

**Platinum**  
Federal Credit Union



# ANNUAL REPORT

# 2015

## FROM YOUR BOARD CHAIR AND CEO



**Kabir Laiwalla**  
CEO



**Kassemali Jinnah**  
Board Chair

2015 was another great year for Platinum Federal Credit Union (PFCU). We were excited to welcome 642 new members to our family, ending with a total of 7,777 member-owners in 33 different states and Canada! Our Board of Directors is focused on strategic planning for PFCU at which we not only look back at the year, but plan forward. Towards that the Board and Management are proud to make a difference for our members through the products and services we offer and the way we deliver them, focused on products and services to specifically match our members need. The range of business checking accounts, supported by the necessary operational, compliance and security requirements are a good example of these.

As a not-for-profit financial cooperative, we return our profits to our members through lower loan rates, higher deposit rates, scholarships for our students and ongoing investments in technology, programs in partnership with community institutions, products and services to maximize our member's ability to grow with security and convenience. As a cooperative, the more products and services our members use, the more value we can return every year to the overall membership. It is gratifying to see so many members using PFCU as their primary banking institution.

Our continued success in creating better member experiences also stems from our talented staff. They are the heart and soul of our organization. Even though the economy is starting to improve, we know that bad things happen to good people, and our staff is dedicated to offering support and guidance. We're so proud of the work they do each day at the credit union, but also the fact that most of them volunteer their time elsewhere in our community.

To add to the suite of services in 2015 we introduced business evaluation, wealth management, retirement, insurance and investment services by partnering with Member Wealth Management. We take security seriously and in 2015 we were among the first credit unions to start migration to EMV/chip debit and credit cards, to protect our members.

In 2015, we opened our third full service branch in Duluth, GA at the intersection of Sugarloaf Pkwy and Satellite Blvd. to support the increasing concentration of members of our community living in the northeast corridor, moved back into the renovated Lilburn Branch and put in place virtual branches at Little Rock, Arkansas and Knoxville, Tennessee.

We have exciting things planned for 2016, including continuing to expand our security features, additional enhancements to Mobile and Internet Banking, more educational opportunities and a new website! We believe in the partnership with our members and together we can help make a difference in all stages of life – from opening a first savings account to planning for retirement. Reach out to see how we can bring more to your banking relationship. Together, we can make 2016 the best year yet.

Sincerely,

Kabir Laiwalla  
CEO

Kassemali Jinnah  
Board Chair

## LOAN COMMITTEE REPORT

It is the function of Loan Committee to ensure that the depositor's funds are put to the best use by lending it to fellow members. From the purchase of commercial property to an emergency loan and everything in between, Platinum Federal Credit Union makes funds available to all qualified members for any worthwhile purpose.

It is the Committee's task to handle each and every member's request in an equitable manner and to make loan decisions in accordance with PFCU's loan policies. The committee also reviews loan policies on an ongoing basis to meet the members' needs and to ensure compliance with NCUA and other laws and regulations. The Committee plays an important leadership role in providing financial counseling to members when necessary.

During the year 2015, PFCU loan portfolio grew by a remarkable 28.27% as members took advantage of various loans offered by the credit union. This year PFCU issued 1,278 loans to its members totaling to \$30.25 million in loan disbursed. PFCU's total outstanding loan balance reached \$50.92 million as of December 31, 2015 compared to \$39.70 million as of December 31, 2014.

Our residential real estate loans saw great momentum both in purchase and refinance. We also had a good year as far as business real estate loans are concerned. Due to growth in assets and some loan payoffs we were able to originate some commercial real estate loans this year.

PFCU offered a special 1.99% interest rate for 6 months on balance transfer and 0% balance transfer fee in 2015 for its VISA® Platinum Credit Card holders. Several members took advantage of this lucrative offer and saved hundreds of dollars in interest on their higher rate credit cards with outside banks. We urge members to make PFCU VISA® Platinum Credit Card their top of the wallet card. PFCU VISA® Platinum Credit Card earns ScoreCard® Reward Points for each dollar spent. ScoreCard® Reward Points can be redeemed for various merchandise, travel, gift cards as well as statement credit.

