

PROSPECTUS

ESTIMATED TOTAL OFFERING – \$237,000,000

FLORIDA OFFERING CIRCULAR

\$85,000,000

\$214,300,405 of 4.0% * Unsecured Investment Notes. These are open notes payable ninety (90) days after written demand. Interest is payable quarterly.

Offering Price: Par

THE SOUTHERN UNION REVOLVING FUND, INC.
a Tennessee nonprofit corporation

302 Research Drive
Norcross, Georgia 30092
(770) 408-1800

The date of this Offering Circular is May 1, 2025

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE STATE OF FLORIDA. THESE SECURITIES ARE CONSIDERED EXEMPT FROM REGISTRATION WITH THE FLORIDA DEPARTMENT OF BANKING AND FINANCE UNDER FLORIDA STATUTE ANNOTATED SECTION 517.051(9). THIS EXEMPTION DOES NOT MEAN THAT THE STATE OF FLORIDA IN ANY WAY ENDORSES OR RECOMMENDS THE PURCHASE OF THESE SECURITIES.

THE OFFER AND SALE OF THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR HAS THIS OFFERING CIRCULAR BEEN SUBMITTED TO OR REVIEWED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION CONTAINED IN SECTION 15 U.S.C.A. SECTION 77(c)(3) AND (4) OF THE FEDERAL SECURITIES ACT OF 1933 AMENDED.

* **INTEREST RATE IS SUBJECT TO ADJUSTMENT UPON DETERMINATION OF THE BOARD OF DIRECTORS OF THE SOUTHERN UNION REVOLVING FUND FROM TIME TO TIME.**

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This offering of Unsecured Investment Notes of Southern Union Revolving Fund, Inc. (called the “Notes” in this Offering Circular) is not being underwritten, and all proceeds will be deposited with Southern Union Revolving Fund, Inc. (The Southern Union Revolving Fund, Inc. is sometimes referred to in this Offering Circular as either the “Revolving Fund” or by its acronym “SURF”.) The executive officers of the Southern Union Revolving Fund, Inc. will be the only persons engaged in the offering and sale of the above described Notes. No commissions or other compensation will be paid to any persons in connection with this offering.

The method of marketing the Notes is designed to reach members of the Seventh-day Adventist Church in the eight states of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina and Tennessee and organizations affiliated with the Seventh-day Adventist Church in those eight states, and it is believed that nearly all funds raised from the sale of Notes will be from such members and organizations. Up to \$85,000,000 of Notes, inclusive of the principal balances of Notes already owned by Florida residents or Florida based organizations, will be offered in Florida.

The debt obligations of SURF evidenced by the Notes offered hereby are unsecured obligations of the Southern Union Revolving Fund, Inc. and are not secured by a pledge or mortgage of specific assets. SURF established and has built up a reserve fund of highly liquid financial assets to insure prompt payment of the demand Notes. This reserve fund has primarily been accumulated from the historic earnings of the Revolving Fund. Such liquid investments are explained in more detail under the section captioned “Use of Proceeds”. Prior to January 1, 2019, SURF benchmarked the reserve fund to equal at least 25% of the sum of the outstanding principal amount of loans made by SURF to its borrowers and of SURF’s current commitments of future loans to SURF borrowers. Starting January 1, 2019, for the purpose of providing additional security for the Revolving Fund, SURF began to increase the size of the reserve fund until it reaches a minimum of 25% percent of the total balance owed by SURF on of all its outstanding Notes. As of December 31, 2024, the reserve fund totaled \$45,317,858.

This offer is subject to certain risk factors detailed herein. This offering and the amount thereof is made to residents of Florida and Seventh-day Adventist affiliated organizations located in Florida. Similar offerings are concurrently being made to investors in seven other southeastern states. The aggregate offerings substantially exceed the amount offered in Florida.

SUMMARY AND GENERAL INTRODUCTION

Proceeds received from the sale of Notes in Florida and in other states will be loaned to Seventh-day Adventist churches, church schools, or other approved denominational institutions for building construction and acquisition or major capital improvements. Funds generated from sale of the Notes will generally be loaned to Seventh-day Adventist affiliated institutions in the same local Conference where the Notes are sold.

SUMMARY FINANCIAL INFORMATION

The audited financial statements of the Southern Union Revolving Fund, Inc. for the years ended December 31, 2024, December 31, 2023 and December 31, 2022 are an important part of this Offering Circular and begin at page 23.

	2024	2023	2022	2021	2020
Cash, Cash Equivalents and Readily Marketable Securities (combined)	\$165,536,736	\$158,749,166	\$149,001,225	\$142,884,306	\$126,486,045
Fixed Income Investments	\$64,339,507	\$86,238,428	\$86,476,234 **	\$100,047,931	\$89,510,347
Total Loans Receivable	\$141,232,718	\$127,718,541	\$116,250,757	\$121,113,315	\$125,189,865
Amount & Percentage of Unsecured Loans Receivable	\$6,830,778 4.84%	\$2,718,089 2.13%	\$3,736,883 3.21%	\$4,554,313 3.76%	\$5,852,060 4.67%
Loan Delinquencies as a Percent of Loans Receivable	4.29%	0.0%	.01%	.02%	.02%
Total Assets	\$307,110,881	\$286,534,909	\$265,385,874	\$278,529,507	\$273,438,574
Total Notes Payable	\$214,300,406	\$203,162,208	\$192,087,680	\$195,294,753	\$196,070,090
Amount of Notes Redeemed During the Fiscal Year	\$19,925,711	\$20,748,254	\$19,610,593	\$12,111,317	\$11,316,668
Other Long-Term Debt	\$0	\$0	\$0	\$0	\$0
Net Assets	\$92,810,475	\$83,202,510	\$73,213,157	\$83,204,114	\$77,339,889
Change in Net Assets	\$9,607,965	\$9,989,353	(\$9,990,957)	\$5,864,223	\$8,543,202
Capital Adequacy (% of Net Assets to Total Assets)	30.22%	29.04%	27.59%	29.87%	28.28%

** During 2022, SURF significantly reduced its holdings of fixed income investments in response to increased inflationary trends and U.S. Federal Reserve monetary policy. See page 9 and SURF financial statements at page 23.

ORGANIZATION

Southern Union Revolving Fund, Inc. (or “SURF” or the “Revolving Fund”) is a Tennessee nonprofit corporation organized in 1999. It is a subsidiary of the Southern Union Conference Association of Seventh-day Adventists, Inc., a Tennessee non-profit corporation organized in 1908. (The Southern Union Conference Association of Seventh-day Adventists, Inc. is sometimes referred to by its acronym “SUCASA” in this Offering Circular.) SUCASA previously operated the Revolving Fund as part of its operations for approximately 20 years prior to 1999. However, on June 22, 1999, SUCASA created the Southern Union Revolving Fund, Inc. as a separate Tennessee nonprofit corporate subsidiary. SURF was created to facilitate the selling of Notes to Seventh-day Adventist affiliated investors, and to help comply with accounting deadlines and certain state securities law requirements to which such note selling activities are subject.

