

STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S
August 2, 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 2nd day of August, 2017, with Chairman Loftis presiding.

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

In attendance from the Examining Division were Commissioner Davis, Ms. Kathy Bickham, Assistant Commissioner, Ms. Renee Dzek, Accounting Fiscal Manager, and Ms. Janeen Hughes, Examiner.

In attendance from the Consumer Finance Division were Commissioner Bodvake, Ms. Sally Estes, Assistant Commissioner, and Ms. Phyllis Wicker, Review Examiner.

In attendance from the State Treasurer's Office were Ms. Clarissa Adams, Chief of Staff, Mr. Bert Cassell, Attorney IV, Ms. Alicia Sharpe, Administration Director, Mr. Daniel Driggers, and Mr. Tony Kester, Assistant to Chairman.

Members absent: Mr. Buyck and Mr. Strickland.

Mr. Walters was welcomed by the Chairman as a new member and asked to give a brief description of his background.

The Agenda was approved by General Consent.

The June 7, 2017 Board Minutes were approved by General Consent.

Guests in attendance: Billy Boylston and Dan Schline, Carolinas Credit Union League.

Mr. Driggers was introduced to the Board by the Chairman as the replacement to Mr. Kester, who is retiring.

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. L & L Management Corp. dba The Loan Company from 2600 West Palmetto Street to 2554 West Palmetto Street #16, Florence, South Carolina.
2. OneMain Financial Group, LLC from 1409 W O Ezell Boulevard to 205 Cedar Springs Road, Suite 4, Spartanburg, South Carolina.
3. OneMain Financial of South Carolina, Inc. from 1671 Springdale Drive, Unit 18 to 1670 Springdale Drive, Suite 18, Camden, South Carolina.
4. South Carolina Acceptance, LLC from 125 North Halsted, 4th Floor to 750 North Orleans, 2nd Floor, Chicago, Illinois.
5. Security Finance Corporation of South Carolina dba Security Finance from 312 East Main Street to 111 South Highway 52, Moncks Corner, South Carolina.
6. World Finance Company of South Carolina, LLC dba World Finance Corporation from 5502A Memorial Boulevard to 5502 Memorial Boulevard, Unit 3, St. George, South Carolina.
7. EduCap, Inc. dba Loan to Learn from 45610 Woodland Road, Suite 370 to Suite 440, Sterling, Virginia.
8. Homewood Loans, Inc. dba Dicks Title Loans IV from 1852-B Mr. Joe White Avenue to 1001 Osceola Street, Myrtle Beach, South Carolina.
9. 1st Capital Finance of South Carolina, Inc. from 1729 Highway 17 North to 2001 Highway 17, Little River, South Carolina.
10. World Finance Company of South Carolina, LLC dba World Finance Corporation from 106 West Main Street to 104 South Acline Street, Lake City, South Carolina.
11. CNG Investments, Inc. dba Cash-N-Go Title Loans from 1425 Cherry Road, Suite 102 to 1136 Mt. Gallant Road, Rock Hill, South Carolina.
12. Climb Investco, LLC from 459 Broadway, 4th Floor to 41 Elizabeth Street, Suite 701, New York, New York.
13. AutoMoney, Inc. dba AutoMoney, Inc. of White Knoll from 1792 South Lake Drive, Suite 120 to 1729 South Lake Drive, Lexington, South Carolina.
14. Cash Loan Company, Inc. from 200 North Pleasantburg Drive, Suite E to Suite B, Greenville, South Carolina.
15. Southern Finance of South Carolina, Inc. dba Covington Credit from 1906 Taylor Street to 2101 Main Street, Suite D, Columbia, South Carolina.
16. Regional Finance Corporation of South Carolina from 226 South Main Street to 1137-B Highway 9 Bypass West, Lancaster, South Carolina.
17. Regional Finance Corporation of South Carolina from 302 Main Street to 1610-D Church Street, Conway, South Carolina.
18. World Finance Company of South Carolina, LLC dba World Finance Corporation from 111 O'Neal Street to 769 Anderson Street, Belton, South Carolina.

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

1. Hawk, Inc. from dba The Loan Center of Bamberg SC to Lenders Loan, Bamberg, South Carolina.
2. Hawk, Inc. from dba The Loan Center of Batesburg-Leesville SC to Lenders Loan, Batesburg-Leesville, South Carolina.
3. World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Hartsville, South Carolina.

