	$ 8,833,283	$ 7,959,658
Moderately Aggressive Allocation	$ 193,139	$1,562,675	$(2,108,276)	$ (352,462)	$1,091,245	$ (917,085)	$ (760,111)	$ 547,709	$ (38,242)	$ (390,704)	$28,441,878	$28,051,174
Moderate Allocation	$ 230,312	$1,271,921	$(1,800,969)	$ (298,736)	$ 817,995	$(1,502,867)	$ (883,630)	$ 1,335,282	$ (233,220)	$ (531,956)	$25,678,858	$25,146,902
Moderately Conservative Allocation	$ 69,651	$ 276,492	$ (391,769)	$ (45,626)	$ 229,628	$ (775,398)	$ (236,311)	$ 199,843	$ (582,238)	$ (627,864)	$ 6,449,378	$ 5,821,514
Growth and Income Plus	$ 4,981	$ 15,862	$ (25,075)	$ (4,232)	$ 5,547	$ (9,113)	$ (6,004)	$ (23,982)	$ (33,552)	$ (37,784)	$ 371,421	$ 333,637
Balanced Income Plus	$ 7,434	$ 12,835	$ (23,487)	$ (3,218)	$ 14,346	$ (55,697)	$ (15,215)	$ (16,197)	$ (72,763)	$ (75,981)	$ 555,861	$ 479,880
Diversified Income Plus	$ 31,651	$ 33,726	$ (73,776)	$ (8,399)	$ 68,659	$ (106,154)	$ (47,873)	$ 127,875	$ 42,507	$ 34,108	$ 1,084,284	$ 1,118,392
Opportunity Income Plus	$ 2,816	$ (594)	$ (2,983)	$ (761)	$ 4,231	$ (29,540)	$ (7,145)	$ 36,760	$ 4,306	$ 3,545	$ 92,942	$ 96,487
Partner Healthcare	$ (2,979)	$ 54,365	$ (48,001)	$ 3,385	$ 20,069	$ (100,900)	$ (12,686)	$ 227,453	$ 133,936	$ 137,321	$ 430,706	$ 568,027
Partner Emerging Markets Equity	$ 1,357	$ 684	$ (33,890)	$ (31,849)	$ 14,265	$ (75,925)	$ (5,857)	$ (22,099)	$ (89,616)	$ (121,465)	$ 316,435	$ 194,970
Real Estate Securities	$ 5,662	$ 36,082	$ (30,176)	$ 11,568	$ 17,392	$ (16,147)	$ (16,525)	$ 68,727	$ 53,447	$ 65,015	$ 600,567	$ 665,582
Small Cap Stock	$ (2,520)	$ 55,166	$ (102,671)	$ (50,025)	$ 19,955	$ (17,394)	$ (22,546)	$ 869,464	$ 849,479	$ 799,454	$ 374,110	$ 1,173,564
Small Cap Index	$ 1,155	$ 46,672	$ (67,745)	$ (19,918)	$ 13,383	$ (2,687)	$ (14,790)	$ 82,103	$ 78,009	$ 58,091	$ 608,722	$ 666,813
Mid Cap Stock	$ (46,198)	$ 89,712	$ 696,420	$ 739,934	$ 250,048	$ (555,521)	$ (256,833)	$20,924,965	$20,362,659	$21,102,593	$ 606,940	$21,709,533
Mid Cap Index	$ 362	$ 48,609	$ (64,623)	$ (15,652)	$ 9,199	$ (835)	$ (12,317)	$ (8,110)	$ (12,063)	$ (27,715)	$ 558,309	$ 530,594
Partner Worldwide Allocation	$ 157,248	$ 103,167	$ (367,879)	$ (107,464)	$ 447,231	$ (261,175)	$ (282,474)	$ (260,340)	$ (356,758)	$ (464,222)	$ 8,405,091	$ 7,940,869
Partner All Cap	$ (1,251)	$ 59,082	$ (50,128)	$ 7,703	$ 10,165	$ (12,247)	$ (11,352)	$ 11,702	$ (1,732)	$ 5,971	$ 464,708	$ 470,679
Large Cap Growth	$ (152,241)	$2,205,926	$ 5,413,799	$7,467,484	$2,581,831	$(3,655,677)	$(2,284,798)	$(1,110,253)	$(4,468,897)	$ 2,998,587	$78,060,492	$81,059,079
Partner Growth Stock	$ (2,794)	$ 59,192	$ (12,350)	$ 44,048	$ 11,311	$ (18,420)	$ (13,222)	$ 28,748	$ 8,417	$ 52,465	$ 448,823	$ 501,288
Large Cap Value	$ 9,507	$ 71,366	$ (138,172)	$ (57,299)	$ 37,099	$ (67,194)	$ (40,618)	$ (12,948)	$ (83,661)	$ (140,960)	$ 1,413,993	$ 1,273,033
Large Cap Stock	$ 1,677	$ 32,958	$ (21,657)	$ 12,978	$ 11,609	$ (21,482)	$ (10,954)	$ 137,468	$ 116,641	$ 129,619	$ 356,286	$ 485,905
Large Cap Index	$ 5,058	$ 15,926	$ (18,791)	$ 2,193	$ 19,589	$ (12,869)	$ (19,722)	$ 136,470	$ 123,468	$ 125,661	$ 635,198	$ 760,859
High Yield	$1,042,609	$ (326,633)	$(1,336,615)	$ (620,639)	$ 802,462	$ (970,636)	$ (674,042)	$ (347,047)	$(1,189,263)	$(1,809,902)	$20,601,565	$18,791,663
Income	$ 362,220	$ 297,214	$ (801,957)	$ (142,523)	$ 498,928	$ (611,330)	$ (434,852)	$ (73,076)	$ (620,330)	$ (762,853)	$12,109,924	$11,347,071
Bond Index	$ 3,160	$ 385	$ (2,993)	$ 552	$ 6,906	$ (7,252)	$ (7,081)	$ 5,839	$ (1,588)	$ (1,036)	$ 271,069	$ 270,033
Limited Maturity Bond	$ 13,449	$ 1,107	$ (12,225)	$ 2,331	$ 47,761	$ (230,959)	$ (66,638)	$ 88,639	$ (161,197)	$ (158,866)	$ 1,363,576	$ 1,204,710
Money Market	$ (14,264)	$ —	$ —	$ (14,264)	$ 286,127	$ (206,204)	$ (269,649)	$ 373,534	$ 183,808	$ 169,544	$ 2,427,949	$ 2,597,493

