

STATE BOARD OF FINANCIAL INSTITUTIONS MINUTES

May 2, 2018

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 met on the 2nd day of May, 2018, with Chairman Loftis presiding.

Members present were: Ms. Marcum and Messrs. Conley, Wright, Strickland, Pennington, and Walters.

Member participating by phone: Mr. Hassell

Members absent were: Messrs. Saunders and Hart

In attendance from the Examining Division were Commissioner Davis, Assistant Commissioner Bickham and Senior Review Examiner Dzek.

In attendance from the Consumer Finance Division were Commissioner Bodvake Assistant Commissioner Jeffcoat and Assistant Commissioner Estes.

In attendance from the State Treasurer's Office were Counsel Bert Cassell, Mr. James Giebink, Legal Consultant, Kevin Dietrich, Communications staff, and Assistant to the Chairman Alicia Sharpe.

Visitor in attendance was Steve Gilbert.

The Agenda was approved by General Consent.

The April 4, 2018 Board Minutes were approved by General Consent.

The Budget, Policy and Planning Committee update was provided by Mr. Pennington.

The Legislative Committee Update on SB337 was provided Chairman Loftis.

The following Notice / Blue 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. Regional Finance Corporation of South Carolina from 410-D North Duncan Bypass to 410 North Duncan Bypass, Suite A, Union, South Carolina.

2. TERI Loan Holdings, LLC from 200 Berkeley Street, 11th Floor to One Marina Park Drive, Suite 1410, Boston, Massachusetts.
3. OneMain Financial Group, LLC from 4711 Forest Drive, Suite 19 to 2130 North Beltline Boulevard, Suite 102, Columbia, South Carolina.
4. Security Finance Corporation of South Carolina dba Sunbelt Credit from 117 V. W. Court to 3321 North Main Street, Suite F, Anderson, South Carolina.
5. Pawleys Creek Corporation dba Dicks Title Loans V from 2564 Main Street to 2564-B Main Street, Conway, South Carolina.
6. Security Finance Corporation of South Carolina dba Security Finance from 111 South Highway 52 to 111 South Highway 52, Suite E, Moncks Corner, South Carolina.
7. 1st Franklin Financial Corporation from 1735 John White Senior Boulevard, #11 to 1735 John B. White Senior Boulevard, Suite 11, Spartanburg, South Carolina.
8. Motors Acceptance Corporation from 3827 Broad River Road, Suite A to 3315 Broad River Road, Suite 210, Columbia, South Carolina.
9. Greenville Financial Services of S.C., Inc. from 620 East Congaree Corners Plaza, Unit E, Congaree Road to 620 Congaree Road, Suite E, Greenville, South Carolina.

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

1. Western-Shamrock Corporation from dba National Finance Company to Western Finance, Woodruff, South Carolina.
2. Western-Shamrock Corporation from dba National Finance Company to Western Finance, Rock Hill, South Carolina.

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

1. ML Credit Group, LLC dba Metrolina Credit Company, 7140A East Independence Boulevard, Charlotte, North Carolina.
2. ML Credit Group, LLC dba www.MetrolinaCredit.com, Charlotte, North Carolina.
3. L & L Management Corp. dba The Loan Company, 2554 West Palmetto Street #16, Florence, South Carolina.

4. No Limit, LLC dba No-Limit Financial Services, 10005 Charlotte Highway, Suite 200, Indian Land, South Carolina.
5. First Choice Finance Co., Inc., 1305-D Laurens Road, Greenville, South Carolina.
6. Ascend Consumer Finance, Inc., 81 Langston Street, Suite 13, San Francisco, California.
7. Ascend Consumer Finance, Inc. dba www.ascendloan.com, San Francisco, California.
8. Lawsuit Lending Now, LLC, 511 Lake Shore Drive, Surfside Beach, South Carolina.
9. Lawsuit Lending Now, LLC dba www.lawsuitlendingnow.com, Surfside Beach, South Carolina.
10. City Title Loan, LLC dba City Loan, 3431 Cherry Avenue, Long Beach, California.
11. City Title Loan, LLC dba www.cityloan.com, Long Beach, California.
12. CW Internet of SC LLC dba CashWell, 1010 Wayne Avenue, Suite 510, Silver Spring, Maryland.
13. TitleMax of South Carolina, Inc. dba TitleBucks, 7357 Two Notch Road, Columbia, South Carolina.
14. Springfield Financial Corporation dba United Finance Company, 101 South Main Street, Hemingway, South Carolina.
15. ML Credit Group, LLC dba Metrolina Credit Company, 355 Woodruff Road, Suite 301, Greenville, South Carolina.
16. AAA CFN, LLC dba www.aaacommunityfinance.com, Bathalto, Illinois.
17. Ally Financial Inc. dba www.ally.com, Detroit, Michigan.
18. OneMain Financial of South Carolina, Inc., 601 Northwest Second Street, Evansville, Indiana.
19. OneMain Financial Services, Inc., 1356 Grove Park Northeast, Orangeburg, South Carolina.

