

*Ismailis Helping Ismailis*



CELEBRATING  
**25**  
Years

2014  
Annual Report



**NIZARI** PROGRESSIVE FEDERAL  
CREDIT UNION

# Board of Directors



Shaukat Jaffer  
Interim CEO & COO



Karim Dhukani  
Chairman



Sultan Mukhi  
Vice- Chairman



Amin Mukhi  
Secretary



Naveed Ali  
Director



Malik Jamal  
Director



Naushad Kermally  
Director

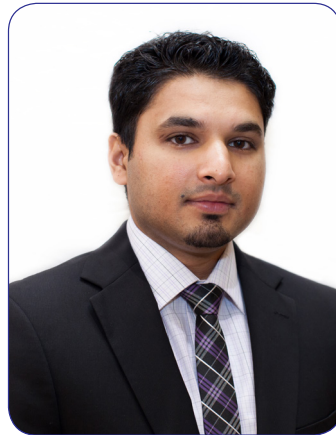


Sultan Poonawalla  
Director

## NOMINATED



Rafiq Dhanani  
Director



Imran Ali  
Director



Gulham Nanjee  
Director



Shamsa Madhani  
Director



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# Letter From Chairman

Respected Members of Nizari Progressive Federal Credit Union, Ya Ali Madad:

Nizari PFCU has been breaking grounds in accomplishments from its humble beginnings and has continued to improve year after year. The support from you, our members, has allowed us to be successful and with your support, we will continue to grow and achieve bigger and better things. With our members in mind, we hope to be able to provide more products and services so that our success continues and we continue to grow as a credit union.

This year marks the 25th anniversary of our Credit Union and I would like to congratulate everyone because this achievement is possible only because of the members and the time our predecessors have committed to ensure its success. Without the support of the members and the hard work done by current and previous personnel of Nizari PFCU, our success would not have been possible.

Keeping with current times, financial institutions are held to a certain standard and Nizari PFCU is ready to embrace this role. We are growing as a credit union and are providing new features for its members. For example, we have launched a new core software system that utilizes a new way of banking known as Shared Branching, which allows members across the nation to do business with Nizari PFCU. With this new system, many new features will be incorporated for members such as mobile banking. This will allow an easier and technologically advanced way of financial support for the convenience of the members.

Nizari PFCU is continuing to grow in the Southwest region to meet the demand of the growing Jamat. Therefore, we are actively looking to relocate the Austin branch as well as establish a new branch in San Antonio. These new branches will be full service branches and are being opened in order to better serve the members and provide more product and services so that all of the Jamat can take advantage of Nizari PFCU.

Furthermore, many people within our Ismaili community come to the U.S. for better opportunities. As Nizari PFCU grows, we are hoping to support new members of our Jamat to the best of our abilities by providing assistance in numerous capacities. As our Jamat becomes more pluralistic, it is our duty to maintain this pluralism and support our Jamat financially in whatever way possible.

A significant number of our Jamat is involved in the retail business and consequently, their financial needs are increasing. As a result, we are committed to finding new ways of provide solutions to allow for better financial support. After all, we are here to assist with the Jamat's needs and will strive to provide the most support to the members.

Nizari PFCU is also partnering up with Trade Associations and has created a memorandum of understanding in order to provide targeted services through special programs, loans, and various other services. In addition, we are hopeful to be launching SBA loan programs and MSB programs in order to help trade association members with their business needs. Nizari PFCU is also working very closely with EPB to develop product and services in the field of business, start up businesses, student loans, and special skills loans. We also have launched a Widow/Widower program that is aimed to assist with short-term income needs through above market share certificate rates.

As we continue to grow as a Jamat and Credit Union, I would like to recognize all the support given to us by the members, staff, and Board of Directors that have assisted Nizari PFCU throughout the years. Without your support, many of the programs we have implemented would not have been possible. Through your continued support, we hope to take Nizari PFCU to higher levels of success

Sincerely,



Karim Dhukani  
Chairman  
Nizari Progressive Federal Credit Union



**Karim Dhukani**  
Chairman



# Letter From COO & Interim CEO

To our valued members

Nizari continues to build on its solid foundation laid over the years as we have been witnessing consistent growth year after year. 2014 has been another remarkable year as we accomplished the targets set by the board and surpassed peer performance in the CU industry. New core system and shared branching were implemented as part of our endeavors to make operations efficient and provide better member services.

Operating income continues to show upward trend. It increased by 9% over 2013 to \$5.2 million. Net income for 2014 was \$1.6 million, which was highest ever. Loan portfolio increased by 18% to \$79.7 million and it is getting diverse in terms secured vs. unsecured loans. Total loan disbursement was \$ 35.0 million. In addition, \$ 2.8 million line of credit was granted. Our endeavor has been to provide competitive loan rates to our members, which is reflected in our loan growth. Delinquency was at an all time low at 0.28%. Total assets grew by 9% to \$109.4 million and capital ratio was maintained at around 13.6%, which is well above peers.

Shared branching was implemented to provide banking services to members close to their locations. There are 5000+ branches in the shared branching network nationwide available for banking services. Another major milestone for Nizari was implementation of a new core processing system with enhanced capabilities to provide better banking services to our members and also make the operations efficient. One of the best features is the robust, fully integrated connectivity to "It'sMe247" online banking. This new online banking product allows easier access to your accounts, online bill pay service, mobile/text banking and hosts a myriad of other features. You have the ability to stay connected to your accounts, 24/7, by personal computer or wireless device.