The accompanying notes are an integral part of these financial statements.

TLIC VARIABLE INSURANCE ACCOUNT A
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

(1) ORGANIZATION

The TLIC Variable Insurance Account A (the Variable Account) is registered as a unit investment trust under the Investment Company Act of 1940, and is a separate account of Thrivent Life Insurance Company (TLIC). TLIC offers financial services to Lutherans and through its parent, Thrivent Financial Holdings, Inc., a wholly owned subsidiary of Thrivent Financial for Lutherans (Thrivent Financial), a fraternal benefit society. The Variable Account contains 27 subaccounts each of which invests in a corresponding portfolio of the Thrivent Series Fund, Inc. (each a Fund and collectively the Funds), as provided below. For each subaccount, the financial statements are comprised of a statement of assets and liabilities as of December 31, 2016, a related statement of operations for the year then ended and statements of changes in net assets for each of the two years in the period then ended, all presented to reflect a full twelve month period except as noted below.

Subaccount	Series
Aggressive Allocation	Thrivent Series Fund, Inc. — Aggressive Allocation Portfolio
Moderately Aggressive Allocation	Thrivent Series Fund, Inc. — Moderately Aggressive Allocation Portfolio
Moderate Allocation	Thrivent Series Fund, Inc. — Moderate Allocation Portfolio
Moderately Conservative Allocation	Thrivent Series Fund, Inc. — Moderately Conservative Allocation Portfolio
Growth and Income Plus (j)	Thrivent Series Fund, Inc. — Growth and Income Plus Portfolio
Balanced Income Plus (k)	Thrivent Series Fund, Inc. — Balanced Income Plus Portfolio
Diversified Income Plus (o)	Thrivent Series Fund, Inc. — Diversified Income Plus Portfolio
Opportunity Income Plus (l)	Thrivent Series Fund, Inc. — Opportunity Income Plus Portfolio
Partner Healthcare	Thrivent Series Fund, Inc. — Partner Healthcare Portfolio
Partner Emerging Markets Equity (q)	Thrivent Series Fund, Inc. — Partner Emerging Markets Equity Portfolio
Real Estate Securities	Thrivent Series Fund, Inc. — Real Estate Securities Portfolio
Small Cap Stock (a, b)	Thrivent Series Fund, Inc. — Small Cap Stock Portfolio
Small Cap Index	Thrivent Series Fund, Inc. — Small Cap Index Portfolio
Mid Cap Stock (c, d)	Thrivent Series Fund, Inc. — Mid Cap Stock Portfolio
Mid Cap Index	Thrivent Series Fund, Inc. — Mid Cap Index Portfolio
Partner Worldwide Allocation (m)	Thrivent Series Fund, Inc. — Partner Worldwide Allocation Portfolio
Partner All Cap	Thrivent Series Fund, Inc. — Partner All Cap Portfolio
Large Cap Growth (f, n)	Thrivent Series Fund, Inc. — Large Cap Growth Portfolio
Partner Growth Stock	Thrivent Series Fund, Inc. — Partner Growth Stock Portfolio
Large Cap Value	Thrivent Series Fund, Inc. — Large Cap Value Portfolio
Large Cap Stock (e, g, h, i)	Thrivent Series Fund, Inc. — Large Cap Stock Portfolio
Large Cap Index	Thrivent Series Fund, Inc. — Large Cap Index Portfolio
High Yield	Thrivent Series Fund, Inc. — High Yield Portfolio
Income (p)	Thrivent Series Fund, Inc. — Income Portfolio
Bond Index	Thrivent Series Fund, Inc. — Bond Index Portfolio
Limited Maturity Bond	Thrivent Series Fund, Inc. — Limited Maturity Bond Portfolio
Money Market	Thrivent Series Fund, Inc. — Money Market Portfolio

(a) Partner Small Cap Growth merged into the Small Cap Stock Portfolio as of August 21, 2015.
(b) Partner Small Cap Value merged into the Small Cap Stock Portfolio as of August 21, 2015.
(c) Mid Cap Growth merged into the Mid Cap Stock Portfolio as of August 21, 2015.

