

Our Focus Is On Making Your Financial Life Better!



Annette Russell,
Chief Executive
Officer

At Security Federal, our sole focus is on our customers. In

our continuing efforts to be the best provider of financial products and services, we have designed some cutting-edge tools to meet the needs of our retail and commercial customers

Real Solutions

Our commitment to "Real Solutions" is exemplified by our response to customers who need quick access to their funds and do not have access to their computer. Our "Solution" is Mobile Banking. It enables you to check balances, transfer funds between accounts and pay bills right from your cell phone.

cont'd P 2

Money Tips



Increasing Revenue at the Point of Sale

Would you like to increase the average amount of your per ticket sale? To simplify your transaction paperwork and improve

transaction security? Does your business accept debit or credit cards?

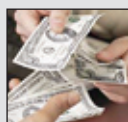
It's a fact that Businesses accepting credit and/or debit card transactions have higher sale volumes. They also enjoy the speed of electronic funds collection and simplified accounting, which improves cash flow.

Not all merchant card transaction providers deliver the range of security and service many businesses require.

As a Security Federal merchant card client, you'll benefit from around-the-clock peace of mind and also the fact that your business's electronic cash collection will run without interruption 365 days a year. Some additional merchant service benefits for businesses include:

- Funds collected within 24 hours.
- Personalized customer service.
- Staff training at your location(s).
- Ability to process all major credit and debit cards.
- Option to save more by purchasing transaction equipment.

To learn more about how you can lower your transaction costs, improve your per sale transaction amounts and provide increased security measures, talk with your Security Federal banker today.

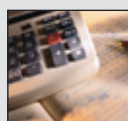


When Should Your Business Borrow?

How can you tell when your company should borrow money? Almost all businesses can face

cash crunches that hamper their ability to operate effectively.

If you're considering any kind of business loan, you may find it helpful to visit our website — www.SecFedBank.com. Click on the MoneyLetter icon and read our article on the subject, "When Should Your Business Borrow Money?"



Your Personal Financial Statements

Do you have a Personal Financial Statement (PFS)? To save time

when you want to borrow money for a business or personal loan, you should. A PFS is a compilation of your assets and liabilities, and can be compiled by you or your accountant.

To learn more about the importance of developing and maintaining your own Personal Financial Statement, visit our website — www.SecFedBank.com and read our article: *Your Personal Financial Statement and You.*



Since 1934

MoneyLetter

Ideas & Strategies for Success



A Different Way To Borrow Home Equity Loans Offer Great Flexibility And Possibly Deduction of Interest Costs.

By Terri Riley, Loan Originator

What would you do if you needed money on short notice to make needed repairs to your home, pay unexpected medical bills or college tuition? How would you come up with fast cash?

Increasingly, homeowners answer that by using the equity in their homes. With home equity loans (HELOCs) and Equity Reserve Loans, homeowners can access funds tied up in their largest investment at lower interest rates, lower closing costs or sometimes no closing costs.

A Different Type Of Loan

A HELOC allows you to borrow a small or substantial portion of the equity in your home. You repay the loan similarly as you would a revolving credit card. You are only charged interest for the amount of the loan you use. This is a huge benefit since the funds are kept available without incurring finance charges.

Getting A Home Equity Loan

Home equity loans at Security Federal are easy to apply for. Normally the process involves a credit check, appraisal, mortgage processing, recording, filing and a settlement.

The typical size of a home equity line of credit will range from 60 to 80 percent of the equity in your home.

Home equity loans have interest rates that float with market conditions in relation to the prime lending rate.

Using Your Home Equity Loan

You can, in theory, use your home equity loan for just about any reason; bill consolidation, a new car or boat, home improvements, educational expenses, unexpected expenses and vacations. Many consumers use HELOCs to finance a home addition or start a small business.

Financial advisers generally warn that home equity lines should not be treated lightly or used for frivolous or impulsive buying.

Tax Benefits

Regardless of the interest rate on your HELOC, it will, with certain restrictions, continue to be fully deductible from your taxable income.

Why Borrow Now?

Interest rates have not been this low in decades. If you have equity built in your home, now is a great time to put it to work. Talk with your personal financial adviser or accountant to develop a strategy that will put you on the road to financial freedom or simply safe guard against unexpected expenses. **\$**



Terri Riley is a Security Federal Loan Originator. To learn more about mortgage and/or home equity loan services, call her directly at 574-722-

6261, or send an email to: Tar@SecFedBank.com.

BANK ANYWHERE

Freedom To Live And Work On Your Own Terms.

Whether you're in a fast-paced career or semi-retired, your money and how you manage it is on your terms.

Mobile Banking from Security Federal gives you the freedom to bank anywhere any time from your cell phone. It ensures that you are no longer limited to a computer or trips to the bank to manage your funds.

Life Made Easy

Now you can view account balances, transfer funds between accounts and pay bills right from your cell or smart phone.

Want to know your balance while standing in the ticket line? Just send a text and get your balance before making a purchase.



Top Security

Security begins with a strong password that only you know. Transactions and personal information are secured by encryption software that is readable only by Security Federal.

No need to worry about carrier or model limitations. Our registration process supports all cell phone carriers.

Enroll Today

Whether you're chasing sales leads, or just trying to keep up with the fast pace of raising a family, Mobile Banking gives you the freedom to bank anywhere any time from your cell phone.