PFCU also issued a number of Business MasterCard® which features ScoreCard® Cash Back Rewards program of up to 1% Cash Back on all qualified purchases. There is no maximum to the cash back rewards for PFCU Business Credit Card as other banks impose maximum cash back you can earn. PFCU offers credit limits of up to \$25,000 with low interest rates on outstanding balances.

PFCU's loan delinquency ratio reduced to 0.58% in 2015 from 0.68% in 2014. PFCU's recovery committee continued to work with members who are facing difficulties to lower their payments by extending the terms of the loans. We have seen many borrowers step forward to pay their obligation towards the credit union, which shows loyalty of members towards our community owned credit union.

As Loan Committee Chairman, I am pleased to work with four other truly dedicated volunteers: Mr. Nizar Ali, Mr. Nooruddin Mithani, Mr. Suhel Kazani, Mr. Aryn Abdulla, Mr. Jaffar Lutfeali and Mr. Ebrahim Jaffer. I would also like to thank our Chief Lending Officer, Ms. Shaheen Mitha and our loan officers, for their hard work and support. On behalf of the Committee, I wish to express our appreciation for your business and the support given to us.

Rahim Asani  
Loan Committee Chairman



Rahim Asani  
Loan Committee  
Chairman



Karim Kaisani  
Chairman,  
Supervisory Committee

## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee has two primary responsibilities:

1. To ensure that a comprehensive financial audit of the credit union is performed at least annually; and
2. To monitor the credit union's internal controls, assuring compliance with applicable laws, regulations, and the credit union's policies

For the year 2015 the supervisory committee engaged an independent qualified CPA audit firm to perform comprehensive financial audit of the credit union. This year the financial audit was performed as of December 31, 2015. The committee had also engaged Mauldin & Jenkins, CPA Firm to perform the compliance audit for the credit union. We are happy to report that PFCU is in compliance with all applicable laws and regulations. Additionally, NCUA examiners conduct an annual review of the credit union to evaluate the financial condition, the safety and the soundness of the credit union, and compliance with applicable laws and regulations. In the year 2015 NCUA has performed audits for PFCU and its MSB member's compliance with the BSA rules and regulations. Both the NCUA and independent BSA auditors were satisfied with the compliance measures put in place by PFCU to deter risks. In order for PFCU to continue to provide MSB Account services to its members, we urge members to continue to provide all information necessary to keep you in compliance which will also keep PFCU accounts in compliance.

As part of its responsibility to monitor the credit union's internal controls and compliance, the Committee oversees the internal audit function of the credit union. The supervisory committee performs auditing procedures to obtain reasonable assurance that internal controls are in place to protect member assets. The supervisory committee reviews and tests operational controls for adequate security and verifies Platinum Federal Credit Union's compliance with State, Federal and NCUA regulations and adherence to PFCU's own written policies and procedures.

Supervisory committee is confident that the Board of Directors are performing its duties and obligations in a conscientious manner. Working diligently and establishing operating policies, each member of the Board and staff has dedicated himself/herself towards the best interest of the membership. Additionally, CEO Kabir Laiwalla, CFO Thomas Healan, CCO Tony Pleasant and their staff have carried out their duties attentively and competently while being always mindful that the financial success and soundness of the credit union are top priorities.

The internal and external audits, regulatory examinations, and meetings with the credit union's management all indicate that the credit union's financial condition and its internal controls and procedures continue to be sound.

I would like to thank Mr. Nizar Motani and Mr. Moyees Merchant for volunteering their time and knowledge and being part of supervisory committee. I would also like to thank the staff of the credit union for another year of outstanding performance.

