



Platinum
Federal Credit Union

2021

ANNUAL REPORT



From Your BOARD CHAIR AND CEO

Dear members of PFCU:

It is exciting to see the progress we have made as a country towards controlling COVID-19 and getting back to living our lives normally without restrictions and lockdowns. We would like to take this opportunity to thank you, our members for adhering to the safety protocols at the branch as well as utilizing drop box, drive thru and mobile apps to perform your banking at Platinum. We would like to give special thanks to our entire staff especially the front-line staff for working through the pandemic ups and downs and taking safety precautions, cleaning high touch areas, etc. to ensure we continue to keep our lobbies open for members to transact their business at Platinum.

We are proud to inform the members that last year PFCU was awarded The Dora Maxwell Social Responsibility Community Services Award, which honors a credit union for its social responsibility projects within the community. It is a great achievement for PFCU, its board, committees, staff, members and for the Ismaili community. In addition to PFCU's annual Academic Scholarship award, PFCU also contributed school bags and school supplies to kids in our Ismaili community as well as to kids in local schools in Georgia. PFCU was able to contribute funds to Atlanta Food Bank, which was matched by one of our vendors, MBFS. PFCU is proud to be able to positively impact the lives of the youth of our Ismaili community and community we live in.

PFCU's 11th Academic Scholarship Program was held at the Annual Meeting, and we awarded 42 scholarships totaling to \$105,000. We are very proud of this program that we started 11 years ago. This would not have been possible without the support of our various sponsors, like ARA, AMA, TTA, and several PFCU members who always support this worthy cause. We hope to continue to provide a helping hand in the future of our youth and provide them with the resources to receive the best education possible.

PFCU continued its growth in 2021 in deposits, loans and net income resulting in total assets of PFCU now over \$210 million. We have achieved yet another milestone in exceeding the \$200 million mark, however with more growth in assets, we need to ensure there is enough increase in net income to maintain our net worth ratio as per regulatory requirement. We have increased our Net Worth ratio in 2021 to 7.76% compared to 7.45% in 2020. Although currently we are considered well capitalized by the regulators at being above 7%, our long-term goal is to increase the net worth ratio above 10% and be in line with our peers as well as NCUA's new requirement for credit unions above \$500 million to have net worth ratio of above 10%. We were able to grow the loans by 16.89% in 2021, deposits by 10.24%, net worth by 25.44% and most importantly our membership by 5.81%.

At PFCU we are looking to revamp our entire software systems both internal and external facing, in order to increase efficiency and provide more control in your hands through the mobile and online apps. PFCU's goal is to stay connected to the technological enhancements in the financial space and when feasible, to provide that technology and bring efficiency for members as well as staff of PFCU. This is a lengthy and vital undertaking, and we plan to implement these changes in the last quarter of 2023. So, Stay Tuned!

Finally, we urge all members to always consider PFCU first for any of your financial needs and if PFCU does not have a program to fulfill your needs, we will be happy to guide you in the right direction.

Sincerely,



Amin Premjee
Chairman



Kabir Laiwalla
CEO



Platinum
Federal Credit Union

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 your dream home or automobile 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.

2021 was yet another challenging year with the Coronavirus still lurking around for most part of the year, but the credit union stayed focused on its mission to help its members. 287 SBA Paycheck Protection loans totaling to \$8,759,303 were given to businesses that had suffered 25% or more reduction in their businesses. No loan amount was too small to process. PFCU's lending team worked tirelessly to underwrite and fund these loans to our business members.

The Credit Union saw a huge uptick in loan demand during 2021 as interest rates remained low throughout the year. Our members were able to take advantage of the low-rate environment and invest in residential and commercial properties, as well as start new ventures with the assistance of the Credit Union. Despite the short supply in the used car market, the Credit Union continued to increase its auto loan portfolio balance due to our aggressive marketing and recapture program. Centralized lending and new technologies which were invested in 2020 were able to support the high demand in loan growth efficiently, resulting in seamless transactions from application through closing.

