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ELECTRONIC DELIVERY

Douglas J. Scheidt, Esq.
Associate Director and Chief Counsel
Division of Investment Management
United States Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-2736

Re: Thrivent Request for No-Action Relief

Dear Mr. Scheidt:

We are writing to request, on behalf of the open-end investment companies registered under the Investment Company Act of 1940 (the "1940 Act") within the Thrivent family of funds (collectively, the "Funds"), and Thrivent Financial for Lutherans ("Thrivent Financial") and Thrivent Asset Management, LLC (together with Thrivent Financial, each a "Thrivent Manager")[1] each as investment manager to certain Funds, assurances that the staff of the Division of Investment Management (the "Staff") will not recommend enforcement action to the United States Securities and Exchange Commission (the "Commission") under Sections 12(d)(1) and 17(a) of the 1940 Act against the Funds or any Thrivent Manager (collectively, the Funds and all such Thrivent Managers, "Thrivent") if certain Funds ("Asset Allocation Funds") invest in, or are authorized to invest in,[2] other Funds ("Underlying Funds") that invest in a common Fund (a "Core Fund") for purposes of efficient portfolio management in excess of certain Section 12(d)(1) limitations, as discussed herein. As detailed in this letter, the relief requested herein is similar to relief previously granted by the Staff, including the April 3, 2015 No-Action Letter issued to Franklin Templeton Investments (such relief, the "FTI Letter").[3]

[1] Each Thrivent Manager is registered as an investment adviser under the Investment Advisers Act of 1940, as amended. Thrivent Financial is a fraternal benefit society organized under the laws of Wisconsin. Thrivent Asset Management, LLC is an indirect wholly owned subsidiary of Thrivent Financial and is a Delaware limited liability company.

[2] As used herein, the term Underlying Fund includes any Fund that is designated as an eligible investment in an Asset Allocation Fund's registration statement.

[3] Franklin Templeton Investments, SEC No-Action Letter (Apr. 3, 2015).

Background: Thrivent Core Funds

Several Funds currently invest a portion of their respective assets directly in particular types of investments (each, an "Asset Class"), but subsequent to the creation of a Core Fund will obtain exposure to certain Asset Classes by investing in a Core Fund. The shares of a Core Fund will only be offered for sale to the Funds and will not be offered to the public for investment.[4] In addition, the Core Funds will not charge an investment management fee. Thrivent believes that the Core Fund structure provides for more efficient portfolio management than separately managing each Fund's virtually identical direct investments in a particular Asset Class. For example, the Core Fund structure offers potential benefits of reduced trading and settlement costs.

The Asset Allocation Funds invest in Underlying Funds and other financial instruments in reliance on Section 12(d)(1)(G) of the 1940 Act, Rule 12d1-2 under the 1940 Act and a prior exemptive order issued by the Commission to Thrivent.[5] Thrivent has been using this "two-tier" fund-of-funds structure for over ten years and has experience managing the Underlying Funds in a manner that accounts for the possibility of redemptions by an Asset Allocation Fund due to changes in the investment program or shareholder redemptions at the Asset Allocation Fund level. Thrivent is seeking this no-action relief in order to allow its Underlying Funds to be able to invest in the Core Funds in excess of the limits under Section 12(d)(1)(A) and (B), subject to the conditions described below, in order to enable those Underlying Funds to realize the full benefits and efficiencies of the proposed Core Fund structure.

Each Asset Allocation Fund, Underlying Fund, and Core Fund will have a common board of trustees or directors, as applicable (in either case, a "Board"). In addition, the same valuation policies and related registration statement disclosures (including with respect to investment strategies and risks) will apply to investments by a Fund without regard to whether a Fund invests directly in a particular Asset Class or uses a Core Fund to obtain exposure to the Asset Class. The utilization of a Core Fund will be appropriately disclosed to shareholders of the Underlying Funds and the Asset Allocation Funds.