HR function was strengthened further to undertake human resource planning, performance management, and advising line managers on HR policies and guidelines. As part of ongoing training and development, staff completed 1200+ hours of continued professional development training. These accomplishments would not have been possible without the dedication and commitment of our staff, and support and guidance from the board and the board committees. Some of the major goals for 2015 Business Plan are:

- a) Launch MSB services
- b) Start SBA lending program
- c) Work towards paperless system.
- d) Relocate and expand the Austin Branch operations to add more services.

I am confident that our staff with their dedication, commitment, and hard work will be able to achieve these goals. We are constantly striving to provide our members with the best experience and outstanding service. Year 2015 will be 25th year of operations and we are grateful to our valued members, leaders of the Institutions and Councils for their continued support. We thank you once again for being part of the Nizari family and banking with us for your financial services' needs.

Sincerely,



Shaikathussain Jaffer  
Chief Operating Officer & Interim CEO  
Nizari Progressive Federal Credit Union



**Shaukat Jaffer**  
COO & Interim CEO



# Financial Statement

## STATEMENT OF FINANCIAL POSITION FOR YEARS ENDING DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
Loans to Members	\$ 79,692,079	\$67,369,859
Less: Allowance for Loan Loss	(\$1,014,060)	(\$909,320)
Total Loans	\$ 78,678,019	\$66,460,539
Cash in hand and at Bank	\$ 6,791,049	\$9,414,635
Investment	\$ 20,823,285	\$21,968,990
Advance, Deposits & Prepayments	\$ 616,701	\$564,180
Capital Work in progress	\$ 40,556	-
Furniture, Fixture, Leasehold Impr & Equipment	\$ 2,863,632	\$2,786,916
Less: Acc Dep & Amortization	(\$911,200)	(\$685,189)
Net Fixed Assets	\$ 1,952,432	\$2,101,727
Accrued Income (interest on loans & investment)	\$ 487,169	\$405,971
<b>Total Assets</b>	<b>\$109,389,211</b>	<b>\$100,916,042</b>

## LIABILITIES AND EQUITY

Payables	\$5,589,765	\$168,390
Member's Shares and deposit	\$88,776,567	\$87,480,956
Unrealized Gain/Loss on investment	\$97,863	-
Regular Reserve	\$5,602,900	\$5,602,900
Undivided Earnings	\$7,663,796	\$6,455,479
Net Gain (Loss) YTD	\$1,658,320	\$1,208,317
Total Equity	<b>\$14,925,016</b>	<b>\$13,266,696</b>
<b>Total Liabilities and Equities</b>	<b>\$109,389,211</b>	<b>\$100,916,042</b>

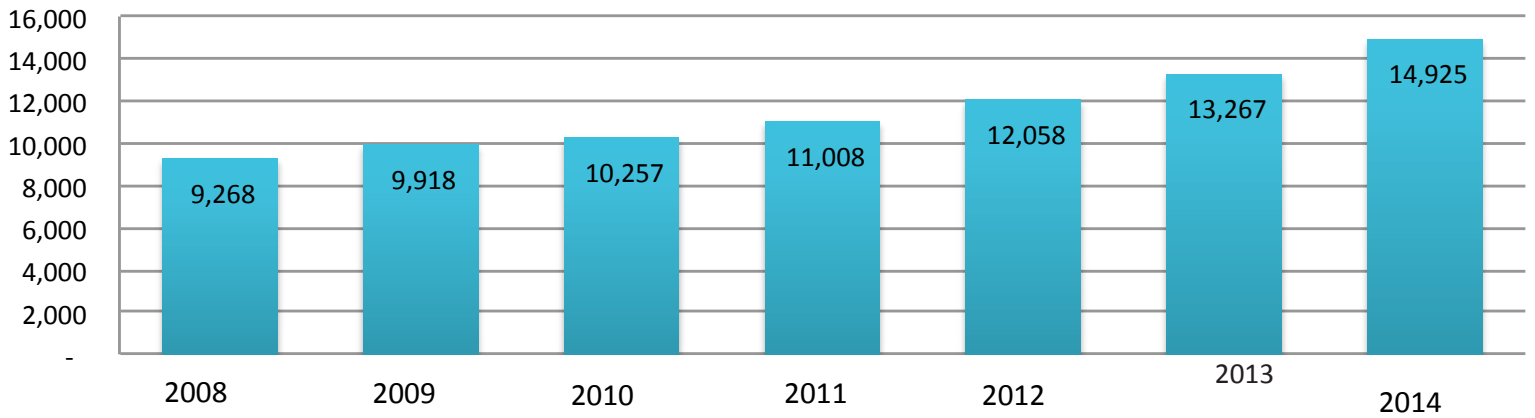
## STATEMENT OF OPERATIONS FOR YEARS ENDING DECEMBER 31, 2014 AND 2013

Operating Income	\$5,243,698	\$4,787,418
Operating Expenses:		
Operating expenses	\$3,060,979	\$2,642,920
Provision for Loan Losses	\$120,000	\$430,000
Total Operating Expenses	<b>\$3,180,979</b>	<b>\$3,072,920</b>
Income from Operations	\$2,062,719	\$1,714,498
Non Operating expense /(income)	\$29,226	\$65,159
Dividend Paid to Members	\$433,625	\$441,023
<b>NET INCOME</b>	<b>\$1,658,320</b>	<b>\$1,208,316</b>



