



Thrivent Financial for Lutherans  
 4321 N. Ballard Road, Appleton, WI 54919-0001  
 thrivent.com • 800-847-4836

# Information Disclosure Modified Endowment Contract

Contract number (if available)

## Section 1 - General Information

Name of insured/proposed insured (print title, first, middle, last name and suffix, as applicable)	Date of birth
Name of secondary insured/proposed insured (print title, first, middle, last name and suffix, as applicable)	Date of birth

The life insurance contract you have applied for, or have requested a change to, will be considered a Modified Endowment Contract (MEC). First and foremost, a MEC is life insurance and retains the most important federal income tax benefit of a life insurance contract. Beneficiaries of a MEC life insurance contract receive the death benefit income tax-free.

However, certain other tax benefits of a life insurance contract are not retained. Distributions (including, but not limited to withdrawals, loans and loan interest, and certain dividends) made from the contract while the insured is living are subject to income tax. They are taxed to the extent there is gain in the contract. The gain is taxed at ordinary income tax rates, not at capital gains tax rates. Only after the entire gain in the contract is distributed are further distributions from the contract considered a tax-free return of premiums paid.

In addition, distributions\* made before the insured reaches age 59 1/2 may be subject to a 10% penalty tax. It is not advisable to fund a MEC with assets that will be necessary for living expenses.

\*CareForward only: Long-term care benefit payments are not taxable despite the MEC classification.

Thrivent does not provide tax advice. We encourage you to seek the advice of a professional tax advisor before entering into any transactions which could cause taxable consequences.

The statements contained here reflect the provisions of the current Internal Revenue Code, as amended. However, federal tax laws are subject to change at any time and could impact your MEC life insurance contract. Thrivent cannot be responsible for the consequences of any changes in the federal tax laws.

## Section 2 - Agreements and Signature

**I acknowledge that I have read this form (or have had it read to me) and that I fully understand its contents. I also acknowledge receipt of the modified endowment contract brochure. My questions were answered to my satisfaction.**

**I understand that the contract will remain a MEC as long as it remains in force. Exchanging the contract for a new contract will simply transfer the MEC status to the new contract.**

Signature of owner/applicant, if other than insured/proposed insured and date signed

**X**  
 Signature of owner/applicant, if other than insured/proposed insured and date signed

**X**