(1) ORGANIZATION - continued

(d) Partner Mid Cap Value merged into the Mid Cap Stock Portfolio as of August 21, 2015.
(e) Natural Resources merged into the Large Cap Stock Portfolio as of August 21, 2015.
(f) Partner Technology merged into the Large Cap Growth Portfolio as of August 21, 2015.
(g) Partner All Cap Value Portfolio merged into the Large Cap Stock Portfolio as of August 16, 2013.
(h) Partner All Cap Growth Portfolio merged into the Large Cap Stock Portfolio as of August 16, 2013.
(i) Partner Socially Responsible Stock Portfolio merged into the Large Cap Stock Portfolio as of August 16, 2013.
(j) Formerly known as Equity Income Plus, name change effective August 16, 2013.
(k) Formerly known as Balanced, name change effective August 16, 2013.
(l) Formerly known as Mortgage Securities, name change effective August 16, 2013.
(m) Partner International Stock Portfolio merged into the Partner Worldwide Allocation Portfolio as of July 27, 2012.
(n) Large Cap Growth Portfolio II merged into the Large Cap Growth Portfolio as of July 27, 2012.
(o) Partner Utilities Portfolio merged into the Diversified Income Plus Portfolio as of July 27, 2012.
(p) Partner Socially Responsible Bond Portfolio merged into the Income Portfolio as of July 27, 2012.
(q) Formerly Partner Emerging Markets, name change effective July 27, 2012.

The Funds are registered under the Investment Company Act of 1940 as a diversified open-end investment company. The Funds are managed by Thrivent Investment Management, Inc. which is an affiliate of Thrivent Financial.

The Variable Account is used to fund flexible premium variable life (Variable Universal Life) insurance contracts issued by TLIC. Under applicable insurance law, the assets and liabilities of the Variable Account are clearly identified and distinguished from the other assets and liabilities of TLIC. The assets of the Variable Account will not be charged with any liabilities arising out of any other business conducted by the insurance operations of TLIC.

(2) SIGNIFICANT ACCOUNTING POLICIES

The Variable Account applies the accounting and reporting guidance for investment companies as outlined in Accounting Standards Codification (ASC) 946.

Valuation of Investments

The investments in shares of the Funds are stated at fair value which is the closing net asset value per share as determined by the Fund. The cost of shares sold and redeemed is determined on the average cost method. Dividend distributions received from the Fund are reinvested in additional shares of the Fund and recorded as income by the subaccount on the ex-dividend date. Series Fund shares owned represent the number of shares of the Fund owned by the subaccount.

Federal Income Taxes

TLIC is taxed as a life insurance company and includes its single premium variable life insurance operations in its tax return. Under existing federal income tax law, no income taxes are payable with respect to any investment income of the accounts to the extent the earnings are credited under the contracts. Based on this, TLIC anticipates no tax liability resulting from operations of the Variable Account and no provision for income taxes has been charged against the Variable Account. TLIC will periodically review the status of this policy in the event of changes in the tax law and reserves the right to charge for taxes in the future.

(2) SIGNIFICANT ACCOUNTING POLICIES - continued

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

In estimating the fair values for financial instruments carried at fair value, the amount of observable and unobservable inputs used to determine fair value are taken into consideration. Each of the financial instruments must be classified into one of three categories based on that evaluation:

Level 1: Fair value based on quoted prices for identical assets in active markets that are accessible.
Level 2: Fair value based on quoted prices for similar instruments in active markets that are accessible; quoted prices for identical or similar instruments in markets that are not active; or model-derived valuations where the significant value driver inputs are observable.
Level 3: Fair value based on significant value driver inputs that are not observable.

The fair values for the subaccount's investments are based on the quoted daily net asset values of the Funds in which the subaccounts are invested. These investments have been categorized as Level 2 assets.

Subsequent Events

Management has evaluated Variable Account related events and transactions that occurred during the period from the date of the Statement of Assets and Liabilities through the date of issuance of the Variable Account's financial statements. There were no events or transactions that occurred during the period that materially impacted the amounts or disclosures in the Variable Account's financial statements.

(3) EXPENSE CHARGES AND OTHER TRANSACTIONS WITH AFFILIATES

Amounts are paid to TLIC for mortality and expense risks assumed in connection with the contracts at a percentage of the subaccounts. The mortality and expense risk charges for each of the variable subaccounts are reported in the statements of operations. This charge for mortality and expense risks is guaranteed not to exceed, on an annual basis, 0.75% of the daily value of the subaccount.

Prior to the allocation of premiums to the variable account, TLIC deducts charges to cover a portion of the sales expenses and taxes incurred by Thrivent Life. These charges include the percent of premium charge, the premium processing charge and the premium tax charge. Refer to the product prospectus for the applicable rate.

