

ADDENDUM TO HOME EQUITY APPLICATION DISCLOSURE

Introductory Rate

Security Federal Home Equity applications submitted between October 1, 2024, and February 28, 2025 are eligible for an introductory rate feature of 6.49 % APR. For applications submitted during the qualifying period, the initial annual percentage rate is discounted – it is not based on the index and margin used for later rate adjustments. The initial rate will be in effect for six months following the loan agreement date. For qualifying applications, Section 10 of the standard **Home Equity Application Disclosure** is amended as set forth in bold print below:

10. VARIABLE RATE FEATURES. This line of credit has a variable rate feature and the annual percentage rate (corresponding to the periodic rate) and the minimum monthly payment can change as a result. The annual percentage rate includes only interest and no other costs. The annual percentage rate is based on the value of an index. The index is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate and is published in the Wall Street Journal. To determine the annual percentage rate that will apply to your line of credit, we add a margin to the value of the index. **The initial annual percentage rate is discounted – it is not based on the index and margin used for later rate adjustments. The initial rate will be in effect for 6 months.** Ask us for the current index value, margin, discount, and annual percentage rate. After you open a line of credit, rate information will be provided on the periodic statement that we send you.