

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



**Board Members**  
SCOTT CONLEY | *Lugoff*  
HANSEL B. HART | *Columbia*  
RHONDA B. MARCUM | *Mount Pleasant*  
W. DONALD PENNINGTON | *Simpsonville*  
F. JUSTIN STRICKLAND | *Lexington*  
J. DANIEL WALTERS | *Greenville*  
HOWARD H. WRIGHT, JR. | *Rock Hill*  
K. WAYNE WICKER | *Myrtle Beach*  
J. BARRY HAM | *Manning*  
JOHN F. WINDLEY | *Columbia*

SOUTH CAROLINA  
**STATE BOARD OF FINANCIAL INSTITUTIONS**

**MINUTES**

**Wednesday, September 5, 2018**

**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 5<sup>th</sup> day of September 2018, with Chairman Loftis presiding.

Members present were: Messrs. Loftis, Walters, Wright, Pennington, Strickland, Hart, Ham, and Wicker, Conley, Windley and Ms. Marcum.

In attendance from the Examining Division were Commissioner Bob Davis, Deputy Commissioner Kathy Bickham, and Chief Examiner Rick Green.

In attendance from the Consumer Finance Division were Commissioner Ron Bodvake and Deputy Commissioner Carl Jeffcoat.

In attendance from the State Treasurer's Office were Chief of Staff Clarissa Adams, Deputy State Treasurer Cynthia Dannels, General Counsel Robin Johnson, Counsel Bill Condon, HR Manager Lisa O'Sullivan, Kevin Dietrich (Communications staff), and Assistant to the Chairman Alicia Sharpe.

Visitors in attendance were Research Director Steve Gilbert (Senate Banking and Insurance Committee) and newly promoted Consumer Finance Division staff member Phyllis Wicker (Deputy Commissioner).

The Agenda was approved by General Consent.

The August 1, 2018 Board Minutes were approved by General Consent.

The Chairman identified the following Board Member Recusal or Conflict of Interest:  
Mr. Hart submitted a written statement recusing himself from all matters regarding Palmetto Health Credit Union.

Mr. Conley submitted a written statement recusing himself from all matters regarding Mid Carolina Credit Union.

The Chairman acknowledged newly appointed member, Mr. John Windley. Mr. Windley introduced himself to the Board.

#### **4. Commissioner Reports**

**Chief Examiner Rick Green provided the Board with an update on the following:**

Meetings with Management/Boards

- Beacon Community Bank, Charleston  
(Commissioner Bob Davis traveled to this de novo charter and met with its management team)
- First Community Bank, Lexington  
(Board meeting participated in by Senior Review Examiner Janeen Hughes and Examiner Mike Brandyburg)
- Southern First Bank, Greenville  
(Board meeting participated in by Senior Review Examiner Renee Dzek and Examiner Mike Brandyburg)

Conferences, Training, etc.

- FDIC  
(Assistant Examiner Lilasha Dervin attended Introductions to Examinations School)  
(Associate Examiner John Hammond attended Financial Institutions Analysis School)
- CSBS  
(Examiners Aaron Fleming and Mike Brandyburg attended Intermediate IT Cybersecurity Training)  
(Commissioner Bob Davis attended the CSBS Annual Strategic Planning Meeting as a new member of the organization's Education Foundation Board of Trustees)
- FFIEC  
(Senior Examiners Remonia Felix and Rudy Baumann attended Real Estate Appraisal Evaluation School)
- FRB  
(Commissioner Bob Davis accompanied the Treasurer and members of his staff on a visit to the Charlotte Branch of the Federal Reserve Bank of Richmond)  
(Senior Examiners Remonia Felix and Rudy Baumann attended Real Estate Appraisal Evaluation School)

**Commissioner Bodvake provided the Board with an update on the following:**

Meetings and Conferences

- September – South Carolina Financial Services Association – Amelia Island, FL
- September – Veritec Regulator Conference – Alexandria, VA
- September – NACCA Examiner’s School – Fort Lauderdale, FL
- October – Mortgage Bankers Association of the Carolina’s Annual Convention – Asheville, NC

Personnel

- Promoted Phyllis Wicker to Program Manager of mortgage regulation
- Promoted Larry Bryant to Review Examiner of out of state/ internet lending
- Promoted Sylvia Goodson to Review Examiner of mortgage licensing
- Hired Michelle Rogers as Mortgage Licensing Specialist of mortgage licensing

