



2022 Annual Report



Platinum
Federal Credit Union





From Your BOARD CHAIR AND CEO

Dear members of PFCU:

2022 was an amazing year for PFCU. Our Gross Annual Revenue topped \$10 million for the first time in our history. This year challenged us to respond and adapt to changing economic conditions with rising inflation and interest rates that increased at a faster pace than any time in recent history. Despite these challenges, Platinum Federal Credit Union continued to provide high quality competitively priced products and services to its member.

PFCU continued its growth in 2022 in deposits, loans and net income resulting in total assets of PFCU now over \$240 million. We continued to grow our net income to maintain the net worth ratio as per regulatory requirements. We have increased our Net Worth ratio in 2022 to 8.49% compared to 7.76% in 2021. Although we are well capitalized by being above 7%, our regulators expect us to increase the net worth ratio above 10% in the long-run. This is NCUA's new requirement for credit unions above \$500 million to have net worth ratio of above 10%. We are starting towards that goal now to be compliant when we hit the \$500 million mark in a few years. We were able to grow the loans by 32.34% in 2022, deposits by 13.39%, net worth by 23.86% and most importantly our membership by 6.53%. PFCU continues to perform and build a strong financial institution.

For our 12th PFCU Academic Scholarship award ceremony, we have awarded 43 scholarships of \$2,500 each totaling to \$107,500. This would not have been possible without the support of our various sponsors, like ARA, AMA, TTA and several members of PFCU 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.

In addition to PFCU's Academic Scholarship, we have 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 food to various Atlanta Food Banks. PFCU is proud to be able to positively impact the lives of the youth of our Ismaili community and community we live in.

As we had mentioned last year that we will be changing our entire software systems both internal and external facing, in order to increase efficiency and provide more control in your hands. Work has already begun to convert the software and launch the new mobile and online banking apps with features such as Zelle, Real time Payments, ACH, Wire, Financial Management and even business financials and payment systems. We are excited to announce that we are scheduled to go live on October 1, 2023, with these new enhancements and features. Stay tuned for more details and links to download the new app as we get closer to the "GO LIVE" date. PFCU's goal is to stay connected to the technological enhancements in the financial space and when feasible, to provide that technology and to bring efficiency for members as and staff of PFCU.

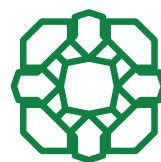
We urge all members to always consider PFCU first for any of your financial needs, we are always happy to help our members work towards their financial goals. We know that when our members are doing well financially, our community is doing well too! Thank you for your continued trust in PFCU.



Amin Premjee
Chairman



Kabir Laiwalla
CEO



Platinum
Federal Credit Union

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.

In 2022, the Board made a conscientious effort to reflect on its core mission which is to help members achieve their financial goals. With this in mind, three loans were introduced to help the marginalized segment of the membership. A 5-5-5 emergency loan was introduced to help members who are faced with a sudden hardship by providing a loan amount of \$5,000 at a low rate of 5% for 5 years. Nine loans totaling \$42,500 were issued to help members navigate various emergency's that they faced. We also introduced a Vocational Income Program (VIP) loan and an Auto Loan program for the same segment of the membership. The Loan committee and the Board continue to review and analyze membership needs so as to service the membership as best as it can.

The Credit Union saw a strong loan demand during 2022 as interest rates continued to remain low. 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. Due to the growth in assets, we were able to originate more commercial real estate loans and are looking forward to helping even more members acquire new properties or refinance their existing businesses. 51 Commercial loans totaling \$11.44 million were disbursed during the year. The credit union also disbursed 2 SBA 7(a) loans totaling \$1.48 million. We hope to continue this trend of offering SBA 7(a) loans to members interested in franchise lending.

As mortgage rates remained low, our residential real estate loan portfolio continued to grow. With our partnership with Rocket Mortgage® we were able to service the great demand for mortgages and mortgage refinances efficiently and with quick turnaround rates.

In total, PFCU issued 1,663 loans to its members totaling to \$112.02 million in loan disbursed. PFCU's total outstanding loan balance reached \$183.93 million as of December 31, 2022, compared to \$139.78 million as of December 31, 2021, a 32% increase. PFCU loan portfolio continues to grow, thanks to your participation.