REGULAR SESSION**CONSUMER FINANCE DIVISION**

The following applications for Supervised Consumer Finance Licensees have been received by the Consumer Finance Division pursuant to §37-3-503. The division has reviewed and determined these applications meet licensing requirements pursuant to §37-3-503(1) (2). The Board approved the following items by General Consent:

IN-STATE

1. Request of AutoMoney, Inc. dba AutoMoney, Inc. – Mullins to operate at 105 East McIntyre Street, Mullins, South Carolina 29574. **(#Active80)**
2. Request of KeyStone Financial, LLC to operate at 227 East Blackstock Road, Suite 100, Spartanburg, South Carolina 29301. **(New)**
3. Request of Home Branch Finance Services of South Carolina, LLC to operate at 1011 Church Street, Camden, South Carolina 29020. **(New)**
4. Request of Motors Acceptance Corporation to operate at 215 B West Wade Hampton Boulevard, Greer, South Carolina 29650. **(#Active5)**
5. Request of World Finance Company of South Carolina, LLC dba World Finance Corporation to operate at 22 Halter Drive, Piedmont, South Carolina 29673. **(#Active99)**
6. Request of World Finance Company of South Carolina, LLC dba World Finance Corporation to operate at 2500 Winchester Place, Suite 106, Spartanburg, South Carolina 29301. **(#Active99)**

OUT-OF-STATE

7. Request of Carolina Title Loans, Inc. dba Carolina Title Loans for a Supervised Consumer Finance License to perform certain lending operations from its location at 8601 Dunwoody Place, Suite 406, Atlanta, Georgia 30350. **(#Active20)**
8. Request of Carolina Title Loans, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at www.carolinatitleloansinc.com. **(#Active20)**

9. Request of Cavalry Investments, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at 500 Summit Lake Drive, Suite 400, Valhalla, New York 10595. **(New)**
10. Request of Cavalry Portfolio Services, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at 500 Summit Lake Drive, Suite 400, Valhalla, New York 10595. **(New)**
11. Request of Cavalry Portfolio Services, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at www.cavalryportfolioservices.com. **(New)**
12. Request of Cavalry SPV I, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at 500 Summit Lake Drive, Suite 400, Valhalla, New York 10595. **(New)**
13. Request of Cavalry SPV II, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at 500 Summit Lake Drive, Suite 400, Valhalla, New York 10595. **(New)**
14. Request of Cherokee Funding II, LLC dba Cherokee Funding for a Supervised Consumer Finance License to perform certain lending operations from its location at 3424 Peachtree Road Northeast, Suite C-100, Atlanta, Georgia 30326. **(New)**
15. Request of Cherokee Funding II, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at www.cherokeefunding.com. **(New)**
16. Request of Integra Credit Two, LLC dba Integra Credit for a Supervised Consumer Finance License to perform certain lending operations from its location at 505 North LaSalle Drive, Suite 550, Chicago, Illinois 60654. **(New)**
17. Request of Integra Credit Two, LLC for a Supervised Consumer Finance License to perform certain lending operations from its location at www.integracredit.com. **(New)**
18. Request of NCB Management Services, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at 8653 Baypine Road, Suite 110, Jacksonville, Florida 32256. **(New)**

19. Request of NCB Management Services, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at One Allied Drive, Trevoise, Pennsylvania 19053. **(New)**
20. Request of NCB Management Services, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at 2517 East 54th Street, North, Sioux Falls, South Dakota 57104. **(New)**
21. Request of NCB Management Services, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at www.ncbi.com. **(New)**
22. Request of Oportun, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at 2 Circle Star Way, San Carlos, California 94070. **(#Active2)**
23. Request of Southern Fast Title Loans of South Carolina, Inc. dba Carolina Title Loans for a Supervised Consumer Finance License to perform certain lending operations from its location at 8601 Dunwoody Place, Suite 406, Atlanta, Georgia 30350. **(#Active2)**
24. Request of Southern Fast Title Loans of South Carolina, Inc. for a Supervised Consumer Finance License to perform certain lending operations from its location at www.carolinatitleloansinc.com. **(#Active2)**

DEFERRED PRESENTMENT

The following applications for Deferred Presentment have been received by the Consumer Finance Division pursuant to §34-39-150. The division has reviewed and determined these applications meet licensing requirements pursuant to §34-39-160 and recommend approval for issuance of a deferred presentment license.

25. Request of Receivables Management LLC for a license to provide deferred presentment services at 5571 North University Drive, Suite 204, Coral Springs, Florida 33067. **(New)**

CHECK CASHING LEVEL II SERVICES

The following applications for Level II Check Cashing Services have been received by the Consumer Finance Division pursuant to §34-41-40. The division has reviewed and determined these applications meet licensing requirements pursuant to §34-41-40, §34-41-42 and §34-41-50.