For more details, call us at 574/722-6261 or go to www.SecFedBank.com and click Mobile Banking. **\$**

Now Handle All Your Bank Deposits Without Ever Leaving Your Office!



Lynne Ness,
Business Development Director

Activities that waste management or staff time are ongoing challenges for business owners, especially when those activities are repetitive and frequent, as

they can have a cumulative negative effect on productivity.

An Essential And Secure Development In Financial Services.

One of the newest business banking services available is designed specifically to eliminate wasted time and help owners get funds into their accounts faster. It's called Remote Deposit Capture and lets you deposit money into your company's accounts without ever leaving your office. It saves you time spent making trips to the bank!

Remote Deposit Capture and its centralized image archives reduce the possibility of check theft and fraud. In addition to providing easier deposits and faster cash access, Remote Deposit Capture increases your business's security while delivering protection of your customers' banking information.

Here's How It Works.

Step 1: You receive checks from customers/clients.

Step 2: Using a special scanner from the bank, you or your bookkeeper scans checks received and captures an image of each check.



Step 3: Your Merchant Capture scanner along with your computer transmits the check images to Security Federal Savings Bank via the internet in a secure, encrypted file.

Step 4: Check images are processed the same way paper checks are processed.

Step 5: You retain the original checks for 30 days. After that time, you may safely destroy the paper checks.

What Kind of Businesses Benefit From This Service?

Businesses of all sizes and types are already reaping the benefits of using Remote Deposit Capture. Some of the more frequent users are; Medical & Dental Offices, Retail Establishments, Property Managers, Attorneys, CPA/Accounting Firms, School Systems, Insurance Agencies, Realtors and Auto Dealers.

Can Your Business Benefit From Remote Deposit Capture?

If you process checks, yes! For more information about how easy it is to get started eliminating trips to the bank and getting your deposits into your account faster, contact Security Federal's Business Development Director, Lynne Ness, to learn more about Remote Deposit Capture. \$

Lynne Ness is Business Development Director at Security Federal's Mall Branch. To speak with Lynne about the needs of your business, call her directly at 573-722-3826, or send her an email to: Lynne@SecFedBank.com

Articles in this newsletter are meant only to be informational, and are deemed reliable at time of publication, but are not warranted. Factual information should always be rechecked in light of applicable legislative and regulatory changes. Always consult with your personal attorney or financial counselor about matters pertaining to your portfolio or personal financial/investment or estate planning situation. © Signal Group Publishing, Inc. 2010. No reproduction in whole or in part without written permission. All rights reserved.

E-FREE Checking: Manage Your Checking Account Where & When You Need To.

If you need complete control of your checking account, now you can have it! No more wondering about the balance of your checking account while standing in line to make a purchase. No more fretting over a bill due because you were stuck at the ball park. Now you can check balances, pay bills and more on your smart phone with Security Federal's NEW e-FREE Checking.

Security Federal has heard your concerns to have your funds available quicker and your banking made easier so we've developed a checking account to do both. Whether your cell phone has internet or just texting capabilities, the e-FREE Checking is your solution.

Save Yourself Trips To The Bank!

Now you can have your payroll check or Social Security check deposited directly into your e-FREE Checking account. No more wasted time in traffic. No more worries about lost or stolen checks.

And, finally, right from your cell phone or computer you can check your account balances, transfer funds between accounts, or pay bills without "writing" a check or paying postage! When you need cash, it's available wherever you can swipe your Security Federal ATM/Debit card.

How Safe Is e-FREE Checking?

Security begins with a strong personal password that only you should know. It should not be shared with anyone. Security Federal secures your information by encryption software that converts your information into a secure file.

Get Started Today!

All Security Federal branches are full service. You can open accounts, CD's, IRA's and apply for loans at any location. Stop in when you are ready to open your e-FREE Checking. \$

CEO Message - Cont'd from pg 1

For customers who have asked us for a Free checking account that no longer requires direct deposit and is absolutely free, our solution is our new e-FREE Checking Account. You can read more about this supercharged checking account and the time-saving advantages of banking online and with your cell phone in this newsletter.

If you've wondered how to better organize your financial records by borrowing money or just getting a grip on your finances, check-out Your Personal Financial Statement And You, on our website at www.SecFedBank.com.

Business Owners

*Business owners will find a number of helpful topics in this issue and on our website. You will learn how you can get checks deposited quicker in the convenience of your own office with Remote Deposit Capture. Plus, learn how to increase your per ticket sales and simplify transaction paperwork with our Merchant Card Services. Find even more information on our website, *When Should Your Business Borrow Money?**

HELOCS

*With loan rates at record lows, now is a perfect time for homeowners to refinance their mortgage, buy a new home or make home improvements. Check out our article, *A Different Way To Borrow*. Our veteran lenders are always on hand to give you clear and concise information so you can make informed decisions on a loan to fit your lifestyle.*

Final Thoughts

All of our branches are full service where you can open accounts, CDs, IRAs, make inquiries and apply for loans. We are Real People, with Real Service and Real Solutions. If you can't visit us in person, visit us online at www.SecFedBank.com. \$



Four Convenient Locations

Logansport:

Main Branch, 314 4th Street
Phone 574/722-6261
Mall Branch, 300 Mall Road
Phone 574/722-3826

Kokomo:

519 Markland Avenue
Phone 765/457-1161

Delphi:

1260 South Washington
Phone 765/564-3000