PFCU also offered interest rates as low as 1.99% on new and 2.24% on pre-owned auto loans. Several members took advantage of this offer and saved hundreds of dollars in interest on higher rate auto loans. In 2022, PFCU issued 1,442 auto loans totaling \$79.52 million. 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 reduced to 0.02% and the charge off ratio was 0.02%. 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

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 2022 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, 2022. We are happy to report that PFCU's progress and financial condition has been strong in 2022 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 Meenaz Hooda, 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 Rahim Ratnani 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

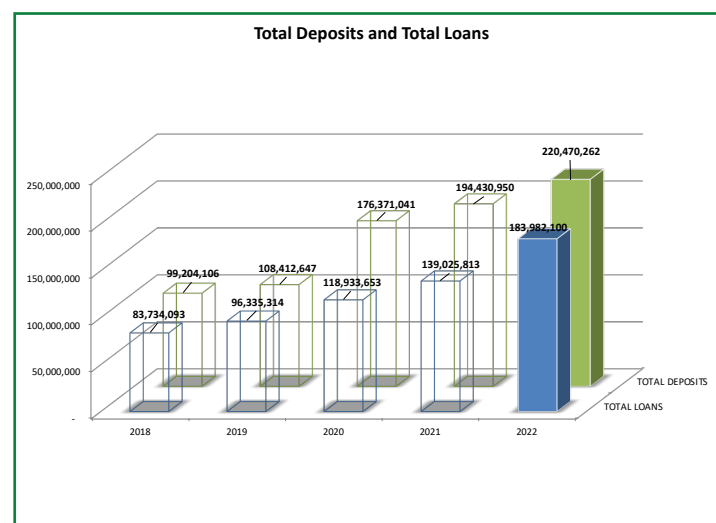
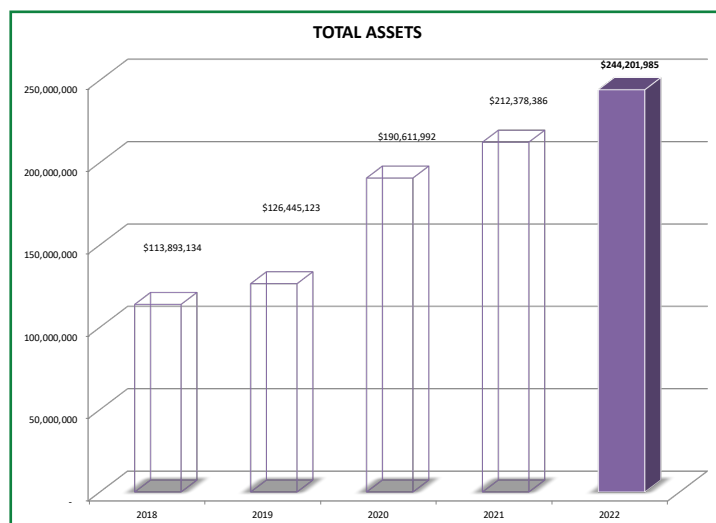
DECEMBER 31, 2022 AND 2021

ASSETS	2022	2021	LIABILITIES	2022	2021
Cash and Equivalents	\$24,062,750	\$34,485,198	Accounts Payable and Other Liabilities	\$3,561,211	\$1,662,402
Receivables	116,367	890,313	Notes Payable	-	-
Loans to Members	153,116,505	114,845,529		\$3,561,211	\$1,662,402
Business Loans	30,865,595	24,180,283			
Allowance for Loan Loss	(910,435)	(742,780)			
Investments			Member Deposits		
Certificate of Deposit	20,597,000	\$27,299,000	Savings Accounts	\$58,921,578	\$51,095,771
U.S. Government Securities	8,759,941	6,759,570	Personal Checking	35,952,220	39,740,095
Corporate CU & FHLB	268,791	257,991	Business Checking	62,719,827	51,836,745
			Money Market	25,075,900	24,356,489
Accrued Interest	479,255	353,890	Certificate of Deposit	34,197,930	24,133,986
NCUA Share Insurance Fund	1,587,463	1,450,580	IRA Accounts	961,159	871,670
Prepaid and Other Assets	544,695	449,616	College Saving Plan & all other Shares	2,641,648	2,396,194
Property, Equipment, and Furniture				\$220,470,262	\$194,430,950
Net of accumulated depreciation	4,714,058	2,149,196			
TOTAL ASSETS	\$244,201,985	\$212,378,386	Equity		
			Undivided Earnings	\$20,170,511	\$16,285,034
				\$20,170,511	\$16,285,034
			TOTAL LIABILITIES AND EQUITY	\$244,201,985	\$212,378,386

