

2016

ANNUAL REPORT



Platinum
Federal Credit Union



ANNUAL REPORT

FROM YOUR BOARD CHAIRMAN AND CEO

Thanks to you, our valued members, 2016 was a record year for Platinum Federal Credit Union (PFCU) with strong financial performance and steady growth in loans, membership and deposits.

Our net income for 2016 was a record \$857,751, which is 68% greater than 2015. Our net worth ratio was 8.54%, which is considered strong by the National Credit Union Administration (NCUA). Credit unions must have at least 7.00% net worth to be considered well-capitalized.

One of PFCU's objectives is to always be a recognized and reliable borrowing source. During 2016, we disbursed \$36.99 million in loans to our individual and business members, helping them buy autos, homes, purchase business properties, refinance existing higher-rate mortgages and other loans. In 2016, net loans to members reached \$61.57 million.

Member growth remained strong in 2016 with PFCU serving 8,090 members by the end of the year, and assets reached almost \$82 million.

PFCU successfully expanded into Virginia by opening a virtual branch in Richmond. This virtual branch will allow our community members from Virginia and the Northeast Region to open accounts and obtain loans and other services from PFCU online and through the local Virginia Committee Members.

PFCU has always been a strong supporter of our community institutions. We have successfully organized various programs in conjunction with our community partners as well as supported existing institutional programs. In 2016, we were able to, once again, increase our Academic Scholarship Program funds through support from the Atlanta Retailers Association and contributions from businesses and families throughout our community.

Lastly, following several months of testing, PFCU is ready to provide our members with a state of the art mobile application and an online banking platform which will be launched during the first half of 2017. The new additions will include PIN and Touch ID login capability, Mobile Deposit Capture, an ATM and shared branch location tracker based on GPS, and many other exciting features. We are also working to integrate Amazon Echo with the new PFCU mobile banking app to allow our members to interact with the app via voice commands through Alexa.

We would like to thank you for helping to make your credit union the success it is for all our members and the communities we serve. We never forget that this is your Credit Union.

Sincerely,



Kabir Laiwalla
CEO



Kasemali Jinnah
Board Chairman



Rabim Asani
Loan Committee Chairman

LOAN COMMITTEE REPORT

It is the function of the PFCU Loan Committee to ensure 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 2016, the PFCU loan portfolio grew by a remarkable 20.91% as members took advantage of various loans offered by the credit union. PFCU issued 1,511 loans to its members totaling \$36.99 million in loan disbursement. PFCU's total outstanding loan balance reached \$61.57 million as of December 31, 2016 compared to \$50.92 million as of December 31, 2015.

Our residential real estate loans saw great momentum in both new purchases and refinances. And due to growth in assets and some loan payoffs we were also able to originate several commercial real estate loans.

PFCU offered a special 1.99% interest rate for 6 months on balance transfers for our VISA® credit cards and rates as low as 1.99% on new and pre-owned auto loans. Several members took advantage of these offers and saved hundreds of dollars in interest over their higher rate credit cards and auto loans with outside banks and credit unions. We encourage members to make the PFCU VISA® Platinum Credit Card their top of the wallet card as it earns ScoreCard® Reward Points for every dollar spent. These points can be redeemed for various merchandise, travel, gift cards as well as statement credit.

PFCU also issued a number of Business MasterCard® credit cards which feature a ScoreCard® Cash Back Rewards program of up to 1% cash back on all qualified purchases. There is no maximum to the cash back rewards as imposed by many other financial institutions. PFCU also offers credit limits of up to \$25,000 and low interest rates on outstanding balances.

PFCU's loan delinquency ratio increased to 0.69% in 2016 from 0.58% in 2015. PFCU's recovery committee continued to work with members who were facing difficulties to lower their payments by extending the terms of the loans. We have seen many borrowers step forward and pay their obligations demonstrating member loyalty towards our community owned credit union.

As Loan Committee Chairman, I am pleased to work with five other truly dedicated volunteers: Mr. Nizar Ali, Mr. Nooruddin Mithani, Mr. Amyn Abdulla, Mr. Jaffar Lutfeali and Mr. Ebrahim Jaffer. I would like to thank each of them for their service as well as 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.

