

STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S
October 4, 2017
Columbia, South Carolina

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 4th day of October, 2017, with Mr. Saunders presiding.

Members present were: Messrs. Conley, Hart, Pennington, Saunders, Strickland, Walters, Wright, and Ms. Marcum.

Members participating via telephone: Mr. Hassell.

Members absent: Chairman Loftis and Mr. Buyck.

In attendance from the Examining Division were Commissioner Davis, Assistant Commissioner Bickham, Ms. Renee Dzek, Mr. Rick Green, Ms. Janeen Hughes, and Ms. Deidre Fulmer, Review Examiners.

In attendance from the Consumer Finance Division were Commissioner Bodvake and Assistant Commissioner Jeffcoat.

In attendance from the State Treasurer's Office were Ms. Clarissa Adams, Chief of Staff, Mr. Bert Cassell, Deputy General Counsel, Ms. Andrea Sancho-Baker, Assistant General Counsel, Ms. Melissa Simmons, Banking Division Director, and Ms. Alicia Sharpe, Administration Director.

The Agenda was approved by General Consent.

The September 6, 2017 Board Minutes were approved by General Consent.

Guests in attendance: Ms. Carri Grube-Lybarker, South Carolina Department of Consumer Affairs, Dr. Steven Gilbert, Senate Banking and Insurance Committee, and Mr. Billy Boylston, Carolinas Credit Union League.

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:

1. Cash Credit Co. from 1672 North Main Street, Suite 11, to 1672 North Main Street, Suite 7, Summerville, South Carolina.
2. Rivertown Credit LLC from 4266 Main Street to 3300 Broad Street, Loris, South Carolina.
3. World Finance Company of South Carolina, LLC from 328 Hillcrest Drive, Suite 1 to 810 East Main Street, Suite E, Laurens, South Carolina.
4. SCIL, Inc. from 3611 North Ridge Road to 3527 North Ridge Road, Wichita, Kansas.
5. Western Shamrock Corporation from 1310 North Longstreet Street to 1312 North Longstreet Street, Kingstree, South Carolina.
6. Republic Finance, LLC from 1234 Floyd Baker Boulevard, Suite A to 1201 West Floyd Baker Boulevard, Gaffney, South Carolina.
7. 1st Franklin Financial Corporation from 1890 Sam Rittenburg Boulevard, Suite 116 to 1890 Sam Rittenberg Boulevard, Suite 116, Charleston, South Carolina.
8. Western Shamrock Corporation from Batesburg-Leesville to Leesville, South Carolina.
9. AmeriCash Loans of South Carolina, LLC from 5619 Rivers Avenue to 5635 Rivers Avenue, North Charleston, South Carolina.
10. Regional Finance Corporation of South Carolina from 6932-G Calhoun Memorial Highway to 5809 Calhoun Memorial Highway, Suite K, Easley, South Carolina.

The following Supervised Consumer Finance Licensees have advised of change of name as follows:

1. SCIL, Inc. from dba SpeedyCash.com to Speedy Cash, Wichita, Kansas.
2. Western Shamrock Corporation from dba National Finance Company to Western Finance, Kingstree, South Carolina.
3. Security Finance Corporation of South from dba Heritage Credit to Security Finance, Inman, South Carolina.
4. World Finance Company of South Carolina, LLC from dba World Acceptance Corporation to World Finance Corporation, West Columbia, South Carolina.
5. World Finance Company of South Carolina, LLC from dba Colonial Finance Company to World Finance Corporation, Florence, South Carolina.
6. World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Dillon, South Carolina.

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

1. Pioneer Credit Company, 2311 Broad Street, Camden, South Carolina.

2. Santander Consumer USA, Inc., 2701 Highpoint Oaks Drive, Suite 210, Lewisville, Texas.
3. Regional Finance Corporation of South Carolina, 528 Knox Abbott Drive, Cayce, South Carolina.
4. Regional Finance Corporation of South Carolina, 815 West Greenwood Street, Suite 3, Abbeville, South Carolina.
5. Pioneer Credit Company, 700 Charleston Highway, West Columbia, South Carolina.

Other Business

Employment of Sonya B. Miller, Auditor III (Mortgage Examiner), effective September 18, 2017.

EXAMINING DIVISION

Employment of B. Kyle Williams, Auditor III (Assistant Examiner), effective September 25, 2017.