This year PFCU issued 1,445 loans to its members totaling to \$81.77 million in loan disbursed (without PPP). PFCU's total outstanding loan balance reached \$139.78 million as of December 31, 2021, compared to \$118.90 million as of December 31, 2020. PFCU loan portfolio continues to grow, thanks to your participation.

As mortgage rates dropped to historical lows in 2021, our residential real estate loan portfolio grew to new highs. Because of the great demand for mortgages and mortgage refinances, PFCU was able to originate more mortgage loans than ever before. We originated several business real estate loans as well. Due to the growth in assets, we were able to originate more commercial real estate loans than ever before in a single year and are looking forward to helping even more members acquire new properties or refinance their existing businesses.

We also offered interest rates as low as 1.49% on new and 1.74% on pre-owned auto loans. Several members took advantage of this offer and saved hundreds of dollars in interest on higher rate auto loans. PFCU offers one of the lowest rates of as low as 9.90% on its VISA® Platinum credit cards. We have also started increasing limits on credit cards based on members' credit bureau rating and usage of their credit cards.

PFCU's loan delinquency ratio stayed steady at 0.30% and the charge off ratio fell from 0.13% in 2020 to -0.04% in 2021. 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 overdue obligations towards the credit union, which shows loyalty of members towards our community owned credit union.

I am pleased to have worked with five other truly dedicated volunteers: Mr. Nizar Ali, Mrs. Shereza Tajuddin, Mr. Mansoor Wadsariya and Mr. Nooruddin Mithani. 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 Loan Committee, I wish to express our appreciation for your business.



Amin Tejani
Loan Committee Chairman

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 2021 the supervisory committee engaged in independent qualified CPA audit firm to perform comprehensive financial audit of the credit union and provide their opinion. The financial audit was performed as of December 31, 2021. We are happy to report that PFCU's progress and financial condition has been strong in 2021 and 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. NCUA performed exam of PFCU and its member's compliance with the BSA rules and regulations. NCUA examiners were satisfied with the compliance measures put in place by PFCU to deter and mitigate inherent risks as well as increase the net worth ratio generating adequate net income after the increase in deposits that resulted in dilution of net worth ratio. PFCU's Board and compliance department continues to ensure compliance with the requirement as set forth by NCUA.

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 audit 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, CCO Tony Pleasant, CFO Federico Castillo, CLO Shaheen Mitha, 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. We like to thank our new internal audit staff Shahzad Merchant for his help in conducting internal control audits or various areas.

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, Mr. Shahid Rupani, Mr. Karim Dhanani and Mr. Karim Kaisani 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 great performance.