Blue Agenda Changes

- STO legal staff has recommended changes
- Supervised address changes will be tracked on monthly board report
- Supervised voluntary surrenders have been removed. New supervised applications and total number of supervised licenses are on the monthly board report
- Supervised name changes will now require a board vote

Fintec Charter – attachment from the OCC

- National bank charter for non-depository financial technology companies
- Special purpose national bank that must engage in one of the core banking functions (paying checks, lending money, or taking deposits)  
Authority does not require the bank to take deposits

**5. Committee Reports**

**Budget, Operations, Policy, & Planning Committee**

The Budget, Operations, Policy and Planning Committee update was provided by Mr. Pennington. He informed the Board that the Committee met on August 23, 2018 and discussed the Commissioners’ Planning Stage documents, the proposed dates for Committee meetings for the remainder of 2018 and for 2019, and Committee membership.

During the Committee meeting, a motion was made and approved to adopt the Planning Stage documents for each Commissioner with two amendments, as discussed in Executive Session. The Committee recommended the Planning Stage documents, as amended, to the full Board.

A motion was also made and approved to establish the dates for the regularly scheduled Committee meetings for the remainder of 2018 and for 2019.

Lastly, under New Business, Mr. Pennington stated that the Committee discussed membership, the appropriate number of Committee members, and whether recommendations should be made about Committee membership. The Committee will continue discussions at future meetings.

### **Legislative & Legal Committee**

Mr. Hart reported that the Board did not meet but had a meeting planned for September 19, 2018. He mentioned that Bill 2155 was on the horizon.

## **6. Consumer Finance Division Board Approvals**

The Consumer Finance Division reviewed the following advisements, applications or requests and determined that they meet the licensing or other requirements defined in the applicable Statute. The Board approved the items in sections 6.1 through 6.4 of the agenda.

Supervised Consumer Finance Licensees who have advised of change of name:

- a. Western-Shamrock Corporation from dba National Finance Company to Western Finance, Dillon, South Carolina.
- b. World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Darlington, South Carolina.
- c. Western-Shamrock Corporation from dba National Finance Company to Western Finance, St. George, South Carolina.
- d. MCP Asset Company, Inc. to MCLP Asset Company, Inc., New York, New York.

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:

- a. In-State Applications:
  1. AAFA of South Carolina, Inc. dba Advance America at 7486-B Augusta Road, Piedmont, South Carolina 29673. (#Active5)
  2. EZ Cash Loans of SC, Inc. dba EZ Cash Loans at 914 Montague Avenue, Greenwood, South Carolina 29649. (#Active4)
  3. KeyStone Financial, LLC at www.keycashloans.com. (#Active1)
  4. Rivertown Credit LLC at 516 East Main Street, Kingstree, South Carolina 29556. (#Active5)

- b. Out of State Applications:
  - 5. Debt Management Partners LLC at 200 John James Audubon Parkway, Suite 102, Amherst, New York 14228. (New)
  - 6. FC Funding LLC at 3 Christy Drive, Suite 201, Chadds Ford, Pennsylvania 19317. (New)
  - 7. Hope Funding SC, LLC dba Hope Funding at 2917 D Professional Parkway, Augusta, Georgia 30907. (New)
  - 8. Hope Funding SC, LLC at www.hopefunding.net. (New)
  - 9. NCA Finance Partners I LLC at 811 Southwest Naito Parkway, Suite 380, Portland, Oregon 97204. (#Active1)
  - 10. Signal Funding, LLC at 1855 Griffin Road, B354, Dania Beach, Florida 33004. (New)
  - 11. Signal Funding, LLC at www.signalfunds.com. (New)
  - 12. Total Loan Warehouse, LLC at 2174 Gladstone Court, Suite E, Glendale Heights, Illinois 60139. (New)

6.2 Applications for Deferred Presentment Licenses for which the Division has determined that the licensing requirements under Section 34-39-160 have been met:

- a. Jimmy's Pay Day Loan, LLC at 324 East Martintown Road, Suite 6, North Augusta, South Carolina 29841. (New)
- b. Plaza Services, LLC at 7551 Wiles Road, Suite 101, Coral Springs, Florida 33067. (#Active1)

6.3 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:

- a. Bluffton Maruti Spirits, LLC at 32 Plantation Park Drive, Bluffton, South Carolina 29910. (New)
- b. S G Patel And Sons III, LLC dba Ridge Spring Convenience Store at 503 East Main Street, Ridge Spring, South Carolina 29129. (New)
- c. Shlok & Pari LLC dba Country Club Food Mart at 2445 Country Club Road, Spartanburg, South Carolina 29302. (New)

**7. Examining Division Board Approvals**

No items.