SUCASA is the legal corporate entity of the Southern Union Conference of Seventh-day Adventists (the “Southern Union Conference”), which is an administrative unit of the Seventh-day Adventist Church. The Seventh-day Adventist Church, with over 22,785,195 members world-wide, is organized to promulgate the Gospel of Jesus Christ and advance the welfare of mankind. The Seventh-day Adventist Church is organized in the following manner:

Local church organization.

Local Conferences made up of a group of local churches.

Local Conference Associations, which are the legal organizations for the local Conferences. A local Association holds title to all the local church properties, as well as the properties of the related local Conference. Each local Association manages all the trust programs of its related local Conference.

Union Conferences, which are made up of several local Conferences. The Southern Union Conference is comprised of the following eight local Conferences: Carolina Conference of Seventh-day Adventists, Florida Conference of Seventh-day Adventists, Georgia-Cumberland Conference of Seventh-day Adventists, Gulf States Conference of Seventh-day Adventists, Kentucky-Tennessee Conference of Seventh-day Adventists, South Atlantic Conference of Seventh-day Adventists, South Central Conference of Seventh-day Adventists, and the Southeastern Conference of Seventh-day Adventists. The geographical boundaries of the eight local Conferences comprising SUCASA are contained within one or more of the eight states of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Union Conference Associations, which serve the same function for the Union Conferences as the local Conference Associations for the local Conferences. SUCASA is the legal body of the unincorporated Southern Union Conference.

A division, which is made up of several Union Conferences.

General Conference of Seventh-day Adventists, which is the head organization for the world church.

General Conference Corporation of Seventh-day Adventists, the legal body for the General Conference of Seventh-day Adventists.

The local Conferences and Union Conferences are unincorporated. The Conference Associations are organized as nonprofit corporations under state law. The function of the Conferences is to coordinate the activities of the church program, collect and disburse the tithe and other funds of the church, and to lead and maintain the spiritual leadership of the church. This is true at all levels of the organizations. While all entities are affiliated through their common religious identification and interest, each is autonomous from the other. The debts and liabilities incurred by SUCASA and its subsidiary, SURF, are independent of the financial structure of any other units of the denomination. Such other entities will have no legal obligations with respect to the Notes or Note holders.

SUCASA was incorporated in the State of Tennessee in 1908 as a nonprofit corporation and is the legal body of the church for the Southern Union Conference, an unincorporated organization. SUCASA holds title to all properties, and manages these properties for the Southern Union Conference. SUCASA also manages the trust programs of the Southern Union Conference.

The Southern Union Conference and its incorporated legal body, SUCASA, are affiliated with, but are a distinct and separate entity from, SURF. The Southern Union Conference receives a portion of the tithes and offerings of the church and disburses such funds according to the policies of the church that apply in the circumstances. The Southern Union Conference has denominational responsibility for the eight southeastern states of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina and Tennessee. Approximately 286,470 Seventh-day Adventist members reside in these states. Eight local Conferences are organized within the territory of the Southern Union Conference. These eight local Conferences are:

Carolina Conference of Seventh-day Adventists,

Florida Conference of Seventh-day Adventists,

Georgia-Cumberland Conference of Seventh-day Adventists,

Gulf States Conference of Seventh-day Adventists,

Kentucky-Tennessee Conference of Seventh-day Adventists,

South Atlantic Conference of Seventh-day Adventists,

South Central Conference of Seventh-day Adventists, and

Southeastern Conference Seventh-day Adventists.

The executive offices of the Southern Union Conference, SUCASA and SURF are located at 302 Research Drive, Norcross, Georgia 30092. The phone number is (770) 408-1800.

SURF and SUCASA also maintain a Tennessee office at 850 Conference Drive, Goodlettsville, Tennessee 37115. The phone number of the office is (615) 859-1391.

THE OFFERING OF NOTES

SURF offers the Notes for sale in eight states. The Notes are unsecured obligations of the Revolving Fund, having the same priority in its assets as the other outstanding obligations of SURF. Unsecured obligations mean that the Revolving Fund Notes do not have any specific assets of SURF pledged specifically to pay them first. As a result, the holders of the Notes will stand in the same shoes and place as other unsecured creditors of the Revolving Fund. For example, the mortgage on a home secures a debt owed by a homeowner and is the first obligation paid when the home is sold. Thus, the home stands as security for the loan. There is no specific security for the obligation of the Revolving Fund to pay the Notes. Note holders are, thus, general unsecured creditors of the Southern Union Revolving Fund, Inc. Other than its obligations to pay the Notes, the Revolving Fund has no other financial obligations. All holders of SURF's liabilities would have the same rights and privileges upon any liquidation of SURF.

The offerings are made in each state by separate offering circulars pursuant to exemption from registration or other qualification by applicable regulatory procedures. The amounts offered in each state by SURF are dependent upon a number of factors, including the estimated sales potential in the state and the necessity for compliance with applicable state securities laws. The total amount to be offered during 2025 will be approximately \$237,000,000. The offering in Florida will be up to \$85,000,000 principal amount of Notes, inclusive of the principal amount of Notes presently outstanding owned by Florida residents or Florida based organizations affiliated with SUCASA.

RISK FACTORS

An investment in the Revolving Fund 90-day demand Notes is subject to numerous risks, including those described elsewhere in this Offering Circular. Among the risks commonly associated with investments in the Revolving Fund Notes are the following:

1. **Notes Are Unsecured.** The Notes are unsecured general obligations of SURF. Accordingly, owners of the Notes are unsecured creditors of SURF and will be dependent solely upon the financial condition and operations of SURF for repayment of principal and interest. As of December 31, 2024, approximately 65.90% of the net funds cumulatively raised from the sale of the Notes have been loaned to denominational entities for construction of local Seventh-day Adventist churches and other Seventh-day Adventist affiliated buildings. The balance of such funds (approximately 34.10% of the total Notes proceeds) have been invested by SURF in securities, investments, cash and cash equivalents, as described below under "Investment Policies." While no ultimate

losses from defaults on loans to denominational entities have previously occurred, nor are any expected, they are possible. SURF's policy with regards to these loans includes an evaluation of credit-worthiness, a requirement that the applicable local conference guarantee a borrowing denominational entity's loan and an examination of various other criteria designed to reduce default risk. Additionally, SURF believes the borrowing entities are not used by a borrowing denominational entity primarily dependent upon contributions and donations to satisfy loan repayments. SURF considers the sufficiency of a borrowing denominational entity's financial assets derived from that entity's Adventist members' past and projected freewill offerings and from other sources as part of the evaluation. The consistent history of both tithing and freewill offering contributions by faithful Adventist members is well established and in accordance with Adventist religious beliefs. Monies will be set aside from the earnings on each loan to cover the possibility of defaults. This is referred to as the "reserve fund" and is outlined in the Statement of Financial Position and Statement of Activities included as part of SURF's Financial Statements included in this Offering Circular.