Karim Vastani
Supervisory Committee Chairman

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2021 AND 2020

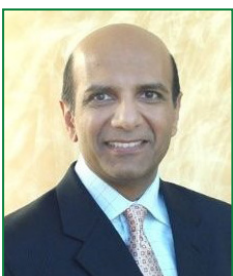
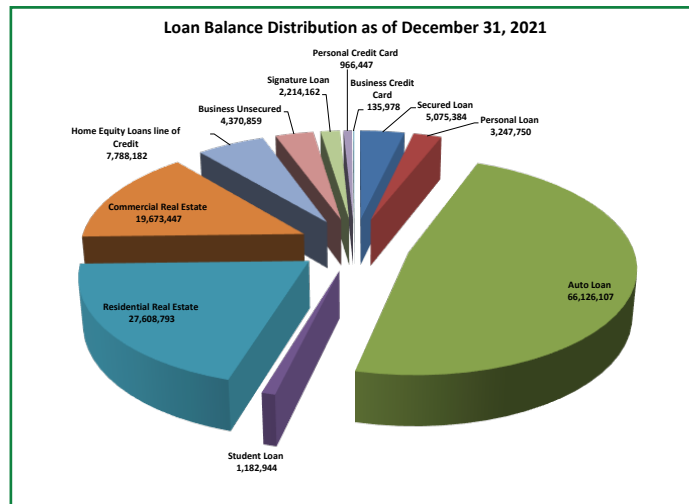
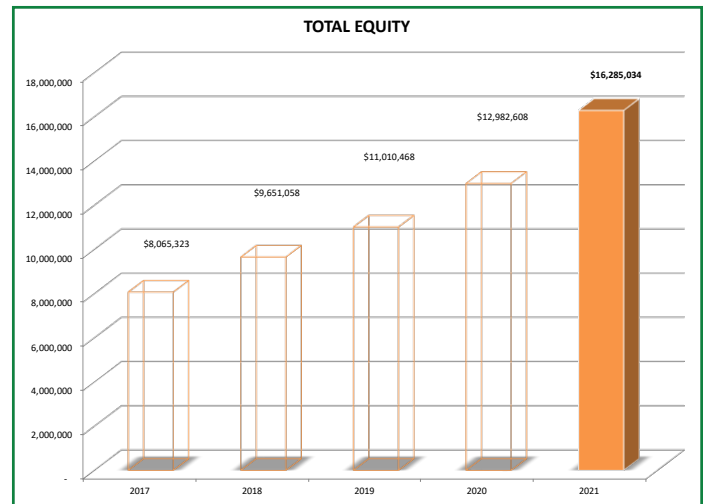
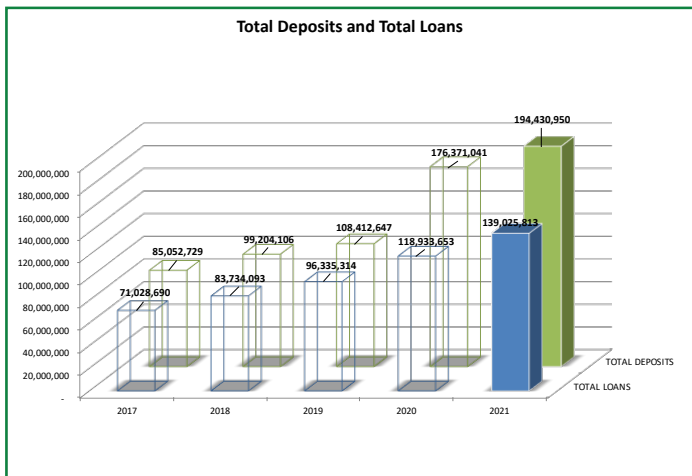
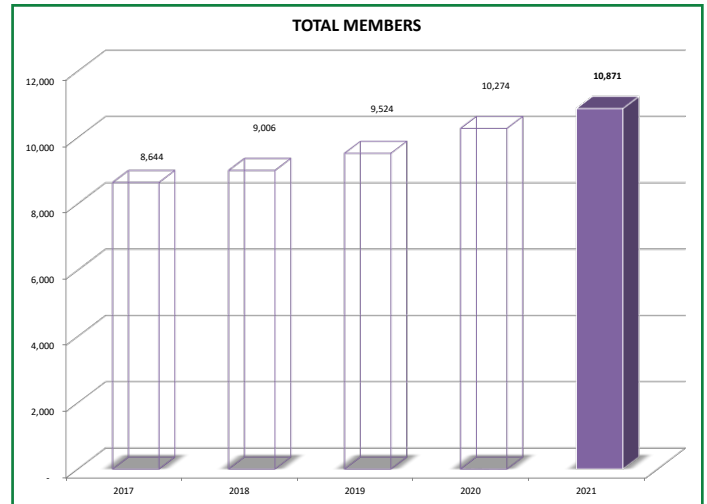
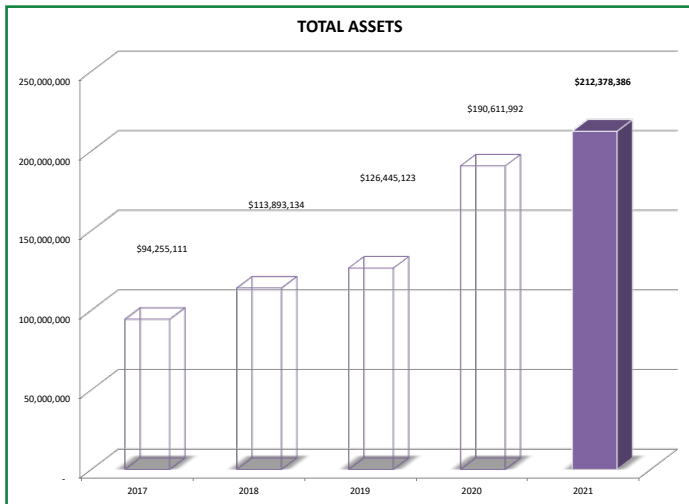
ASSETS	2021	2020	LIABILITIES	2021	2020
Cash and Equivalents	\$34,485,198	\$46,075,132	Accounts Payable and Other Liabilities	\$1,662,402	\$1,258,344
Receivables	890,313	45,373	Notes Payable	-	-
Loans to Members	114,845,529	100,591,026		\$1,662,402	\$1,258,344
Business Loans	24,180,283	18,342,627			
Allowance for Loan Loss	(742,780)	(707,449)			
Investments			Member Deposits		
Certificate of Deposit & Securities	34,316,561	22,094,991	Savings Accounts	\$51,095,771	\$43,028,883
Accrued Interest	353,890	372,292	Personal Checking	39,740,095	27,344,588
NCUA Share Insurance Fund	1,450,580	1,274,107	Business Checking	51,836,745	51,479,613
Prepaid and Other Assets	449,616	270,424	Money Market	24,356,489	25,777,654
Property, Equipment, and Furniture			Certificate of Deposit	24,133,986	25,652,495
Net of accumulated depreciation	2,149,196	2,253,469	IRA Accounts	871,670	825,817
			College Saving Plan & all other Shares	2,396,194	2,261,990
				\$194,430,950	\$176,371,040
			Equity		
			Reserve Fund	\$900,000	\$900,000
			Undivided Earnings	15,385,034	12,082,608
				\$16,285,034	\$12,982,608
TOTAL ASSETS	\$212,378,386	\$190,611,992	TOTAL LIABILITIES AND EQUITY	\$212,378,386	\$190,611,992

