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THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer



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JOHN F. WINDLEY | *Columbia*
CHARLES H. STUART | *Mount Pleasant*
BILLY D. BYRD, II | *Hartsville*

SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, May 6, 2020

10:00 AM

**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 6th day of May 2020, with Chairman Loftis presiding.

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

Staff present (via GoToMeeting and phone):

Consumer Finance Division: Commissioner Ron Bodvake, Deputy Commissioner Phyllis Wicker

Banking Division: Commissioner Rick Green and Deputy 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, Finance

Specialist Cameron Larkin and Board Administrator Alicia Sharpe.

There were no visitors present onsite or via teleconference.

The Agenda for this meeting was approved by General Consent.

The April 3, 2020 Special Board Meeting Minutes were approved by General Consent.

Board Member Recusal or Conflicts of Interest

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

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

The Budget and Operations Committee update was provided by Don Pennington. He informed the Board that the Committee met on April 15th and were provided an **IT update**, briefed the Committee on their **COVID-19 Pandemic Response Actions**, discussed the **FY 2021 Budget**, and the **FY 2020 Expenditures Analysis**. The Committee was also presented the **BOFI and STO Memorandum of Agreement**. The next Committee meeting is scheduled for July 23rd.

Commissioner of Consumer Finance, Ron Bodvake provided the Board with an update on the following:

Meetings and Conferences

- AARMR Examiner School (online), April 28 - 29, 2020
- NACCA Annual Meeting & Regulators' Training Symposium (online), June 8 -11, 2020

Personnel

- Steven Graham, Examiner - retired April 17, 2020
- Patricia Williams, Mortgage Licensing - retiring May 2, 2020
- Position posted for Mortgage Licensing Specialist
- Position posted for Mortgage Examiner

COVID-19 Update

- Supervised Annual Report Extension – 45 days
- Mortgage Call Report Extension – 60 days
- Business continuity plan
- All staff working remotely during COVID-19
- Licensing and examination programs fully operational
- Interim guidance for mortgage loan originators extended 30 days
- CFPB - CARES Act mortgage forbearance video posted to website
- Links to COVID-19 guidance issued by Fannie Mae, Freddie Mac, VA, FHA and USDA posted to website.

Reports

- Monthly statistics
- Transition and licensees report

Commissioner of Banking, Rick Green provided the Board with an update on the following:

Industry Engagement

- Commissioner Green conducted an outreach meeting with 1 bank
- Commissioner Green and Senior Review Examiner Hughes met with the leadership team of the Carolinas Credit Union League
- Commissioner Green participated in industry conference calls hosted by the Carolinas Credit Union League and South Carolina Bankers Association
- Commissioner Green issued the following communications to industry:
 - 3/9/2020 Pandemic Planning
 - 3/20/2020 COVID-19
 - 3/26/2020 Federal Reserve Discount Window
 - 3/30/2020 Guidance on Essential Critical Infrastructure Workers
 - 4/3/2020 Temporary Operational Instruction Re: Call Report Grace Period
 - 4/27/2020 Temporary Operational Instruction Re: PPP Loans to Outside Directors

Education/Training

- FDIC & FFIEC training classes through October 2 have been canceled
- Core classes will be delivered remotely
- Examiners continue to receive training via electronic methods

Recruiting/Personnel

- Continue to recruit for an entry-level examiner and a mid-level examiner
- Tyler Horn was promoted to Examiner

Pandemic Operational Posture

- Continuing to staff the office with essential personnel on a rotational basis
- All other personnel are telecommuting
- Offsite exam work is likely to continue through the month of June
- Will likely return to the office before resuming onsite exam work

Reports

- CSBS GDP and Employment At-Risk Report

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 the Commissioners' EPMS process, to discuss information of a personal nature of a regulated person, to discuss a request to merge by a South Carolina bank holding company, to discuss a request to merge by an out-of-state bank, to discuss a request by a bank to pay a cash dividend, to discuss personnel matters concerning staffing and leadership of the agency, and to receive legal advice as needed.

Mr. Windley left the conference while items on which he had a conflict were discussed.

The Board voted unanimously to end Executive Session.

Actions following Executive Session

Voting on Items Discussed in Executive Session

Mr. Windley had a conflict of interest on matters pertaining to South State Bank and did not vote and there was no discussion.

On motion of Mr. Wright and duly second by Mr. Pennington, the Board voted to approve the request of South State Corporation, Columbia, South Carolina, a South Carolina bank holding company, to merge with CenterState Bank Corporation, Winter Haven, Florida, a Florida bank holding company, and thereby acquire its wholly owned subsidiary, CenterState Bank, National Association, Winter Haven, Florida.

On motion of Mr. Pennington, duly seconded by Mr. Ham, the Board voted to approve the request of CenterState Bank, National Association, Winter Haven, Florida, to merge with South State Bank, Columbia, South Carolina.

On motion of Mr. Ham, duly seconded by Mr. Windley, the Board voted to approve The Bank of South Carolina, Charleston, South Carolina, for approval to pay a cash dividend in the amount requested by the bank.

Announcements

The next board meeting is scheduled for Wednesday, June 3, 2020.

There being no objection, the meeting adjourned at 11:52 AM.