

**NIZARI PROGRESSIVE
FEDERAL
CREDIT UNION**

**Fourth
Annual General Meeting
March 27, 1994**

Houston, Texas

NOTICE OF ANNUAL GENERAL MEETING


Date: March 1, 1994

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 27, 1994 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 four candidates to the Board of Directors (to replace four existing Directors whose terms are expiring)
7. Any other business with the permission of the Chair
8. Adjournment


Kassamali Momin
Secretary

**REFRESHMENT WILL BE SERVED
AFTER THE MEETING**

CHAIRMAN'S REPORT 1993

On behalf of the Board of Directors of the Nizari Progressive Federal Credit Union, it is my privilege to welcome the membership to the Fourth Annual Meeting of the Credit Union. Like in the previous year, 1993 was characterized by significant achievements in the various operations of the Credit Union.

In 1993, the Board of Directors increased the size of the Board from 5 to 9 members. This was due to an increase in the Credit Union's volume of workload and to facilitate its smooth operations. The increased size of the Board will also enable the Board Members to share in the growing responsibilities and duties of the Board.

Despite the slow growth in the economy, the rate of growth in some of the operations of the Credit Union was remarkable. This will be evidenced in various charts that appear elsewhere in this report.

It may be recalled that in 1992, the progress of the Credit Union was better than in 1991. Similarly, compared with 1992, it is evident that the Credit Union made substantial progress in 1993. Some of the specifics of this improvement are noted below:

Item	1992	1993	% Increase
Shares	832,344	1,115,707	34.04%
Loans made	552,000	986,500	78.71%
Loan to Share	65.22%	78.04%	19.66%
No. of Loans	78	130	66.66%

During the period under review, the Capital growth improved by 82.84% compared with 1992. At the end of 1993, the capital to loan ratio was a healthy 10.24%. Among other factors, the main reason for this improvement is attributable to the zero amount of loan losses.

There was also an improvement in the capital to total assets ratio. At the end of the year, it stood at 7.39% compared with 5.53% in 1992.

The rate of dividend for 1993 was maintained at 5.50% which is better than the market rate for CDs of up to three years. The guiding factor in maintaining this rate was to strengthen the capital base of the Credit Union and to contribute to its financial soundness.

Due to outstanding performance in most of its operations, the Credit Union earned a composite rating of "1" from a scale of "1" to "5" ("1" being the best) according to the last examination report dated October 19, 1993. This is an outstanding performance which every member should be proud of. However, we must continue to uphold the practice of making progress from one year to the next.

The Credit Union updated its equipment inventory in 1993 and will continue to do so in order to better serve its members. The management realizes that it is important to provide quick, efficient and courteous services to the membership and, therefore, every effort will be made to provide the highest standards of service to the members in the future.

The Credit Union is still in its infancy and as it grows in stature, the Board will endeavor to offer additional services and products for the benefit of the membership. However, there will always be an emphasis on the financial safety and soundness of the Credit Union. In addition, the highest standards of financial discipline and services will be maintained to achieve targeted goals.

The success of the Credit Union is not due to the efforts of a single individual. The entire Board of Directors, the Management and the staff have contributed to the success of the Credit Union.

I take opportunity of this occasion to offer my sincere appreciations to my colleagues on the Board of Directors, members of all the committees and the staff for their collaboration and hard work. A number of individuals have come forward, at our request, to assist us in various ways and have generously contributed of their knowledge and expertise. We express our sincere gratitude to these individuals. In particular, we wish to acknowledge the support and cooperation received from Mr. Qurban A. Momin, Mr. Noordin R. Maredia and Mrs. Noorbanu S. Momin.

The Credit Union belongs to its membership just as much as the members belong to the Credit Union. There is a spirit of unity among us and we must continue to foster this sense of brotherhood and mutual cooperation between us. The Members of the Credit Union are indeed its backbone.

I offer my sincere gratitude to the membership for its continuing support and assistance. I also wish to express my best wishes and success to the members and their families in 1994.

Thank you.

A handwritten signature in black ink, featuring a large, stylized initial 'A' followed by a series of loops and a horizontal stroke at the end.