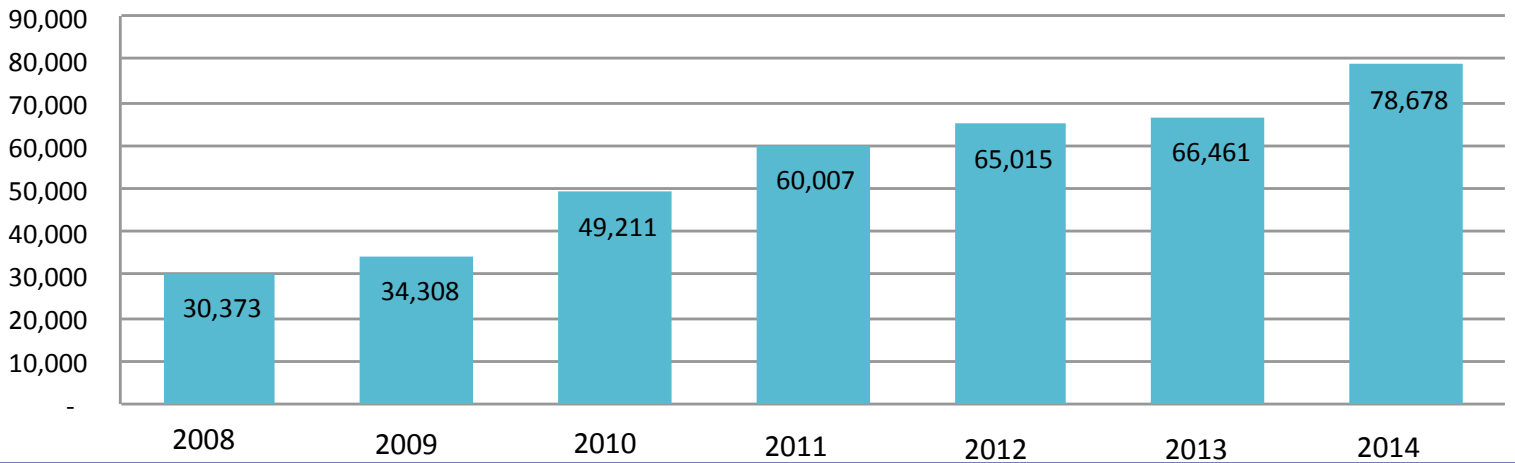
## Net Worth

### Net Worth \$000's



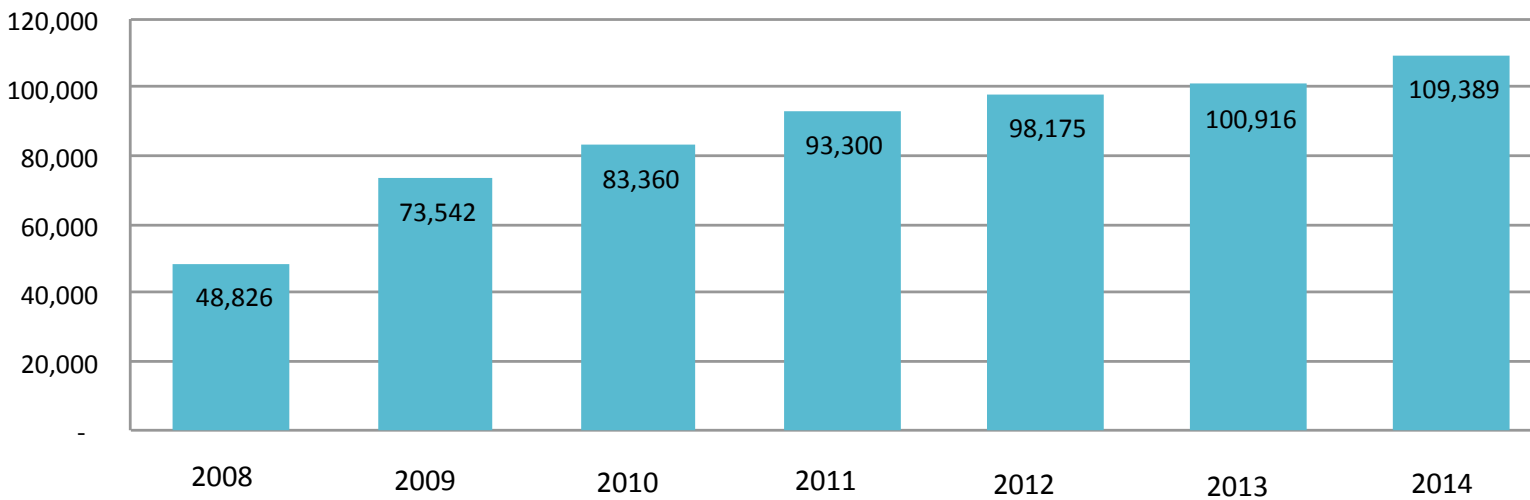
## Loans to Members-Net

### Loans To Members-Net \$000's



