

**STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S**  
**April 6, 2016**  
**Columbia, South Carolina**

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Upon proper call and due notice to all of its members and after having given required public notice, the State Board of Financial Institutions assembled in a meeting this the 6th day of April, 2016, with Mr. Saunders presiding. Members present were: Messrs. Buyck, Conley, Hassell, Hart, Pennington, Williams, Wright, Strickland, and Ms. Marcum. In attendance were, Commissioner Louie Jacobs, Interim Commissioner Jim Copeland, Mr. Carl Jeffcoat, Assistant Commissioner, Consumer Finance Division, Ms. Kathy Bickham, Assistant Commissioner, Ms. Renee Dzek, Accounting Fiscal Manager, Banking Division, Mr. Bert Cassell, General Counsel, State Treasurer's Office, Mr. Paul Ham, Administration Division Director, State Treasurer's Office, Ms. Laura Montgomery, Examiner, Consumer Finance Division, and Mr. Tony Kester, Assistant to the Chairman, State Treasurer's Office.

Members absent: Chairman Loftis

The Agenda was approved by General Consent.

The March 2, 2016 Board Minutes were approved by General Consent.

Guests in attendance: Mr. Derial Ogburn, SC Financial Services Association, Mr. Steven Gilbert, Senate Banking and Insurance Committee, Ms. Carri Grube-Lybarker, SC Department of Consumer Affairs, Mr. Tommy Reinheimer, Veritec, Mr. Billy Boylston, Carolinas Credit Union League, and Eric Hill, Intern, Senator Hayes Office.

The following Notice Agenda Items were approved by General Consent:

**CONSUMER FINANCE DIVISION**

The following Supervised Consumer Finance Licensees have advised of change of address as follows: (a) 1<sup>st</sup> Capital Finance of South Carolina, Inc. dba 1<sup>st</sup> Capital Finance from 353 West Evans Street to 810 South Irby Street, Florence; (b) World Finance Company of South Carolina, LLC dba World Finance Corporation from 402 East Main Street, Suite C to 310 East Main Street, Suite C, Williamston; (c) American Capital Finance Corporation from 2351 Church Street, Unit 3 to Unit 103, Conway.

Notification has been received that the following Supervised Consumer Finance Licensees have been voluntarily surrendered for cancellation:

1. Carolina Title Loans, Inc. dba Carolina Title Loans, 6026 St. Andrews Road, Columbia, South Carolina.
2. Cunningham & Company, 804 Green Valley Road, Suite 106, Greensboro, North Carolina.
3. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 9730 Dorchester Road, Suite 201, North Charleston, South Carolina.
4. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 2700 Gentry Memorial Highway, Suite E, Pickens, South Carolina.
5. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 501 Old Greenville Highway, Suite 5, Clemson, South Carolina.
6. 1<sup>st</sup> Franklin Financial Corporation, 338 East Martintown Road, North Augusta, South Carolina.
7. World Finance Company of South Carolina, LLC dba World Finance Corporation, 4028 Highway 17 South, North Myrtle Beach, South Carolina.

### **EXAMINING DIVISION**

None.

### **COMMITTEE REPORTS AND OTHER UPDATES**

#### **Policy, Planning and Budget Committee**

Mr. Kester reported that the House passed the budget as requested by the Board of Financial Institutions.

Mr. Pennington and Mr. Saunders gave Mission and Visions update. The Mission and Vision recommendations were as follows:

Vision Statement:

The Board of Financial Institutions will create an environment that promotes a thriving, competitive, safe and sound financial community to serve the citizens of South Carolina.

Mission Statement:

The mission of the Board of Financial Institutions is to serve the citizens of the State of South Carolina. We will do this by...

- Licensing, supervising, examining and regulating the financial community in our oversight jurisdiction.
- Protecting the public from unlawful or improper practices of our financial institutions. We will work to insure that our financial institutions adhere to the law.