Amiruddin S. Momin
Chairman

TREASURER'S REPORT 1993

BALANCE SHEET

Assets

Loan to Members	870,646.83
Cash at bank	68,846.62
Investments	255,676.80
Furniture & fixture	1,436.88
Deposit with NCUSIF	6,605.50
Prepaid expenses	1,427.80
Other deposits	520.00

Total assets	<u>1,205,160.43</u>
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LIABILITIES

Shares of members	1,115,707.63
Regular reserve	29,620.00
Special reserve	39,000.00
Donated equity	2,018.00
Accounts payable	314.58
Undivided earnings	18,500.22

Total liabilities	<u>1,205,160.43</u>
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Statistical Information

Number of Members	739
Outstanding loans	169
Loans since commencement	2,306,500.00
Number of loans since inception	322

INCOME OF STATEMENT

Income

Interest on loans	114,468.21
Income from investment	7,779.19
Entrance fee & charges	3,462.53
Miscellaneous income	661.05

Total income	<u>126,370.98</u>
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EXPENSES

Salaries & benefits	14,136.91
Office rent & utilities	5,134.07
Office operations	306.40
Insurance	1,929.30
Maintenance & repairs	626.08
Postage & supplies	2,107.28
Association dues	1,087.55
Bank charges	164.22
Borrower insurance	3,020.80
Depreciation	2,353.08
Annual meeting	330.01
NCUA fee	218.79

Total operating expenses	<u>31,414.49</u>
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Gain or loss from operations	<u>94,956.49</u>
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Distribution of gross income

Operating expenses	31,414.49
Dividends	51,218.55
Regular reserve	12,640.00
Special reserve	25,000.00
Undivided earnings	6,097.94

	<u>126,370.98</u>
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 Roshanally H. Merchant
 Treasurer

CREDIT COMMITTEE REPORT 1993

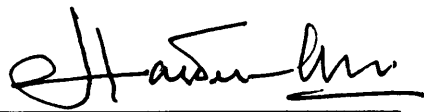
We are pleased to present to the Board of Directors and the Membership of the Credit Union a report of the activities of the Credit Committee for 1993.

As per established procedures, each application for loan was scrutinized in accordance with the laws, regulations and policies of the Board in force at the time. The total number of applications received was 130. The aggregate amount of loans granted was \$986,500. This is an increase of 78.71% compared with the previous year. During the year, all loan applications were approved and not a single application was denied.

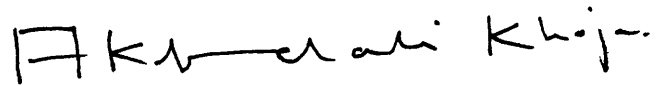
We are happy to report that due to the Credit Union's sound lending policies and practices, not a single loan was delinquent as of the end of the year under review. The borrowers cooperated in supplying the pertinent information in support of the applications together with the required documents. The Federal Examiner appreciated compliance with these requirements.

The Credit Committee appreciated the cooperation extended to it by the members. The Committee also wishes to assure the membership that it will continue to serve the financial needs of the members within the parameters prescribed from time to time by the Federal regulatory agency and the Board of Directors.

Thank you.



Haiderali Kajani
Chairman



Akberali Khoja
Secretary

SUPERVISORY COMMITTEE REPORT 1993

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

The records of the Credit were found to be current and accurate.


The accounting records were inspected and the following was verified.

Petty Cash Account
Members' Closed Accounts
Members' Shares and Loan Accounts
Outstanding Loans
Trial Balance and Balance Sheet
Bank Reconciliations