2. **Non-Marketable and Non-Transferable.** The Notes are not transferable. No public market exists for the Notes and none will develop, and therefore, the marketability of the Notes is limited and restricted. Should you wish to sell any Notes on the open marketplace, you would be unable to do so. The Notes are not liquid investments. There is a time lag before you will receive your money back on the Notes since the Notes are not payable to you until 90 days after you ask for payment.
3. **Payment Not Immediate.** The Notes are open end promissory notes not payable to you until 90 days after you make written request for payment.
4. **Notes Are Taxable.** Interest paid or payable on the Notes is taxable to you as ordinary income when it is received; therefore, the interest income will be added to your taxable income in the year in which it is paid. There are no income tax benefits with respect to investment in the Notes. (The interest paid on Notes purchased by tax-exempt organizations may not be taxable.)
5. **Interest Rate on Notes Can Fluctuate.** The interest rate payable by SURF on the Notes is also subject to change as set forth in the Note.
6. **Loans Made By SURF With Proceeds of Notes Are Made to Affiliates.** SURF uses a substantial majority of the proceeds from the sale of Notes to make loans to affiliated Seventh-day Adventist churches and related religious organizations, including local churches, whose ability to repay the loans depend primarily upon contributions that they receive from their members. The relationship between the Revolving Fund and its denominational entities, which are borrowers for the purpose of construction loans, cannot be compared to that of a non-affiliated arm's length commercial lender. The loan policies of SURF for loans to affiliated churches and related religious organizations are less stringent than loan policies of commercial lenders. The Revolving Fund, for example, might be willing to accept a deferred or late payment that a regular commercial

lender would not accept under similar circumstances. Additionally, loans made to SUCASA and the eight other local Conferences are not secured.

7. **Speculative Investment.** The Revolving Fund Notes are speculative investments. Risks of investment in the Notes may be greater than implied by relatively low interest rates on the Notes. They are not insured or guaranteed by any government entity. Changes in the real estate market and commercial lending rates could impact on the Revolving Fund's loan portfolio and repayment of these Notes. In the event there is a default in one of the mortgages made on funds in the Revolving Fund, there could be costs of resale and costs of the foreclosure, as well as the risk that properties and the buildings on them could not be resold.
8. **Real Estate Risks of Loan Collateral.** In the event of default on any of the loans made by SURF and the foreclosure by SURF of a mortgage securing a loan, the real estate property subject to the mortgage may not sell for its appraised value since the appraised value of a religiously used property is based on its value as a special purpose property such as a sanctuary or educational facility. Its limited use may adversely affect the marketability or fair market value of the property.
9. **Priority of any Subsequent Secured Debt over the Notes.** The Revolving Fund Notes purchased this year could become subordinate in priority and ranking to any secured indebtedness that SURF may incur in the future.
10. **Changes in Tax Laws.** Future changes in State and Federal laws could affect the tax-exempt status of SURF and possibly result in SURF's decision not to continue the Revolving Fund.
11. **Value of Investment Assets of SURF Could Change.** SURF's liquid assets invested in readily marketable securities are subject to various market risks which may result in losses if market values of investments decline.
12. **SURF's Financial Position Could Change.** Any unexpected negative change in the financial condition of SURF in the future could adversely affect its ability to make principal and interest on the Notes as and when they become due.
13. **Fixed Income Investment Assets of SURF Are Subject to Market Risk:** As part of its investment strategy, SURF places a portion of its assets in fixed income investments, such as bank certificate of deposit, with maturity dates as far as 10 years in the future. Pursuant to SURF Investment Policies, fixed income investments never exceed federally-insured limits. However, the value at which SURF could "cash out" prior to the maturity date is subject to then-present market and regulatory condition in the banking industry. Systemic market volatility, bank distresses, and/or early withdrawal penalties could negatively affect the value of SURF's fixed income investment, if SURF exits these investments prior to their maturity dates.

14. The onset of COVID-19 epidemic in the United States in the spring of 2020 resulted in a temporary full and/or partial closure of certain Seventh-day Adventist churches by government order or voluntarily to reduce the risk of disease contagion among church members. Such circumstances resulted in a short-term decrease in charitable donations to certain churches that are borrowers from the Revolving Fund. Due to the COVID-19 pandemic, SURF made some concessions for any churches that experienced hardship by allowing those churches to complete a Temporary Loan Modification Application with the following three temporary loan modification options: partial payment, interest only, or pay less than the monthly interest charge and instead allow interest to accrue on the loan. However, proactive measures such as increased access to online giving and internet streaming of church services facilitated the restoration of engagement of church members and a full recovery of giving levels by Seventh-day Adventist church members by late 2020 and an increase in overall tithing amounts in 2021 and 2022, that was sustained in 2023 and 2024. SURF does not believe that the lingering effects of the COVID-19 pandemic will result in a higher level of defaults or material losses from any SURF loans or any material diminishment in SURF's ability to pay all its obligations as they become due, including all its obligations on the Notes. The Revolving Fund has not experienced a large decrease of loan payments due to the COVID-19 pandemic. However, SURF cannot predict the future economic or other effects on SURF of the outbreak of any new variants of COVID-19 or of any other systemic health-related crisis that might occur.
15. **Geographic Concentration.** The borrowers from SURF whose loan repayments provide most of the funds to enable SURF to pay the Notes are located in the southeastern United States. Accordingly, there are risks related to geographic concentration of loans to affiliated churches or other related organizations within the southeastern United States, such that changes in economic conditions of that region could affect the ability of the churches or organizations, as a group, to repay the loans.
16. **Securities Laws.** The sale of securities is heavily regulated by state agencies. New laws or regulations, changes to existing laws or regulations, loss of licensure, or failure to obtain licensure could, among other things, affect SURF's ability to issue Notes or make new loans, SURF's reliance on exemptions from certain securities registration requirements, and may possibly result in SURF's decision not to continue the Revolving Fund.

USE OF PROCEEDS

Proceeds received from the sale of Notes in Florida and in other states are (1) loaned to Seventh-day Adventist affiliated churches, church schools, or other approved denominational institutions for capital expenditures that include, but are not limited to, building construction, acquisition of fixed assets, and major capital improvements, (2) held in short term liquid financial assets as a. reserve for additional loans to eligible Seventh-day Adventist affiliated organizations, (3) held in short term liquid financial assets as part of a "reserve fund" to ensure adequate availability of funds to pay Notes as they are redeemed by their owners, or (4) held in Fixed Income Investments as described in SURF's investment policies described herein.