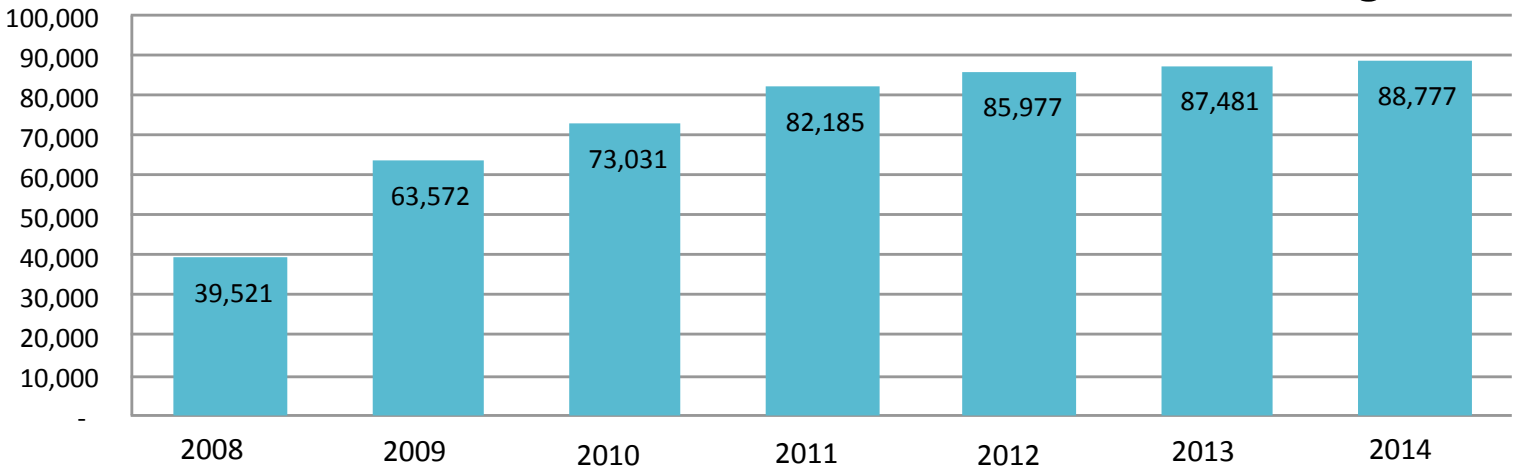
## Total Assets

### Total Assets \$000's



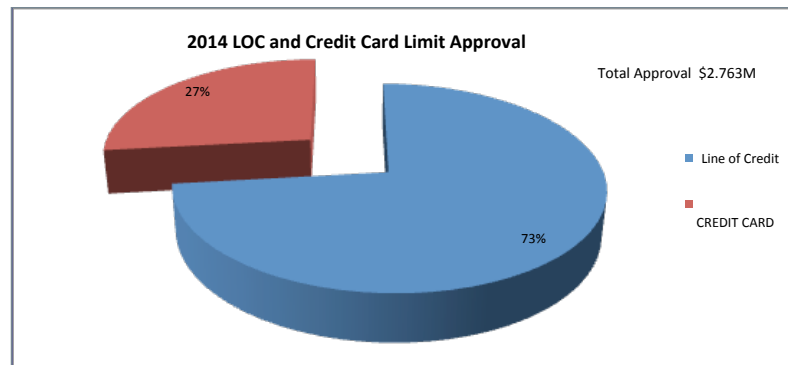
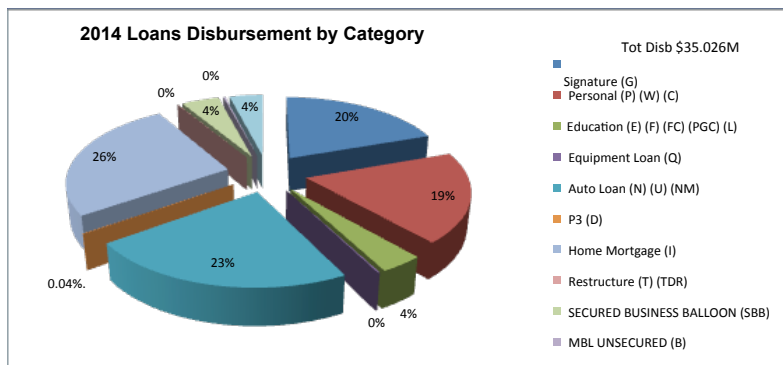
# Members Savings