At the present time, there is a Core Fund that limits its dollar-weighted average portfolio maturity to 180 days or less ("Existing Bond Core Fund"). In the future, Thrivent may establish additional fixed-income funds that could have a dollar-weighted average portfolio maturity of up to 3 years ("Future Bond Core Funds"; the Future Bond Core Funds together with the Existing Bond Core Fund, the "Short-Term Bond Core Funds"). Certain Funds could benefit from the use of the Short-Term Bond Core Funds in order to obtain exposure to the short-term fixed income Asset Class. In addition, Thrivent expects to create Core Funds that will invest in other Asset Classes that Thrivent believes will afford an investing Fund with the benefit of the efficiencies of

[4] As such the shares of any Core Fund will not be registered under the Securities Act of 1933.
[5] In the Matter of Thrivent Mutual Funds, et. al., Release No. IC-28267 (May 20, 2008).

the Core Fund structure. Thrivent believes that all of the Funds (not just the Asset Allocation Funds that rely on Section 12(d)(1)(G)) would benefit from the ability to invest in each Core Fund in excess of the limits under Section 12(d)(1)(A) and (B).

Relevant Law and Related No-Action Relief

1. Section 12(d)(1) of the 1940 Act

Section 12(d)(1)(A) prohibits a registered investment company (an "acquiring company") from acquiring shares of an investment company (an "acquired company") if, immediately after the acquisition, the securities represent: (i) more than 3% of the total outstanding voting stock of the acquired company (the "3% Limit"); (ii) more than 5% of the total assets of the acquiring company (the "5% Limit"); or, (iii) together with the securities of any other investment companies, more than 10% of the total assets of the acquiring company (the "10% Limit" and together with the 3% Limit and the 5% Limit, the "12(d)(1)(A) Limits").

Section 12(d)(1)(B) prohibits a registered open-end investment company, its principal underwriter and any registered broker or dealer from knowingly selling the shares of the investment company to another investment company if, immediately after the sale: (i) the acquiring company owns more than 3% of the acquired company's total outstanding voting stock; or (ii) more than 10% of the acquired company's total outstanding voting stock is owned by investment companies generally (the "12(d)(1)(B) Limits").

Section 12(d)(1)(G), which was enacted in 1996,[6] provides that the restrictions on investing in another investment company (*i.e.,* as set forth in Section 12(d)(1)(A) and (B)) will not apply to securities of an acquired company purchased by an acquiring company if: (i) the acquiring company and acquired company are part of the same "group of investment companies"; (ii) the acquiring company holds only securities of acquired companies that are part of the same "group of investment companies," government securities, and short-term paper; (iii) the aggregate sales loads and distribution-related fees of the acquiring company and the acquired company are not excessive under rules adopted pursuant to Section 22(b) or Section 22(c) of the 1940 Act by a securities association registered under Section 15A of the Securities Exchange Act of 1934 or by the Commission; and (iv) the acquired company has a policy that prohibits it from acquiring securities of registered open-end investment companies or registered unit investment trusts in reliance on Section 12(d)(1)(F) or (G).

[6] *National Securities Markets Improvements Act*, Pub. L. No. 104-290, 110 Stat. 3416 (1996).

2. Section 17(a) of the 1940 Act

Section 17(a) of the 1940 Act generally prohibits the purchase or sale of securities between a registered investment company and its affiliated persons or affiliated persons of such affiliated persons. Section 2(a)(3) of the 1940 Act defines an affiliated person to include: (A) any person directly or indirectly owning, controlling, or holding with power to vote, 5% or more of the outstanding voting securities of such other person; (B) any person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such other person; and (C) any person directly or indirectly controlling, controlled by, or under common control with, such other person. Section 2(a)(9) of the 1940 Act provides that any person that beneficially owns more than 25% of the voting securities of another person shall be presumed to control the other person. In addition, funds in a fund complex also may be viewed as under the common control of an investment adviser if the adviser exercises a controlling influence over the management or policies of the funds.[7]

3. Franklin Templeton Investments No-Action Letter (2015)

In April 2015, the Staff issued the FTI Letter, granting no-action relief from certain requirements of Sections 12(d)(1) and 17(a). In particular, the FTI Letter permitted a three-tier arrangement, whereby a top-tier fund (the "FT Fund of Funds") could invest in a second-tier fund (the "FT Underlying Fund") that, in turn, invested in a third-tier fund (the "FT Central Fund"), subject to the following restrictions:

- The investment by an FT Fund of Funds in an FT Underlying Fund would comply with the provisions of Section 12(d)(1)(G) except that the FT Underlying Fund would have an exception to its policy not to acquire securities of a registered open-end investment company in reliance on Section 12(d)(1)(G) solely for the purpose of acquiring shares of the FT Central Fund for purposes of efficient portfolio management.