SURF seeks to loan funds to Seventh-day Adventist affiliated institutions located in the same local conference generally in amounts substantially equivalent to the total proceeds of Notes sold in that conference. If there is no demand for loans meeting SURF's loan policy requirements in the local conference territory which supplied the funds, then the funds can be released by that conference to be loaned to either institutions in any of the other seven local conferences making up the Southern Union Conference or to organizations or institutions directly owned by SUCASA. Twenty five percent of the Revolving Fund will be invested in liquid and short-term financial assets to satisfy liquidity requirements of a reserve fund. As of December 31, 2024, the total assets of SURF in cash, cash equivalents and short-term securities and investments equaled \$165,536,736. Another \$141,232,718 of SURF's assets represent the short and long-term obligations of borrowers, all of which are Seventh-day Adventist organizations or their affiliates, to pay loans made by SURF to Seventh-day Adventist affiliated churches, church schools, or other approved denominational institutions for building construction and acquisition or major capital improvements.

SURF's unrestricted net assets totaled \$92,810,475 as of December 31, 2024. This amount includes the "reserve fund" which totaled \$45,317,858 as of December 31, 2024. Assets in the reserve fund and other assets of SURF in excess of the need for church loans are invested in readily marketable securities or other short-term assets or Fixed Income Investments in accordance with established investment policies.

Since 2012, the reserve fund has maintained its minimum funding level. In December 2022, the Board of Directors of SURF voted to distribute funds to the conferences based on a new formula. Starting in 2023, the new basis for determining reserve fund distributions is to distribute the higher of 25% of the interest spread between SURF's notes receivable and Notes payable or 25% of the net increase to the reserve fund, whichever is higher. The distribution for 2025 from the reserve fund has been determined to be \$411,853, equal to 25% of the net increase to the reserve fund in 2024. This distribution will be expensed in 2025.

Consistent with SURF's prudent and reasonable policies and in compliance with applicable laws, including maintaining a sound reserve fund, the Board of Directors of SURF reserves the flexibility to significantly increase the amount of distributions to SUCASA for use by SUCASA's in furtherance of its charitable and religious purposes

For a description in tabular form of SURF's outstanding investments categorized according to the types of investments held (equity securities, government securities, corporate bonds, etc.) and which discloses the amount invested in each category, see Note 5 — Securities and Investments — and the Supporting Schedules and Analysis of the Financial Statements.

As of December 31, 2024, the amount of each major category of SURF's securities and investments and the percentage each category represented as a portion of (i) all of SURF's cash, cash equivalents, securities and investments and (ii) all of SURF's assets were as follows:

	Fair Value (cost)	% of Securities and Investments	% of Total Assets (\$307,110,881)
Checking Accounts	\$4,539,101	2.74%	1.48%
Money Market Accounts	\$48,615,603	29.37%	15.83%
U.S. Treasuries	\$0	0%	0%
Certificates of deposit	\$25,000	.02%	.01%
SDA International Equity	\$0	0%	0%
SDA ST Bond Index	\$64,339,507	38.87%	20.95%
SDA Large Cap Equity Index	\$11,530,876	6.97%	3.75%
SDA Mid & Small Cap Equity Index	\$5,555,338	3.36%	1.81%
Gov't Bonds	\$25,425,610	15.36%	8.28%
Corporate Bonds	\$13,856	.01%	0%
Unrealized Appreciation/Depreciation	\$5,491,845	3.32%	1.79%
<u>Total</u>	\$165,536,736	100.00%	53.90%

* rounded to the nearest single decimal

INVESTMENT POLICIES

These investments of SURF's assets not in the form of loans (i.e., notes receivable owed by Seventh-day Adventist affiliated entities which have borrowed from SURF) funds are made according to policies adopted by SURF's Investment Committee from time to time. Current investment policies require the following:

- A. Only financially stable, well-capitalized, highly rated commercial banks shall be used for checking accounts.
- B. Short-term Investments:
 1. All fixed income investments with a final maturity date of one (1) year or less shall be considered short-term investments.
 2. Up to 100% of the Revolving Fund may be invested in the following short-term issues:
 - a. No limitations are placed on the purchase of securities issued by the US government, or an agency thereof guaranteed by the US government.

- b. Quality, Diversity & Liquidity: All short-term securities purchased must have adequate market liquidity, should not represent a significant exposure relative to the size of the total portfolio and must be rated A1/P1 or equivalent.
 - c. General Conference Unitized Fund.
 - d. SEC registered money market mutual fund with the following limitations:
 - i. Money market mutual fund must have in excess of \$250,000,000.00 total assets.
 - ii. The weighted average days to maturity (“WAM”) must be 120 days or less.
 - iii. The money market mutual fund only invests securities rated in investment grade or better by at least two (2) recognized statistical rating organizations.
 - e. Savings accounts with banks, savings and loan associations, building societies and credit unions limited to amounts covered by insurance provided by the appropriate national government agencies.
 - f. Bankers’ acceptances issued by US banks or major foreign banks - when the commercial paper issued by such bank or holding company is rated A1/P1 by at least two (2) recognized statistical rating organizations or if the investment is limited to an amount covered by national government insurance.
 - g. Certificates of deposit or master notes issued by US banks or major foreign banks - when commercial paper issued by such bank or holding company is rated A1/P1 by at least two (2) recognized statistical rating organizations or if the investment is limited to an amount covered by national government insurance.
 - h. Commercial paper investment rated A1/P1 by a least two (2) recognized statistical rating organizations.
3. Concentration - At no time shall the fund invest more than 10% of the total assets in the securities of any one issuing organization or backed by the credit worthiness of any single organization.

C. Fixed Income Investments:

- 1. All fixed income investments with a final maturity date of one (1) year or greater shall be considered fixed income investments.
- 2. Up to 100% of the Revolving Fund may be invested in fixed income instruments meeting the following provisions:
 - a. Quality: Marketable bonds held in the portfolio must be rated “investment grade” or better by Standard & Poor’s (BBB- or higher) and Moody’s (Baa3 or higher). If Moody’s or S & P do not rate a security, then the Fitch (BBB- or higher) rating will be used. For split rated securities, the higher of the two ratings will apply.
 - b. Notification of Downgrades to Below Investment Grade: Should a fixed-income security be downgraded to below investment grade, the Investment Manager shall, as promptly as practicable but no later than five (5) business days after the downgrade, notify the Investment Committee or a duly or a designee and the Investment Consultant in writing. The

Investment Manager shall sell the security as soon as prudently practicable following the downgrade. In the Investment Manager’s notification to the Union, the manager shall outline the conditions that led to the company’s rating deterioration, the Investment Manager’s plan of action (including timeframe) with regard to holding or selling the security. If the Investment Manager does not intend to sell the security within ten (10) business days after the downgrade (because the Investment Manager concluded that it would be prudent to do so), the Investment Manager’s notice shall also include a detailed explanation for the rationale for that decision. Notwithstanding its notice to the Investment Committee or a designee and the Investment Consultant, the Investment Manager shall at all times remain responsible for all decisions regarding the prudent investment and disposition of Revolving Fund assets under its management, including, without limitation, any downgraded securities.