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

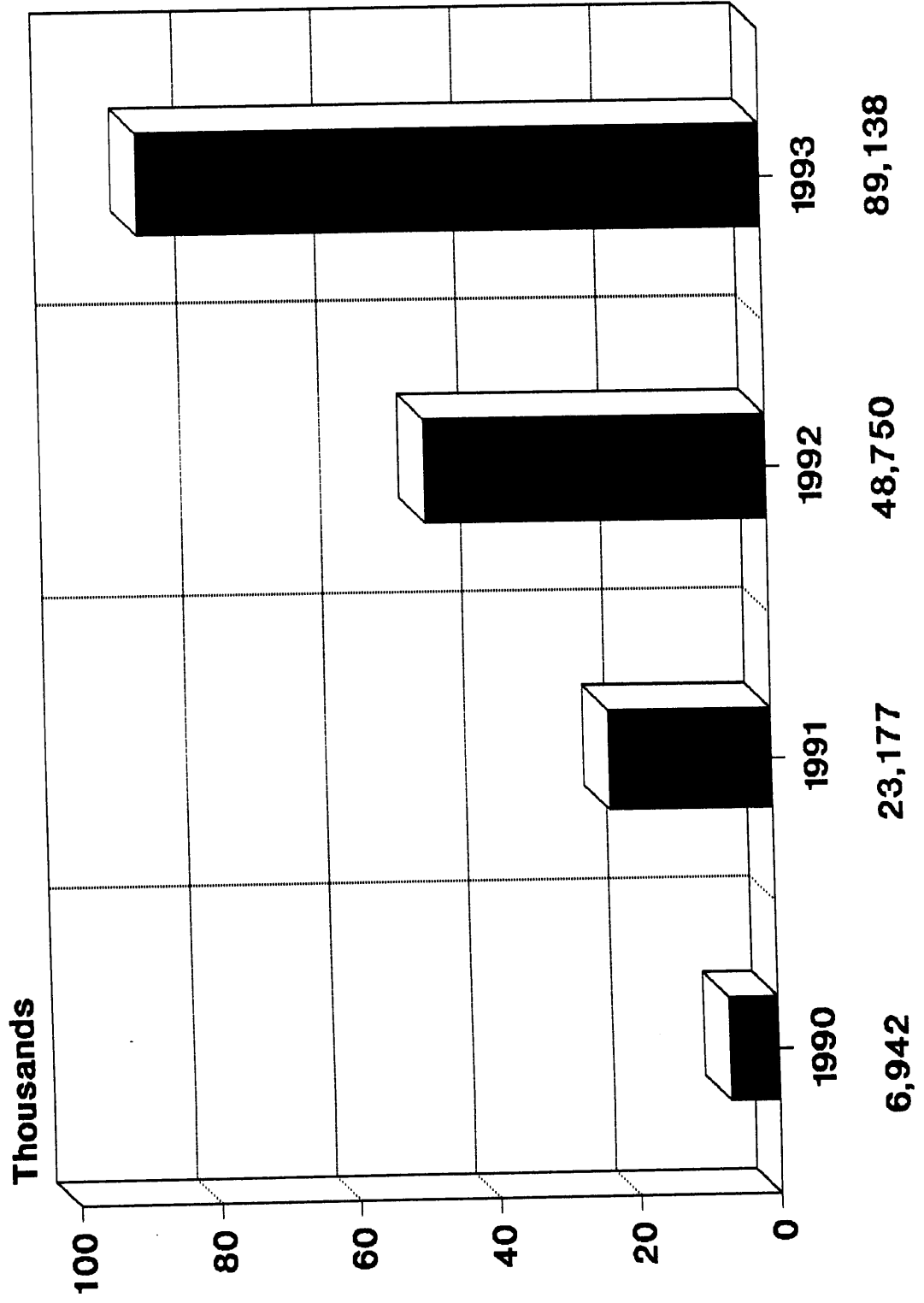
To the best of our knowledge and belief, the Credit Union's financial records are maintained in accordance with the existing laws and regulations. The financial statements of the Credit Union represent a true and complete picture of its financial condition.

Thank you.