Karim Kaisani  
Chairman, Supervisory Committee

## STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2015 (AUDITED)



**Sheraz Alidina**  
Treasurer

<b>ASSETS</b>	<b>2015</b>	<b>2014</b>
Cash and Equivalents	\$12,323,516	\$11,397,932
Receivables	34,029	406,154
Loans to Members	44,048,359	32,405,432
Business Loans	6,874,764	7,293,228
Allowance for Loan Loss	(206,143)	(233,595)
<b>Investments</b>		
Certificate of Deposit	2,790,791	3,528,791
Accrued Interest	200,988	183,899
NCUA Share Insurance Fund	512,793	516,308
Prepaid and Other Assets	116,445	213,399
Property, Equipment, and Furniture Net of accumulated depreciation	2,538,745	2,107,172
<b>TOTAL ASSETS</b>	<b><u>\$69,234,287</u></b>	<b><u>\$57,818,720</u></b>
<b>LIABILITES</b>	<b>2015</b>	<b>2014</b>
Accounts Payable and Other Liabilities	\$1,218,162	\$1,416,655
Notes Payable	-	1,521,820
<b>Member Deposits</b>		
Savings Accounts	12,689,249	12,401,025
Personal Checking	6,838,658	4,551,157
Business Checking	18,171,159	14,351,120
Money Market	10,439,070	7,036,824
Certificate of Deposit	10,542,370	7,834,294
IRA Accounts	685,711	570,433
College Saving Plan	2,695,414	2,689,086
	<u>62,061,631</u>	<u>49,433,939</u>
<b>Equity</b>		
Reserve Fund	900,000	900,000
Undivided Earnings	5,054,494	4,546,306
	<u>5,954,494</u>	<u>5,446,306</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$69,234,287</u></b>	<b><u>\$57,818,720</u></b>

# STATEMENT OF OPERATIONS

## FOR THE YEAR ENDED DECEMBER 31, 2015 (AUDITED)

<b>REVENUE</b>	<b>2015</b>	<b>2014</b>
Interest on Loans	\$2,304,943	\$2,142,469
Interest on Investments	31,751	38,311
Fees	1,737,346	1,475,443
Miscellaneous	135,689	115,792
	4,209,729	3,772,015

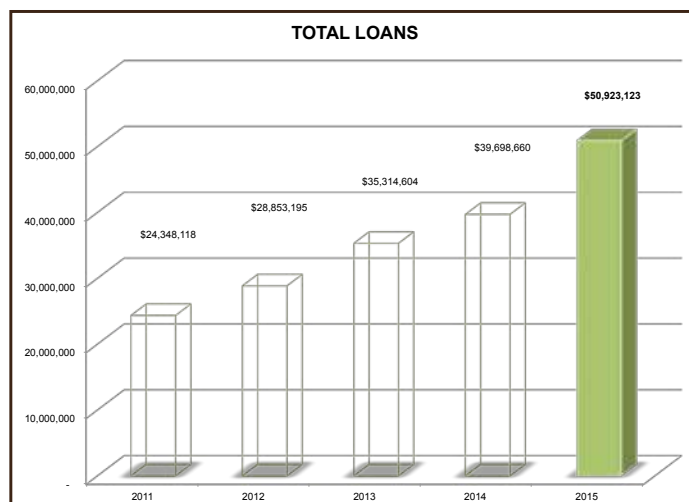
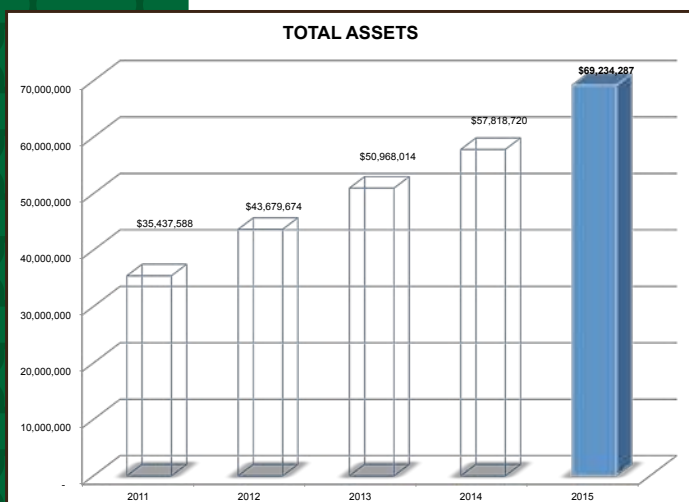
<b>EXPENSES</b>		
Salaries & Benefits	1,895,528	1,522,051
Office Occupancy Expenses	178,543	137,413
Office Operating Expenses	811,224	740,108
Loan Servicing Expenses	221,119	165,615
Professional & Outside Services	108,488	95,623
Marketing / Member Education	82,727	92,790
Misc. Operating Expenses	143,885	128,019
Provision for Loan Losses	16,000	-
	3,457,514	2,881,619

