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CHARLES H. STUART | *Mount Pleasant*
BILLY D. BYRD, II | *Hartsville*

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, September 4, 2019

10:00 A.M.

**1200 Senate Street, Wade Hampton Office Building
Governor's Conference Room
Columbia, South Carolina**

Upon proper call and due notice to all its members and after having given required public notice, the State Board of Financial Institutions met on the 4th of September 2019, with Don Pennington, Chairman Pro tem, presiding.

Members present: Messrs. Pennington, Byrd, Ham, Strickland, Stuart (via phone), Walters, Wicker (via phone), Windley, Wright.

Members absent: Messrs. Loftis and Conley.

Staff present

Banking Division: Commissioner Rick Green, Deputy Commissioner Kathy Bickham, Senior Review Examiner Renee Dzek and Senior Review Examiner Janeen Hughes.

Consumer Finance Division: Commissioner Ron Bodvake, Deputy Commissioner Carl Jeffcoat, and Deputy Commissioner Sally Estes.

State Treasurer's Office: Chief of Staff Clarissa Adams, Deputy General Counsel Bill Condon, Counsel Shawn Eubanks, Director of Administration Brad Livingston, Communications Director Karen Owens, Procurement & Finance Specialist Cameron Larkin and Assistant to the Chairman Alicia Sharpe.

Visitors present: Paul Frey (Federal Reserve Bank of Richmond), Dr. Steven Gilbert (Senate Banking and Insurance Committee) and Derial Ogburn (Ogburn and Associates, Inc.).

The Agenda for this meeting was approved by General Consent.

The August 7, 2019 Board Minutes were approved by General Consent.

Board Member Recusal or Conflicts of Interest

Mr. Stuart submitted a written statement recusing himself from all matters regarding First Reliance Bank, Florence, South Carolina, because a business with whom he is associated has an economic interest in the decision to be made by this Board.

The Chairman asked if any other member had a conflict with an item on the agenda. No other member identified a conflict of interest.

Presentations

Paul Frey of the Federal Reserve Bank of Richmond discussed the organization's desire to heighten the feds' role through individual outreach and finding opportunities to collaborate with the Board. He reminded the Board that the Federal Reserve is not just the holding company supervisor and highlighted the benefits of being a state member bank. He explained that they have a risk focused supervision approach. Some of their outreach includes conducting training with staff, including audit training and partnering with trade associations.

Commissioner Reports

Janeen Hughes, Senior Review Examiner, provided an update on the emergency preparedness activity of the Banking division. Emergency Preparedness Guides have been distributed to all institutions and several calls have been made in the proactive coordination. A request has been sent to each institution for updated emergency contacts. The Emergency Management Division has seen an increase in the requests for their services due to the division's outreach. The institutions have been encouraged to review emergency plans, cash on hand and consider evacuation routes. So far there have been 116 branch closures in anticipation of Hurricane Dorian's arrival.

Commissioner of Banking, Rick Green reported the following to the Board:

Industry Engagement

- Commissioner Green had an introductory meeting with Dr. Steven Gilbert, Research Director for the Senate Banking and Insurance Committee.
- Commissioner Green had an introductory meeting with Steven Davidson, Chief Counsel for the House Labor, Commerce and Industry Committee.
- Commissioner Green conducted an outreach meeting with one bank.

Education/Training

- Examiner III Aaron Fleming – Real Estate Appraisal Review School
- Senior Examiner Michael Brandyburg – Real Estate Appraisal Review School

Commissioner of Consumer Finance, Ron Bodvake, reported the following:

Meetings and Conferences

- September - South Carolina Financial Services Association Conference; Nashville, TN

- September – Mortgage Bankers of the Carolina’s Conference; Wilmington, NC

Personnel

- Hired Perry Duval as Consumer Finance Examiner (1)
- Position posted on NeoGov for Consumer Finance Examiner (2)
- Kayla Green, licensing specialist resigned