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[7] According to the Commission, the determination of whether a fund is under the control of its adviser depends upon all the relevant facts and circumstances. *See* Investment Company Mergers; Investment Company Act Release No. 25259, n. 6 (Nov. 8, 2001), which states that:

> "*Funds in a fund complex are under the common control of an investment adviser or other person when the adviser or other person exercises a controlling influence over the management or policies of the funds. 15 U.S.C. 80a-2(a)(9). Not all advisers control the funds they advise. The determination of whether a fund is under the control of its adviser, officers, or directors depends on the relevant facts and circumstances. Throughout this release we presume that the funds in a fund complex are under common control, because funds that are not affiliated would not need relief under rule 17a-8.*"

- An FT Underlying Fund will not exceed the 5% Limit with respect to an investment in shares of an FT Central Fund, or the 10% Limit with respect to investments in investment companies, including the FT Central Fund, and companies relying on Section 3(c)(1) or 3(c)(7) of the 1940 Act.

- The manager to an FT Underlying Fund (the "FT Manager") will waive management fees otherwise payable by the FT Underlying Fund to the FT Manager in an amount equal to any management fees paid by the FT Central Fund to an FT Manager.

- Shares of the FT Central Fund will not be subject to a sales load, redemption fee, or a distribution fee under a plan adopted in accordance with Rule 12b-1 under the 1940 Act.

- The FT Central Fund will not acquire securities of any investment company or company relying on Section 3(c)(1) or 3(c)(7) of the 1940 Act in excess of the limits contained in Section 12(d)(1)(A) of the 1940 Act.

- Shares of the FT Central Fund will be sold solely to the FT Funds of Funds and the FT Underlying Funds.

- Prior to the initial investment by an FT Underlying Fund in the FT Central Fund, the Board of each of the FT Fund of Funds and the FT Underlying Fund, including a majority of the disinterested Board members, will consider (i) the reasons for the FT Underlying Fund's proposed investment in the FT Central Fund, and (ii) the benefits expected to be realized from such investment by the FT Fund of Funds or the FT Underlying Fund, as appropriate, and its shareholders. In the event of a material change in the investment policies, strategies, objectives or restrictions of the FT Fund of Funds, the FT Underlying Fund, or the FT Central Fund, the Board, including a majority of the disinterested Board members, of the FT Fund of Funds or the FT Underlying Fund, as appropriate, will consider the continuing appropriateness of the FT Underlying Fund's investment in the FT Central Fund.

4. Vanguard Exemptive Orders

As previously noted, Section 12(d)(1)(G) was added to the 1940 Act in 1996.[8] The statutory provision incorporated several conditions from existing exemptive orders that provided applicants with relief from various limitations under Section 12(d)(1). Prior to the addition of

[8] *See supra,* note 4.

Section 12(d)(1)(G), the Commission issued an exemptive order (the "1996 Vanguard Order"),[9] allowing The Vanguard Group, Inc. and various affiliated funds and advisory entities (collectively, "Vanguard") to create a "Fund of Index Funds" (*i.e.*, the first tier) that would acquire "Index Portfolios," (*i.e.,* the second tier) which were essentially open-end index funds.

In April 2004, the Commission granted Vanguard another exemptive order (the "2004 Vanguard Order"),[10] which allowed Vanguard to invest uninvested cash in money market funds or other short-term bond funds without violating Section 12(d)(1). In particular, the 2004 Vanguard Order allowed an underlying Index Portfolio (i.e., a second-tier fund) to invest up to 25% of its assets in a money market fund or a short-term bond fund (i.e., a third-tier fund) with a dollar-weighted average maturity of three years or less in the same family.[11]

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[9] The Vanguard Group, Inc., et al., Release No. IC-21470 (Notice of Application) (Nov. 3, 1995) and Release No. IC-21555 (Order) (Nov. 29, 1995).

[10] The Vanguard Group, Inc., et al., Release No. IC-26406 (Notice of Application) (Mar. 29, 2004) and Release No. 26436 (Order) (Apr. 23, 2004).

[11] The 1996 Vanguard Order imposed conditions on the Fund of Index Funds arrangement, including, among others, the following condition:

> "No underlying Index Portfolio shall acquire securities of any other investment company in excess of the limits contained in section 12(d)(1)(A) of the Act" (such condition, the "Original 12(d)(1)(A) Condition").

