

**NIZARI PROGRESSIVE
FEDERAL
CREDIT UNION**

**Third
Annual General Meeting
March 14, 1993**

Houston, Texas

NOTICE OF ANNUAL GENERAL MEETING

TO: Members of The Nizari Progressive Federal Credit Union

NOTICE IS HEREBY GIVEN that the annual general meeting of **THE NIZARI PROGRESSIVE FEDERAL CREDIT UNION** will be held on **SUNDAY MARCH 14, 1993** at **3:30 pm** at **The Houston Apartment Foundation Training Center, Suite #215** located adjacent to the office of **The Nizari Progressive Federal Credit Union** on **10803 KINGHURST, Houston, Texas 77099.**

AGENDA

- 1. Reading and adoption of the minutes of the previous meeting**
- 2. Report of the President on behalf of the Board of Directors**
- 3. Report of the Treasurer**
- 4. Report of the Credit Committee**
- 5. Report of the Supervisory Committee**
- 6. Election of three candidates to the Board of Directors (to replace three existing Directors whose terms are expiring)**
- 7. Any other business with the permission of the Chair**
- 8. Adjournment**



Kassamali Momin
Secretary

Dated: February 20, 1993

***A BOX OF REFRESHMENTS WILL BE
DISTRIBUTED TO THE MEMBERS
AFTER THE MEETING***

CHAIRMAN'S REPORT

On behalf of the Board of Directors of the NIZARI PROGRESSIVE FEDERAL CREDIT UNION, I am privileged and happy to welcome the membership to the Third Annual Meeting of the Credit Union. At this time of the year, we look at our overall performance and assess the progress and achievements made during the 1992 operating period.

During this period, the prevailing economic situation did not show any significant signs of improvement. As a matter of fact, the economic condition is still sagging although efforts are being made to revive it. Despite this, the Credit Union was able to register progress which is admirable in almost all areas of its operations.

Compared with 1991, the total amount of shares and savings held by the membership in 1992 increased by 53% from \$544,437 to \$832,344. A total of \$1,320,000 was loaned to 192 members of the Credit Union. This represents an increase of 70.32% in the amount of loans and 66.95% in the number of members obtaining loans. The ratio of total loans to shares was 65.22% which is slightly better than the prevailing trend in the Credit Union market. I am happy to report that the Credit Union has had no charged-offs or delinquent loans since its inception in July 1989.

The capital position of the Credit Union improved significantly during the period under review to the extent of 110.33%. This is attributed to the following factors: (1) Zero amount of loan losses (2) Positive earnings by control of operating expenses (3) Controlling asset growth by ensuring that dividend rates are both affordable and in line with the market place.

The capital to total assets ratio improved to 5.53% compared with 4.08% in 1991. This growth in the equity of the Credit Union is noteworthy, however, it has not yet attained a level desired by the Credit Union. Therefore, the Credit Union will seek to make further improvements in this area.

A dividend rate of 5.5% was maintained by the Credit Union during the year which is the same as in 1991 and which compares favorably with the prevailing rate offered by the banks on their CDs for a term of one year.

Based on the ratings earned in the various CAMEL components and the overall

performance, the Credit union has been assigned a composite rating of "1" from a scale of "1 to 5" ("1" being the best) according to last examination report of November 5, 1992.

This is a development which should be a source of great pride and happiness for the membership. We should strive to maintain this high standard and each one of us should consider it as one's duty to make a positive contribution towards the success and progress of the Credit Union.

As the Credit Union enters its fourth year of existence, we look forward to further strengthening of our services and to satisfying the various financial needs of the general membership. We hope that the continuous progress of the Credit Union in all directions will yield positive results and benefits to the membership.

I take opportunity of this occasion to offer my sincere thanks to my colleagues on the Board of Directors, to the members of the various committees and to the staff for their dedication and hard work. I also wish to acknowledge a number of other individuals who have assisted the Credit Union in various capacities by contributing their knowledge and expertise. I wish to make a special mention of Mr. Qurban A. Momin, Mr. Noordin R. Maredia and Mrs. Noorbanu Sadruddin Momin for their assistance in setting up the computer system. I convey my grateful thanks to them.

In conclusion, I wish to state that without the willing cooperation and support from the membership, the Credit Union cannot survive. I, therefore, extend my sincere thanks to the membership and to those who are present at this meeting.

Thank you.

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line and a small flourish.