CONSOLIDATED STATEMENTS OF OPERATIONS

YEARS ENDED DECEMBER 31, 2022 AND 2021

REVENUE	2022	2021
Interest on Loans	\$5,541,614	\$4,450,806
Interest on Investments	393,786	242,406
Fees	3,769,964	3,111,187
Miscellaneous	432,322	755,105
	10,137,685	8,559,504
EXPENSES		
Salaries & Benefits	\$3,258,051	\$2,805,047
Office Occupancy Expenses	257,639	263,911
Office Operating Expenses	1,060,463	1,032,662
Loan Servicing Expenses	458,445	341,922
Professional & Outside Services	101,477	68,771
Marketing / Member Education	143,164	105,693
Misc. Operating Expenses	159,384	170,010
Provision for Loan Losses	195,453	(19,145)
	5,634,076	4,768,870
COST OF FUNDS		
Interest on Borrowings	\$8,709	\$-
Dividend Expenses	609,423	488,208
	618,132	488,208
NET OPERATING GAIN / (LOSS)	3,885,477	3,302,426
Extraordinary Gains and Losses	-	-
CONTRIBUTION TO CAPITAL	\$3,885,477	\$3,302,426



CASH FLOW

	12/31/22	12/31/21
Cash From Operating Activities:		
Net Income/Loss	\$3,885,477	\$3,302,426
Change in Other Assets	584,274	(2,401,619)
Change in Other Liabilities	1,898,809	1,662,402
Cash From Operating Activities	6,368,561	2,563,209

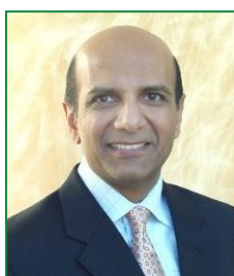
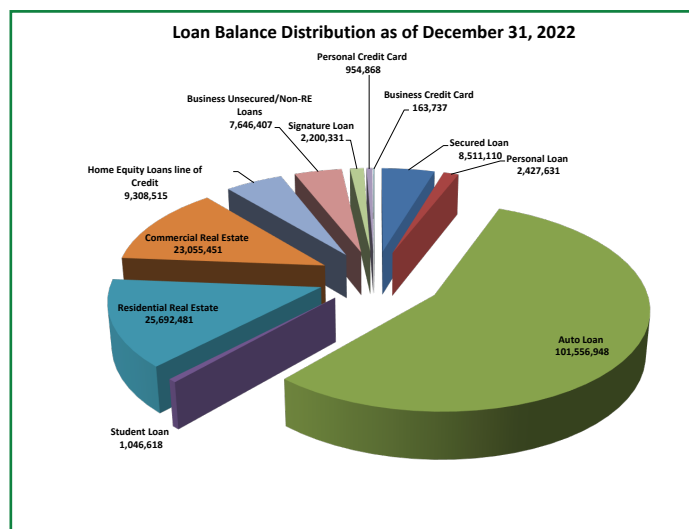
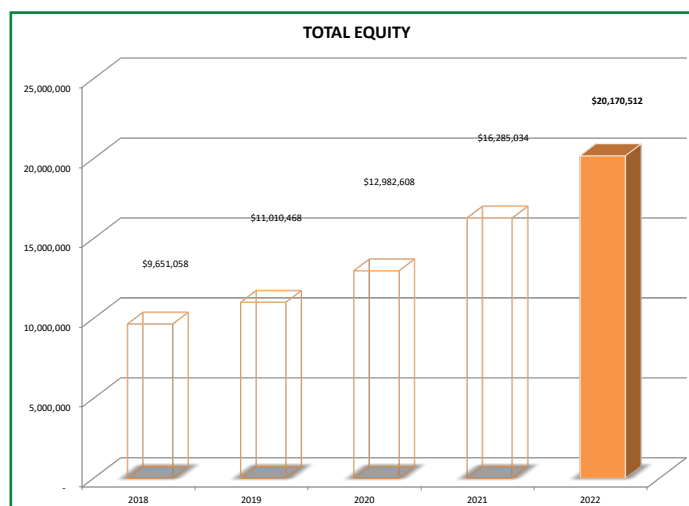
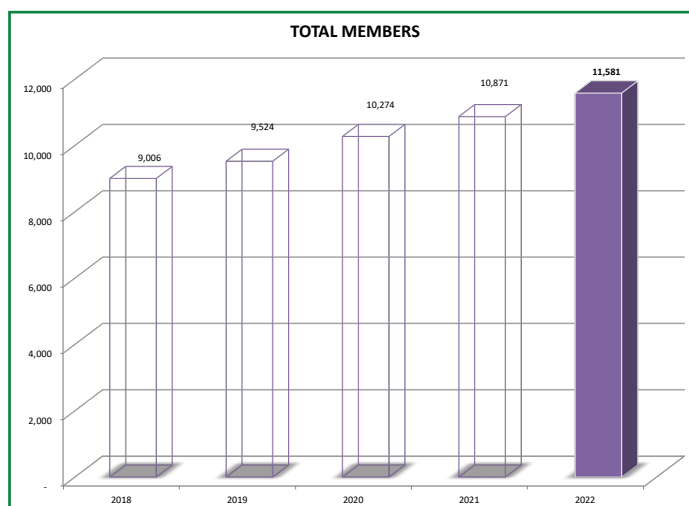
Cash From Investing Activities:		
Change in Investments	8,713,171	(27,299,000)
Change in Loans	(44,956,287)	(139,025,813)
Change in Fixed Assets	(2,564,862)	(2,149,196)
Accumulated Unrealized Gains	-	-
Cash From Investing Activities	(38,807,979)	(168,474,009)