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 2016, the supervisory committee engaged an independent qualified CPA audit firm to perform a comprehensive financial audit of the credit union as of December 31, 2016. The committee also engaged Mauldin & Jenkins, CPA Firm to perform a compliance audit for the credit union and we are happy to report PFCU was found to be in compliance with all applicable laws and regulations. Additionally, the NCUA examiners conducted an annual review of the credit union to evaluate the financial condition, the safety and the soundness of the credit union, and the credit union's compliance with applicable laws and regulations. The NCUA performed audits for PFCU and its members' compliance with the BSA rules and regulations. Both the NCUA and the independent BSA auditors were satisfied with the compliance measures put in place by PFCU to deter risks.

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



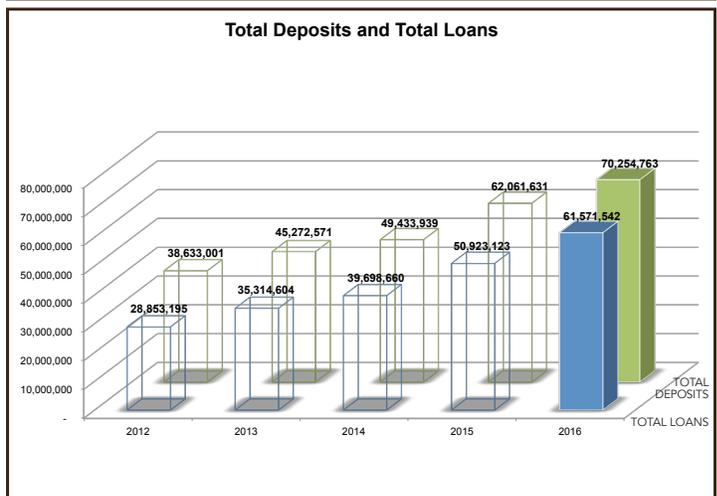
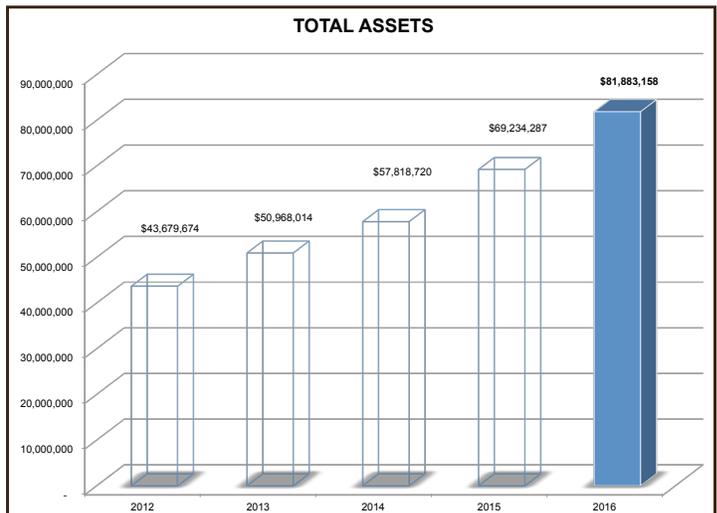
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CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2016 AND 2015

ASSETS	2016	2015	LIABILITIES	2016	2015
Cash and Equivalents	\$13,226,767	\$12,323,516	Accounts Payable and Other Liabilities	\$1,157,254	\$1,218,162
Receivables	12,666	34,029	Notes Payable	3,658,896	-
Loans to Members	53,179,712	44,048,359	Member Deposits		
Business Loans	8,391,830	6,874,764	Savings Accounts	16,345,240	12,689,249
Allowance for Loan Loss	(299,582)	(206,143)	Personal Checking	8,000,462	6,838,658
			Business Checking	19,943,202	18,171,159
Investments			Money Market	11,290,062	10,439,070
Certificate of Deposit	3,982,791	2,790,791	Certificate of Deposit	11,244,803	10,542,370
			IRA Accounts	750,446	685,711
Accrued Interest	218,189	200,988	College Saving Plan	2,680,548	2,695,414
NCUA Share Insurance Fund	604,873	512,793		70,254,763	62,061,631
Prepaid and Other Assets	105,489	116,445	Equity		
Property, Equipment, and Furniture Net of accumulated depreciation	2,460,423	2,538,745	Reserve Fund	900,000	900,000
			Undivided Earnings	5,912,245	5,054,494
TOTAL ASSETS	\$81,883,158	\$69,234,287		6,812,245	5,954,494
			TOTAL LIABILITIES AND EQUITY	\$81,883,158	\$69,234,287