CONSOLIDATED STATEMENTS OF OPERATIONS YEARS ENDED DECEMBER 31, 2021 AND 2020

REVENUE	2021	2020
Interest on Loans	\$4,450,806	\$4,367,303
Interest on Investments	242,406	178,655
Fees	3,111,187	2,506,945
Miscellaneous	755,105	514,422
	8,559,504	7,567,325
EXPENSES		
Salaries & Benefits	\$2,805,047	\$2,709,002
Office Occupancy Expenses	263,911	223,545
Office Operating Expenses	1,032,662	971,716
Loan Servicing Expenses	341,922	331,787
Professional & Outside Services	68,771	94,355
Marketing / Member Education	105,693	119,411
Misc. Operating Expenses	170,010	118,154
Provision for Loan Losses	(19,145)	372,548
	4,768,870	4,940,519
COST OF FUNDS		
Interest on Borrowings	\$-	\$5,730
Dividend Expenses	488,208	651,842
	488,208	657,571
NET OPERATING GAIN / (LOSS)	3,302,426	1,969,235
Extraordinary Gains and Losses	-	3,166
CONTRIBUTION TO CAPITAL	\$3,302,426	\$1,972,400

CASH FLOW

	12/31/21	12/31/20
Cash From Operating Activities:		
Net Income/Loss	\$3,302,426	\$1,972,400
Change in Other Assets	(1,146,872)	(375,757)
Change in Other Liabilities	404,058	735,345
Cash From Operating Activities	2,559,612	2,331,989
Cash From Investing Activities:		
Change in Investments	(12,221,570)	(15,048,885)
Change in Loans	(20,092,160)	(22,598,339)
Change in Fixed Assets	104,273	(31,089)
Accumulated Unrealized Gains	-	(260)
Cash From Investing Activities	(32,209,457)	(37,678,573)
Cash From Financing Activities:		
Change in Borrowings	-	(6,499,009)
Change in Deposits	18,059,910	67,958,393
Cash From Financing Activities	18,059,910	61,459,384
Net Change in Cash	\$(11,589,934)	\$26,112,799
Cash at beginning of the period	46,075,132	19,962,333
Cash at end of the period	34,485,198	46,075,132
Net Change in Cash	\$(11,589,934)	\$26,112,799



Zahir Ladhani
Treasurer

PLATINUM FEDERAL CREDIT UNION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

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; Credit Unions, and Banks.