Amirudin S. Momin
Chairman

TREASURER'S REPORT

BALANCE SHEET

Assets

Loan to members	542,891.02
Cash at bank	129,670.85
Investments	199,239.24
Furniture & fixtures	3,819.57
Deposit with NCUSIF	4,245.53
Pre-paid expenses	1,679.76

Total assets	881,545.97
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LIABILITIES

Shares of members	832,344.33
Regular reserve	16,980.00
Special reserve	14,000.00
Donated equity	2,018.00
Accounts payable	451.34
Undivided earnings	15,752.30

Total liabilities	881,545.97
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Statistical information

Number of members	600
Outstanding loans	117
Loans since operation	\$1,320,000
Number of loans since inception	192

INCOME STATEMENT

Income

Interest on loans	72,349.00
Income from investments	8,193.25
Entrance fee & charges	2,752.06

Total income	83,294.31
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EXPENSES


Salaries & benefits	10,271.78
Office rent & utilities	3,741.14
Office operations	363.55
Travel & Conference	45.00
Insurance	1,441.85
Maintenance equipment	295.00
Postage & supplies	832.09
Association dues	905.60
Bank charges	722.75
Borrower insurance	2,850.66
Depreciation	2,231.41
Annual meeting	330.60
NCUA fee	138.58

Total expenses	24,170.01
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Gain or loss from operation	59,124.30
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Distribution of gross income

Operating expenses	24,170.01
Dividends	33,551.41
Regular reserve	8,330.00
Special reserve	8,000.00
Undivided earnings	9,242.89
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	83,294.31
	=====


 Roshanally H. Merchant
 Treasurer

CREDIT COMMITTEE REPORT

We are pleased to present to the Board of Directors and the Membership a report of the activities of the Credit Committee for the year 1992.

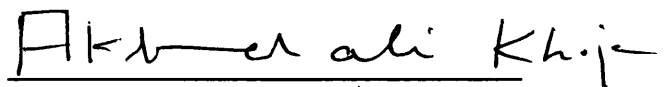
In compliance with the laws, regulations and policies of the Board in force at the time, all requests for loans were dealt with as efficiently as possible. In 1992, a total of 77 loan applications were handled and \$545,000 in loan amounts was approved by the Credit Union. These loans are unsecured loans, however, due to sound lending policies and practices, the Credit Union has experienced no loss from these loans neither are there any delinquent loans as of this time.

As per requirements of the Federal Examiner, each loan application was scrutinized to ensure that it was in compliance with the necessary stipulations. We are happy to report that the members of the Credit Union recognized the importance of submitting documentary evidence with their loan applications and extended their full cooperation to Credit Committee in this regard. We hope that this trend will continue in the future.

The Credit Committee wishes to reiterate that just as it did in the previous year, it will endeavor to offer the best possible service to the membership and will serve to meet the needs of the membership within the framework of the rules, regulations, guidelines and policies which are current at the time and those which the Board may evolve from time to time.



Haiderali Kajani
Chairman



Akberali Khoja
Secretary

SUPERVISORY COMMITTEE REPORT

We are pleased to report that as per provisions of the Federal Credit Union Act and the Supervisory Committee Manual for the Federal Credit Unions, an audit of the accounts of the Credit union was conducted by the Supervisory Committee.

The Credit Union's records, which were made available to us as necessary, were found to be current and accurate in all aspects. We inspected the records of the Credit Union to include examination and verification of the following:

- o Members' Shares and Loan Accounts
- o Member's Closed Accounts
- o Outstanding Loans
- o Trial Balances
- o Bank Reconciliations

As a result of our inspections, observations, inquiries and confirmations, we were able to obtain sufficient evidence to arrive at conclusions on the operations of the Credit Union.

To the best of our knowledge and belief, the Credit union's financial records are maintained in accordance with the existing laws and regulations. The financial statements of the Credit Union represent a true and complete picture of its financial condition.



Abdulali I. Poonawala
Chairman

BOARD OF DIRECTORS

Amiruddin S. Momin	Chairman
Rahematali J. Karimi	Vice-chairman
Kassamali Momin	Secretary
Roshanally H. Merchant	Treasurer
Akberali I. Ghesani	Assistant Treasurer

CREDIT COMMITTEE

Haiderali Kajani	Chairman
Akberali Khoja	Secretary
Abdul Hamid Gulamali	Member
Shams Faizullah	Member
Sultanali Sundrani	Member

SUPERVISORY COMMITTEE

Abdulali I. Poonawala	Chairman
Shamsa Madhani	Member
Barkatali Keshani	Member

MEMBERSHIP COMMITTEE

Mohammad Ali P. Momin	Chairman
Abdul Rahim Jamal	Member

***Your Savings Federally Insured to
\$100,000
by the National Credit Union Administration
a U.S. Government Agency***

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***Nizari Progressive Federal Credit Union
10803 Kinghurst, Suite #250
Houston, Texas 77099
(713) 495-2826
Hours
Monday - Friday
2:00 pm - 5:00 pm***