TLIC charges a basic monthly administrative fee and an initial monthly administrative fee for administrative expenses. The basic monthly administrative fee is charged for the life of the contract. The initial monthly administrative charge applies to the first 180 monthly deductions after issue and the first 180 monthly deductions after an increase in face amount. For VUL 1 (Variable Universal Life 1) contracts, the initial monthly administrative charge continues for 120 monthly deductions instead of 180 monthly deductions. Refer to the product prospectus for the applicable administrative charge rates.

(3) EXPENSE CHARGES AND OTHER TRANSACTIONS WITH AFFILIATES - continued

TLIC assumes responsibility for providing the insurance benefit included in the contract. On a monthly basis, a cost of insurance charge is deducted proportionately from the value of each variable subaccount. The cost of insurance charge depends on the attained age, risk classification, gender (in most states) and the current net amount at risk.

TLIC assesses a transfer fee to each transfer from the subaccounts in excess of the first two transfers made in a contract year. The transfer charge applies to VULI contracts only. Refer to the product prospectus for the applicable charge.

TLIC, upon lapse, surrender or face amount reduction, will charge a decrease charge to compensate Thrivent Life for certain selling and administrative expenses. The decrease charge consists of the contingent deferred sales charge and the deferred administrative charge. The decrease charge applies if you surrender the contract or let it lapse, or in part if you request a decrease in the face amount, in each case at any time before 180 monthly deductions (120 monthly deductions for VUL 1 contracts) have been made after issuance of a contract or after a requested increase in face amount. The charge that applies will depend on the amount of decrease in face amount, amount of coverage and the amount of years since issuance of a contract or after an increase in face amount. In no event will the surrender charge exceed the maximum allowed by state or federal law. Refer to the product prospectus for the applicable charge.

TLIC charges an administrative fee for each partial surrender that is taken. Refer to the product prospectus for applicable charges.

Additionally, during the year ended December 31, 2016, management fees were paid indirectly to Thrivent Financial in its capacity as advisor to the Fund. Additional details of these net asset based charges paid by the funds can be found in the Fund’s annual report.

(4) UNIT ACTIVITY

Transactions in units (including transfers among subaccounts) were as follows:

Subaccount	Units Outstanding at January 1, 2015	Units Issued	Units Issued as a result of merger	Units Redeemed	Units Outstanding at December 31, 2015	Units Issued	Units Redeemed	Units Outstanding at December 31, 2016
Aggressive Allocation	546,810	44,384	—	(93,269)	497,925	37,056	(78,024)	456,957
Moderately Aggressive Allocation	1,795,523	153,151	—	(153,738)	1,794,936	103,526	(270,835)	1,627,627
Moderate Allocation	1,662,232	158,188	—	(173,601)	1,646,819	118,639	(207,040)	1,558,418
Moderately Conservative Allocation	440,906	49,734	—	(88,422)	402,218	35,369	(77,500)	360,087
Growth and Income Plus	29,596	2,504	—	(5,136)	26,964	889	(2,214)	25,639
Balanced Income Plus	34,103	1,471	—	(5,913)	29,661	6,348	(3,519)	32,490
Diversified Income Plus	65,490	14,902	—	(12,487)	67,905	11,522	(7,684)	71,743
Opportunity Income Plus	6,631	3,110	—	(2,813)	6,928	12,287	(1,201)	18,014
Partner Healthcare	19,245	10,460	—	(5,296)	24,409	5,872	(5,632)	24,649
Partner Emerging Markets Equity	25,803	2,325	—	(9,617)	18,511	3,733	(3,410)	18,834
Real Estate Securities	37,726	6,178	—	(2,967)	40,937	2,494	(4,884)	38,547
Small Cap Stock	24,403	2,885	60,453	(8,242)	79,499	8,767	(17,491)	70,775
Small Cap Index	30,792	5,492	—	(1,598)	34,686	8,882	(3,244)	40,324
Mid Cap Stock	32,111	15,927	1,186,397	(79,906)	1,154,529	71,258	(131,795)	1,093,992
Mid Cap Index	27,317	6,136	—	(6,661)	26,792	5,900	(1,901)	30,791
Partner Worldwide Allocation	837,771	73,759	—	(108,971)	802,559	65,095	(90,534)	777,120
Partner All Cap	26,171	1,838	—	(1,931)	26,078	1,907	(2,404)	25,581
Large Cap Growth	737,740	34,741	1,191	(76,076)	697,596	34,491	(71,841)	660,246
Partner Growth Stock	22,371	2,892	—	(2,547)	22,716	8,466	(6,201)	24,981
Large Cap Value	87,616	3,612	—	(8,966)	82,262	9,035	(9,029)	82,268
Large Cap Stock	23,981	1,572	9,375	(3,020)	31,908	7,520	(2,799)	36,629
Large Cap Index	35,578	11,614	—	(4,792)	42,400	12,820	(3,996)	51,224
High Yield	332,218	17,582	—	(36,512)	313,288	16,485	(35,299)	294,474
Income	226,367	12,840	—	(24,371)	214,836	13,612	(29,433)	199,015
Bond Index	18,860	1,018	—	(1,126)	18,752	3,595	(3,398)	18,949
Limited Maturity Bond	111,728	12,853	—	(26,000)	98,581	18,959	(15,737)	101,803
Money Market	1,045,229	379,739	—	(300,019)	1,124,949	932,839	(324,677)	1,733,111