CONSOLIDATED STATEMENTS OF OPERATIONS YEARS ENDED DECEMBER 31, 2016 AND 2015

REVENUE	2016	2015
Interest on Loans	\$2,658,010	\$2,304,943
Interest on Investments	51,996	31,751
Fees	1,924,958	1,737,346
Miscellaneous	147,801	135,689
	4,782,765	4,209,729
EXPENSES		
Salaries & Benefits	1,895,930	1,895,528
Office Occupancy Expenses	183,135	178,543
Office Operating Expenses	793,008	811,224
Loan Servicing Expenses	241,898	221,119
Professional & Outside Services	95,235	108,488
Marketing / Member Education	85,715	82,727
Misc. Operating Expenses	141,620	143,885
Provision for Loan Losses	160,000	16,000
	3,596,541	3,457,514
COST OF FUNDS		
Interest on Borrowings	\$172	\$3,227
Dividend Expenses	328,301	240,800
	328,473	244,027
NET OPERATING GAIN / (LOSS)	857,751	508,188
Extraordinary Gains and Losses	-	-
CONTRIBUTION TO CAPITAL	\$857,751	\$508,188

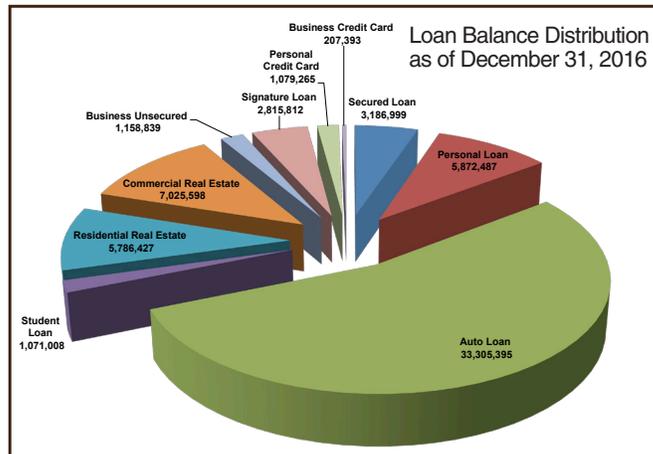
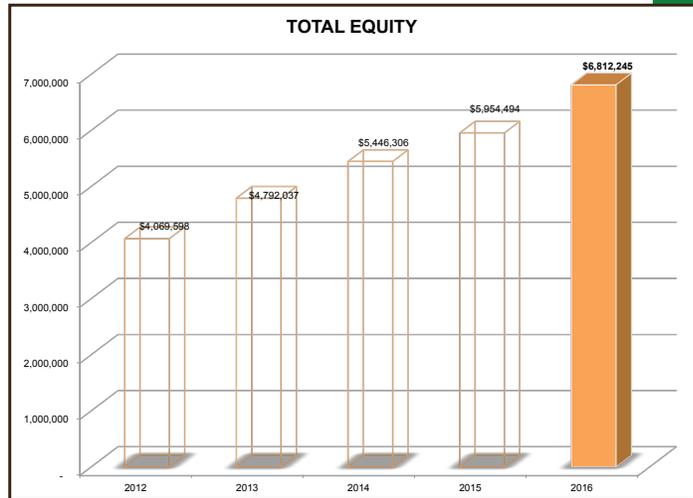
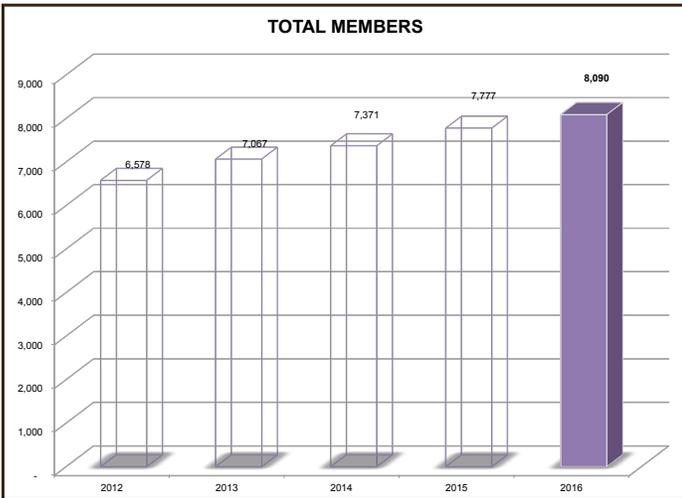