## Members' Savings \$000's



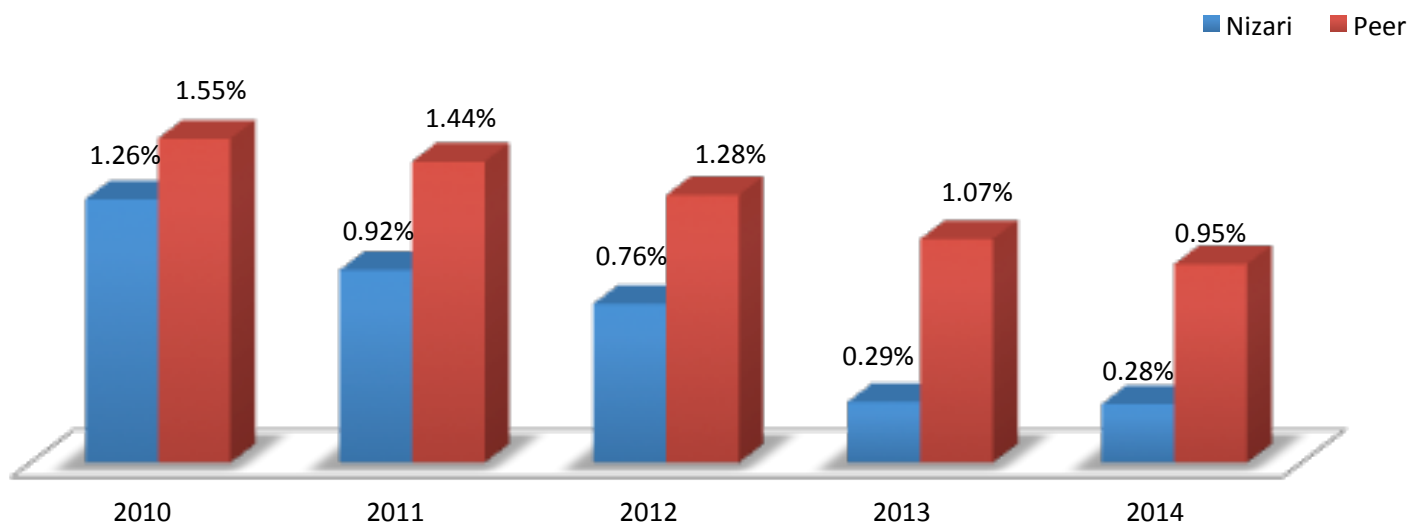
## Loan Disbursement by Category

## Line of Credit & Credit Card Limit Approval



## Delinquency Trend

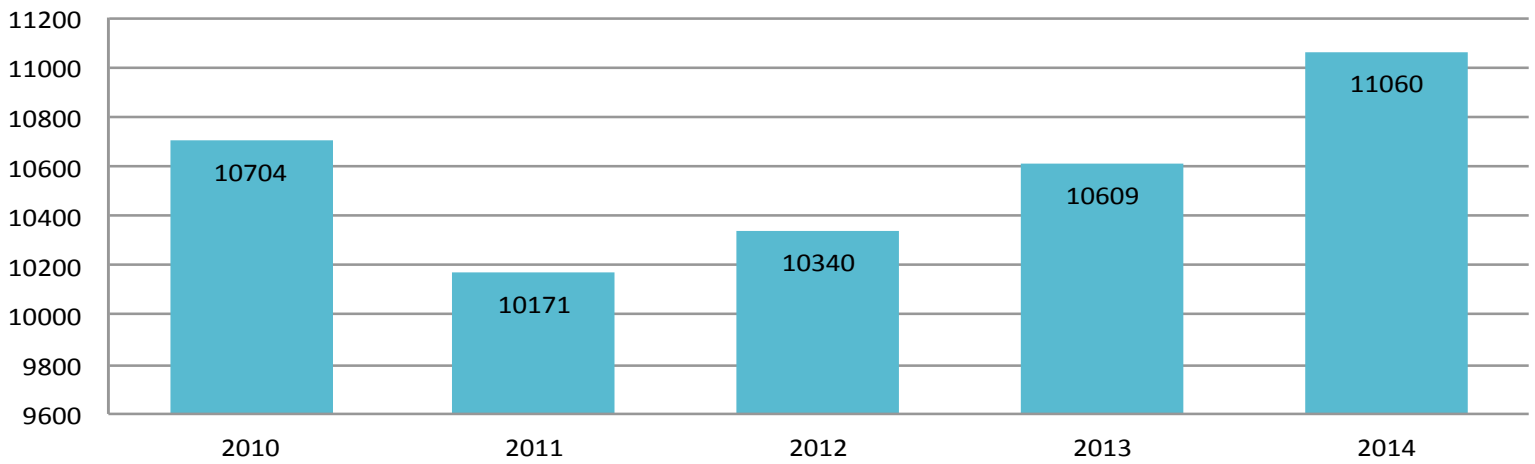
### Delinquency Trend





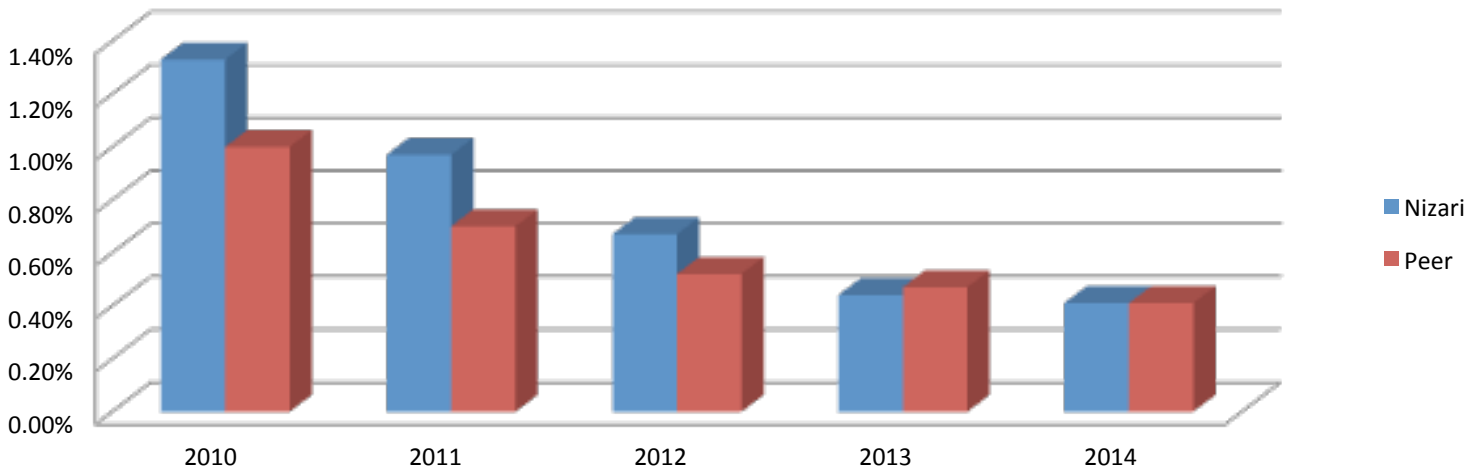
# Membership Count

## Membership Count



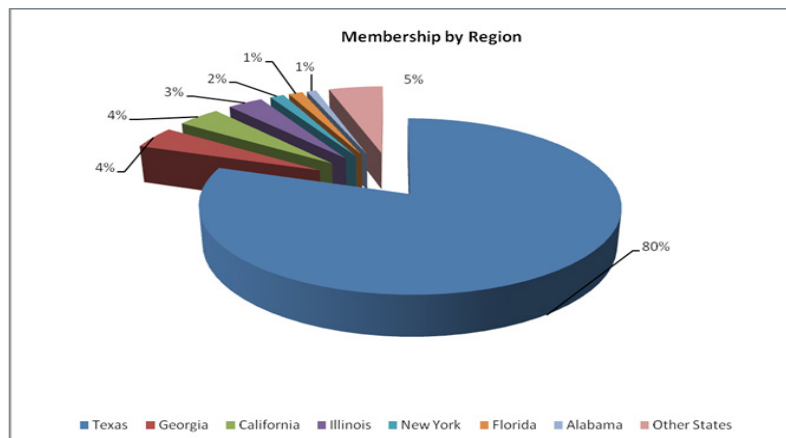
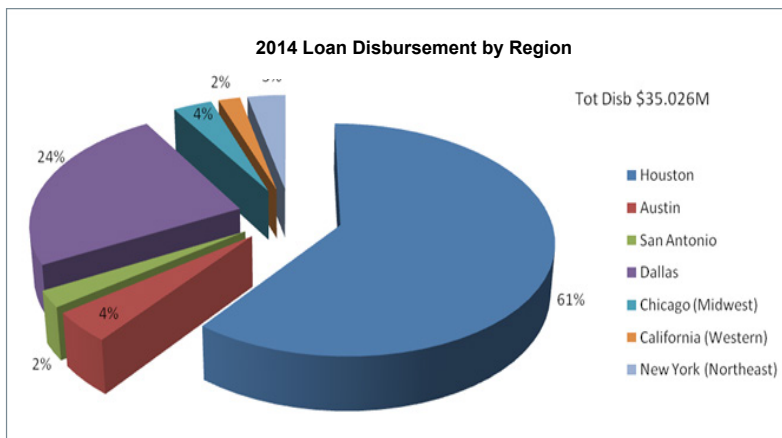
# Dividends

## Dividends



# Loan Disbursement by Region

# Membership by Region



# Supervisory Committee Report

The Supervisory Committee is responsible for the oversight of the credit union operations. It monitors the activities of the management and ensuring that credit union is in compliance to its internal policies and regulation set forth by governmental agencies. Further it is responsible for financial statement audits, performing member account verifications and ensuring internal controls are in place to establish compliance with internal polices and governmental regulations.

As per NCUA regulation Supervisory Committee is responsible to retain an independent accounting firm to audit the credit unions records at least once every 12 months. This year the required annual audit, as in the past, was again performed by Credit Union Resources, Inc. The audit report found no material exception to the credit unions operations.

Based on the report from the independent auditors and the review of the operations of the credit union, I feel comfortable in stating that the annual financial statement is good reflective of the credit union state and its financial strength.