(5) PURCHASES AND SALES OF INVESTMENTS

The aggregate costs of purchases and proceeds from sales of investments in the Funds for the year ended December 31, 2016 were as follows:

Subaccount	Purchases	Sales
Aggressive Allocation	$ 775,401	$ 992,096
Moderately Aggressive Allocation	2,272,047	3,600,559
Moderate Allocation	1,985,430	2,464,639
Moderately Conservative Allocation	542,976	1,042,028
Growth and Income Plus	21,568	27,404
Balanced Income Plus	130,560	55,640
Diversified Income Plus	202,463	101,468
Opportunity Income Plus	180,472	14,038
Partner Healthcare	152,329	108,758
Partner Emerging Markets Equity	42,399	35,939
Real Estate Securities	38,923	72,033
Small Cap Stock	168,361	246,452
Small Cap Index	232,241	54,202
Mid Cap Stock	2,928,027	1,819,004
Mid Cap Index	151,617	33,722
Partner Worldwide Allocation	398,107	525,719
Partner All Cap	48,329	39,339
Large Cap Growth	7,380,807	5,328,689
Partner Growth Stock	189,551	123,522
Large Cap Value	210,192	114,653
Large Cap Stock	108,393	34,094
Large Cap Index	243,120	60,102
High Yield	1,309,770	1,517,221
Income	656,311	1,197,694
Bond Index	53,192	46,413
Limited Maturity Bond	222,833	165,478
Money Market	1,908,140	527,892

(6) FINANCIAL HIGHLIGHTS

A summary of units outstanding, unit values, net assets, expense ratios, investment income ratios and total return ratios for each of the five years in the period ended December 31, 2016, except as indicated in Note 1, follows:

Subaccount	2016	2015	2014	2013	2012
Aggressive Allocation					
Units	456,957	497,925	546,810	531,329	549,698
Unit value	$ 17.50	$ 15.99	$ 16.15	$ 15.33	$ 12.14
Net assets	$ 7,995,392	$ 7,959,658	$ 8,833,283	$ 8,144,251	$ 6,671,634
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.98%	1.05%	0.44%	1.25%	0.62%
Total return (c)	9.45%	(1.04)%	5.39%	26.29%	11.57%
Moderately Aggressive Allocation					
Units	1,627,627	1,794,936	1,795,523	1,822,373	1,810,410
Unit value	$ 17.12	$ 15.63	$ 15.84	$ 15.03	$ 12.46
Net assets	$27,871,858	$28,051,174	$28,441,878	$27,384,352	$22,562,205
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.45%	1.28%	0.85%	1.50%	1.18%
Total return (c)	9.57%	(1.34)%	5.41%	20.58%	12.19%
Moderate Allocation					
Units	1,558,418	1,646,819	1,662,232	1,620,656	1,762,842
Unit value	$ 16.53	$ 15.27	$ 15.45	$ 14.68	$ 12.83
Net assets	$25,757,313	$25,146,902	$25,678,858	$23,788,421	$22,612,384
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.71%	1.49%	1.13%	1.50%	1.54%
Total return (c)	8.24%	(1.16)%	5.25%	14.43%	11.05%
Moderately Conservative Allocation					
Units	360,087	402,218	440,906	444,615	371,238
Unit value	$ 15.43	$ 14.47	$ 14.63	$ 13.97	$ 12.89
Net assets	$ 5,555,498	$ 5,821,514	$ 6,449,378	$ 6,212,393	$ 4,786,675
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.68%	1.73%	1.52%	1.51%	1.57%
Total return (c)	6.60%	(1.05)%	4.69%	8.37%	8.93%
Growth and Income Plus					
Units	25,639	26,964	29,596	21,467	10,835
Unit value	$ 13.11	$ 12.37	$ 12.55	$ 12.35	$ 10.25
Net assets	$ 336,250	$ 333,637	$ 371,421	$ 265,169	$ 111,058
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	2.28%	2.05%	2.71%	1.70%	1.49%
Total return (c)	5.99%	(1.41)%	1.60%	20.52%	12.48%