Updates

- Website
- Newsletter

Reports

- Monthly statistics
- Updated organization chart

Consumer Finance Division Board Approvals

The Consumer Finance Division was advised of a Change of Name and reviewed the applications for in-state and out-of-state Supervised Consumer Finance Licenses, and an application for Level II Check Cashing Services listed on the agenda. The Consumer Finance Division determined that each respective applicant/licensee meets the licensing or other requirements defined in the applicable statutes. ***On motion of Mr. Windley, seconded by Mr. Ham and unanimously carried, the Board adopted a motion to approve the following items:***

Consumer Finance Division Board Approvals

Supervised Consumer Finance Licensees who have advised of change of name:
AmeriCredit Financial Services, Inc. changed dba name from AmeriCredit Financial Services, Inc. to GM Financial.

Applications for Supervised Consumer Finance Licenses to perform certain lending operations for which the Division has determined that the licensing requirements under Section 37-3-503(1), (2) have been met:

In-State Applications:

1. Auto Money North, LLC dba Auto Money North LLC - Bennettsville at 606 Highway 15-401 East, Bennettsville, South Carolina 29512. (New)
2. Auto Money North, LLC dba Auto Money North LLC – Cheraw #1 at 341 Chesterfield Highway, Cheraw, South Carolina 29520. (New)
3. Auto Money North, LLC dba Auto Money North LLC – Cheraw #2 at 101 Powe Street, Cheraw, South Carolina 29520. (New)
4. Auto Money North, LLC dba Auto Money North LLC – Clover at 889 North Main Street, Clover, South Carolina 29710. (New)
5. Auto Money North, LLC dba Auto Money North LLC – Dillon #1 at 1218 North 1st Avenue, Dillon, South Carolina 29536. (New)
6. Auto Money North, LLC dba Auto Money North LLC – Dillon #2 at 2375 North Highway 301, Dillon, South Carolina 29536. (New)
7. Auto Money North, LLC dba Auto Money North LLC – Fort Mill at 3475 Highway 21, Fort Mill, South Carolina 29715. (New)

8. Auto Money North, LLC dba Auto Money North LLC – Gaffney at 1535 West Floyd Baker Boulevard, Gaffney, South Carolina 29341. (New)
9. Auto Money North, LLC dba Auto Money North LLC – Lancaster at 1004 North Main Street, Lancaster, South Carolina 29720. (New)
10. Auto Money North, LLC dba Auto Money North LLC – Indian Land at 9520 Charlotte Highway, Indian Land, South Carolina 29707. (New)
11. Auto Money North, LLC dba Auto Money North LLC – Landrum at 1840 SC Highway 14 East, Landrum, South Carolina 29353. (New)
12. Auto Money North, LLC dba Auto Money North LLC – Lake Wylie at 4573 Charlotte Highway, Lake Wylie, South Carolina 29710. (New)
13. Auto Money North, LLC dba Auto Money North LLC – Little River at 2229 Highway 17 North, Unit A, Little River, South Carolina 29566. (New)
14. Auto Money North, LLC dba Auto Money North LLC – Mullins at 105 East McIntyre Street, Mullins, South Carolina 29574. (New)
15. Auto Money North, LLC dba Auto Money North LLC – North Myrtle Beach at 1204 Highway 17 South, North Myrtle Beach, South Carolina 29582. (New)
16. Auto Money North, LLC dba Auto Money North LLC – Rock Hill #1 at 128 North Anderson Road, Rock Hill, South Carolina 29730. (New)
17. Auto Money North, LLC dba Auto Money North LLC – Cherry Road at 1324 Cherry Road, Rock Hill, South Carolina 29732. (New)
18. Auto Money North, LLC dba Auto Money North LLC – York #1 at 1356 Filbert Highway, York, South Carolina 29745. (New)
19. Auto Money North, LLC dba Auto Money North LLC – York #2 at 715 East Liberty Street, Suite 100, York, South Carolina 29745. (New)
20. Nicholas Financial, Inc. at 2048 Sam Rittenburg Boulevard, Suite 4, Charleston, South Carolina 29407. (New)
21. Nicholas Financial, Inc. at 355 Woodruff Road, Suite 401, Greenville, South Carolina 29607. (New)