Sincerely,

Sultan Mukhi  
Supervisory Committee Chairman

**Sultan Mukhi**

Supervisory Committee





# NIZARI PROGRESSIVE FEDERAL CREDIT UNION



## SHARED BRANCHING

### BANKING BEYOND BORDERS.

#### ACROSS TOWN. ACROSS THE COUNTRY. ACROSS THE OCEAN.

We know that your busy schedule can often take you places far away. Or maybe you've moved away but still enjoy your Nizari Progressive Federal Credit Union membership!

Through the magic of "shared branching" there's likely to be a branch nearby to serve you—across town, across the country, even across the ocean. With Shared Branching, you have access to a network of more than 5,000 branches across the United States (including Puerto Rico), and a few key countries terms and conditions apply.

Shared branching is very easy to use. You just walk into a participating branch. Show your valid picture ID. State that you're an Nizari Progressive FCU member. And provide the teller with your account number.

#### THE FOLLOWING TRANSACTIONS ARE AVAILABLE THROUGH SHARED BRANCHING:

- Account Balance Inquiries
- Withdrawals – cash or checks +
- Deposits – cash or checks, including cash back\*\*
- Loan Payments – cash or checks, no loan payoffs
- Transfers
- Print statements

#### THE FOLLOWING TRANSACTIONS MAY BE AVAILABLE THROUGH SHARED BRANCHING:

They are available at the discretion of the specified shared branch.