(6) FINANCIAL HIGHLIGHTS - continued

Subaccount	2016	2015	2014	2013	2012
Balanced Income Plus					
Units	32,490	29,661	34,103	32,280	25,112
Unit value	$ 17.22	$ 16.18	$ 16.30	$ 15.46	$ 13.19
Net assets	$ 559,415	$ 479,880	$ 555,861	$499,009	$331,103
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	2.44%	2.12%	1.57%	1.82%	2.10%
Total return (c)	6.42%	(0.74)%	5.44%	17.24%	11.75%
Diversified Income Plus					
Units	71,743	67,905	65,490	60,054	53,780
Unit value	$ 17.53	$ 16.47	$ 16.56	$ 15.97	$ 14.45
Net assets	$1,257,670	$1,118,392	$1,084,284	$959,252	$777,362
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	3.37%	3.38%	2.90%	2.46%	3.05%
Total return (c)	6.44%	(0.52)%	3.65%	10.51%	13.80%
Opportunity Income Plus					
Units	18,014	6,928	6,631	7,474	7,508
Unit value	$ 14.73	$ 13.93	$ 14.02	$ 13.63	$ 13.90
Net assets	$ 265,279	$ 96,487	$ 92,942	$101,843	$104,360
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	3.37%	3.39%	3.43%	2.44%	1.53%
Total return (c)	5.74%	(0.63)%	2.86%	(1.98)%	5.36%
Partner Healthcare					
Units	24,649	24,409	19,245	14,648	11,275
Unit value	$ 19.43	$ 23.27	$ 22.38	$ 18.12	$ 13.91
Net assets	$ 478,907	$ 568,027	$ 430,706	$265,473	$156,819
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	4.12%	0.01%	0.00%	0.34%	0.25%
Total return (c)	(16.51)%	3.98%	23.49%	30.31%	19.95%
Partner Emerging Markets Equity					
Units	18,834	18,511	25,803	22,740	19,875
Unit value	$ 11.68	$ 10.53	$ 12.26	$ 12.63	$ 13.71
Net assets	$ 220,032	$ 194,970	$ 316,435	$287,116	$272,453
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.98%	1.17%	0.96%	1.03%	0.52%
Total return (c)	10.92%	(14.11)%	(2.87)%	(7.90)%	25.22%
Real Estate Securities					
Units	38,547	40,937	37,726	36,287	36,948
Unit value	$ 17.37	$ 16.26	$ 15.92	$ 12.24	$ 12.05
Net assets	$ 669,699	$ 665,582	$ 600,567	$444,220	$445,306
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.48%	1.48%	1.43%	1.43%	3.65%
Total return (c)	6.86%	2.13%	30.04%	1.57%	16.83%

(6) FINANCIAL HIGHLIGHTS - continued

Subaccount	2016	2015	2014	2013	2012
Small Cap Stock					
Units	70,775	79,499	24,403	22,392	21,219
Unit value	$ 18.48	$ 14.76	$ 15.33	$ 14.72	$ 10.90
Net assets	$ 1,307,922	$ 1,173,564	$ 374,110	$ 329,669	$ 231,256
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.34%	0.24%	0.23%	0.36%	0.00%
Total return (c)	25.19%	(3.71)%	4.13%	35.09%	8.76%
Small Cap Index					
Units	40,324	34,686	30,792	33,836	26,908
Unit value	$ 24.10	$ 19.22	$ 19.77	$ 18.88	$ 13.48
Net assets	$ 971,838	$ 666,813	$ 608,722	$ 638,665	$ 362,824
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.94%	0.78%	0.74%	1.21%	0.65%
Total return (c)	25.37%	(2.76)%	4.73%	39.99%	15.25%
Mid Cap Stock					
Units	1,093,992	1,154,529	32,111	32,099	32,037
Unit value	$ 24.06	$ 18.80	$ 18.90	$ 16.99	$ 12.61
Net assets	$26,319,676	$21,709,533	$ 606,940	$ 545,315	$ 404,091
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.38%	0.04%	0.31%	0.38%	0.25%
Total return (c)	27.94%	(0.52)%	11.26%	34.69%	13.60%
Mid Cap Index					
Units	30,791	26,792	27,317	28,180	23,881
Unit value	$ 23.71	$ 19.80	$ 20.44	$ 18.82	$ 14.24
Net assets	$ 729,981	$ 530,594	$ 558,309	$ 530,220	$ 340,073
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.85%	0.67%	0.77%	0.90%	0.71%
Total return (c)	19.71%	(3.10)%	8.62%	32.13%	16.67%
Partner Worldwide Allocation					
Units	777,120	802,559	837,771	874,377	904,275
Unit value	$ 10.16	$ 9.89	$ 10.03	$ 10.66	$ 9.22
Net assets	$ 7,899,107	$ 7,940,869	$8,405,091	$9,324,045	$8,340,338
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	2.22%	2.47%	2.04%	0.03%	3.16%
Total return (c)	2.73%	(1.38)%	(5.92)%	15.62%	17.94%
Partner All Cap					
Units	25,581	26,078	26,171	28,256	30,556
Unit value	$ 18.98	$ 18.05	$ 17.76	$ 15.91	$ 12.05
Net assets	$ 485,455	$ 470,679	$ 464,708	$ 449,625	$ 368,198
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.28%	0.34%	0.61%	0.75%	0.45%
Total return (c)	5.14%	1.65%	11.59%	32.06%	14.05%