**8. Financial Reports  
Accountability Report**

Mr. Bodvake provided a high-level overview of the Accountability Report on behalf of both divisions. He stated that as in previous years, the Accountability Report's intent is to report on the Agency's performance for review by the Governor and the General

Assembly. He further explained that the Accountability Report provides for both a discussion of prior year expenditures and associates expenditures with prospective goals, strategies and objectives to move the agency forward in future years. In accordance with Proviso 117.29 of the FY 2018-19 Appropriations Act, Accountability Reports shall be submitted to the Executive Budget Office by September 15, 2018.

On motion of Mr. Pennington duly seconded by Mr. Wright, and unanimously carried, the Board voted to authorize the Commissioners and the Chairman to sign and submit the Accountability Report.

### **FY19/20 Budget**

Mr. Bodvake stated that at the August Board meeting, a motion was made by committee chairman Don Pennington regarding the Consumer Finance fiscal year 19/20 budget request. At this time, it was indicated that Consumer Finance would be requesting 7 additional FTE's and no increase in budget authorization. Commissioner Bodvake stated that after further review of the minutes this motion should have reflected an additional authorization request of \$479,000 to fund the 7 FTEs and associated costs. Members of the committee were provided this information at the July committee meeting. The breakdown includes (a) salary and benefits, (b) travel, (c) overhead and (d) equipment. Further, Bodvake explained that there is no anticipated increase in fees for FY19/20.

On motion of Mr. Walters duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the BOFI Fiscal Year 19/20 budget request for the Agency provided to the Board to include Consumer Finance's additional authorization request of \$479,000 to fund 7 FTEs and associated costs.

## **9. Executive Session**

On motion of Mr. Hart duly seconded by Mr. Conley, and unanimously carried, the Board voted to adjourn into Executive Session.

Mr. Condon stated the reasons why the Board entered into Executive Session:

(a) to discuss personnel matters related to the two Commissioners, matters related to regulated persons, and the receipt of legal advice regarding potential conflicts of interest pursuant to Section 30-4-70(1) and (2),

(b) to discuss applications for branches of a credit union and a bank pursuant to Section 30-4-20(c), and

(c) to discuss trade secrets, information of a personal nature, and proposed contractual arrangements related to regulated persons pursuant to Section 30-4-40(a)(1), (2), and

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

**10. Actions following Executive Session**

When appropriate Mr. Hart and Mr. Conley left the room, and did not participate when the matter for which each had a conflict of interest was discussed in Executive session.

Mr. Hart had a conflict of interest on matters pertaining to Palmetto Health Credit Union, and left the room while that was being discussed and voted on.

On motion of Mr. Conley, duly seconded by Mr. Walters, and unanimously carried, the Board voted to approve from Executive Session the request of Palmetto Health Credit Union, Columbia, to establish automated teller machines at the following locations:  
1200 Colonial Life Boulevard, Columbia  
129 North Washington Street, Sumter  
400 Palmetto Health Parkway, Columbia  
Medical Park Drive, Columbia  
Taylor at Marion Street, Columbia

Mr. Conley had a conflict of interest on matters pertaining to Mid Carolina Credit Union, and he left the room while that was being discussed and voted on.

On motion of Mr. Strickland, duly seconded by Mr. Pennington, and unanimously carried, the Board voted to approve from Executive Session the request of Mid Carolina Credit Union, Lugoff, for an extension of time to September 5, 2019, in which to relocate its branch from 814 Highway 1 South, Lugoff, to 718 Highway 1 South, Lugoff.

Item 3 was a discussion of personnel matters and did not require a vote.

On motion of Ms. Marcum, duly seconded by Mr. Hart, and unanimously carried, the Board voted to approve the 2019 Proposed Meeting Dates for BOFI. The proposed schedule included a meeting every month, except for July. Additionally, the meeting in January will be on the second Wednesday of the month, because the first Wednesday is January 2, 2019

The next scheduled Board meeting is for Wednesday, October 3, 2018.

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