BOND RATING CODES		
Permitted Ratings	S&P	Moody’s
Highest quality	AAA	Aaa
High quality	AA	Aa
Upper medium quality	A	A
Medium grade	BBB	Baa
Prohibited Ratings		
Somewhat speculative	BB	Ba
Low grade, speculative	B	B
Low grade, default possible	CCC	Caa
Low grade, partial recovery possible	CC	Ca
Default, recovery unlikely	C	C

- c. Reporting Requirements for Below Investment Grade Bonds: Should the Investment Manager continue to hold such a downgraded security in the portfolio, it shall provide the Investment Committee or a designee and the Consultant with monthly updates in writing of the status of the security (including, without limitation, a detailed explanation for the rationale for continuing to hold the security in the portfolio and updated information with respect to the Investment Manager’s plan of action), as well as prompt notification of any further rating deterioration.
- d. Portfolio Duration: The Revolving Fund has set no duration target. However, the duration of the combined fixed income and cash portfolios should not exceed four (4) years.
- e. Security Maturity: The Revolving Fund will not make any further purchases of securities with a final maturity greater than ten (10) years.

- f. Concentration by Issuer: Investments in any one issuer or backed by any one issuer, other than US government and agency securities, shall not exceed 5% of total portfolio assets based on market value.
- g. Marketability: All fixed income securities purchased must have adequate market liquidity. Adequate market liquidity shall be determined by the Revolving Fund's ability to liquidate an investment in a timely manner in accordance with its terms and the reported value of an investment that SURF considers to possess "adequate market liquidity" may not necessarily be reduced to include factors such as the potential loss of principal or interest due to market conditions or early withdrawal penalties.
- h. Up to 25% of the SURF loan portfolio may be invested in mortgage related and asset backed securities, with the following exceptions:
 - i. Subordinated debt is prohibited.
 - ii. All agency and non-agency CMO's must be rated AAA or better.
 - iii. IO's, PO's, Inverse floaters and all other leveraged tranches are prohibited.
 - iv. Real estate mortgages are limited to 90% of the fair market value of the collateral.
- i. General Conference unitized funds (See Note 5 to the accompanying financial statements).
- j. SEC registered bond mutual funds conservatively constructed and managed in compliance with these guidelines.
- k. Foreign-related fixed income is prohibited.
- l. Rule 144A securities are prohibited.
- m. Futures, options and other derivative contracts are prohibited.
- n. Convertible bonds, convertible into common stock, are considered equity securities and thus are prohibited from being purchased as fixed income securities.
- o. REIT's are considered equity securities by the Fund and thus are prohibited from being purchased in the fixed income portion of the portfolio.

D. Equities: Equities are not permitted in the Revolving Fund.

It is expected that the portfolio will be managed with the objective of total return. Therefore, sales of securities need not be restricted in any manner but shall be based on the investment merits of each security in the portfolio.

The Investment Committee of the Board of Directors of SURF adopts, subject to general direction of the Board of Directors, and implements the investment policies of SURF. The current members of the SURF Investment Committee, which include advisory members who are not members of the SURF Board of Directors, and their relationship to the Southern Union Conference, SUCASA or one of the eight local Conferences comprising the Southern Union Conference are:

David Freedman *	Vice-President of SURF and Treasurer of the Southern Union Conference (Chairman)
Dave M. Colburn*	Associate Vice-President of SURF and Undertreasurer of the Southern Union Conference
Carlos C. Salazar*	Treasurer of SURF and SUCASA
Peter DeVries	Assistant Treasurer of SUCASA
Richard D. Russell	Carolina Conference Treasurer
Elisa Rahming	Florida Conference Treasurer
Kurt Allen	Georgia-Cumberland Conference Treasurer
Gwen Speak	Gulf States Conference Treasurer
George Crumley	Kentucky-Tennessee Conference Treasurer
Merkita Williams	South Atlantic Conference Treasurer
Sonja Crayton	South Central Conference Treasurer
Emmanuel Charles	Southeastern Conference Treasurer
Doug Frood	Southern Adventist University Controller

* Indicates that he is a member of the Board of Directors of SURF.

None of the proceeds of the Notes will be used for expenses of the Revolving Fund. Such expenses will be paid partially by earnings on loans made to church institutions, from other revenues of SURF or SUCASA, and in part by the eight local Conferences making up the Southern Union Conference of Seventh-day Adventists.

SURF is on a modified fund accounting system of record keeping. All assets, revenue and expenses of the Revolving Fund are maintained completely separate from the operations of SUCASA and the Southern Union Conference. Accordingly, the financial activities of SUCASA and the Southern Union Conference should not adversely affect the operation of the Revolving Fund. As an affiliate of the Seventh-day Adventists, the Revolving Fund operates in compliance with the working policy of the North American Division of the General Conference of Seventh-day Adventists.

LENDING ACTIVITIES

The proceeds from the sale of the Notes are used to make loans to Seventh-day Adventist churches, schools, and certain other denominational facilities, for the purpose of building construction, acquisition, or major renovation. The Seventh-day Adventist Church also operates some health care institutions. However, because these health care institutions, which are affiliated with the Adventist Health System/Sunbelt Health Care Corporation, have such extensive borrowing requirements they are not eligible to receive loans from SURF.

As of December 31, 2024 there were 338 loans made by SURF outstanding. The total outstanding balance owed on these 338 loans as of December 31, 2024 equaled \$141,232,718, of which \$84,476 is payable by December 31, 2025. As of December 31, 2024, only 45 of the loans had an original loan amount exceeding \$1,000,000 of which only 7 had an original loan balance of \$4,000,000 or more. 18 of the loans are still in the construction draw phase for which a maturity date has not yet been established, but will likely be 20 years with equal monthly

payments of principal and interest. Of the 338 outstanding loans with fixed maturity dates as of December 31, 2024, the maturity dates over the next twenty years are as follows:

Summary of Loan Maturity Dates **

2025= 25	2026= 5	2027= 3	2028= 16
2029= 29	2030= 10	2031= 10	2032= 21
2033= 33	2034= 20	2035= 20	2036= 11
2037= 27	2038= 18	2039= 22	2040= 22
2041= 9	2042= 10	2043= 11	2044= 11

**SURF reserves the right (as determined by the SURF Board of Directors) to require any borrower to repay a loan in full upon 90 days' notice by SURF regardless whether the loan is in default. Historically, SURF has not exercised the right to accelerate a non-defaulted loan.