<b>COST OF FUNDS</b>	<b>2015</b>	<b>2014</b>
Interest on Borrowings	\$3,227	\$3,913
Dividend Expenses	240,800	232,214
	244,027	236,127

<b>NET OPERATING GAIN / (LOSS)</b>	<b>508,188</b>	<b>654,269</b>
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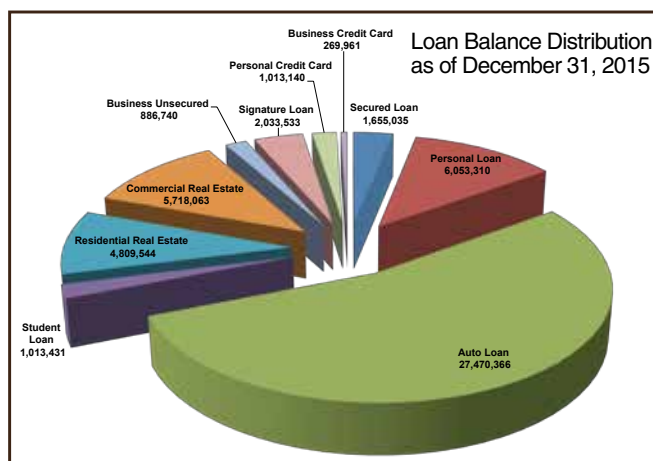
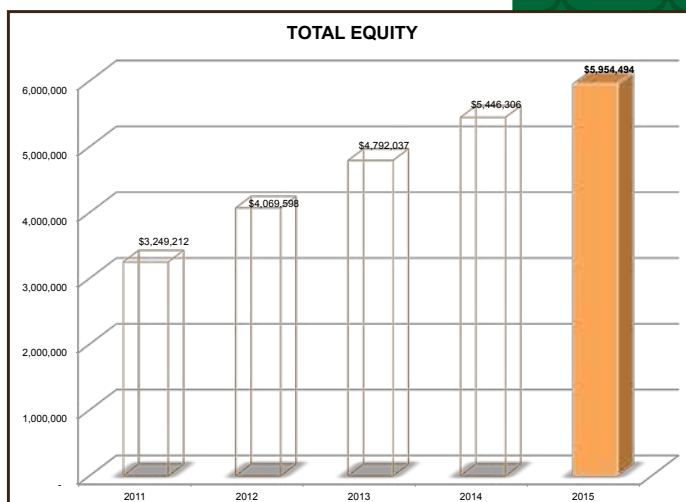
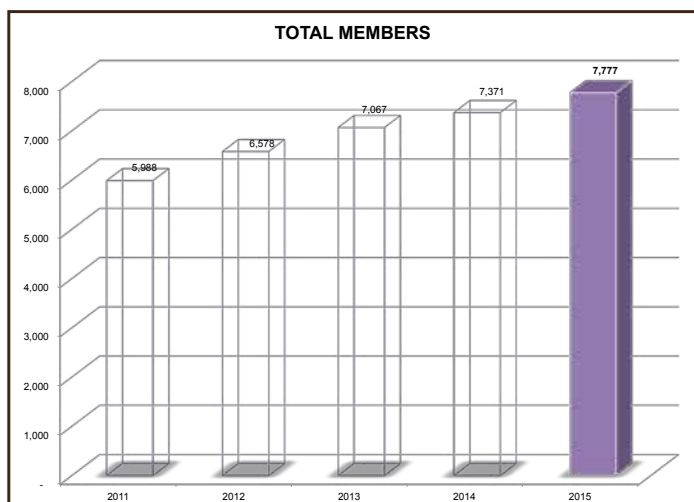
Extraordinary Gains and Losses	-	-
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<b>CONTRIBUTION TO CAPITAL</b>	<b>\$508,188</b>	<b>\$654,269</b>
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## CASH FLOW