The 2004 Vanguard Order was one of several similar exemptive orders that preceded SEC Rule 12d1-1 regarding investments in money market funds in excess of the 3/5/10 limits. As part of the 2004 Vanguard Order, the Commission amended the Original 12(d)(1)(A) Condition to read as follows:

> "*No acquired underlying Index Portfolio shall acquire securities of any other investment company or any company relying on Section 3(c)(1) or 3(c)(7) of the Act in excess of the limits contained in Section 12(d)(1)(A) of the Act, except to the extent such acquired underlying Index Portfolio acquires securities of another investment company pursuant to exemptive relief from the Commission permitting such acquired underlying Index Portfolio to acquire securities of one or more registered open-end investment companies in the same group of investment companies as the acquired underlying Index Portfolio that are money market funds or short-term bond funds for short-term cash management purposes.*"

The combination of the 1996 Vanguard Order and the 2004 Vanguard Order implies that 12(d)(1)(G) and Rule 12d1-1 exceptions can be used together. Subsequent to the 1996 Vanguard Order, Section 12(d)(1)(G) was enacted, which captured several of the conditions attached to the exemptive orders that preceded its enactment. However, Section 12(d)(1)(G)(i)(IV) provides that the acquired company (i.e., a second-tier fund) may not acquire any securities of registered open-end investment companies in reliance on subparagraph (G) or (F). Therefore, on its face, the addition of section 12(d)(1)(G) does not appear to preclude the simultaneous reliance on Rule 12d1-1 for investments in a money market fund. Further, the Commission issued the 2004 Vanguard Order after section 12(d)(1)(G) was added to the 1940 Act, but did not express any limitations on the simultaneous use of Section 12(d)(1)(G) and Rule 12d1-1. It is important to note that Rule 12d1-1 only provides relief in respect of money market mutual funds - not other short-term bond funds.

<u>Legal Analysis</u>

1. Section 12(d)(1) of the 1940 Act

Certain Funds would invest in one or more Core Funds in reliance on Section 12(d)(1)(G) of the 1940 Act, which generally allows open-end investment companies to invest in shares of other open-end investment companies in the same group of investment companies in excess of the Section 12(d)(1)(A) Limits. However, some Funds that would benefit from investing in a Core Fund may be Underlying Funds in which Asset Allocation Funds have the ability to invest in reliance on Section 12(d)(1)(G).

Pursuant to Section 12(d)(1)(G), each Underlying Fund has adopted a policy that the Underlying Fund will not acquire securities of another registered open-end investment company in reliance on Section 12(d)(1)(F) or Section 12(d)(1)(G). In order to invest in shares of a Core Fund in excess of the Section 12(d)(1)(A) limits, an Underlying Fund would have to modify its policy to allow for this exception. By modifying its policy, however, an Underlying Fund would no longer be an eligible investment for an Asset Allocation Fund operating in reliance on Section 12(d)(1)(G).

Congress, and in turn the Commission, have maintained that the restrictions of Section 12(d)(1) of the 1940 Act have prevented four main abuses:

1. the pyramiding of voting control in a manner that puts control in the hands of those having only a nominal stake in the controlled investment company to the disadvantage of the controlled investment company's minority owners;
2. the undue influence over the adviser of the controlled company through the threat of large scale redemptions and loss of advisory fees to the adviser, resulting in the disruption of the orderly management of the company through the maintenance of large cash balances to meet potential redemptions;
3. the difficulty for an unsophisticated shareholder to appraise the true value of their investment due to the complex holding company structure; and
4. the layering of sales charges, advisory fees, and administrative costs.[12]

Thrivent believes that permitting an Asset Allocation Fund to invest in an Underlying Fund that invests in the Core Fund would be beneficial for the shareholders of the Asset Allocation Fund. However, the restrictions under Section 12(d)(1)(G) of the 1940 Act limit the ability of the Funds to fully realize the efficiencies of the Core Fund structure without any clear benefit to

[12] *Public Policy Implications of Investment Company Growth,* reprinted in H.R. Rep. No. 2337, 89th Cong., 2d Sess. 314-24 (1966); Franklin Templeton Investments, SEC No-Action Letter (April 3, 2015); South Asia Portfolio, SEC No-Action Letter (March 12, 1997) (citing Templeton Vietnam Opportunities Fund, Inc., SEC No-Action Letter (Sept. 10, 1996); Mutual Series Fund Inc., SEC No-Action Letter (Nov. 7, 1995); The Phoenix Funds, SEC No-Action Letter (Oct. 2, 1991).