LOAN POLICIES

Interest rates on loans made by SURF are set at rates which are variable during the term of the loan as determined by the Board of Directors of SURF from time to time. The rate has customarily been set within a range of an annual rate 1.75% (175 basis points) to 2.50% (250 basis points) higher than the rate payable by SURF on the Notes. SURF generally tries to set the interest rate on its Notes at a rate slightly below the prevailing money market lending rates. Effective December 1, 2023, the rate paid on the Notes increased to 4.0% and the interest rate charged on loans increased to 6.0%. These same rates remain in effect as of May 1, 2025. Effective as of January 1, 2018, a change in the interest rate charged by SURF on its loans, either up or down, automatically results in a new amortization schedule reflecting new monthly payment throughout the remaining life of the loan. No dollar limits have been set on loans, but certain guidelines are applied. When the principal balance on a loan meets or exceeds \$100,000, the loan is usually secured by a mortgage and lien covering the real property at which the denominational facility is being constructed or renovated with loan proceeds. Loans for less than \$100,000 are not secured. As of December 31, 2024, the aggregate total of the principal balance of unsecured loans was \$6,830,778 of the \$141,232,718 aggregate outstanding amount of loans made by SURF. The \$134,401,940 balance of the loans are secured by a first priority mortgage on the borrower's real property. SURF is in the process of obtaining a first priority mortgage to secure the remaining loans whose principal balance meets or exceeds \$100,000, except for those loans to SUCASA and the eight local conferences, which are not secured. In the case of churches and local Conference facilities, the loans must be guaranteed in writing by the local Conference concerned, and are reflected on the books of the local Conference as a contingent liability. 100% of the \$141,232,718 of total loan amounts outstanding as of December 31, 2024 either are the direct obligation of a local Conference \$22,568,446 or are guaranteed by a local Conference \$118,664,272. Each loan made to finance the construction of SUCASA and local Conference facilities constitutes a financial obligation of SUCASA and such local Conference. Loans may total up to sixty-five percent of the cost of a project including the land cost. The remaining thirty-five percent of needed funds must be in hand before construction may begin. Loans will only be made with the written approval of the local conference in whose corporate name the property is to be deeded. The local conference and the church or institution receiving the loan proceeds will be the obligors required to pay the loan. Loans will be made to churches for a maximum term of twenty years, at which time they will be fully paid. The term for loans to

other organizations may be longer, but will be consistent with denominational policy as formulated by the General Conference of Seventh-day Adventists. Although the documents evidencing the loans provide for a multi-year maturity, typically of fifteen to twenty years, they also clearly state the right of SURF on 90 days written notice to the borrower to demand payment in full of all principal and interest owed on the Note even if the loan is not in default. The right to “call” a loan on 90 days’ notice provides SURF with the flexibility to liquidate some of its loan portfolio in order to generate additional cash if there were an unanticipated heavy demand by holders of Notes for payments on Notes. SURF has never exercised the right to accelerate the maturity date of a non-defaulted loan. Even if SURF did exercise such right, it is doubtful that many borrowers, which are customarily churches without significant cash reserves, could pay a lump sum payment of all principal and accrued interest due on a Note on 90 days’ notice. In such event, SURF might make demand on the Conference guarantor for payment. SURF does not anticipate the need to call any non-defaulted loans in reliance on the 90-day notice provision.

Loans are made after an application properly executed by the prospective borrowing institution is approved by the local Conference, and then submitted and approved by the Loans Committee of SURF. Presently, the members of the Loans Committee are:

David Freedman *	Vice-President of SURF and Treasurer of the Southern Union Conference (Chairman)
James R. Davidson *	Secretary of SURF
Dave M. Colburn*	Associate Vice-President of SURF and Under Treasurer of the Southern Union Conference
Carlos C. Salazar *	Treasurer of SURF and SUCASA
Les Speer*	Associate Secretary of SURF, and Planned Giving and Trust Services Director of SUCASA
Peter DeVries	Assistant Treasurer of SUCASA
Kristina Mace	Associate Treasurer, Southern Union Conference
Mariel Lombardi	Customer Service/Account Specialist, SURF

* Indicates that he is a member of the Board of Directors of SURF.

LOAN PROCESSING

All building plans or purchase plans must be approved by various organizational levels of the Seventh-day Adventist Church, depending on the cost of the project. No loan applications will be accepted unless these approvals are in hand. Applications are available at the local Conference office. After completing the form, the church or institution submits it to the local Conference for approval. The local Conference processes it and sends it to SURF where a committee made up of the following as available: president, vice-president, treasurer, secretary, assistant treasurer, and director of trust services will consider the application and pass it on.

Prior to or at the time of disbursement of a loan whose principal meets or exceeds \$100,000, a mortgage and other lien covering the financed real property and personal property must be executed and recorded unless a waiver is approved by the Loans Committee. Such

mortgage and lien shall be in a form acceptable to the Revolving Fund and in the case of real property shall be recorded in the public records where the property is located. In the case of a lien against equipment or other tangible property, it shall be filed and recorded as required to comply with the Uniform Commercial Code or other similar statute governing liens against personal property. In the case of real property, prior to disbursement, SURF must be furnished a title insurance commitment showing those matters that shall be required for SURF to hold a first mortgage or lien against the real property, subject only to standard exceptions and those other matters that do not adversely affect the lien of SURF. Subsequent to closing, a mortgagee title policy must be furnished to the Revolving Fund. In lieu of title insurance, the Revolving Fund may accept an Opinion of Title issued by an attorney authorized to practice in the jurisdiction where the property is located. All loan closing expenses shall be paid by the borrowing entity. These requirements do not apply to any of the loans made by SURF with SUCASA or any of the eight local Conferences, and are waived for all loans less than \$100,000.

Prior to closing, the Revolving Fund requires proof of hazard insurance for all improvements on the property to the full insurable value of the property, with SURF named as mortgagee or additional insured. Such insurance must be kept current at all times during the term of the loan.

LOAN DELINQUENCIES

Loans made by SURF are considered delinquent once they are 60 days past due. Once a loan becomes 120 days past due, the Revolving Fund will negotiate with the local Conferences on a repayment of the delinquent portion of the loan. Effective January 1, 2016, a new policy was approved by the Board that requires the local Conference to pay the past due portion of any church borrowings from SURF that are 120 days delinquent by either direct billing or reduction from monthly subsidies. An allowance account has not been established for these past due loans since they are either secured by a lien, guaranteed by a Conference (or in the case of eight loans made directly to a Conference, is a direct obligation of a Conference), or secured by Conference deposits. The Revolving Fund does not believe that it is exposed to any significant credit risk in connection with the extension of credit to its borrowers.

SURF maintains a “reserve fund” into which it annually transfers the net earnings of the Revolving Fund in an amount equal to fifty percent of the interest spread. This fund will be limited to a maximum of twenty-five percent of the Revolving Fund. In the event a loan becomes 120 days delinquent, the Revolving Fund will negotiate with the local conference obligor or guarantor on a repayment of the Notes. The reserve fund is also available to cover such losses. The local conference is responsible for payment of those loans that it has guaranteed. SURF has never experienced material loan delinquencies. Loan delinquencies of greater than 120 days have not exceeded **4.29%** of SURF’s outstanding loan balances in any of the last five years. As of December 31, 2024, there are 11 delinquent loans. SURF has never incurred any loan losses.

Starting January 1, 2022, any loan that becomes 120 days delinquent is brought current by transferring the debt to the co-signing Conference in the amount that the loan is delinquent. This amount will be collected from the Conference either by an ACH withdrawal on the first

business day of the month, a check from the Conference, or a transfer from their Reserve Fund held at SURF.