- Check Cashing\*
- Credit Union Investment Account Inquiries
- Travelers Check & Money Order Purchasing (subject to fees)

#### HOW TO PERFORM A SHARED BRANCHING TRANSACTION:

Performing a Shared Branching transaction only takes a few simple steps:

1. Inform the Shared Branching location's teller that you would like to perform a Shared Branching transaction.
2. Inform the teller you belong to Nizari Progressive FCU and give your member/account number.
3. Present your state issued photo ID.
4. Inform the teller what transaction you would like to perform.
5. Retain your receipt as normal when the transaction is completed.

#### IMPORTANT NOTES

Availability of funds deposited to your account will depend on Nizari Progressive Federal Credit Union's policy.

Funds may not be immediately available.

Deposits will be accepted in U.S. currency only.

+ Withdrawals are up to your available balance. Advance notice is preferred if withdrawing a large amount.

\*\*Cash back is dependent on the previous balance in your account. The maximum amount back is the amount previously available in your account.

\*Check-Cashing

- Checks will be deposited and withdrawn. The amount withdrawn must be equal to or less than your previous account balance, unless the check is "immediate". Immediate checks are as follows: cashier checks, traveler's checks, government checks, recognizable major company payroll checks, Federal Reserve on Federal Home Loan Bank checks.
- Checks presented that are written to one person, able to a second person, and endorsed by a third person will not be cashed.
- Drafts written directly off of your share draft account will not be cashed. A withdrawal from your account will be done instead.



# Member Testimonials



“

Just had my loan refinanced through Nizari. Very pleased with their exceptionally friendly service. I never believed to have this done in this short period of time. Thanks to Binish and Elvia and also the Board of Directors for their dedication.

”

-Asif Davwa  
Member

“

It is with great pleasure that we are writing about our experience with Nizari PFCU. From the day we begun our process we were guided on every step and Sharmin Kheraj was mercurial in the whole process of getting our loan processed and approved. It will help our family in saving of over \$300 per month for next 5 years. We would recommend all our friends and family if they ever need any kind of financial help in future to Nizari PFCU.

”-Shazia Lakhani  
Member

“

Recently I had made a purchase of a 1994 Toyota Supra and I had assistance from Rizwana. She is an excellent loan coordinator. She took all the stress off my mind and made the transaction 10x easier for me. She did all the stressful work when it came to dealing with the private seller. If she can help me with an 1994, than she can help you with anything. I would recommend Rizwana from the Sugarland, TX branch to anyone across the world!

”-Shehbaz Alwani  
Member



# Loan Information

## Personal Line of Credit\*\*

**Loan Amount:** \$10,000 to \$49,000  
**Loan Term:** Up to 36 Months

**SCAN ME  
FOR  
MORE INFO**



## Personal & Signature Loan\*\*

**Loan Amount:** \$1,000 to \$75,000  
**Loan Term:** Up to 72 Months

Borrower must have a constant and steady source of income.

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## Home Mortgage

**Loan Term:** Up to 30 Years  
We offer primary and investment home financing.



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FOR  
MORE INFO**



## New Auto Loan\*\*

**Loan Amount:** Up to \$100,000  
**Loan Term:** Up to 84 Months

Loan amount financed will be 100% of the purchase price of the vehicle (if approved), including TT&L

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MORE INFO**



## Business Loan\*\*

**Loan Amount:** Contact Us  
**Loan Term:** Up to 84 Months

**SCAN ME  
FOR  
MORE INFO**



## Other Loans\*\*

- Used Auto Loans
- Student Loans
- Share Secured Loans
- Credit Cards

**SCAN ME  
FOR  
MORE INFO**



\*\* All loans are subject to terms and conditions, rates are subject to change from time to time.



# Employee Directory

## Staff Members

### Management

Name	Position	Email Address	Contact Phone
Shaukathussain Jaffer	Chief Operating Officer and Interim CEO	<a href="mailto:shaukat.jaffer@nizaricu.org">shaukat.jaffer@nizaricu.org</a>	281.921.8530
Naseem Kheraj	Director of Branch Operations	<a href="mailto:naseem.kheraj@nizaricu.org">naseem.kheraj@nizaricu.org</a>	972.808.7684

### Houston Branch

Name	Position	Email Address	Contact Phone
Zeeshan Ali	Member Services Supervisor	<a href="mailto:zeeshan.ali@nizaricu.org">zeeshan.ali@nizaricu.org</a>	281.921.8507
Sahina Ali	Head Teller	<a href="mailto:sahina.ali@nizaricu.org">sahina.ali@nizaricu.org</a>	281.921.8501
Deven Agarwal	Member Services Representative	<a href="mailto:deven.agarwal@nizaricu.org">deven.agarwal@nizaricu.org</a>	281.921.8504
Farhana Popatia	Teller	<a href="mailto:farhana.popatia@nizaricu.org">farhana.popatia@nizaricu.org</a>	281.921.8503
Rahim Jiwani	Teller	<a href="mailto:rahim.jiwani@nizaricu.org">rahim.jiwani@nizaricu.org</a>	281.921.8502

