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THE HONORABLE CURTIS. M. LOFTIS, JR.
State Treasurer

Chairman Pro Tempore

HOWARD H. WRIGHT, JR.



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K. WAYNE WICKER | *Myrtle Beach*
J. BARRY HAM | *Manning*
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JENNY MICHAELS | *Sumter*
THOMAS BOUCHETTE | *Florence*

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, April 6, 2022

10:00 AM

**Governor's Conference Room
and via WebEx Virtual Conference Room**

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 6th day of April 2022 with Chairman Loftis presiding.

Members present: Ms. Michaels and Messrs. Pennington, Wright, Strickland, Walters, Wicker, Ham, Stuart, Byrd and Bouchette.

The Chairman stated that a quorum was present.

Staff present:

Consumer Finance Division: Commissioner Ron Bodvake, Deputy Commissioner Amy Gelhaus, Deputy Commissioner Quinton Creed, and Deputy Commissioner Phyllis Wicker.

Banking Division: Commissioner Kathy Bickham

State Treasurer's Office: Chief of Staff Clarissa Adams, Deputy State Treasurer Cynthia Dannels, Deputy General Counsel Bill Condon, Deputy General Counsel Shawn Eubanks, Human Resources Consultant Jordan Dominick, Human Resources Manager Lisa O'Sullivan, Fiscal Analyst Cameron Larkin, and Executive Assistant Lisa Gibson.

Guests present:

John Barnes from Veritec Solutions, Billy Boylston from the Carolina's Credit Unions League, and Dr. Steven Gilbert

The Agenda for this meeting was approved by General Consent.

The February 2, 2022 Board Meeting Minutes were approved by General Consent.

Mr. Bouchette informed the Board of a conflict of interest with Executive Session items regarding Citizens Bancshares Group and Citizens Bank.

Committee Reports

Mr. Strickland notified the Board that The **Policy and Planning Committee** met on March 2nd. Commissioner Bodvake provided the Committee with an update on several completed projects and several ongoing projects. The next Committee meeting is scheduled for May 13, 2022.

Commissioner of Consumer Finance, Ron Bodvake provided the Board with an update on several division items. The Commissioner reviewed a monthly statistics report with the Board. The number of originators and mortgage companies continues to increase every month. The Commissioner also provided the Board with the new licenses that were approved last month. The Commissioner Bodvake provided a background on the Deferred Presentment activity in the State and informed the Board that Veritec Solutions maintains the Deferred Presentment transaction database for the State. The Commissioner informed the Board that he and Mr. Barnes from Veritec Solutions would be presenting the report to the General Assembly before legislative session ends in May. Commissioner Bodvake introduced Mr. Barnes from Solutions who proceeded to provide a summary of the annual report.

Commissioner of Banking, Kathy Bickham informed the Board that she had meetings with the president of NASCUS and the president of CSBS. Commissioner Bickham provided an update that she, Chief Examiner Reмония Wright, Senior Review Examiner Janeen Hughes, and Review Examiner Diedre Fulmer attended the Legislative Reception of Bankers Association. Commissioner Bickham and Senior Review Examiner Janeen Hughes attended the CSBS Government Relations Fly-In. Senior Examiner Mike Brandyburg attended a Supervisory Practices class offered by State HR. Commissioner Bickham announced one resignation and three new Examiner hires. Commissioner Bickham informed the Board that they have added the "S" (sensitivity to market risk) component to the CAMEL (Capital asset quality, management, earnings, and liquidity) rating system. Commissioner Bickham informed the Board that she approved a relocation of a bank and property purchase by a bank.

Executive Session

The Board voted unanimously to adjourn into Executive Session.

Deputy General Counsel Bill Condon stated that The Board will enter Executive Session to review requests from regulated persons, discuss information of a personal nature related to regulated entities, to begin the agency head EPMS process, to discuss negotiations incident to proposed contractual arrangements, and to receive legal advice as needed.

The Board voted unanimously to end Executive Session.

Actions following Executive Session:

On motion of Mr. Strickland and duly seconded by Mr. Bouchette, the Board voted to approve the application of Beacon Community Bank, Charleston, South Carolina, to establish a branch at 1210

April 6, 2022

Ben Sawyer Boulevard, Mount Pleasant, South Carolina subject to the condition provided by the Commissioner of Banking in Executive Session.

Mr. Bouchette exited the meeting

On motion of Mr. Walters and duly seconded by Mr. Strickland, the Board voted to approve the request of Citizens Bancshares Corporation, Olanta, South Carolina, to acquire 100% of the voting shares of Sandhills Holding Company, Inc., North Myrtle Beach, South Carolina, and thereby acquire its wholly owned subsidiary, Sandhills Bank, North Myrtle Beach, South Carolina subject to the conditions provided by the Commissioner of Banking in Executive Session.

On motion of Mr. Walters and duly seconded by Mr. Strickland, the Board voted to approve the request of The Citizens Bank, Olanta, South Carolina, to merge with Sandhills Bank, North Myrtle Beach, South Carolina, and operate the four offices of Sandhills Bank as branches of The Citizens Bank subject to the condition provided by the Commissioner of Banking in Executive Session.

Mr. Bouchette returned to the meeting

On motion of Mr. Strickland and duly seconded by Mr. Bouchette, the Board voted to approve the requests by the Commissioner of Consumer Finance to negotiate and execute a settlement agreement concerning unlicensed check cashing activity with each of the two regulated entities in accordance with the terms discussed in executive session.

Announcements:

The Chairman announced that the next board meeting is scheduled for Wednesday, May 4, 2022.

There being no objection, the meeting adjourned at 12:36 PM.