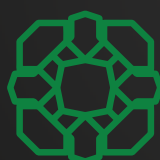




# 2020 Annual Report



**Platinum**

Federal Credit Union



# From Your BOARD CHAIR AND CEO

Dear members of PFCU:

Although we all hoped to regain our old normal lives by end of 2020 from the ravages of the Covid pandemic, we are still stuck in this for little longer. We hope that when we are writing this report next year, we will be thankful to be back to normal. But let us not forget that the pandemic has taught us new ways to interact with family and friends, new ways to celebrate and new ways to conduct business. As we slowly and incrementally get back to the old or new normal, we need to take all the good from the pandemic, especially newly formed habits like checking up on our neighbors, lend a helping hand and being an active member of the community, we live in.

We are proud to inform the members that last year PFCU was awarded The Credit Union of the Year by the League of Southeastern Credit Unions. This award was for grading between our peers in the Southeast Region that have assets range of \$100 million to \$500 million. It is a great achievement for PFCU, its board, committees, staff, members and for the Ismaili community.

With your support, we have continued our tremendous growth in 2020. In fact, we may be one of the only credit unions in the United States that grew over 50% in total assets, over 60% in total deposits & over 16% in loans outstanding. We ended the year 2020 with over \$190 million in total assets, over \$175 million in deposits and in excess of \$118 million in loans outstanding. As a consequence, the board decided to reduce the dividend rate, as we need to ensure controlled growth in all areas so as to maintain a proper balance between our Assets, Liabilities and Net Worth.

We awarded 36 scholarships totaling \$90,000 in 2020 and we are proud of this program that we started 10 years ago. This would not have been possible without the support of our various sponsors, like ARA, AMA, TTA, and the 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.

Last year was particularly difficult for some of our members due to the COVID pandemic and it was also a difficult year for the staff and management of PFCU to continue to meet the financial and business needs of our members. We want to recognize the exceptional dedication and work ethic of the entire PFCU Staff to deliver the best possible service in the most difficult of times. We also want to thank all the staff members that went above and beyond their duties to make sure all the members who applied and qualified for the SBA PPP loans got their loans approved and disbursed in an efficient and timely manner.

Finally, we urge all the 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 commercial property 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. The Committee plays an important leadership role in providing financial counseling to members when necessary.

2020 was a challenging year for us all; however, the credit union stepped up to assist members in every way it could. We offered various support programs such as Skip-a-Pay, Emergency Personal Loans, Emergency Business Lines of Credit, and Car Title loans. In total, we were able to help 570 members with deferred payments, 35 members with emergency personal loans totaling \$96,405, and 15 members with emergency business lines of credit totaling \$220,000. As PFCU had recently acquired its SBA license, we were able to offer 545 Paycheck Protection loans to businesses in need totaling \$12,893,851. No loan amount was too small to process. PFCU's lending team worked tirelessly to underwrite and fund these loans to our business members.

Despite loan demand being soft due to market uncertainty, PFCU's loan portfolio grew by a remarkable 11% as the lending department was successful in deploying its new Centralized Lending initiative. Whether you apply for a loan by coming into one of our branches, or apply online from the comfort of your home, the process is the same from start to finish. Our new online application makes it a breeze for you to get in touch with one of our Loan Sales Representatives to find the right product fit for you. This year PFCU issued 1,152 loans to its members totaling to \$54.92 million in loan disbursed. PFCU's total outstanding loan balance reached \$106.75 million (not including PPP loans) as of December 31, 2020 compared to \$96.30 million as of December 31, 2019. PFCU loan portfolio continues to grow, thanks to your participation.

As mortgage rates dropped to historical lows in 2020, 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 1.99% 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. 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.

We issued a number of Business MasterCard® which also 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 as low as 9.99% APR interest rates on outstanding balances.

PFCU's loan delinquency ratio stayed steady at 0.26% and the charge off ratio fell from 0.20% in 2019 to 0.13% in 2020. 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 2020 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, 2020. We are happy to report that PFCU's progress and financial condition has been strong in 2020 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. Although due to COVID, NCUA did not perform an exam in 2020, however they did perform exam earlier in 2021 as of December 31, 2020. 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. 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, VP of Operations Donna Ezell 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.