shareholders of the Funds since the policy concerns that underlie Section 12(d)(1) are not implicated in the case of the Core Fund structure, as detailed elsewhere in this letter. And, although the FTI Letter eased some of these restrictions, the limitations under that letter would continue to limit the ability of the Funds to fully benefit from the use of Core Funds. In particular, Thrivent would like to permit an Underlying Fund to invest in a Core Fund without adhering to the 12(d)(1)(A) Limits and 12(d)(1)(B) Limits, subject to the following conditions:

- The investment by an Asset Allocation Fund in an Underlying Fund would comply with the provisions of Section 12(d)(1)(G) except that the Underlying Fund would have an exception to its policy not to acquire securities of a registered open-end investment company in reliance on Section 12(d)(1)(G) solely for the purpose of acquiring shares of a Core Fund for purposes of efficient portfolio management;

- An Underlying Fund will not acquire securities of any other investment company or any company relying on Section 3(c)(1) or 3(c)(7) of the Act in excess of the Section 12(d)(1)(A) Limits, except to the extent such Underlying Fund acquires securities of another investment company as provided for herein;

- The relief from the 10% Limit under Section 12(d)(1)(A) of the 1940 Act would (i) only be available in respect of investment in the Short-Term Bond Core Funds for short-term cash management purposes, and (ii) be subject to the additional limitation that an Underlying Fund may not invest more than 25% of its total assets in Short-Term Bond Core Funds in the aggregate;

- The Thrivent Manager will not charge management fees with respect to a Core Fund or, if it does, the Thrivent Manager to an Underlying Fund will waive management fees otherwise payable by the Underlying Fund to the Thrivent Manager in an amount equal to any management fees paid by the Core Fund to the Thrivent Manager;

- Shares of a Core Fund will not be subject to a sales load, redemption fee, or a distribution fee under a plan adopted in accordance with Rule 12b-1 under the 1940 Act;

- A Core Fund will not acquire securities of any investment company or company relying on Section 3(c)(1) or 3(c)(7) of the 1940 Act in excess of the Section 12(d)(1)(A) Limits; and

- Prior to the initial investment by an Underlying Fund in the Core Fund, the Board of each of the Asset Allocation Fund and the Underlying Fund, including a majority of the disinterested Board members, will consider (i) the reasons for the Underlying Fund's proposed investment in the Core Fund, (ii) the benefits expected to be realized from such investment by the Asset Allocation Funds or the Underlying Fund, as appropriate, and its shareholders and (iii) whether the investment by an Underlying Fund in a Core Fund is consistent with the foregoing conditions. In the event of a material change in the investment policies, strategies, objectives or restrictions of the Asset Allocation Fund, the Underlying Fund, or the Core Fund, the Board, including a majority of the disinterested Board members, of the Asset Allocation Fund or the Underlying Fund, as appropriate, will consider the continuing appropriateness of the Asset Allocation Fund's Investment in the Underlying Fund and the Underlying Fund's investment in the Core Fund, respectively.

Consistent with the foregoing, Thrivent also seeks relief from the 12(d)(1)(B) Limits that would otherwise apply to an Underlying Fund's sale of shares to an Asset Allocation Fund or a Core Fund's sale of shares to an Underlying Fund.

Thrivent believes that in its situation the requested relief would not compromise the policy considerations that underlie Section 12(d)(1). In particular, Thrivent believes that:

1) **Layering of Fees and Expenses** - The proposed Core Fund structure does not implicate the public policy considerations regarding duplication of costs, because a Core Fund will not charge an investment management fee and will only charge for administrative costs that it actually incurs;

2) **Undue Influence** - The proposed Core Fund structure does not implicate the public policy considerations regarding undue influence by a fund holding company over its underlying funds, because the Core Funds will be part of the same family of funds as the Funds and served by common fiduciaries that owe the same duties to all of the Funds under their oversight and management;

3) **Threat of Large Scale Redemptions** - The proposed Core Fund structure does not implicate the public policy considerations regarding a threat of large-scale redemptions by an investing Fund, because Core Fund redemptions are expected to result from redemptions by shareholders of an Asset Allocation Fund or other Fund. Each Thrivent Manager has experience managing the Underlying Funds to account for the possibility of redemptions of Asset Allocation Fund shareholders; and

4) **Unnecessary Complexity** - The proposed Core Fund structure does not implicate the public policy considerations of fund structures being so complex that shareholders cannot understand the nature of their investment, because all of the Funds, including Core Funds, follow the same valuation policy and have consistent registration statement disclosures, regardless of whether or not investments are made directly or through another

fund.[13] Thrivent believes that such disclosure will ensure that shareholders understand the nature of their investment in any Fund. Thrivent believes that it can explain the Core Fund structure to Fund shareholders in an easy-to-understand fashion.