COMMITTEE REPORTS AND OTHER UPDATES

Policy, Planning and Budget Committee

None

Legislative Committee

None

Other Updates

Ms. Carri Grube-Lybarker from the South Carolina Department of Consumer Affairs provided an update on:

1. Legislation regarding wind-resilient home improvements and loans to obtain these improvements,
2. Financing of solar panels and determining if legislation is needed in this area,
3. A conditional amicus brief filed with the South Carolina Court of Appeals by the South Carolina Department of Consumer Affairs regarding attorney and insurance preference of mortgagees,
4. The South Carolina State of Credit Report, and

5. Outreach efforts regarding identify theft and scam protection.

Ms. Grube-Lybarker also answered questions from the members regarding her comments to the Board.

REGULAR SESSION

CONSUMER FINANCE DIVISION

The Board approved the following items by General Consent:

In-State

1. Request of Mariner Finance, LLC dba Mariner Finance to operate at 330 Robert Smalls Parkway, Suite 100, Beaufort, South Carolina 29906. **(#Active 6)**
2. Request of OneMain Financial Group, LLC to operate at 154 McNeely Road, Suite A-6, Powdersville, South Carolina 29673. **(#Active 34)**

Out-of-State

3. Request of Leap Credit, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3348 Peachtree Road Northeast, Suite 150, Atlanta, Georgia 30326. **(New)**
4. Request of Leap Credit, LLC to perform certain lending operations in South Carolina from its location at www.leapcredit.com. **(New)**
5. Request of National Credit Adjusters, L.L.C. to perform certain lending operations in South Carolina from its location at 327 West 4th Avenue, Hutchinson, Kansas 67501. **(New)**
6. Request of National Credit Adjusters, L.L.C. to perform certain lending operations in South Carolina from its location at www.ncaks.com. **(New)**
7. Request of Square Capital, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1455 Market Street, Suite 600, San Francisco, California 94103. **(New)**
8. Request of Square Capital, LLC to perform certain lending operations in South Carolina from its location at www.squareup.com/capital. **(New)**

Deferred Presentment

9. Request of Carolina Quick Cash, LLC for a license to provide deferred presentment services at 104-B Woodland Drive, Lancaster, South Carolina 29720. **(New)**

Check Cashing Level II Services

10. Request of Malwa Foods & Fuel, LLC dba Gault's Handee Mart for a license to provide Check Cashing Level II services at 200 South Main Street, Fountain Inn, South Carolina 29644. **(New)**

Other Business

Commissioner Bodvake provided the Board with an update on:

1. Meetings and conferences attended by agency staff,
2. Personnel matters – mortgage examination team and consumer finance examination team both fully staffed,
3. Settlement agreement with Ocwen Loan Servicing, LLC,
4. Transition to the Uniform State Test for mortgage originators beginning on September 16, 2017,
5. Application, license, and examination statistics, and
6. Financial statement requirements for supervised lenders at time of renewal.

EXAMINING DIVISION

Commissioner Davis provided the Board with an update on his monthly activities.

1. Met with management of Boeing Credit Union,
2. Attended University of South Carolina School of Business Career Fair,
3. Used newly-created ALERTS dedicated email address to send and receive updates with all regulated institutions during Hurricane Irma,
4. Participated in numerous multi-agency conference calls throughout the duration of Hurricane Irma,
5. Participated in multi-agency conference call regarding Equifax information security breach and distributed a letter regarding the Equifax breach to each of the agency's regulated institutions, and
6. As part of re-classification, created and received Office of Human Resource (OHR) approval of a new Employee Performance Management System (EPMS) Policy.

EXECUTIVE SESSION

On motion of Mr. Strickland duly seconded by Mr. Pennington, 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. Conley, duly seconded by Mr. Hart, 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:

Examining Division

On motion of Mr. Pennington, duly seconded by Mr. Conley, and unanimously carried, the Board voted to approve the request of Palmetto Health Credit Union, Columbia, to purchase property in Columbia.

On motion of Mr. Strickland, duly seconded by Mr. Hart, and unanimously carried, the Board voted to approve the request of First Community Bank, Lexington, to establish a branch at 771 Broad Street, Suite 100, Augusta, Georgia.

On motion of Ms. Marcum, duly seconded by Mr. Conley, and unanimously carried, the Board voted to approve the request of Sandhills Bank, North Myrtle Beach, to relocate its branch from 4600 U.S. Highway 17 Bypass South, Myrtle Beach, to 3600 Dorsett Drive, Myrtle Beach.

On motion of Mr. Hassell, duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the request of Mr. Brooks A. Melton, et al, to establish a new bank at 578 East Bay Street, Suite C, Charleston, South Carolina, to be known as "Beacon Community Bank."

Item 5 was a report by the Commissioner of Banking to discuss confidential information and did not require a vote.

Mr. Hart left the room during the discussion on any matter in which he had a conflict and did not vote on any such matter.

The Board, through consensus, scheduled its next meeting for November 1, 2017.

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

An audio copy of the meeting is available upon request.