26. Request of Hanumaan LLC dba Jakes One Stop for a license to provide Check Cashing Level II services at 501 Highway 8 East, Pelzer, South Carolina 29669. **(New)**
27. Request of Kanifanath Krupa LLC dba A&P Mart for a license to provide Check Cashing Level II services at 428 Boulevard Road, Sumter, South Carolina 29153. **(New)**

OTHER BUSINESS

Consumer Finance:

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

Meetings:

- April – CSBS spring mortgage examiner training – Jacksonville, FL
- April – Human Affairs meeting – Columbia, SC
- April – HR Advisory meeting – Columbia, SC
- May – Enterprise information security and privacy services workshops – Columbia, SC
- June – National Association of Consumer Credit Administrators (NACCA) Annual Meeting and Regulators Training Symposium – Aventura, FL
- June – Independent Consumer Finance Association annual meeting – Hilton Head, SC

Personnel:

- Filled the Administrative Coordinator position

Reports:

- The Division Report
- Published in April and posted to webpage
- Emailed to licensee contacts

Supervised Annual Report

- Report due 4/15/18
- First year for electronic submission

New mortgage loan originator applications

- 115 last year average
- 620 January
- 426 February
- 675 March

Deferred presentment report - Tommy Reinheimer, CEO Veritec Solutions

- April 25th - Senate presentation
- April 26th - House presentation

EXAMINING DIVISION

Commissioner Davis provided the Board with an update on the following:

Meetings with Management/Boards:

- Federal Reserve Bank of Richmond
(Commissioner Bob Davis traveled to Richmond and had a 1 on 1 meeting with Lisa White, the new Executive Vice President for Bank Supervision)
- Enterprise Bank of South Carolina
(Board Meeting attended by Senior Review Examiner Janeen Hughes and Examiner in Charge Calvin Miller)
- South State Bank
(Board meeting attended by Senior Review Examiner Renee Dzek and Chief Examiner Rick Green)
- Coastal States Bank
Commissioner Bob Davis and Chief Examiner Rick Green met with bank management to receive an update of progress following the bank's recent recapitalization)

Conferences, Training, etc.

- CSBS
(Commissioner Bob Davis attended that District 3 Spring Meeting and was appointed to the Board of Trustees of the CSBS Education Foundation)
- NCUA
(Examiner Mickey Jolly attend Capital Markets II training)
- SCBA
(Senior Review Examiners Rene Dzek and Janeen Hughes, Examiners Aaron Fleming and Georgia Campbell attended the Asset/Liability Management Conference)
- State of South Carolina

(Review Examiner Deidre Fulmer attended two HR Professional Development seminars as part of her continuing program)

EXECUTIVE SESSION

On motion of Mr. Conley duly seconded by Mr. Strickland, and unanimously carried, the Board voted to adjourn into Executive Session to receive and discuss information pertaining to contractual arrangements, examination findings, personnel matters, legal advice, or to discuss confidential information or trade secrets of institutions under examination.

On motion of Mr. Conley, duly seconded by Mr. Strickland, 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:

EXAMINING DIVISION

1. On motion of Mr. Pennington, duly seconded by Mr. Conley, and unanimously carried, the Board voted to approve the application of Southern First Bank, Greenville, South Carolina, to establish a branch at 100 South Elm Street, Suite 100, Greensboro, North Carolina.

Mr. Strickland abstained from voting on this item.

2. On motion of Mr. Strickland, duly seconded by Mr. Pennington, and unanimously carried, the Board voted to approve the request of First Reliance Bank, Florence, South Carolina, to establish a branch at 3069 Trenwest Drive, Suite 101, Winston-Salem, North Carolina.
3. On motion of Ms. Marcum, duly seconded by Mr. Conley, and unanimously carried, the Board voted to approve the request of SPC Credit Union, Hartsville, South Carolina, to establish a branch at Celebration Boulevard, Florence
4. On motion of Mr. Wright, duly seconded by Mr. Pennington, and unanimously carried, the Board voted to approve the request of First Community Bank, Lexington, South Carolina, to establish a branch at 1200 Town Park Lane, Evans, Georgia.
5. On motion of Mr. Strickland, duly seconded by Mr. Conley, and unanimously carried, the Board voted to approve the request of Security Federal Bank, Aiken, South Carolina, for approval to purchase property in Augusta, Georgia.

6. On motion of Mr. Pennington, duly seconded by Mr. Wright, and unanimously carried, the Board voted to approve the request of CoastalStates Bank, Hilton Head Island, South Carolina, for approval to purchase two properties in Hilton Head Island.
7. On motion of Mr. Strickland, duly seconded by Ms. Marcum, and unanimously carried, the Board voted to approve the request of CoastalStates Bank, Hilton Head Island, South Carolina, for approval to purchase property in Bluffton.
8. On motion of Mr. Conley, duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the request of Community First Bank, Inc., Walhalla, South Carolina, for approval to purchase property in Greenville.
9. On motion of Mr. Conley, duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the request of Citizens Building and Loan, SSB, Greer, South Carolina, for approval to purchase two properties in Landrum.

The Board, through consensus, scheduled its next meeting for Wednesday, June 6, 2018.

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

An audio copy of the meeting is available upon request.