Cash From Financing Activities:		
Change in Borrowings	-	-
Change in Deposits	26,039,312	168,391,638
Cash From Financing Activities	26,039,312	168,391,638

Net Change in Cash	\$(6,400,106)	\$2,480,839
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Cash at beginning of the period	34,485,198	46,075,132
Cash at end of the period	24,062,750	34,485,198

Net Change in Cash	\$(10,422,448)	\$(11,589,934)
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Zahir Ladhani
Treasurer

PLATINUM FEDERAL CREDIT UNION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1-Significant Accounting Policies

Method of Accounting. The credit union financial statements have been prepared on the accrual basis of Generally Accepted Accounting Principles in the United States of America.

Investments. Platinum Federal Credit Union does have Investment in US Government Agency Securities, investments in Shares Deposits & CDs 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 relates to outstanding loans. 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. The Credit Union management maintains it adequate to absorb probable losses related to outstanding loans.

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

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 board of directors sets the dividend rate every quarter 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 U.S. Government Agency Securities, Shares Deposits & CDs in Corporates, CUs, and Banks.

2022	
Deposits in CD's banks, and Credit Unions, Corporate CU	\$20,659,791
Investments on Held-to-Maturity Agency Securities	8,759,941
Investments on Federal Home Loan Bank of Atlanta	206,000
	\$29,625,732

Note 3-Loans to Members

The composition of loans to members are as follows:

2022		
Secured Loan	\$ 8,511,110	4.63%
Personal Loan	2,427,631	1.32%
Auto Loan	101,556,948	55.20%
Student Loan	1,046,618	0.57%
Residential Real Estate	25,692,481	13.96%
Commercial Real Estate	23,055,451	12.53%
Home Equity Loans line of Credit	9,308,515	5.06%
Business Unsecured	7,646,407	4.16%
Signature Loan	2,200,331	1.20%
Personal Credit Card	954,868	0.52%
Business Credit Card	163,737	0.09%
SBA PPP Loans	12,166,458	10.23%
	\$ 183,982,100	100.00%