The adverse effects of the COVID-19 pandemic, including economic uncertainty or recession, could increase the risk of default by loan borrowers and increase the risks that such borrowers would seek deferral or other modifications of loan terms. Because of the large size of SURF's reserve funds, the conservative nature of SURF's loan policies and investment policies and the affiliated nature of its borrowers' relationship to SURF, and SURF's successful record of no loan losses during prior periods of economic downturns, SURF does not anticipate that any such adverse effects will result in material losses from any SURF loans or any material diminishment in SURF's ability to pay all its obligations as they become due, including all its obligations on the Notes.

MANAGEMENT

SUCASA and SURF, as Tennessee non-profit corporations, have no shareholders but SUCASA is the sole member of SURF and possesses the rights and authority of a member under the Tennessee Nonprofit Corporation Act. The management of the affairs of SUCASA and SURF is primarily conducted by its respective Board of Directors, all of whom serve for five-year terms. The board consists of not more than fourteen persons who are elected by constituent delegates at each regular session of the Southern Union Conference of Seventh-day Adventists. The directors have the authority to fill any vacancies which may occur in the interim between meetings of the membership. Certain elected officers of SUCASA and SURF are normally installed as board members. All terms will expire in 2027.

The following persons currently serve as directors of SURF:

RONALD C. SMITH, President and Board of Directors Chairman, was re-elected President of SURF in September 2022. For five years previous, he was Secretary of the Southern Union Conference of Seventh-day Adventists. For eight years, he was Vice-President of the Review and Herald Publishing Association and Editor of Message Magazine. He received a B.A. degree from Oakwood College in 1979; a Masters of Divinity from Andrews University Theological Seminary in 1982; a Doctor of Ministry degree from Colgate University and a PhD in Psychology from Fuller Theological Seminary. His business address is 302 Research Drive, Norcross, Georgia 30092.

DAVID FREEDMAN, Vice-President and Director, was elected Vice-President of SURF and Treasurer of the Southern Union Conference by the Southern Union Executive Committee on December 19, 2018. He was re-elected Vice-President of SURF in September 2022. Immediately prior he was Vice President for Finance of the Upper Columbia Conference for one year. For six years previous to 2017, he was Vice President for Finance of the Oregon Conference of Seventh-day Adventists. From 2002-2011, he served concurrently as Vice-President for Finance for Texico Conference of Seventh-day Adventists and treasurer of Sandia View Academy. His business address is 302 Research Drive, Norcross, Georgia 30092.

JAMES R. DAVIDSON, Secretary and Director, was re-elected Secretary of SURF, SUCASA and the Southern Union Conference of Seventh-day Adventists in September 2022 at the

Constituency Meeting. He previously served as President of the Carolina Conference. He received B.A. degrees in Theology and Business Administration from Columbia Union College in 1976 and a Masters of Divinity degree from Andrews University in 1979. His business address is 302 Research Drive, Norcross, Georgia 30092.

CARLOS C. SALAZAR, Treasurer and Director, was re-elected as Treasurer of SURF and SUCASA in September 2022 at the Constituency Meeting. For four years previous to October 2006, he was Southern District Director for General Conference Auditing Services. He received a bachelor's degree in Accounting from Mountain View College in 1982, and became a Philippine Certified Public Accountant in 1984. His business address is 302 Research Drive, Norcross, Georgia 30092.

DAVE M. COLBURN, Vice-President and Director, was re-elected as Vice-President of SURF in September 2022. He has been Under Treasurer of the Southern Union Conference since September 2016. He has previously served as Treasurer of the Atlanta Adventist Academy of the Georgia-Cumberland Conference of Seventh-day Adventist and as Treasurer of the Bass Memorial Academy of the Gulf States Conference of Seventh-day Adventist. He received a B.S. in Business Administration from the Southern Adventist University in 2001 and a Master of Business Administration degree from Southern Adventist University in 2013. His business address is 302 Research Drive, Norcross, Georgia 30092.

STEPHEN BOONE, Director, CPA and FACMPE, has served as the CEO of Wilkens Medical Group in Jellico, Tennessee since 2015. He was the Group's Vice-President of Finance from 2002-2015. He held various accounting and finance positions with organizations and companies between 1994 – 2002. He is a member of the Georgia-Cumberland Conference Executive Committee, Finance Committee, and Chair of the Georgia-Cumberland Conference Audit Review Committee, and is a member of the Seventh-day Adventist North American Division Executive Committee. He holds a Bachelor in Business Administration – Accounting from Southern Adventist University (1993) and a Masters in Accountancy from the University of Tennessee (1994). He is a former Chairman of the Jellico Community Hospital Foundation Board. His business address is Aaron Baird Rd, Pioneer, TN.

BEN D. KOCHENOWER, Director, re-elected in September 2022, CPA, CFE, DVA, CICA, CGMA, is a Certified Public Accountant licensed in the states of Maryland, South Carolina and Tennessee. He is the President and Chief Executive officer of Cline Brandt Kochenower & Co., P.A. He holds a BS (1972) from Southern Adventist University. He is a member of various accounting organizations and has served and continues to serve as a member of the board of directors and as an officer with various charities and organizations. His business address is 1225 West Floyd Baker Boulevard, Gaffney, South Carolina 29342

JOHN “JACK” LEACH, Director, a Certified Public Accountant and re-elected to his role as Director in September 2022. He studied at Andrews University in Berrien Springs, Michigan and received degrees in 1966 and 1970. He is past President of Tax & Financial Strategies, Inc. in Altamonte Springs, Florida. He currently lives in Apopka, Florida.

VEE H. LEONARD, Director, JD, is Vice-President and General Counsel of Florida Gulf Coast University (Fort Myers, FL), a position she has held since January 2013. She has served as the University's General Counsel since 2007, having joined the University as Assistant General Counsel in 2005. From 2001 until 2005 she was a municipal attorney for the city of Orlando and was in private practice with a law firm from 1999-2001. She is a graduate of Central Florida University (1994) and the University of Florida College of Law (1999). She has been a board director of the Florida Bar Foundation and received certification as a Compliance and Ethics Professional. Ms. Leonard is a member of the Florida Conference. Her business address is FGCU Boulevard, Fort Myers, FL.

VERONICA BASS-LUCKETT, Director, is the founder and principal of Express Tax & Financial Services, a tax preparation and advisory business in Springfield, Tennessee (formerly named V. Bass Income Tax Services). Previously, she served in various accounting and treasury-related positions for the South Central Conference for 17 years. She is a graduate of Oakwood University. Her business address is Memorial Boulevard, Springfield, TN.

DONNA BOWERS PHILLIPS, Director, DDS, is a dental surgeon in Hinesville, GA. After graduating from Howard University, College of Dentistry, in 1984, Dr. Phillips practiced dentistry as a commissioned officer in the U.S. Army for 13 years, attaining the rank of Lieutenant Colonel. Since 1997, Dr. Phillips has owned and operated Advent Dental in low country Georgia. She is a 1980 graduate of Oakwood University. Dr. Phillips is a member of the South Central Conference. Her business address is Main Street, Hinesville, GA.