- Educate and communicate with the public giving them the information they need to make wise financial choices.
- Operate a safe and sound financial system so that the public can have the highest confidence possible.
- Promoting the growth, innovation and financial stability of our State financial institutions, which allows them to be more competitive and profitable; therefore offering a broad range of products/services and making them more accessible and affordable to the public.
- Creating an environment where the State charter is the charter of choice for institutions headquartered in the State.

#### Commissioner of Banking Job Description:

Serves as the Commissioner of Banking for the State Board of Financial Institutions, providing supervision of State chartered banks, trust companies, savings and loan associations, savings banks and credit unions.

#### Leadership:

- Will work with the Governor, legislature and industry leaders to promote growth and profitability of the States chartered banks, trust companies, savings and loan associations, savings banks and credit unions, so they can compete more effectively; therefore meeting the financial service needs of our citizens while creating economic growth for our State.
- Fosters an environment for safety, soundness and communication allowing the public to have the highest level of confidence in our financial system.
- Provide vision, leadership and direction of the commission and banking community.
- Will be responsible for assisting the Board with strategic planning and developing a plan that will accomplish the Commissions mission and vision.
- Serves as the liaison and acting as the communication conduit with the banking community, legislature, public and the Board of Financial Institutions.
- Will work to make sure the SC community is educated so they can make good financial choices.

#### Management:

- Will be responsible for the recruitment, training, developing and retention for talented staff of the highest capability and integrity.
- Keep the board apprised of industry trends and regulatory actions or concerns that promote or inhibit our financial institutions and/or the public.
- Will be responsible for establishing key measurements that are indicators of our industries performance and report them to the board on a regular basis.

- Will keep our industries informed of potential underlying risk.

Regulatory:

- Will conduct regular examinations of the financial institutions assigned.
- Will be responsible for the safety and soundness of the State's financial Institutions within his/her assigned jurisdiction by supervising State chartered banks, trust companies, savings and loan associations, savings banks and credit unions.
- Will protect the public by determining that these institutions are in compliance with State statute and regulations.
- Will meet with examiners, Federal regulators and the Board of Directors of financial institutions to outline necessary corrective actions to address problem areas when financial institutions have management or operational weaknesses
- Make recommendations to the State Board of Financial Institutions regarding applications for new financial institutions, new branches, financial institution mergers, holding company acquisitions and other actions that the Board deems appropriate.
- Will periodically review all and work with our States legislature to insure that our statutes, regulations and interpretations of these keep pace with an ever changing environment.
- Will keep the Board informed of any other relevant regulatory issues.

The Budget Policy and Planning Committee made a motion to approve the revised Mission and Vision statements presented by Mr. Saunders and it was approved unanimously.

**Legislative Committee**

None

**REGULAR SESSION**

**CONSUMER FINANCE DIVISION**

The following applications for Supervised Consumer Finance Licensees have been received by the Consumer Finance Division pursuant to §37-3-503. The division has reviewed and determined these applications meet licensing requirements pursuant to §37-3-503(1) (2).

### **IN-STATE**

1. Request of Powdersville Finance, LLC to operate at 11021 Anderson Road, Piedmont, South Carolina 29673. **(New)**
2. Request of Vivacity, Inc. dba Vivacity to operate at 5322 Wade Hampton Boulevard, Suite C, Taylors, South Carolina 29687. **(New)**

### **OUT-OF-STATE**

3. Request of College Ave Student Loan Servicing, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.collegeaverefi.com](http://www.collegeaverefi.com). **(#Active2)**
4. Request of Essential Lending, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3113 South University Drive, Suite 308, Fort Worth, Texas 76109. **(New)**
5. Request of Essential Lending, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.essentiallending.com](http://www.essentiallending.com). **(New)**
6. Request of Essential Lending, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.wiseloan.com](http://www.wiseloan.com). **(New)**
7. Request of Lend Street Financial, Inc. dba LendStreet for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1714 Franklin Street, Oakland, CA 94607. **(New)**
8. Request of Lend Street Financial, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.lendstreet.com](http://www.lendstreet.com). **(New)**
9. Request of Omni Financial of Nevada, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 6655 West Sahara Avenue, Suite C104, Las Vegas, Nevada 89146. **(New)**