CASH FLOW

	12/31/16	12/31/15
Cash From Operating Activities:		
Net Income/Loss	\$857,751	\$508,188
Change in Other Assets	16,478	455,505
Change in Other Liabilities	(60,908)	(198,493)
Cash From Operating Activities	813,321	765,200
Cash From Investing Activities:		
Change in Investments	(1,192,000)	738,000
Change in Loans	(10,648,419)	(11,251,915)
Change in Fixed Assets	78,322	(431,573)
Cash From Investing Activities	(11,762,097)	(10,945,488)
Cash From Financing Activities:		
Change in Borrowings	3,658,896	(1,521,820)
Change in Deposits	8,193,132	12,627,692
Cash From Financing Activities	11,852,028	11,105,872
Net Change in Cash	\$903,251	\$925,584
Cash at beginning of the period	12,323,516	11,397,932
Cash at end of the period	13,226,767	12,323,516
Net Change in Cash	\$903,251	\$925,584



Fazal Manji
Treasurer



ANNUALREPORT

PLATINUM FEDERAL CREDIT UNION Notes to Financial Statements December 31, 2016

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	3,186,999	5.18%
Personal Loan	5,872,487	9.55%
Auto Loan	33,305,395	54.15%
Student Loan	1,071,008	1.74%
Residential Real Estate Loan	5,786,427	9.41%
Commercial Real Estate Loan	7,025,598	11.42%
Business Unsecured Loan	1,158,839	1.88%
Signature Loan	2,815,812	4.58%
Personal Credit Card	1,079,265	1.75%
Business Credit Card	207,393	0.34%
Total Loans to Members	\$61,509,224	100.00%

Note 4-Allowance for Loan Losses

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

Balance on 1/1/2016	206,143
Add: Provision for Loan Losses Expense	160,000
Add: Recoveries on Charged-off Loans	14,889
Less: Charged-off Loans	(81,451)
Balance on 12/31/2016	\$299,582

Note 5-Other Assets & Prepaid and Fixed Assets

Other assets are summarized as follows:

Prepaid Expense	43,261
Security Deposit for Office Rent	1,500
Security Deposit for Credit Card Clearing	48,640
Security Deposit for Debit Card Clearing	12,088
Total Other Assets & Prepaid	\$105,489

Fixed assets are summarized as follows:

Land, Building and Improvements	2,714,811
Furniture and Fixtures	291,785
Data Processing Equipment	665,527
Total Cost	3,672,123
Accumulated depreciation	(1,211,700)
Net carrying amount	\$2,460,423

Note 6-Deposit Accounts

A summary of deposit accounts are as follows:

Savings Accounts	16,345,240	23.27%
Personal Checking Accounts	8,000,462	11.39%
Business Checking Accounts	19,943,202	28.39%
Money Market Accounts	11,290,062	16.07%
Certificate of Deposits	11,244,803	16.01%
IRA Accounts	750,446	1.07%
College Saving Plan	2,680,548	3.82%
Total Deposits	\$70,254,763	100.00%

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	11	\$454,107

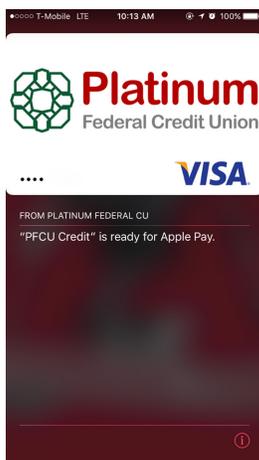
Note 8 - Commitments and Contingent Liabilities