Note 4-Allowance for Loan Losses

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

2022	
Balance on 12/31/2021	\$742,780
Add: Provision for Loan Losses Expense	195,453
Add: Recoveries on Charged-off Loans	-
Less: Charged-off Loans	(27,798)
Balance on 12/31/2022	\$910,435

Note 5-Other Assets & Prepaid and Fixed Assets

Other assets are summarized as follows:

2022	
Prepaid Expense	\$ 459,908
Security Deposit for Office Rent	6,489
Security Deposit for Credit Card Clearing	44,965
Security Deposit for Debit Card Clearing	25,672
Value of Investments in CUSOs	7,662
Total Other Assets & Prepaid	\$ 544,695

Fixed assets are summarized as follows:

2022	
Land, Building and Improvements	\$5,315,301
Furniture and Fixtures	459,285
Data Processing Equipment	891,920
Total Cost	\$6,666,506
Accumulated Depreciation	(1,952,447)
Net carrying amount	\$4,714,058

Note 6-Deposit Accounts

A summary of deposit accounts are as follows:

2022	
Savings Accounts	\$ 58,921,578
Personal Checking Accounts	35,952,220
Business Checking Accounts	62,719,827
Money Market Accounts	25,075,900
Certificate of Deposits	34,197,930
IRA Accounts	961,159
College Saving Plan & All other Shares	2,641,648
Total Deposits	\$ 220,470,262

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	6	\$624,959

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. Obligations 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:

	2022
Revolving open-end lines secured by real estate	\$ 11,724,138
Credit Card lines	11,964,962
Unfunded Commitments for Share Draft LOC	771,661
Unfunded Commitments for Overdraft Protection	66,996
Other Unfunded Commitments	50,820
Total Unfunded Commitments	\$ 24,578,577

UNITING VOICES, EMPOWERING COMMUNITIES

PFCU's Commitment to Making a Difference

At our core, we believe in the power of community. Over the past year, we have had the opportunity to participate in initiatives that have allowed us to give back and make a difference, reflecting our dedication to creating positive change. PFCU is committed to investing in and supporting the communities we serve.



Joined Effort with Other Credit Unions to Support Ukraine Families



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 Radloff Middle School students.

OTHER 2022 COMMUNITY HIGHLIGHTS

Celebrated International Credit Union Day to reflect upon the credit union's history, its achievement, and recognize hard work.

Added Free Credit Score access with dispute management into Mobile & Online Banking App

Sponsored IPN Economic Forecast 2022

Celebrated twenty-two years of service to members of PFCU

2022 PFCU Scholarship Winners Congratulations



2022 SCHOLARSHIP WINNERS:

Aanya Noorani
Aliisbah Merchant
Alishah Lakhani
Alizeh Chamadia
Alyaan Dharani
Amara Rangwala
Ambreen Merchant
Anique Punjwani
Areesh Merchant
Arish Lalani
Arish Virani
Armaan Jabrani
Asfa Karim
Ayaan Jiwani
Farheen Popatia

Illiyan Tajani
Imran Gilani
Inaara Lalani
Insha Budhwani
Isbah Charania
Karam Jivani
Khushi Panjwani
Minhas Wasaya
Naeem Himani
Naureen Lakhani
Raheema Damani
Sabrina Veerjee
Safeer Mithani
Safia Tejani
Sahar Ali

Sahrish Panjwani
Saif Samnani
Samad Hakani
Sana Lalani
Sania Makhani
Saniya Keshwani
Sara Mohammad
Sara Veerjee
Sara Ali
Serena Somani
Soha Jiwani
Umair Ali
Ziyan Mohammadali

2022 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
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
Jamal Tajuddin & Family
Baraka Capital Management, Ali Ravji & Rahim Asani
Baraka Foundation, Ali Ravji & Rahim Asani
Ibrahim Jivani & 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 – Chairperson
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

Orlando Branch Management Committee:

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

Memphis Virtual Branch Committee:

Akbar Somani – Convener
Asma Jiwani – Member
Nighat Shah – Member
Sabrina Merchant – Member
Suleman Sohani – Member

Tampa Virtual Branch Committee:

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

NY/NJ Virtual Branch Committee:

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



Platinum
Federal Credit Union