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

1. Beneficial Financial I, Inc., 961 Weigel Drive, Elmhurst, Illinois.
2. HSBC Mortgage Services, Inc., 961 Weigel Drive, Elmhurst, Illinois.
3. Household Finance Corporation II, 961 Weigel Drive, Elmhurst, Illinois.
4. Household Finance Corporation III, 961 Weigel Drive, Elmhurst, Illinois.
5. Cashwell Financial of SC LLC dba Cashwell, 3501 Clemson Boulevard, Suite 107, Anderson, South Carolina.
6. First Marblehead Education Resources, Inc., One Cabot Road, Suite 200, Medford, Massachusetts.
7. STL Funding, LLC dba 1st Priority, 2400 North Pleasantburg Drive, Suite H, Greenville, South Carolina.
8. Cashwell Financial of SC LLC dba Cashwell, 4391 Dorchester Road, Suite 210, North Charleston, South Carolina.
9. Cashwell Financial of SC LLC dba Cashwell, 1812 Sam Rittenburg Boulevard, Suite C-7B, Charleston, South Carolina.
10. Cashwell Financial of SC LLC dba Cashwell, 107-F East Butler Road, Mauldin, South Carolina.
11. Cashwell Financial of SC LLC dba Cashwell, 3907-D Grandview Drive, Simpsonville, South Carolina.
12. Cashwell Financial of SC LLC dba Cashwell, 636 Rembert C. Dennis Boulevard, #E, Moncks Corner, South Carolina.
13. Residential Credit Solutions, Inc., 4500 Mercantile Plaza Drive, Suite 311, Fort Worth, Texas.
14. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 7716 Two Notch Road, Columbia, South Carolina.
15. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 1219 Broad River Road, Columbia, South Carolina.
16. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 501 Mauldin Road, Greenville, South Carolina.
17. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 14322 East Wade Hampton Boulevard, Greer, South Carolina.

18. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 4265 Augusta Road, Suite R, Lexington, South Carolina.
19. Lifeline Financial Services, Inc. dba Smart Choice Title Loans, 701 North Anderson Road, #105, Rock Hill, South Carolina.
20. Cashwell Financial of SC LLC dba Cashwell, 12179 Greenville Highway, Lyman, South Carolina.
21. Cashwell Financial of SC LLC dba Cashwell, 1205 West Wade Hampton Boulevard, Suite B, Greer, South Carolina.
22. Cashwell Financial of SC LLC dba Cashwell, 305-1 Whitehall Street, Abbeville, South Carolina.
23. Cashwell Financial of SC LLC dba Cashwell, 7486 Augusta Road, Suite C, Piedmont, South Carolina.
24. Southern Specialty Finance, Inc. dba Check 'n Go, 205 Goose Creek Boulevard, Suite A-5, Goose Creek, South Carolina.

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

1. United Finance Company, 177 South Coit Street, Florence, South Carolina.

OTHER BUSINESS:

Resignation of Laura Montgomery, Auditor III (Licensing Examiner), effective June 1st, 2017.

Resignation of Linda Gheen, Auditor III (Mortgage Examiner), effective June 16th, 2017.

Employment of David Olden, Auditor III, effective July 3, 2017.

REGULAR SESSION

Consumer Finance Division

The Board approved the following applications by General Consent:

IN-STATE

1. Request of Community Credit of South Carolina LLC to operate at 1607 Broad River Road, Columbia, South Carolina 29210. **(New)**
2. Request of First Heritage Credit of South Carolina, LLC dba 1st Heritage Credit to operate at 110 North Anderson Road, Suite 118, Rock Hill, South Carolina 29730. **(#Active12)**
3. Request of First Heritage Credit of South Carolina, LLC dba 1st Heritage Credit to operate at 38 Ray East Talley Court, Suite E, Simpsonville, South Carolina 29680. **(#Active12)**
4. Request of Mariner Finance, LLC dba Mariner Finance to operate at 610 Highway 1 South, Suite G, Lugoff, South Carolina 29078. **(#Active4)**
5. Request of Mariner Finance, LLC dba Mariner Finance to operate at 2319 Augusta Road, West Columbia, South Carolina 29169. **(#Active4)**
6. Request of Motors Acceptance Corporation to operate at 3827 Broad River Road, Suite A, Columbia, South Carolina 29210. **(New)**
7. Request of Motors Acceptance Corporation to operate at 288 South Dargan Street, Suite B, Florence, South Carolina 29501. **(New)**
8. Request of Motors Acceptance Corporation to operate at 517 Laurens Road, Greenville, South Carolina 29607. **(New)**
9. Request of OneMain Financial of South Carolina, Inc. to operate at 605 Munn Road, 3rd Floor, Fort Mill, South Carolina 29715. **(#Active39)**
10. Request of Pawleys Creek Corporation dba Dicks Title Loans V to operate at 2564 Highway 701 North, Conway, South Carolina 29526. **(New)**
11. Request of Republic Finance, LLC to operate at 1256 Highway 9 Bypass West, Suite 1228, Lancaster, South Carolina 29720. **(#Active27)**
12. Request World Finance Company of South Carolina, LLC dba World Acceptance Corporation to operate at 108 Frederick Street, Greenville, South Carolina 29607. **(#Active93)**
13. Request of World Finance Company of South Carolina, LLC dba World Finance Corporation to operate at 7210-E Broad River Road, Irmo, South Carolina 29063. **(#Active93)**

14. Request of World Finance Company of South Carolina, LLC to operate at www.loansbyworld.com. (#Active93)

OUT-OF-STATE

15. Request of Artemis Finance, LLC dba Advance Financial for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 100 Oceanside Drive, Nashville, Tennessee 37204. **(New)**
16. Request of Artemis Finance, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.af247.com. **(New)**
17. Request of Earnest Operations LLC dba Earnest for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1455 Market Street, 18th Floor, San Francisco, California 94103. **(New)**
18. Request of Earnest Operations LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.earnest.com. **(New)**
19. Request of eMoneyUSA Holdings, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 8700 State Line Road, Suite 350, Leawood, Kansas 66206. **(#Active2)**
20. Request of Jora Credit of South Carolina, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 5080 Spectrum Drive, Suite 700W, Addison, Texas 75001. **(New)**
21. Request of Jora Credit of South Carolina, LLC dba Jora for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 5080 Spectrum Drive, Suite 700W, Addison, Texas 75001. **(New)**
22. Request of Jora Credit of South Carolina, LLC dba Jora Credit for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 5080 Spectrum Drive, Suite 700W, Addison, Texas 75001. **(New)**

23. Request of Jora Credit of South Carolina, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.joracredit.com. **(New)**
24. Request of Motors Acceptance Corporation for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 216 13th Street, Columbus, Georgia 31901. **(New)**
25. Request of Motors Acceptance Corporation for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.1800newrate.com. **(New)**
26. Request of OneMain Financial Group, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1270 Northland Drive, Suite 125, Mendota Heights, Minnesota 55120. **(#Active33)**
27. Request of Scratch Financial, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 815 Colorado Boulevard, Suite 450, Los Angeles, California 90041. **(New)**
28. Request of Scratch Financial, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.scratchpay.com. **(New)**
29. Request of SunUp Financial, LLC dba balancecredit.com for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 180 North Wacker Drive, Suite 300, Chicago, Illinois 60606. **(#Active2)**
30. Request of Tango Delta Financial, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1378 Harbor Drive, Sarasota, Florida 34239. **(#Active1)**

CHECK CASHING LEVEL II SERVICES

31. Request of Daughters' LLC dba Carolina Liquors for a license to provide Check Cashing Level II services at 6106 Frontage Road, Myrtle Beach, South Carolina 29577. **(New)**
32. Request of Nilu Corporation dba Hickman's Superette for a license to provide Check Cashing Level II services at 546 North Jones Road, Olanta, South Carolina 29114. **(New)**

33. Request of SREEJI – 1 LLC dba Caper House 3 for a license to provide Check Cashing Level II services at 320 North Main Street, Saluda, South Carolina 29138. **(New)**

OTHER BUSINESS:

Commissioner Bodvake provided the Board an update on:

June Conferences attended.

Planned attendance at conferences for August-September.

Staffing changes.

Investigations.

Check Cashing companies.