### Houston Branch / Loan Department

Name	Position	Email Address	Contact Phone
Rozina Rasiyani	Loan Manager	<a href="mailto:rozina.rasiyani@nizaricu.org">rozina.rasiyani@nizaricu.org</a>	281.921.8509
Binish Jasani	Loan Officer II / Mortgage Processor	<a href="mailto:binish.jasani@nizaricu.org">binish.jasani@nizaricu.org</a>	281.921.8516
Mikdad Momin	Business Loan Officer	<a href="mailto:mikdad.momin@nizaricu.org">mikdad.momin@nizaricu.org</a>	281.921.8514
Rizwana Daredia	Financial Service Representative	<a href="mailto:rizwana.daredia@nizaricu.org">rizwana.daredia@nizaricu.org</a>	281.921.8513
Elvia Longoria	Financial Service Representative	<a href="mailto:elvia.longoria@nizaricu.org">elvia.longoria@nizaricu.org</a>	281.921.8525
Sharmin Kheraj	Financial Service Representative	<a href="mailto:sharmin.kheraj@nizaricu.org">sharmin.kheraj@nizaricu.org</a>	281.921.8527
Adeel Charoliya	Financial Service Representative	<a href="mailto:adeel.charoliya@nizaricu.org">adeel.charoliya@nizaricu.org</a>	281.921.8522

### Dallas Branch / Loan Department

Name	Position	Email Address	Contact Phone
Nafisa Aziz	Member Services Coordinator	<a href="mailto:nafisa.aziz@nizaricu.org">nafisa.aziz@nizaricu.org</a>	972.808.7687
Hena Karim	Member Services Representative II	<a href="mailto:hena.karim@nizaricu.org">hena.karim@nizaricu.org</a>	972.808.7683
Anaiza Kazani	Loan Officer	<a href="mailto:anaiza.kazani@nizaricu.org">anaiza.kazani@nizaricu.org</a>	972.808.7682

### Austin Branch / Loan Department

Name	Position	Email Address	Contact Phone
Adnan Lakhani	Business Development Representative	<a href="mailto:adnan.lakhani@nizaricu.org">adnan.lakhani@nizaricu.org</a>	512.450.1401

### Collections Department

Name	Position	Email Address	Contact Phone
Hamidah Khorashi	Collection Supervisor	<a href="mailto:hamidah.khorashi@nizaricu.org">hamidah.khorashi@nizaricu.org</a>	281.921.8529
Ali Virani	Collector	<a href="mailto:ali.virani@nizaricu.org">ali.virani@nizaricu.org</a>	281.921.8523

### Operations Department

Name	Position	Email Address	Contact Phone
Salima Lalani	Operations Supervisor	<a href="mailto:salima.lalani@nizaricu.org">salima.lalani@nizaricu.org</a>	281.921.8538
Ali M Khawaja	Senior Operations Officer	<a href="mailto:ali.khawaja1@nizaricu.org">ali.khawaja1@nizaricu.org</a>	281.921.8537
Shamsah Sohail	Operations Officer	<a href="mailto:shamsah.sohail@nizaricu.org">shamsah.sohail@nizaricu.org</a>	281.921.8536
Ahsan Momin	Operations Officer	<a href="mailto:ahsan.momin@nizaricu.org">ahsan.momin@nizaricu.org</a>	281.921.8526

### Accounting Department

Name	Position	Email Address	Contact Phone
Nehi Todai	Accounting Manager	<a href="mailto:nehi.todai@nizaricu.org">nehi.todai@nizaricu.org</a>	281.921.8521
Alnoor Lalani	Staff Accountant	<a href="mailto:alnoor.lalani@nizaricu.org">alnoor.lalani@nizaricu.org</a>	281.921.8535

### Compliance Department

Name	Position	Email Address	Contact Phone
Ana Velazquez	Audit and Compliance Specialist	<a href="mailto:ana.velazquez@nizaricu.org">ana.velazquez@nizaricu.org</a>	281.921.8512

### Human Resource Department

Name	Position	Email Address	Contact Phone
Afsha Ali	HR Manager	<a href="mailto:afsha.ali@nizaricu.org">afsha.ali@nizaricu.org</a>	281.921.8524

### Marketing Department

Name	Position	Email Address	Contact Phone
Faraz Kasam Ali	Marketing Coordinator	<a href="mailto:faraz.kasam-ali@nizaricu.org">faraz.kasam-ali@nizaricu.org</a>	281.921.8517



# Employee Glossary



Naseem Kheraj  
Director of Branch Operations



Nehi Todai  
Accounting Manager



Rozina Rasiyani  
Loan Manager



Zeeshan Ali  
Member Service Supervisor



Hamidah Khorashi  
Collections Supervisor



Salima Lalani  
Operations Supervisor



Afsha Ali  
HR Manager



Ana Velazquez  
Audit and Compliance Specialist



Faraz Kasam-Ali  
Marketing Coordinator



Binish Jasani  
Loan Officer II



Mikdad Momin  
Business Loan Officer



Anaiza Kazani  
Loan Officer



Elvia Longoria  
Financial Service Representative



Rizwana Daredia  
Financial Service Representative



Sharmin Kheraj  
Financial Service Representative



Adeel Charoliya  
Financial Service Representative



Nafisa Aziz  
Member Services Coordinator



Hena Karim  
Member Services Representative II



Deven Agarwal  
Member Services Representative



Adnan Lakhani  
Business Development Representative



Alnoor Lalani  
Staff Accountant



Ali M Khawaja  
Senior Operations Officer



Shamsah Sohail  
Operations Officer



Ahsan Momin  
Operations Officer



Ali Virani  
Collector



Sahina Ali  
Head Teller



Farhana Popatia  
Teller



Rahim Jiwani  
Teller





**NIZARI** PROGRESSIVE FEDERAL  
CREDIT UNION



EQUAL HOUSING  
LENDER

FEDERALLY  
INSURED  
BY **NCUA**