10. Request of Omni Financial of Nevada, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.omnimilitaryloans.com](http://www.omnimilitaryloans.com). **(New)**
11. Request of South Carolina Acceptance, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 125 North Halsted, 4<sup>th</sup> Floor, Chicago, Illinois 60661. **(New)**
12. Request of South Carolina Acceptance, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at [www.acceptancesolutionsgroup.com](http://www.acceptancesolutionsgroup.com). **(New)**

### **CHECK CASHING LEVEL II SERVICES**

The following applications for Level II Check Cashing Services have been received by the Consumer Finance Division pursuant to §34-41-40. The division has reviewed and determined these applications meet licensing requirements pursuant to §34-41-40, §34-41-42 and §34-41-50.

13. Request of Lucia O Sanchez dba Cashing Check Service for a license to provide Check Cashing Level II services at 112 South Catherine Street, Walhalla, South Carolina 29691. **(New)**

### **EXAMINING DIVISION**

None.

### **OTHER**

Ms. Grube-Lybarker gave an update from the Department of Consumer Affairs.

Mr. Reinheimer presented the Veritec Deferred Presentment Annual Report. On motion of Mr. Williams, duly seconded by Ms. Marcum, the Board approved the request from the Consumer Finance Division to present the report as described.

### **EXECUTIVE SESSION**

On motion of Mr. Hassell, duly seconded by Mr. Conley , and unanimously carried, the Board voted to go into Executive Session to receive and discuss information pertaining to information regarding contractual arrangements, examination findings, personnel matters, receive legal advice, discuss documents or information incidental to proposed contractual matters, discuss confidential information or trade secrets of institutions under examination.

On motion of Mr. Hart, duly seconded by Mr. Hassell, and unanimously carried, the Board returned to Regular Session. No other votes were taken in Executive Session.

The following actions were taken in Regular Session on items discussed in Executive Session:

### **CONSUMER FINANCE DIVISION**

None.

### **EXAMING DIVISION**

On motion of Mr. Hassell, duly seconded by Mr. Hart, and unanimously carried, the Board approved the application of The Citizens Bank, Olanta, to establish a branch at 3796 U.S. Highway 17 Bypass, Murrells Inlet.

On motion of Mr. Strickland, duly seconded by Ms. Marcum, and unanimously carried, the Board approved the request of Carolina Financial Corporation, Charleston, to acquire 100% of the voting shares of Congaree Bancshares, Inc., West Columbia, and thereby acquire its wholly owned subsidiary, Congaree State Bank, West Columbia; and approved the request of CresCom Bank, Charleston, to merge with Congaree State Bank, West Columbia, and to operate the two offices of Congaree State Bank as branches of CresCom Bank.

On motion of Mr. Wright, duly seconded by Mr. Buyck, and unanimously carried, the Board approved the request of Sandhills Bank, North Myrtle Beach, for approval to purchase property in Myrtle Beach.

On motion of Mr. Williams, duly seconded by Ms. Marcum, and unanimously carried, the Board voted to offer the position of Commissioner of Consumer Finance to the candidate recommended by the Interview Committee at the salary approved by the Agency Head Salary Commission. The effective date of the offer is to be as soon as possible after the Agency Head Salary Commission approves the salary.

Item 6 from Executive Session was a discussion on personnel matters and no vote was required.

On motion of Mr. Strickland, duly seconded by Mr. Conley, and unanimously carried, the Board approved an updated Position Description for recruiting a new Commissioner of Banking.

The Board, through consensus, scheduled its next meeting for May 4, 2016.

There being no further business, the meeting was adjourned by acclamation.

An audio copy of the meeting is available upon request.