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	735,311
Credit Card lines	6,290,062
Unfunded Commitments for Non-Business Loans	164,995
Unfunded Commitments for Business Loans	123,559
Total Unfunded Commitments	\$7,313,927

PICTURES FROM 2016 PFCU PROGRAMS & EVENTS



BOARD OF DIRECTORS



Kassemali Jinnah
Chairman



Ebrahim Jaffer
Vice-Chairman



Nooruddin Mithani
Secretary



Fazal Manji
Treasurer



Rahim Asani
Director



Karim Kaisani
Director



Aryn Abdulla
Director



Ali Jamal
Director



Mushtaq Kamruddin
Director

SUPERVISORY COMMITTEE



Karim Kaisani
Chairman



Nizar Motani
Member



Moyees Merchant
Member

RECOVERY COMMITTEE



Mushtaqali Kamruddin
Chairman



Nawroz Kapadia
Member

Salman Badrudin
Member

Ali-Anis Kajami
Member

LOAN/CREDIT COMMITTEE



Rahim Asani
Chairman



Aryn Abdulla
Member



Nooruddin Mithani
Member



Nizar Ali
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

Jaffar Lutfeali, Convenor
Munavar Madadali, Member
Fatima Virani, Member

ALABAMA BRANCH MANAGEMENT COMMITTEE

Rahim Budhwani, Convenor
Anisha Rahim, Member
Nizar Batada, 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
Afrose Kalani, Member
Abdul Khoja, Member
Taimoor Gillani, Member
Shehla Mohammad, Member

KNOXVILLE MANAGEMENT COMMITTEE

Karim Boghani, Convenor
Rafiq Virani, Member

VIRGINIA MANAGEMENT COMMITTEE

Ali Ravji, Convenor
Nilufa Jiwa, Member
Aslam Gillani, Member
Ashraf Sangani, Member

SENIOR MANAGEMENT

Kabir Laiwalla
Chief Executive Officer
Daniel Caldwell
Chief Financial Officer
Shaheen Mitha
Chief Lending Officer
Tony Pleasant
Chief Compliance Officer

BACK OFFICE STAFF

Donna Ezell
Operations Manager
Cassandra Plater
Compliance Associate
Perviz Walji
Compliance Associate
Gulzar Hussain
Accountant
Shenaz Dandawala
Accountant
Gulnar Gulamali
Accountant
Zahra Jiwani
Collection Officer
Amber Bava
Remote Capture Services
Alison Merchant
Remote Capture Services

LILBURN BRANCH

Farida Perani
Branch Manager
Noureen Mithani
Loan Officer
Rosmin Panjwani
Member Services
Salma Samani
Head Teller
Sehreena Ali
Assistant Head Teller
Shahnaz Budhwani
Teller
Alikhan Ladhani
Teller
Shyroz Singh
Teller
Jasmine N Terrel
Teller
Munira Lakhani
Teller

ORLANDO BRANCH

Nazneen Remtulla
Office Manager

DECATUR BRANCH

Karima Dayani
Branch Manager
Zehra Gilani
Loan Officer
Nasir Nanjee
Teller
Khatija Roy
Member Service Rep.
Lakeisha Green
Head Teller
Reshma Surti
Assistant Head Teller
Shamim Lakhdir
Teller
Tawana Preston
Teller
Amanuddin Rafizada
Teller
Deirdree Richards
Teller
Muhammad Assani
Teller

ALABAMA BRANCH

Zohra Kassam
Office Manager
Noorin Fidai
Office Manager

SUGARLOAF BRANCH

Alka Kotak
Branch Manager
Karim Kamruddin
Loan Officer
Khairunishah Farishta
Head Teller
Naina Noorali
Teller
Sharmin Virani
Teller
Anam Khuwaja
Teller

Toll Free: 1-877-PFCU4YOU (732-8496) | Website: www.PlatinumFCU.org | Email: 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 Mistletree 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