Loans to Members. Loans are reported in the Statement of Financial Condition at book value. Interest income is recognized over the loan term 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 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 quarterly basis for regular share accounts, and dividends are charged to the Statement of Income when declared.

Note 2-Investments

Platinum Federal Credit Union does have Investment in Shares, Deposits & CD's in Corporates; CUs, and Banks.

	2021
Deposits in CD's banks, and Credit Unions, Corporate CU	\$ 27,361,791
Investments on Available-for-Sale Agency Securities	6,759,570
Investments on Federal Home Loan Bank of Atlanta	195,200
	\$ 34,316,561

Note 3-Loans to Members

The composition of loans to members are as follows:

	2020	
Secured Loan	\$5,075,384	3.65%
Personal Loan	3,247,750	2.34%
Auto Loan	66,126,107	47.56%
Student Loan	1,182,944	0.85%
Residential Real Estate	27,608,793	19.86%
Commercial Real Estate	19,673,447	14.15%
Home Equity Line of Credit	7,788,182	5.60%
Business Unsecured	4,370,859	3.14%
Signature Loan	2,214,162	1.59%
Personal Credit Card	966,447	0.70%
Business Credit Card	135,978	0.10%
SBA PPP Loans	635,760	0.46%
	\$139,025,813	100.00%

Note 4-Allowance for Loan Losses

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

	2021
Balance on 1/1/2019	\$ 707,449
Add: Provision for Loan Losses Expense	(19,145)
Add: Recoveries on Charged-off Loans	144,738
Less: Charged-off Loans	(90,262)
Balance on 12/31/2020	\$ 742,780

Note 5-Other Assets & Prepaid and Fixed Assets

Other assets are summarized as follows:

	2021
Prepaid Expense	\$ 363,450
Security Deposit for Office Rent	4,989
Security Deposit for Credit Card Clearing	46,558
Security Deposit for Debit Card Clearing	26,957
Value of Investments in CUSOs	7,662
Total Other Assets & Prepaid	\$ 449,616

Fixed assets are summarized as follows:

	2021
Land, Building and Improvements	\$ 2,781,445
Furniture and Fixtures	341,949
Data Processing Equipment	855,342
Total Cost	\$ 3,978,736
Accumulated Depreciation	(1,829,540)
Net carrying amount	\$ 2,149,196

Note 6-Deposit Accounts

A summary of deposit accounts are as follows:

	2021
Savings Accounts	\$ 51,095,771
Personal Checking Accounts	39,740,095
Business Checking Accounts	51,836,745
Money Market Accounts	24,356,489
Certificate of Deposits	24,133,986
IRA Accounts	871,670
College Saving Plan & All other Shares	2,396,194
Total Deposits	\$ 194,430,950

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	10	\$ 889,386

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 the 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:

	2021
Revolving open-end lines secured by real estate	\$ 5,823,518
Credit Card lines	10,499,904
Unfunded Commitments for Share Draft LOC	745,121
Unfunded Commitments for Overdraft Protection	70,061
Other Unfunded Commitments	89,818
Total Unfunded Commitments	\$ 17,228,422

PICTURES FROM 2021 PFCU PROGRAMS & EVENTS



EVENTS

- ❁ Awarded \$105,000 in scholarships to forty-two high school seniors and continuing college students.
- ❁ Celebrated twenty-one years of service to members of PFCU
- ❁ Celebrated at Top Golf Alpharetta with the lending team for achieving the highest number of loans disbursed in a single month in PFCU history.
- ❁ Launched new wireless phone program through Love My Credit Union, for the members to save up to \$360 per year.
- ❁ Introduced a new limited time youth month program and waived membership fees to encourage youth to start their financial journey.
- ❁ Donated school bags and school supplies to Ismaili Community and to Duluth Middle School students.
- ❁ Celebrated International Credit Union Day to reflect upon the credit union's history, its achievement, and recognize hard work.