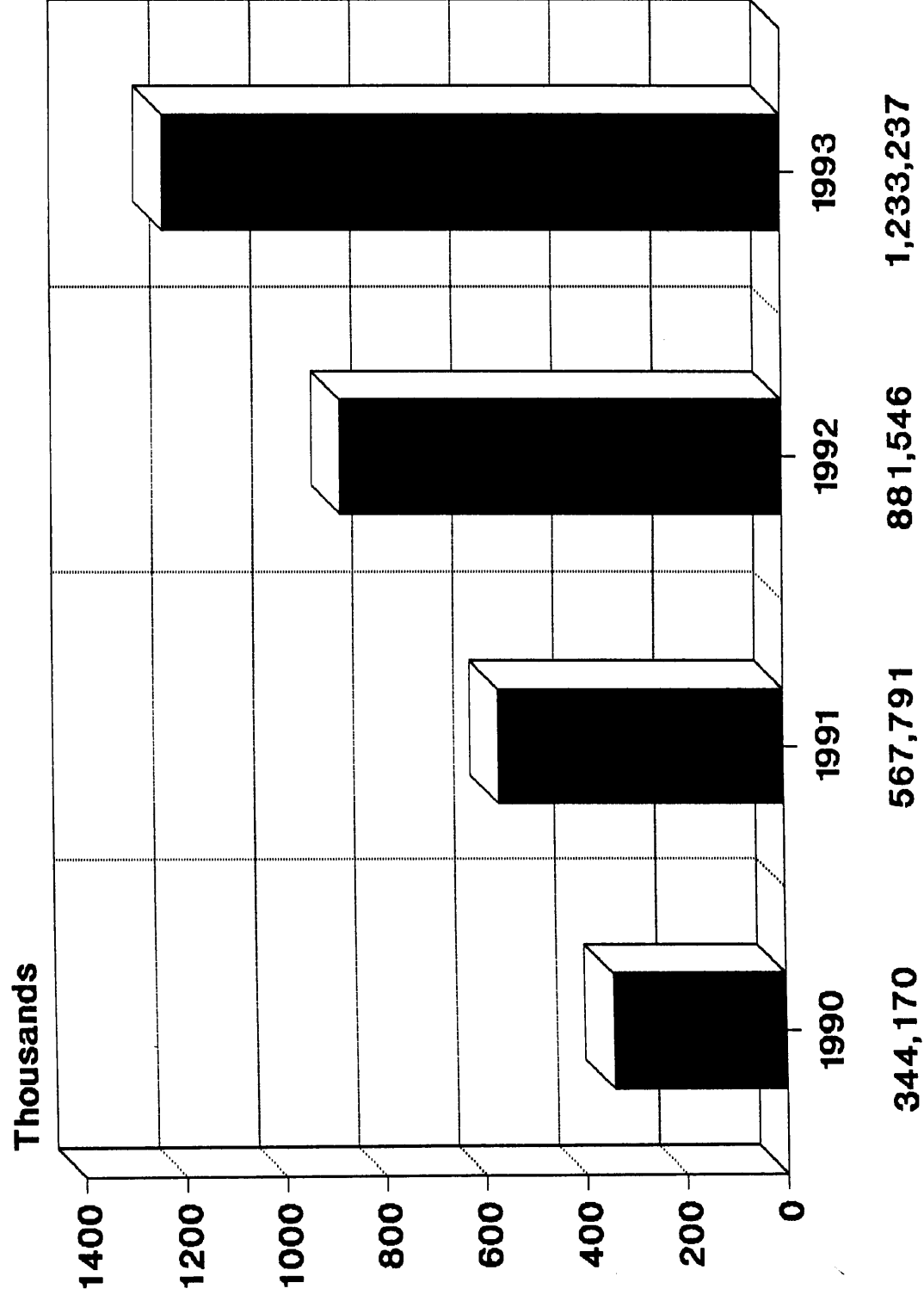


Ibrahim Khan Mohammed
Chairman

NIZARI PROGRESSIVE FEDERAL CREDIT UNION
CAPITAL GROWTH 1990 - 1993

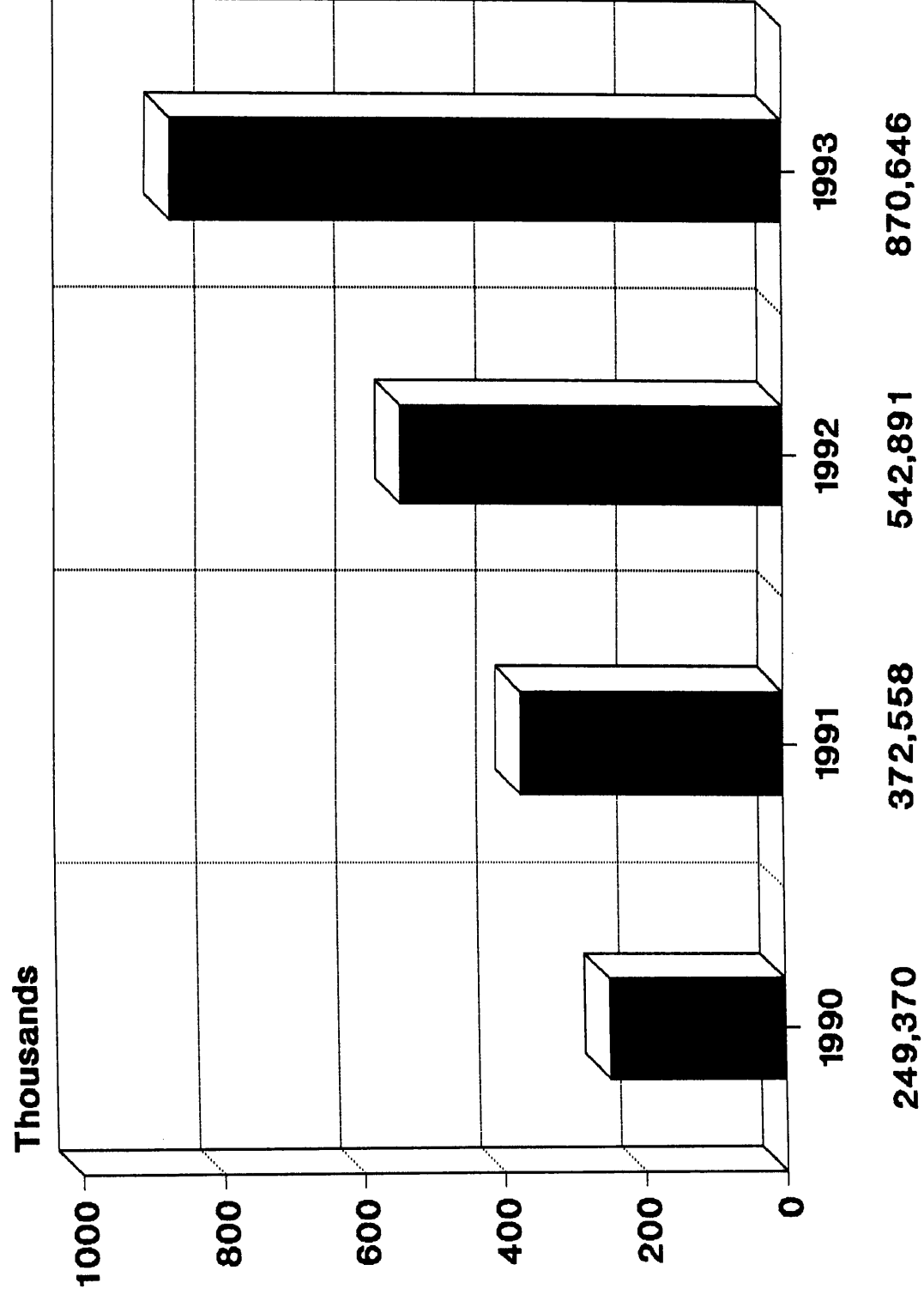


NIZARI PROGRESSIVE FEDERAL CREDIT UNION
ASSETS GROWTH 1990 - 1993



NIZARI PROGRESSIVE FEDERAL CREDIT UNION

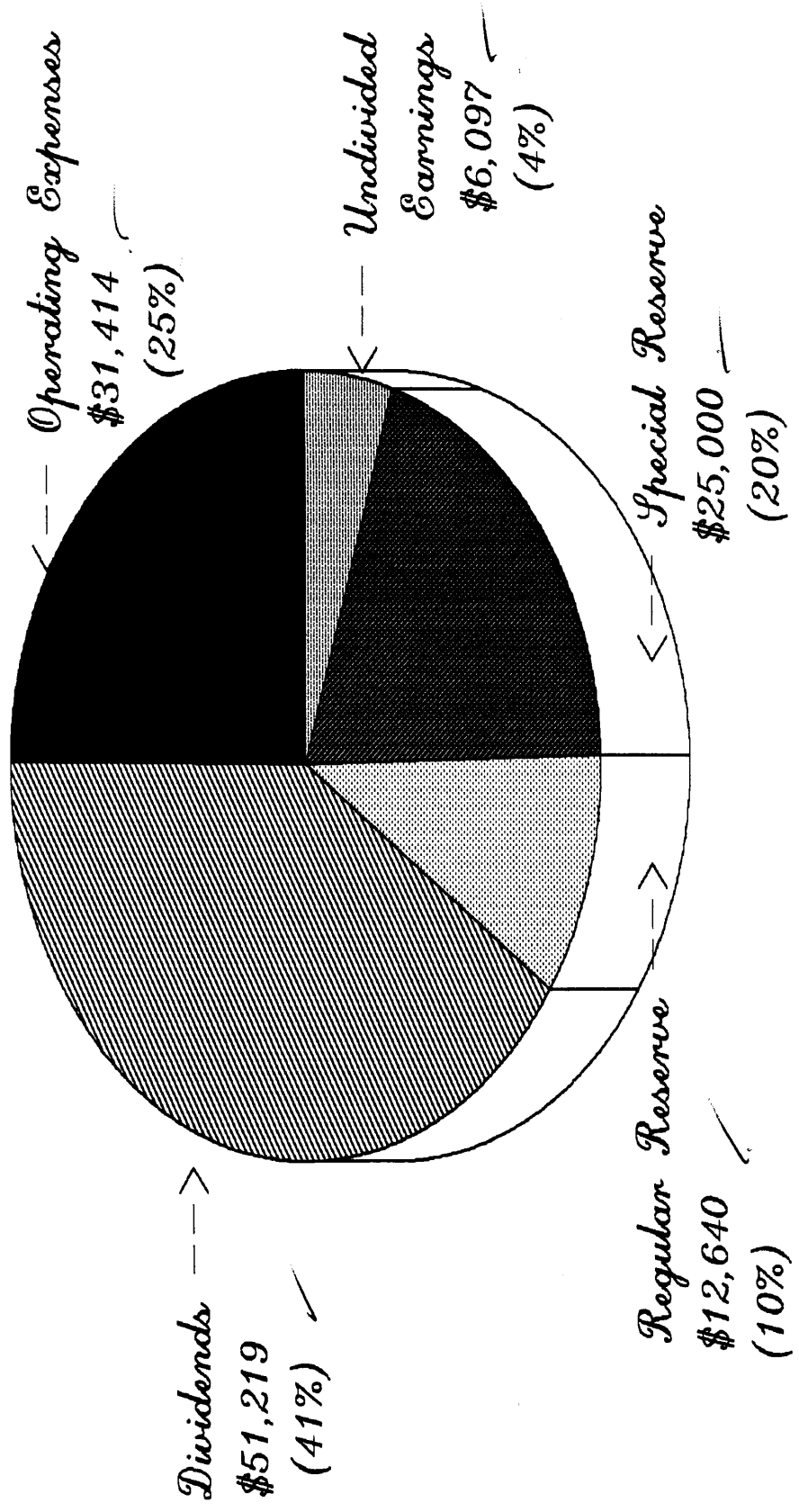
LOAN GROWTH 1990 - 1993



NIZARI PROGRESSIVE FEDERAL CREDIT UNION

GROSS INCOME DISTRIBUTION 1993

Gross Income = \$126,370.00



BOARD OF DIRECTORS

Amiruddin S. Momin	Chairman
Rahematali J. Karimi	Vice Chairman
Kassamali Momin	Secretary
Roshanally H. Merchant	Treasurer
Akbarali I. Ghesani	Asst. Secretary
Nurudin K. Damani	Asst. Treasurer
Haiderali Kajani	Director
Akberali Khoja	Director
Ibrahim Khanmohammed	Director

CREDIT COMMITTEE

Haiderali Kajani	Chairman
Akberali Khoja	Secretary
A. Hamid Ghulamali	Member
Shams S. Faizullah	Member
Sultanali. Sundrani	Member

SUPERVISORY COMMITTEE

Ibrahim Khanmohammed	Chairman
Barkatali Keshani	Member
Imtiaz Dholakia	Member

MEMBERSHIP COMMITTEE

Mohammedali P. Momin	Chairman
Abdul Rahim Jamal	Member
Barkat Ajanee	Member

PERSONNEL

Dilshad A. Mohammed	Office Secretary
Neelofer A. Tajani	Office Assistant

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

Phone/Fax: (713)495-2826

Hours

Monday - Friday

12:30 pm - 5:00 pm