Out of State Applications:

1. CarFinance.com LLC at 9003 East Airport Freeway, Suite G270, North Richland Hills, Texas 76180 (Active#2)
2. Flagship Credit Acceptance LLC at 4415 South Wendler Drive, Suite 121, Tempe, Arizona 85282. (Active#5)
3. Nicholas Financial, Inc. at 2454 McMullen Booth Road, Building C, Clearwater, Florida 33759. (New)
4. Nicholas Financial, Inc. at www.nicholasfinancial.com. (New)
5. Preferred Loans, LLC at 1335 Dublin Road, Suite 118-A, Columbus, Ohio 43215. (New)
6. Preferred Loans, LLC at preferredloans.com. (New)
7. Velocity Investments, L.L.C. at 1800 Route 34 North, Building #3, Suite 305, Wall, New Jersey 07719. (New)
8. Velocity Investments, L.L.C. at www.velocitycollect.com. (New)
9. Wharthog Ventures LLC dba Loans Not Sharks at 623 South Americana Boulevard, Boise, Idaho 83702. (New)

10. Wharthog Ventures LLC at www.loansnotsharks.com. (New)

Applications for Level II Check Cashing Services Licenses for which the Division has determined that the licensing requirements under Sections 34-41-40, 34-41-42, and 34-41-50 have been met:

Dooliquor LLC dba Egan's Spirits at 1909 US Highway 17 North, Suite B, Mount Pleasant, South Carolina 29464. (New)

Executive Session

The Board voted unanimously to adjourn into Executive Session.

Deputy General Counsel Bill Condon stated the reasons the Board entered Executive Session: to discuss applications to establish bank branches, merge and operate offices as branches, request to relocate a branch, information of a personal nature concerning regulated persons, to discuss information regarding a survey and an examination of an institution regulated by the Banking Division, and to receive legal advice as needed.

When appropriate the conference call was muted and Mr. Stuart did not participate when the matter for which he had a conflict of interest was discussed in Executive Session.

The Board voted unanimously to end Executive Session.

Actions following Executive Session

Voting on Items Discussed in Executive Session

Mr. Stuart had a conflict of interest on matters pertaining to First Reliance Bank and the conference call was muted during its discussion and vote.

On motion of Mr. Strickland, seconded by Mr. Windley and unanimously carried, the Board voted to approve the application of Coastal States Bank, Hilton Head Island, South Carolina, to establish a branch at 339 Martin Luther King Jr. Boulevard, Savannah, Georgia.

On motion of Mr. Byrd, seconded by Mr. Walters and unanimously carried, the Board voted to approve the application of Community First Bank, Inc., Walhalla, South Carolina, to establish a branch at 800 East Arrowood Road, Charlotte, North Carolina.

On motion of Mr. Walters, seconded by Mr. Windley and unanimously carried, the Board voted to approve the application of Community First Bank, Inc., Walhalla, South Carolina, to establish a branch at 202 West Trade Street, Dallas, North Carolina.

On motion of Mr. Strickland, seconded by Mr. Ham and unanimously carried, the Board voted to

approve the request of CresCom Bank, Charleston, South Carolina, to merge with Carolina Trust Bank, Lincolnton, North Carolina, and to operate the eleven offices of Carolina Trust Bank as branches of CresCom Bank.

On motion of Mr. Ham, seconded by Mr. Strickland and unanimously carried, the Board voted to approve the request of First Reliance Bank, Florence, South Carolina, to relocate its Winston-Salem branch from 3069 Trenwest Drive, Suite 101, to 536 South Stratford Road, Winston-Salem, North Carolina.

On motion of Mr. Byrd, seconded by Mr. Walters and unanimously carried, the Board voted to authorize Commissioner Green to take the proposed administrative action regarding the regulated entity, as discussed in executive session. As the phone call was muted during the discussion and vote on this matter, neither Mr. Stuart nor Mr. Wicker voted on this matter.

Announcements:

The next board meeting is scheduled for Wednesday, October 2, 2019.

There being no objection, the meeting adjourned at 11:04 AM.