2021 SCHOLARSHIP RECIPIENTS

Aashna Farishta
Aliisbah Merchant
Alishah Lakhani
Alma Merchant
Alyaq Khalani
Amara Rangwala
Anna Andani
Anusha Merchant
Aqil Merchant
Areesh Merchant
Arish Amersi
Arrez Charania
Ashish Mithani
Ayaan Bakaly
Danial Asaria
Farheen Popatia
Fauziya Ali
Fiza Bhayani
Inaara Lalani
Insha Budhwani
Isbah Charania

Karam Jivani
Meher Boghani
Neha Nasar
Nooree Husnani
Omar Madhani
Raheema Damani
Ridha Sohani
Ronak Lakhani
Sabrina Veerjee
Safia Serena Tejani
Sahar Anis Ali
Sahar Damani
Sahrish Panjwani
Saim Bhimji
Sara Veerjee
Shaan Bharwani
Shehan Parmar
Sofia Khaki
Tatmeen Khimani
Umair Anis Ali
Zahra Jiwani

2021 SCHOLARSHIP SPONSORS

Thank you to all of our scholarship sponsors who helped make these kids higher education dreams a reality!

2021 PFCU SCHOLARSHIP SPONSORS:

Atlanta Retailers Association
Alabama Merchants Association
Tri-State Trade Association
The Mamdani Foundation
PFCU Chairman & Presidents
Roshan G. Mamdani
Center for Cosmetic & Sedation Dentistry
Kornfield Printing
Tajuddin Mithani & Family
Salim and Laila Merchant & family
Karim Kamruddin Lakhani & Family
Sayani Family in memory of Shahbuddin Sayani
Hussein and Laila Kurji & family
Imtiaz & Shamsa Isani & Family
Salim and Shyna Punjani in memory of Sultana & Ahmed Punjani
Asif and Natacha Parbatani & family
Imtyaz Hajiyani & Family
Rizwan and Neshma Sawja & family
Premjee & Family
ASA Enterprises Inc. Asani & Kassam Families
Amin Alibhai & Family
Mehboob & Mumtaz Lalani & Family



BOARD OF DIRECTORS



Amin Premjee
Chairman



Fazal Manji
Vice-Chairman



Shahina Punjani
Secretary



Zahir Ladhani
Treasurer



Amin Tejani
Director



Karim Vastani
Director



Moyees Merchant
Director



Shereza Tajuddin
Director



Mansoor Wadsariya
Director

Supervisory Committee:

Karim Vastani – Chairman
Karim Kaisani – Member
Nizar Motani – Member
Shahid Rupani – Member
Karim Dhanani – Member

Recovery Committee:

Shereza Tajuddin – Chairman
Nawroz Kapadia – Member
Salman Badruddin – Member
Ali-Anis Kajani – Member
Mansoor Wadsariya – Member

Loan/Credit Committee:

Amin Tejani – Chairman
Shereza Tajuddin – Member
Nizar Ali – Member
Nooruddin Mithani – Member
Mansoor Wadsariya – Member

Alabama Branch Management Committee:

Sameer Rattani – Convener
Fayaz Ali – Member
Hussain Hussain – Member
Gulzar Nilgiriwala – Member
Shazia Rajpari – Member

NY/NJ Virtual Branch Committee:

Saleem Devani – Convener
Dono Abdurakhmonova – Member
Kaleem Zalia – Member
Siraj Himani – Member

Arkansas Virtual Branch Committee:

Hussain Farista - Convener
Azmina Merchant - Member
Hussain Jivani - Member

Orlando Branch Management Committee:

Issa Kassam – Convener
Salman Hamirani – Member
Noorali Pirani – Member

Knoxville Virtual Branch Committee:

Karim Boghani – Convener
Rafiq Virani - Member

Tampa Virtual Branch Committee:

Nadirshah Rattani – Convener
Abdula Khoja - Member
Taimoor Gillani - Member

Memphis Virtual Branch Committee:

Kabir Gilani – Convener
Asma Jiwani – Member
Nighat Shah – Member
Sabrina Merchant – Member
Suleman Sohani – Member

Virginia Virtual Branch Committee:

Ali Ravji - Convener
Nilufa Jiwa - Member
Aslam Gillani - Member
Ashraf Sangani - Member

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 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