The need for changes to the Supervised Lender Annual Report, will be referred to the Budget, Policy, and Planning Committee).

Commissioner Davis provided the Board an update on the following:

COMMISSIONER OF BANKING REPORT
August 2, 2017

- Met with Management of:
 - o Charleston de novo charter applicant Beacon Community Bank, as well as their organizers and proposed Directors
 - o South State Bank (3 separate meetings):
 - Attended a presentation by the Federal Reserve Bank of Richmond regarding supervision of South State's holding company
 - Attended the exit review of their latest examination
 - Attended the Board meeting at which the results of their latest examination were presented

- Bank of Greeleyville (Board Meeting)
 - First Community Bank (Board Meeting)
 - Peoples Bank (Board Meeting)
 - Colonial Trust Company
 - TRMC Employees Credit Union
 - Sumter City Credit Union
 - Georgetown Kraft Credit Union
 - Southern First Bank (Board Meeting)
 - Bank of Walterboro (8/4)
 - 31 state-chartered depository institutions YTD
- Information Sharing
 - Became a signatory to the CSBS Nationwide Cooperative Agreement for Supervision and Examination of Multi-State Trust Institutions. (Along with the CSBS Nationwide Cooperative Agreement for State Banking Departments, signed by SC in 1997, this completes our information-sharing documents with CSBS)
 - Signed FinCEN Memorandum of Understanding, authorizing designated SC examiners access to the federal BSA/AML database, thereby allowing for examination of SC state-chartered credit unions for BSA compliance
 - Attended Maryland Bankers Association Annual Meeting in Charleston
 - Attended, and was a speaker at, the 2017 Independent Banks of South Carolina Annual Convention

EXECUTIVE SESSION

On motion of Mr. Saunders, duly seconded by Mr. Hassell, 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:

Consumer Finance Division

On motion of Mr. Hart, duly seconded by Mr. Saunders, and unanimously carried, the Board approved the annual evaluation for Commissioner Bodvake.

Examining Division

On motion of Mr. Saunders, duly seconded by Mr. Pennington, and unanimously carried, the Board approved the application of Southern First Bank, Greenville, South Carolina, to establish a branch at 309 East Paces Ferry Road, Suite 100, Atlanta, Georgia, with a temporary location at 3400 Peachtree Road NW, Suite 1517, Atlanta, Georgia.

On motion of Mr. Conley, duly seconded by Mr. Hart, and unanimously carried, the Board approved the request of South State Bank, Columbia, South Carolina, to merge with Park Sterling Bank, Charlotte, North Carolina, and to operate the fifty-nine offices of Park Sterling Bank as branches of South State Bank.

On motion of Mr. Pennington, duly seconded by Mr. Saunders, and unanimously carried, the Board approved the request of CresCom Bank, Charleston, South Carolina, to merge with First South Bank, Washington, North Carolina, and to operate the twenty-eight offices of First South Bank as branches of CresCom Bank.

On motion of Mr. Wright, duly seconded by Mr. Conley, and unanimously carried, the Board approved the request of First Community Corporation, Lexington, South Carolina, to acquire 100% of the voting shares of Cornerstone Bancorp, Easley, South Carolina, and thereby acquire its wholly owned subsidiary, Cornerstone National Bank, Easley, South Carolina.

On motion of Mr. Hart, duly seconded by Mr. Pennington, and unanimously carried, the Board approved the request of First Community Bank, Lexington, South Carolina, to merge with Cornerstone National Bank, Easley, South Carolina, and to operate the three offices of Cornerstone National Bank as branches of First Community Bank.

On motion of Mr. Hassell, duly seconded by Mr. Conley, and unanimously carried, the Board approved the Banking Division staff to conduct an investigation necessary to process the application 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." The Board also ratified the actions taken to date by the Banking Division.

On motion of Mr. Pennington, duly seconded by Mr. Hassell, and unanimously carried, the Board approved the request of First Community Bank, Lexington, for approval to purchase property in Evans, Georgia.

Item 9 was a report by the Commissioner of Banking to discuss confidential information and did not require a vote.

Item 10 was a discussion on personnel matters and did not require a vote.

The Board, through consensus, scheduled its next meeting for September 6, 2017.

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

An audio copy of the meeting is available upon request.