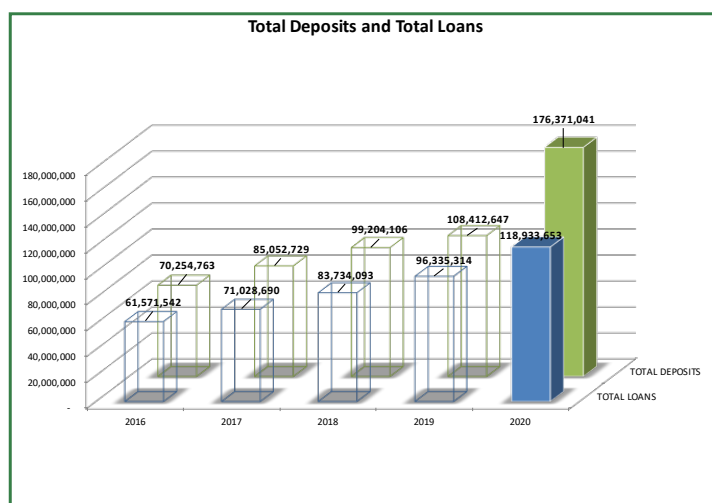
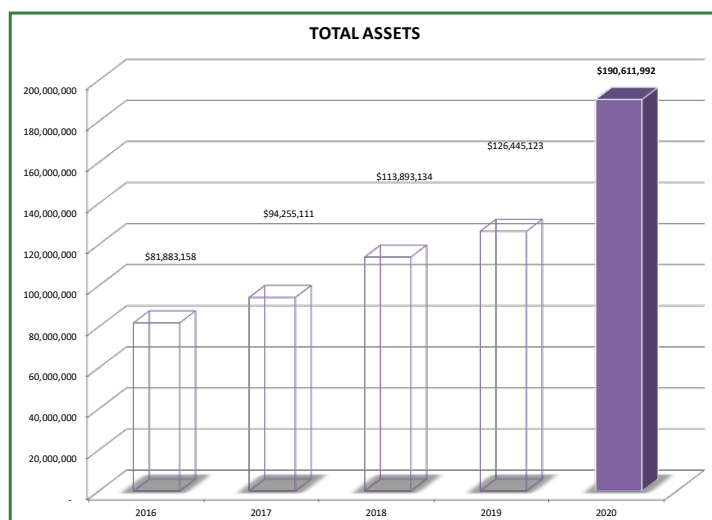
Karim Vastani  
Supervisory Committee Chairman

# CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2020 AND 2019

ASSETS	2020	2019	LIABILITIES	2020	2019
Cash and Equivalents	\$46,075,132	\$19,962,333	Accounts Payable and Other Liabilities	\$1,258,343	\$522,999
Receivables	45,373	40,488	Notes Payable	-	6,499,009
Loans to Members	100,591,026	80,683,341		\$1,258,343	\$7,022,008
Business Loans	18,342,627	15,651,973	<b>Member Deposits</b>		
Allowance for Loan Loss	(707,449)	(466,125)	Savings Accounts	\$43,028,883	\$23,015,778
<b>Investments</b>			Personal Checking	27,344,589	12,629,128
Certificate of Deposit & Securities	22,094,991	7,046,106	Business Checking	51,479,613	30,712,540
Accrued Interest	372,292	290,838	Money Market	25,777,654	14,364,733
NCUA Share Insurance Fund	1,274,107	796,219	Certificate of Deposit	25,652,495	24,300,098
Prepaid and Other Assets	270,424	217,569	IRA Accounts	825,817	1,024,093
Property, Equipment, and Furniture			College Saving Plan & all other Shares	2,261,990	2,366,277
Net of accumulated depreciation	2,253,469	2,222,380		\$176,371,041	\$108,412,647
			<b>Equity</b>		
			Reserve Fund	900,000	900,000
			Undivided Earnings	12,082,608	10,110,468
				\$12,982,608	\$11,010,468
<b>TOTAL ASSETS</b>	<b>\$190,611,992</b>	<b>\$126,445,123</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$190,611,992</b>	<b>\$126,445,123</b>