	12/31/15	12/31/14
<b>Cash From Operating Activities:</b>		
Net Income/Loss	\$508,188	\$654,269
Change in Other Assets	455,505	(645,822)
Change in Other Liabilities	(198,493)	513,249
<b>Cash From Operating Activities</b>	<b>765,200</b>	<b>521,696</b>
<b>Cash From Investing Activities:</b>		
Change in Investments	738,000	(65,791)
Change in Loans	(11,251,915)	(4,384,662)
Change in Fixed Assets	(431,573)	(715,135)
<b>Cash From Investing Activities</b>	<b>(10,945,488)</b>	<b>(5,165,588)</b>
<b>Cash From Financing Activities:</b>		
Change in Borrowings	(1,521,820)	1,521,820
Change in Deposits	12,627,692	4,161,368
<b>Cash From Financing Activities</b>	<b>11,105,872</b>	<b>5,683,188</b>
<b>Net Change in Cash</b>	<b>\$925,584</b>	<b>\$1,039,296</b>
Cash at beginning of the period	11,397,932	10,358,636
Cash at end of the period	12,323,516	11,397,932
<b>Net Change in Cash</b>	<b>\$925,584</b>	<b>\$1,039,296</b>



# PLATINUM FEDERAL CREDIT UNION

Notes to Financial Statements December 31, 2015

## Note 1-Significant Accounting Policies

**Method of Accounting.** The credit union financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**Investments.** Platinum Federal Credit Union does not have Investment in securities. All its investments are in Shares, Deposits & CD's in Corporates; CUs and Banks.

**Loans to Members.** Loans are reported in the Statement of Financial Condition at book value. Interest income is recognized over the term of the loan and is generally computed using the simple interest method.

**Allowance for Loan Losses.** This account represents the amount set aside by management to absorb probable loan losses which exist as this financial statement date related to loans currently outstanding. The Allowance for Loan Losses is derived from charges made to the Provision for Loan Losses adjusted by charge-offs, and net of recoveries. The Allowance for Loan Losses represents management's evaluation of various factors influencing the collectability of individual loans and management maintains it at a level adequate to absorb probable losses which exist today related to loans currently outstanding.

**Premises and Furniture and Equipment.** This account represents all other fixed assets. Premises and Furniture and Equipment are stated at cost. Depreciation is computed over the estimated useful lives of the related assets using the straight-line method of depreciation.

**Income Taxes.** The Platinum Federal Credit Union is exempt from federal and state income taxes in accordance with Section 501(c) of the Internal Revenue Code and Section 122 of the Federal Credit Union Act.

**Dividend Expense.** The dividend rate is set by the board of directors on a semi-annual basis for regular share accounts and dividends are charged to the Statement of Income when declared.

## Note 2-Investments

Platinum Federal Credit Union does not have Investment in securities. All its investments are in Shares, Deposits & CD's in Corporates; CUs and Banks.

## Note 3-Loans to Members

The composition of loans to members are as follows:

Secured Loan	1,655,035	3.25%
Personal Loan	6,053,310	11.89%
Auto Loan	27,470,366	53.94%
Student Loan	1,013,431	1.99%
Residential Real Estate Loan	4,809,544	9.44%
Commercial Real Estate Loan	5,718,063	11.23%
Business Unsecured Loan	886,740	1.74%
Signature Loan	2,033,533	3.99%
Personal Credit Card	1,013,140	1.99%
Business Credit Card	269,961	0.53%
<b>Total Loans to Members</b>	<b>\$50,923,123</b>	<b>100.00%</b>

## Note 4-Allowance for Loan Losses

A summary of the changes in the Allowance for Loan Losses are as follows:

Balance on 1/1/2015	233,595
Add: Provision for Loan Losses Expense	16,000
Add: Recoveries on Charged-off Loans	19,694
Less: Charged-off Loans	(63,146)
<b>Balance on 12/31/2015</b>	<b>\$206,143</b>



### Note 5-Other Assets & Prepaid and Fixed Assets

Other assets are summarized as follows:

Prepaid Expense	60,276
Security Deposit for Office Rent	1,500
Security Deposit for Credit Card Clearing	46,357
Security Deposit for Debit Card Clearing	8,312
<b>Total Other Assets &amp; Prepaid</b>	<b>\$116,445</b>

Fixed assets are summarized as follows:

Land, Building and Improvements	2,666,787
Furniture and Fixtures	279,824
Data Processing Equipment	651,669
<b>Total Cost</b>	<b>3,598,280</b>
Accumulated depreciation	(1,059,535)
<b>Net carrying amount</b>	<b>\$2,538,745</b>

### Note 6-Deposit Accounts

A summary of deposit accounts are as follows:

Savings Accounts	12,689,249	20.45%
Personal Checking Accounts	6,838,658	11.02%
Business Checking Accounts	18,171,159	29.28%
Money Market Accounts	10,439,070	16.82%
Certificate of Deposits	10,542,370	16.99%
IRA Accounts	685,711	1.10%
College Saving Plan	2,695,414	4.34%
<b>Total Deposits</b>	<b>\$62,061,631</b>	<b>100.00%</b>

### Note 7 - Related Party Transactions

Loans to credit union officials and senior executive staff contain interest rates, terms, and collateral requirements comparable to those of other members.

	Number	Amount
Loans outstanding to Officials and senior executive staff	14	\$709,408

### Note 8 - Commitments and Contingent Liabilities

Commitments to extend credit are agreements to lend to a member as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Because many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The credit union evaluates each member's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the credit union upon extension of credit, is based on loan committee credit evaluation of the counterparty. Collateral held varies but may include consumer assets, real estate and member share balances.

A summary of unfunded commitments are as follows:

Revolving open-end lines secured by real estate	781,774
Credit Card lines	5,757,628
Unfunded Commitments for Non-Business Loans	273,897
Unfunded Commitments for Business Loans	166,622
<b>Total Unfunded Commitments</b>	<b>\$6,979,921</b>

# PICTURES FROM 2015 PFCU PROGRAMS & EVENTS

1.

PFCU Staff  
Appreciation  
Dinner



2.

PFCU rolls out  
**ANDROID  
PAY**



3.

PFCU Hosted Credit Unions from South America for sharing best practices



4.

PFCU Added EMV/Chip to Credit & Debit Cards



5.

PFCU third full service branch in Duluth, GA



## BOARD OF DIRECTORS



**Kassemali Jinnah**  
Chairman



**Nizar Ali**  
Vice-Chairman



**Nooruddin Mithani**  
Secretary



**Sheraz Alidina**  
Treasurer



**Ali Jamal**  
Director



**Ebrahim Jaffer**  
Director



**Nawroz Kapadia**  
Director



**Karim Kaisani**  
Director



**Rahim Asani**  
Member

## SUPERVISORY COMMITTEE



**Karim Kaisani**  
Chairman



**Nizar Motani**  
Member



**Moyees Merchant**  
Member



**Zeeshan Rehmani**  
Member

## RECOVERY COMMITTEE



**Nawroz Kapadia**  
Chairman



**Mushtaqali Kamruddin**  
Member

## LOAN/CREDIT COMMITTEE



**Rahim Asani**  
Chairman



**Aryn Abdulla**  
Member



**Nooruddin Mithani**  
Member



**Nizar Ali**  
Member



**Suhel Kazani**  
Member



**Ebrahim Jaffer**  
Director



**Jaffar Lutfeali**  
Member

### ORLANDO BRANCH MANAGEMENT COMMITTEE

Issa Kassam, Convenor  
Salman Hamirani, Member  
Noorali Pirani, Member  
Faruq Jafri, Member