2. Section 17(a) of the 1940 Act

Thrivent seeks relief from the prohibitions under Section 17(a) of the 1940 Act, since without such relief the sale of shares by an Underlying Fund to the Asset Allocation Fund (or by a Core Fund to an Underlying Fund), and the redemption of shares of an Underlying Fund by the Asset Allocation Fund (or of shares of a Core Fund by an Underlying Fund), also may be considered transactions between an affiliated person and a registered investment company that are prohibited under Sections 17(a)(1) and 17(a)(2) of the 1940 Act.

In particular, under Section 2(a)(3)(B) of the 1940 Act, an Asset Allocation Fund that owns more 5% of an Underlying Fund might be considered to be an affiliated person of the Underlying Fund and an Underlying Fund that owns more than 5% of a Core Fund might be considered to be an affiliated person of the Core Fund. Further, under Section 2(a)(3)(C) of the 1940 Act, an Asset Allocation Fund might be an affiliated person of the Underlying Fund (and the Underlying Fund an affiliated person of the Core Fund), if the Asset Allocation Fund or the Underlying Fund controls or is under common control with the Underlying Fund or the Core Fund, respectively.[14] If any of these circumstances results in any one of the Funds being an affiliated person of another Fund, then: (i) the sale of shares by one Fund to the other Fund (*e.g.*, the Underlying Fund to the Asset Allocation Fund) could be considered to be a sale of property by an affiliated person to a registered investment company in violation of Section 17(a)(1) of the 1940 Act, or (ii) the redemption of shares of one Fund by another Fund (*e.g.*, a redemption of Underlying Fund shares by the Asset Allocation Fund) could be considered to be a purchase of property by an affiliated person from a registered investment company in violation of Section 17(a)(2) of the 1940 Act.

The Staff has previously indicated that the intent of Congress in codifying Section 12(d)(1)(G) of the 1940 Act would be frustrated by requiring funds relying on Section 12(d)(1)(G) to obtain relief from Section 17(a) with respect to these types of affiliated transactions.[15] Thrivent believes that even though the investment by an Asset Allocation Fund in an Underlying Fund (and an

[13] Thrivent also notes that no Fund will invest in an Asset Allocation Fund, and an Asset Allocation Fund will not knowingly sell its securities to any other investment companies or companies controlled by such investment companies beyond the limits set forth in Section 12(d)(1)(B). Thrivent believes that this further addresses any potential concerns about complex fund structures.

[14] Under Section 2(a)(9) of the 1940 Act, an Asset Allocation Fund would be presumed to control an Underlying Fund if it owned 25% or more of the Underlying Fund's shares.

[15] *See Affiliated Funds of Funds — Section 12(d)(1) of the Investment Company Act* (Oct. 19, 2012), Division of Investment Management Issue of Interest, available at http://www.sec.gov/divisions/investment/issues-of-interest.shtml#aff.

Underlying Fund in a Core Fund) would not be fully compliant with the provisions of Section 12(d)(1)(G) for the reasons discussed above, such investments are fully consistent with the transactions that Congress contemplated within a fund of funds arrangement involving funds within the same group of investment companies and do not raise any additional policy concerns under Section 17(a).

Conclusion

For the reasons set forth above, we respectfully request the Staff to confirm that it will not recommend enforcement action to the Commission under Sections 12(d)(1) and 17(a) of the 1940 Act against Thrivent if, under the circumstances described above, the Asset Allocation Funds are permitted to invest in Underlying Funds that invest in a Core Fund for purposes of efficient portfolio management.

Thank you for your consideration of this request. If you have any questions, please do not hesitate to contact me at across@perkinscoie.com or 202-654-6379.

Very truly yours,

Andrew P. Cross

APC

cc: Michael Kremenak, Secretary and Chief Legal Officer of the Thrivent Funds