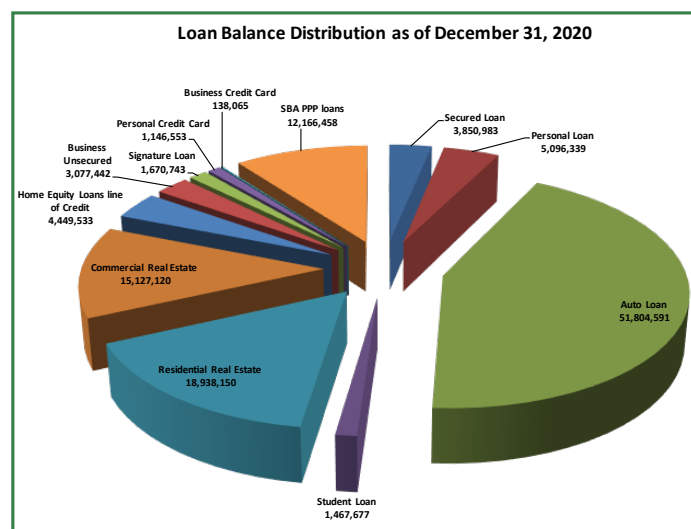
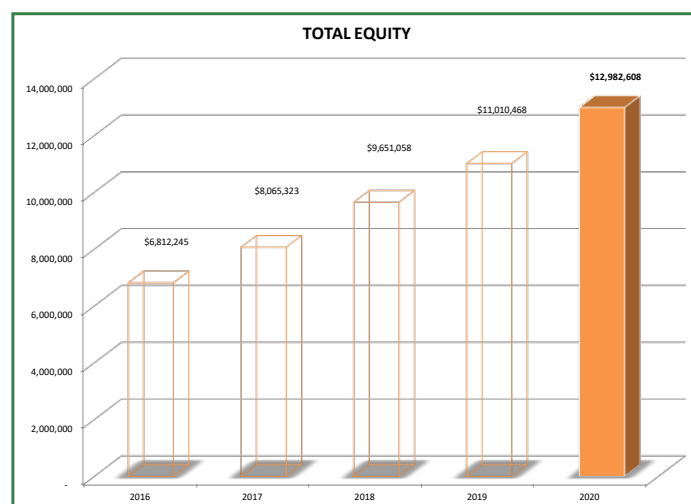
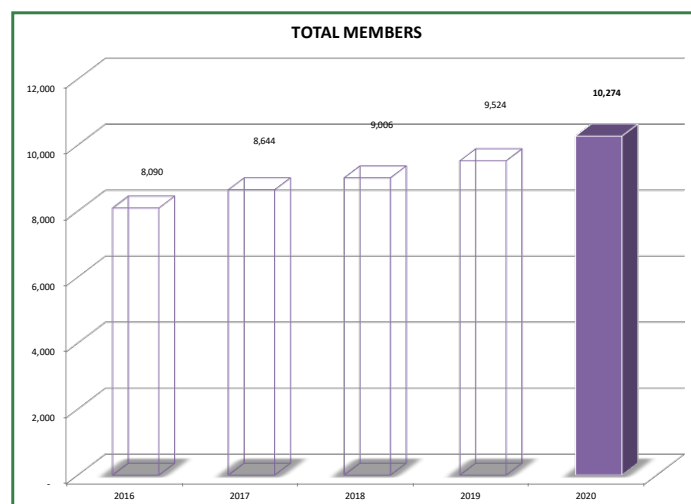
## CONSOLIDATED STATEMENTS OF OPERATIONS YEARS ENDED DECEMBER 31, 2020 AND 2019

REVENUE	2020	2019
Interest on Loans	\$4,367,303	\$4,126,679
Interest on Investments	178,655	288,758
Fees	2,506,945	2,358,365
Miscellaneous	514,422	-
	7,567,325	6,773,802
<b>EXPENSES</b>		
Salaries & Benefits	\$2,709,002	\$2,387,714
Office Occupancy Expenses	223,545	206,490
Office Operating Expenses	971,716	967,900
Loan Servicing Expenses	331,787	327,187
Professional & Outside Services	94,355	95,064
Marketing / Member Education	119,411	115,596
Misc. Operating Expenses	118,154	184,199
Provision for Loan Losses	372,548	301,750
	4,940,519	4,585,898
<b>COST OF FUNDS</b>		
Interest on Borrowings	\$5,730	\$10,080
Dividend Expenses	651,842	818,674
	657,571	828,754
<b>NET OPERATING GAIN / (LOSS)</b>	<b>1,969,235</b>	<b>1,359,150</b>
Extraordinary Gains and Losses	3,166	-
<b>CONTRIBUTION TO CAPITAL</b>	<b>\$1,972,400</b>	<b>\$1,359,150</b>