TUI PITMAN, Director, has worked for the Seventh-day Adventists denomination for over 40 years. He spent several years in South America running rolling clinics and pastoring a district of twenty-three churches. He has taught Bible, history and Spanish at Bass Memorial Academy and served as pastor, chaplain and principal while there. The last thirteen years before his retirement from Bass Memorial Academy, he worked as the Hispanic coordinator and ran the departments of Trust and Stewardship for the Gulf States Conference of Seventh-day Adventists.

LES SPEER, Associate Secretary and Director, re-elected in September 2022, and member of the Loans Committee. Currently serves as Giving and Trust Services Director of SURF. Prior to his retirement, he was Director of Planned Giving and Trust Services in the Georgia-Cumberland Conference.

WILLIAM CHARLES STONE, Director, re-elected in September 2022, is a retired professional engineer. He holds a BSME (1969) and MSME (1973) from the University of Kentucky. During his career he has served in various industrial positions as a senior engineer, engineering manager, program manager, product planner and test engineer. He has held positions at Teleweld Inc., Streator Illinois, Hoover Universal, IBM and Lexmark Intl. He has also taught math and engineering courses at the University of Kentucky and at a local community college. He has served as his church treasurer since 1988 and is a member of Association Board and Executive Committee of KY-TN Conference of Seventh-day Adventists. He is also a Viet Nam veteran. He lives in Nicholasville, Kentucky.

The board of directors of SURF elects the officers of SURF. Five of the fourteen members of the board of directors of SURF are officers and employees of SURF. No officers or

employees of SURF have written employment agreements with SURF, SUCASA or the unincorporated Southern Union Conference of Seventh-day Adventists.

REMUNERATION

Members of the Board do not receive compensation for their services as a director. The aggregate amount of all remuneration paid to the three highest paid officers of SUCASA and SURF in 2024 was \$362,122.91. No officer received remuneration in excess of 125,115.92 during 2024, and it is not anticipated that any will do so in 2025. None of these salaries are paid from the Revolving Fund, but are paid by the Southern Union Conference.

There is no beneficial ownership or material interest existing concerning any officer or director of SURF other than that certain of the officers and/or directors of SURF are also officers and/or directors of SUCASA, which is both a purchaser (holder) of SURF Notes and a borrower from SURF. All the officers and directors of SURF and SUCASA are also members of one of the eight Conferences comprising the Southern Union Conference. Some of the eight Conferences are purchasers (holders) of Notes, and each is a recipient of one or more loans from SURF or a guarantor of one or more loans to organizations affiliated with the Conference. See Schedules 3 and 4 of the Financial Statements for additional information.

RELATED PARTY TRANSACTIONS

SURF is a subsidiary of SUCASA. The election of members of the board of directors of SURF is controlled by SUCASA. SUCASA regularly purchases and invests in Notes. The current balance of Notes owned by SUCASA equals approximately \$1,705,093. SURF's offices are leased rent free from SUCASA. The officers of SURF also hold offices in SUCASA. SURF pays an annual management fee to the Southern Union Conference of Seventh-day Adventists, the unincorporated affiliate of SUCASA, which totaled \$498,190 in 2024. During 2024, SURF did not make any loans to SUCASA.

The officers and directors of SURF routinely purchase and invest in the Notes. As of December 31, 2024, approximately \$1,069,315 of Notes were owned by the officers and directors of SURF. All officers and directors of SURF and all members of its Investments Committee and of its Loans Committee were members of a local Seventh-day Adventist church and some were officers and/or delegates of local conferences, some of which churches or conferences were borrowers or guarantors of loans made by SURF. It is the policy of the SURF Loans Committee for any committee member to abstain from consideration of a loan to a prospective borrower of which he or she is an active officer.

DESCRIPTION OF NOTES

The amount of Unsecured Investment Notes offered hereby total up to Two Hundred Thirty Seven Million U.S. Dollars (\$237,000,000) for the entire eight states in which they are offered. The purchase price of a Note is equal to the principal invested in the Note. These Notes are open-end promissory notes payable 90 days after written demand by the owner, except in South Carolina, where the Notes are 90-day renewal term promissory notes. These demand

Notes earn interest at the rate of 4.00% per annum. The interest rate payable on the Notes is set by the Board of Directors of SURF from time to time. There is no further requirement as to the amount to be purchased. Interest will accrue daily and be compounded monthly. Interest will accumulate as part of the Note unless the purchaser specifically requests that the interest be paid out quarterly. However, quarterly interest payments require a minimum balance of \$10,000.00. The interest rates may vary with prevailing rate of interest and in accordance with policies formulated by SURF. In 2024, SURF experienced \$6,343,229 in withdrawals by Florida owners of Notes who redeemed all or a portion of their Notes and received additional deposits by Florida investors of \$9,643,609. For the Southern Union states comprising this total offering Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee, during 2024 there were withdrawals of \$25,772,934 and new deposits of \$28,867,090 by purchasers of Notes. Unless requested by an investor, SURF does not issue a written paper promissory note, but, instead, maintains an account for each investor in the principal amount of Notes purchased plus accrued interest less redemptions of Notes.

Interest paid on the Notes is taxable to the investor (other than tax-exempt investors) as ordinary income under Federal income tax laws and is taxable as ordinary income to investors (other than tax exempt investors) under state income tax law in those states with income tax levies.

Under SURF's policies, the Notes may not be transferred or sold by their owner to another individual or entity. However, SURF will in its discretion consider the request of a Notes owner to have her/his Notes redeemed and fully paid by SURF on short notice rather than requiring the owner to provide the standard 90 days' notice. In the event of death of a Notes owner, ownership of the deceased holder's Notes would be conveyed in accordance with the deceased holder's will or in accordance with applicable law if a Notes owner dies without a will.

METHOD OF SALE

Individual Seventh-day Adventist church members purchase Notes directly from the Revolving Fund through their local Conference or purchase Notes by establishing a revocable trust through the local Conference which invests in the Revolving Fund's Notes. No paid brokers are involved in the sale or distribution of Notes and no one is paid a commission or other remuneration in connection with the offer and sale of any of the Notes.

It is possible for individuals to purchase Notes directly from the Revolving Fund through their local conference or to purchase Notes by establishing a revocable trust through the local conference which are invested in the Revolving Fund. No paid brokers are involved in the sale or distribution of Notes and no one is paid a commission or other remuneration in connection with the offer and sale of any of the Notes.

The officers of SURF will have the primary responsibility for the sale of the Notes. No brokers are used to sell any Notes and no commissions are paid in connection with the sale of the Notes.

LITIGATION

As of the date of this Prospectus, there were no suits, actions or other legal or administrative proceedings or claims pending against SUCASA or SURF, nor to SURF's knowledge, against any officers or directors of SUCASA or SURF related to the operations or business of SUCASA or SURF.