(6) FINANCIAL HIGHLIGHTS - continued

Subaccount	2016	2015	2014	2013	2012
Large Cap Growth					
Units	660,246	697,596	737,740	778,468	831,693
Unit value	$ 113.79	$ 116.20	$ 105.81	$ 95.90	$ 70.87
Net assets	$75,131,668	$81,059,079	$78,060,492	$74,658,619	$58,942,818
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.55%	0.41%	0.63%	0.64%	1.15%
Total return (c)	(2.07)%	9.82%	10.33%	35.32%	18.46%
Partner Growth Stock					
Units	24,981	22,716	22,371	30,123	27,167
Unit value	$ 22.23	$ 22.07	$ 20.06	$ 18.60	$ 13.48
Net assets	$ 555,379	$ 501,288	$ 448,823	$ 560,278	$ 366,124
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.00%	0.00%	0.00%	0.03%	0.00%
Total return (c)	0.75%	9.99%	7.87%	38.01%	17.94%
Large Cap Value					
Units	82,268	82,262	87,616	86,170	89,813
Unit value	$ 18.07	$ 15.48	$ 16.14	$ 14.89	$ 11.36
Net assets	$ 1,486,259	$ 1,273,033	$ 1,413,993	$ 1,283,135	$ 1,020,650
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.36%	1.30%	1.23%	1.48%	1.67%
Total return (c)	16.74%	(4.11)%	8.38%	31.03%	16.86%
Large Cap Stock					
Units	36,629	31,908	23,981	25,240	13,083
Unit value	$ 15.96	$ 15.23	$ 14.86	$ 14.20	$ 11.02
Net assets	$ 584,526	$ 485,905	$ 356,286	$ 358,299	$ 144,165
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.35%	1.02%	0.87%	0.92%	0.97%
Total return (c)	4.79%	2.50%	4.66%	28.83%	14.21%
Large Cap Index					
Units	51,224	42,400	35,578	33,999	26,657
Unit value	$ 19.92	$ 17.94	$ 17.85	$ 15.86	$ 12.11
Net assets	$ 1,020,463	$ 760,859	$ 635,198	$ 539,227	$ 322,694
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.79%	1.30%	1.41%	1.66%	1.57%
Total return (c)	11.01%	0.51%	12.57%	31.02%	14.84%
High Yield					
Units	294,474	313,288	332,218	355,064	380,306
Unit value	$ 67.24	$ 59.98	$ 62.01	$ 61.19	$ 57.58
Net assets	$19,798,682	$18,791,663	$20,601,565	$21,724,020	$21,896,359
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	5.69%	5.73%	5.89%	6.29%	7.10%
Total return (c)	12.09%	(3.27)%	1.35%	6.27%	15.61%

(6) FINANCIAL HIGHLIGHTS - continued

Subaccount	2016	2015	2014	2013	2012
Income					
Units	199,015	214,836	226,367	248,557	270,296
Unit value	$ 55.70	$ 52.82	$ 53.50	$ 50.45	$ 50.79
Net assets	$11,084,194	$11,347,071	$12,109,924	$12,539,134	$13,726,922
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	3.44%	3.67%	3.76%	3.76%	3.83%
Total return (c)	5.45%	(1.27)%	6.04%	(0.66)%	10.33%
Bond Index					
Units	18,949	18,752	18,860	22,934	32,290
Unit value	$ 14.53	$ 14.40	$ 14.37	$ 13.57	$ 14.00
Net assets	$ 275,286	$ 270,033	$ 271,069	$ 311,296	$ 452,071
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.68%	1.78%	2.23%	1.96%	2.00%
Total return (c)	0.88%	0.19%	5.89%	(3.05)%	4.32%
Limited Maturity Bond					
Units	101,803	98,581	111,728	113,783	98,563
Unit value	$ 12.49	$ 12.22	$ 12.20	$ 12.08	$ 12.09
Net assets	$ 1,271,703	$ 1,204,710	$ 1,363,576	$ 1,373,952	$ 1,191,908
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	1.93%	1.67%	1.71%	1.52%	1.64%
Total return (c)	2.22%	0.13%	1.07%	(0.15)%	3.69%
Money Market					
Units	1,733,111	1,124,949	1,045,229	1,065,733	1,204,465
Unit value	$ 2.30	$ 2.31	$ 2.32	$ 2.34	$ 2.35
Net assets	$ 3,977,741	$ 2,597,493	$ 2,427,949	$ 2,490,475	$ 2,831,594
Ratio of expenses to net assets (a)	0.60%	0.60%	0.60%	0.60%	0.60%
Investment income ratio (b)	0.00%	0.00%	0.00%	0.00%	0.00%
Total return (c)	(0.60)%	(0.60)%	(0.60)%	(0.60)%	(0.60)%

(a) These amounts represent the annualized contract expenses of the separate account, consisting primarily of mortality and expense charges, for each period indicated. The ratios include only those expenses that result in a direct reduction to unit values. Charges made directly to contract owner accounts through the redemption of units and expenses of the underlying fund have been excluded.

(b) These amounts represent the dividends, excluding distributions of capital gains, received by the subaccount from the underlying mutual fund net of management fees assessed by the fund manager, divided by the average net assets. These ratios exclude those expenses, such as mortality and expense charges, that are assessed against the contract owner accounts either through reductions in the unit values or the redemption of units. The recognition of investment income is affected by the timing of the declaration of dividends by the underlying fund in which the subaccount invests.