## CASH FLOW

	12/31/20	12/31/19
<b>Cash From Operating Activities:</b>		
Net Income/Loss	\$1,972,400	\$1,359,150
Change in Other Assets	(375,757)	(87,565)
Change in Other Liabilities	735,344	(892,575)
<b>Cash From Operating Activities</b>	<b>2,331,988</b>	<b>379,010</b>
<b>Cash From Investing Activities:</b>		
Change in Investments	(15,048,885)	(2,567,315)
Change in Loans	(22,598,339)	(12,601,221)
Change in Fixed Assets	(31,089)	42,884
Accumulated Unrealized Gains	(260)	260
<b>Cash From Investing Activities</b>	<b>(37,678,573)</b>	<b>(15,125,392)</b>
<b>Cash From Financing Activities:</b>		
Change in Borrowings	(6,499,009)	2,876,614
Change in Deposits	67,958,394	9,208,541
<b>Cash From Financing Activities</b>	<b>61,459,385</b>	<b>12,085,154</b>
<b>Net Change in Cash</b>	<b>\$26,112,799</b>	<b>\$(2,661,227)</b>
Cash at beginning of the period	19,962,333	22,623,560
Cash at end of the period	46,075,132	19,962,333
<b>Net Change in Cash</b>	<b>\$26,112,799</b>	<b>\$(2,661,227)</b>



*Shahina Punjani*  
Treasurer

# PLATINUM FEDERAL CREDIT UNION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020

## 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.

	2020
Deposits in CD's banks, and Credit Unions, Corporate CU	\$ 21,976,791
Investments on Available-for-Sale Agency Securities	-
Investments on Federal Home Loan Bank of Atlanta	118,200
	<b>\$ 22,094,991</b>

## Note 3-Loans to Members

The composition of loans to members are as follows:

	2020	
Secured Loan	\$ 3,850,983	3.24%
Personal Loan	5,096,339	4.29%
Auto Loan	51,804,591	43.56%
Student Loan	1,467,677	1.23%
Residential Real Estate	18,938,150	15.92%
Commercial Real Estate	15,127,120	12.72%
Home Equity Line of Credit	4,449,533	3.74%
Business Unsecured	3,077,442	2.59%
Signature Loan	1,670,743	1.40%
Personal Credit Card	1,146,553	0.96%
Business Credit Card	138,065	0.12%
SBA PPP Loans	12,166,458	10.23%
	<b>\$ 118,933,653</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:

	2020
Balance on 1/1/2019	\$ (466,124)
Add: Provision for Loan Losses Expense	(372,548)
Add: Recoveries on Charged-off Loans	(36,857)
Less: Charged-off Loans	168,080
Balance on 12/31/2020	<b>\$ (707,449)</b>

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

Other assets are summarized as follows:

	2020
Prepaid Expense	\$ 198,557
Security Deposit for Office Rent	4,989
Security Deposit for Credit Card Clearing	42,049
Security Deposit for Debit Card Clearing	17,167
Value of Investments in CUSOs	7,662
Total Other Assets & Prepaid	<b>\$ 270,424</b>

Fixed assets are summarized as follows:

	2020
Land, Building and Improvements	\$ 2,781,445
Furniture and Fixtures	336,039
Data Processing Equipment	838,397
Total Cost	\$ 3,955,881
Accumulated Depreciation	(1,702,412)
Net carrying amount	<b>\$ 2,253,469</b>

## Note 6-Deposit Accounts

A summary of deposit accounts are as follows:

	2020
Savings Accounts	\$ 43,028,883
Personal Checking Accounts	27,344,588
Business Checking Accounts	51,479,613
Money Market Accounts	25,777,654
Certificate of Deposits	25,652,495
IRA Accounts	825,817
College Saving Plan & All other Shares	2,261,990
Total Deposits	<b>\$ 176,371,041</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	12	\$ 825,327

## 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:

	2020
Revolving open-end lines secured by real estate	\$ 6,645,468
Credit Card lines	10,138,275
Unfunded Commitments for Share Draft LOC	603,642
Unfunded Commitments for Overdraft Protection	178,071
Other Unfunded Commitments	79,423
<b>Total Unfunded Commitments</b>	<b>\$ 17,644,879</b>

## PICTURES FROM 2020 PFCU PROGRAMS & EVENTS



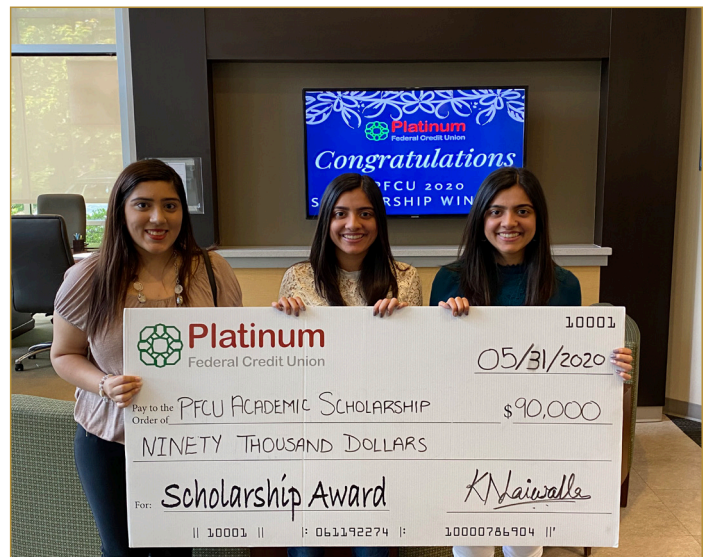
# 2020 SCHOLARSHIP WINNERS AND SPONSORS

## 2020 SCHOLARSHIP WINNERS:

Aahil Rajpari  
 Ali Chagani  
 Aliisbah Merchant  
 Alina Ismaili  
 Alishah Lakhani  
 Alykhan Pirani  
 Alysha Kanjiyani  
 Anjiya Karim  
 Anna Andani  
 Anum Jiwani  
 Arish Virani  
 Asim Sheikh  
 Ayaan Kherani  
 Azmina Allauddin Babwani  
 Celeste Kazani  
 Danial Asaria  
 Farah Merchant  
 Farzeen Himani  
 Inaara Lalani  
 Iqra Rafiq  
 Maliha Qassamali  
 Manisha Dhanani  
 Mishal Qassamali  
 Nada Panjwani  
 Natasha Kurji  
 Naziya Mamdani  
 Neha Nasar  
 Sabrina Veerjee  
 Sahrish Panjwani  
 Sara Veerjee  
 Sarah Bharwani  
 Simran Mulji  
 Tanish Pradhan  
 Tatmeen Khimani  
 Umair Anis Ali  
 Zahra Jiwani

## 2020 PFCU SCHOLARSHIP SPONSORS:

Atlanta Retailers Association  
 Alabama Merchants Association  
 Tri-State Trade Association  
 The Mamdani Foundation  
 PFCU Chairman & Presidents  
 Roshan Mamdani  
 Center for Cosmetic & Sedation Dentistry  
 Kornfield Printing  
 Tajuddin Mithani & Family  
 Salim and Laila Merchant and family  
 Karim Kamruddin Lakhani & Family  
 Sayani Family in memory of Shahbuddin Sayani  
 Hussein and Laila Kurji and family  
 Salim and Shyna Punjani in memory of  
 Shamshuddin Jalali  
 Asif and Natacha Parbatani and family  
 Imtyaz and Shamsha Isani & Family  
 Rizwan and Neshma Sawja and family





# BOARD OF DIRECTORS



**Amin Premjee**  
Chairman



**Fazal Manji**  
Vice-Chairman



**Ali Jamal**  
Secretary



**Shahina Punjani**  
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 Rupanii – 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](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