### ATLANTA NORTHWEST MANAGEMENT COMMITTEE

Mahmud Jetha, Convenor  
Jaffar Lutfeali, Member  
Fatima Virani, Member

### ALABAMA BRANCH MANAGEMENT COMMITTEE

Rahim Budhwani, Convenor  
Anisha Rahim, Member  
Nizar Bataada, Member  
Qahir Tharani, Member  
Nazleen Walji, Member  
Rubina Charania, Member  
Hussain Hussain, Member

### ATLANTA SOUTH MANAGEMENT COMMITTEE

Aryn Abdulla, Convenor  
Salima Peerani, Member  
Nooruddin Khaja, Member

### ARKANSAS MANAGEMENT COMMITTEE

Hussain Farista, Convenor  
Azmina Merchant, Member  
Hussain Jivani, Member

### TAMPA MANAGEMENT COMMITTEE

Nadirshah Rattani, Convenor  
Nooruddin Lalani, Member  
Abdul Khoja, Member  
Taimoor Gillani, Member  
Shehla Mohammad, Member

### KNOXVILLE MANAGEMENT COMMITTEE

Karim Boghani, Convenor

**SENIOR MANAGEMENT**  
Kabir Laiwalla  
Chief Executive Officer  
Thomas Healan  
Chief Financial Officer  
Shaheen Mitha  
Chief Lending Officer  
Tony Pleasant  
Chief Compliance Officer

**BACK OFFICE STAFF**  
Donna Ezell  
Operations Manager  
Cassandra Plater  
Compliance Associate  
Gulzar Hussain  
Accountant  
Shaila Nayani  
Accountant  
Gulnar Gulamali  
Accountant  
Sarah Hooda  
Remote Capture Services  
Zahra Jiwani  
Remote Capture Services

**LILBURN BRANCH**  
Farida Perani  
Branch Manager  
Aamir Ali  
Loan Officer  
Rosmin Panjwani  
Member Services  
Salma Samani  
Head Teller  
Perviz Walji  
Assistant Head Teller  
Shreena Ali  
Teller  
Jesmin Hussein  
Teller  
Mumtaz Pirani  
Teller  
Naina Noorali  
Teller  
Alikhan Ladhani  
Teller

**ORLANDO BRANCH**  
Nazneen Remtulla  
Office Manager  
**DECATUR BRANCH**  
Rupal Lightwala  
Branch Manager  
Zehra Gilani  
Loan Officer  
Khatija Roy  
Member Service Rep.  
Lakeisha Green  
Head Teller  
Shenaz Dandawala  
Assistant Head Teller  
Shamim Lakhdir  
Teller  
Yogini Patel  
Teller  
Benish Bhamani  
Teller  
Reshma Surti  
Teller

**ALABAMA BRANCH**  
Zohra Kassam  
Office Manager  
Noorin Fidai  
Office Manager

**SUGARLOAF BRANCH**  
Alka Kotak  
Branch Manager  
Karima Dayani  
Collections & Asst. Br. Manager  
Noorali Virani  
Loan Officer  
Salima Punjawani  
Member Service Rep.  
Saleema Gaulani  
Head Teller  
Shabnam Bhamani  
Teller

Toll Free: 1-877-PFCU4YOU (732-8496) | Website: [www.PlatinumFCU.org](http://www.PlatinumFCU.org) | Email: [MemberService@PlatinumFCU.org](mailto:MemberService@PlatinumFCU.org)

**Lilburn Branch**  
4794 Lawrenceville Hwy NW  
Lilburn, GA 30047  
Telephone: 404-297-9797

**Orlando Branch**  
7041 Grand National Drive, Suite 201  
Orlando, FL 32819  
Telephone: 404-637-0926 or 407-226-0720

**Decatur Branch**  
1059 Mistletoe Road  
Decatur, GA 30033  
Telephone: 404-297-9797

**Alabama Branch**  
2801 John Hawkins Pkwy, Suite 153N  
Hoover, AL 35244  
Telephone: 404-637-0925 or 205-403-8881

**Sugarloaf Branch**  
2035 Sugarloaf Circle  
Duluth, GA 30097  
Telephone: 404-297-9797