(c) These amounts represent the total return for periods indicated, including changes in the value of the underlying fund, and expenses assessed through the reduction of unit values. These ratios do not include any expenses assessed through the redemption of units. Investment options with a date notation in Note 1 indicate the effective date of the investment option in the Variable Account.

(7) SUBACCOUNT MERGERS

A Special Meeting of shareholders of the Thrivent Partner Partner Small Cap Growth Portfolio, Thrivent Partner Small Cap Value Portfolio, Thrivent Mid Cap Growth Portfolio, Thrivent Partner Mid Cap Value Portfolio, Thrivent Natural Resources Portfolio, and Thrivent Partner Technology (the "Target Portfolios") each of which is a separate series of Thrivent Series Fund, Inc. ("the Fund"), was held on August 14, 2015. The Contractholders of each Subaccount voted in favor of merging the Target Portfolios into the Portfolios shown below ("the Acquiring Portfolios") effective August 21, 2015.

	The Target Portfolio		The Acquiring Portfolio
Merger 1	Thrivent Partner Small Cap Growth	→	Thrivent Small Cap Stock
Merger 2	Thrivent Partner Small Cap Value	→	Thrivent Small Cap Stock
Merger 3	Thrivent Mid Cap Growth	→	Thrivent Mid Cap Stock
Merger 4	Thrivent Partner Mid Cap Value	→	Thrivent Mid Cap Stock
Merger 5	Thrivent Natural Resources	→	Thrivent Large Cap Stock
Merger 6	Thrivent Partner Technology	→	Thrivent Large Cap Growth

The mergers were accomplished by tax free exchanges as detailed below:

Merger 1 and 2	Net Assets as of August 21, 2015	Shares as of August 21, 2015
Acquiring Portfolio	$ 378,950	22,996
Target Portfolio (Merger 1)	$ 293,336	18,640
Target Portfolio (Merger 2)	$ 655,920	29,592
After Acquisition	$1,328,206	71,228

Merger 3 and 4	Net Assets as of August 21, 2015	Shares as of August 21, 2015
Acquiring Portfolio	$ 602,060	36,470
Target Portfolio (Merger 3)	$21,710,232	968,157
Target Portfolio (Merger 4)	$ 353,093	25,767
After Acquisition	$22,665,385	1,030,394

Merger 5	Net Assets as of August 21, 2015	Shares as of August 21, 2015
Acquiring Portfolio	$346,608	30,038
Target Portfolio	$141,998	27,755
After Acquisition	$488,606	57,793

Merger 6	Net Assets as of August 21, 2015	Shares as of August 21, 2015
Acquiring Portfolio	$79,295,254	2,669,712
Target Portfolio	$ 132,776	12,845
After Acquisition	$79,428,030	2,682,557

The target portfolios had the following unrealized appreciation/depreciation, accumulated net realized gains/losses and net investment income as of August 20, 2015.

(7) SUBACCOUNT MERGERS - continued

Portfolio	Unrealized Appreciation (Depreciation)	Net Investment Income (loss)	Accumulated Net Realized Gain (Loss)
Thrivent Partner Small Cap Growth	$ (50,430)	$ (1,173)	$ 67,707
Thrivent Partner Small Cap Value	$ (227,343)	$ 24,307	$ 176,679
Thrivent Mid Cap Growth	$(8,406,231)	$(18,071)	$8,529,887
Thrivent Partner Mid Cap Value	$ (85,144)	$ 2,100	$ 58,458
Thrivent Natural Resources	$ 58,487	$ 679	$ (92,232)
Thrivent Partner Technology	$ (32,167)	$ (506)	$ 32,167

Assuming the acquisition had been completed on January 1, 2015 the beginning of the annual reporting period of the Portfolios, the Acquiring Portfolio's unaudited pro forma results of operations for the year ended December 31, 2015, would have been as follows:

Portfolio	Unrealized Appreciation (Depreciation)	Net Investment Income (loss)	Accumulated Net Realized Gain (Loss)
Thrivent Small Cap Stock	$ (380,444)	$ 20,615	$ 299,552
Thrivent Mid Cap Stock	$(7,794,955)	$ (62,168)	$8,678,057
Thrivent Large Cap Stock	$ 36,831	$ 2,356	$ (59,274)
Thrivent Large Cap Growth	$ 5,381,631	$(152,746)	$2,238,093

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practical to separate the amounts of revenue and earnings of the Target Portfolio that have been included in the Acquiring Portfolio's statement of operations since August 21, 2015.

Assuming the acquisition had been completed on January 1, 2014 the beginning of the annual reporting period of the Portfolios, the Acquiring Portfolio's unaudited pro forma results of operations for the year ended December 31, 2014, would have been as follows:

Portfolio	Unrealized Appreciation (Depreciation)	Net Investment Income (loss)	Accumulated Net Realized Gain (Loss)
Thrivent Small Cap Stock	$ (36,489)	$ (5,228)	$ 73,518
Thrivent Mid Cap Stock	$ (640,973)	$(81,419)	$2,589,807
Thrivent Large Cap Stock	$ (32,137)	$ 617	$ (262)
Thrivent Large Cap Growth	$5,719,368	$ 18,507	$ 6,422