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J. BARRY HAM | *Manning*
JOHN F. WINDLEY | *Columbia*

SOUTH CAROLINA STATE BOARD OF FINANCIAL INSTITUTIONS

MINUTES

Wednesday, October 3, 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 3rd day of October 2018, with Chairman Loftis presiding.

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

Ms. Marcum was absent.

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

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

In attendance from the State Treasurer's Office were Deputy State Treasurer Cynthia Dannels, General Counsel Robin Johnson, HR Manager Lisa O'Sullivan, Communications Director Karen Owens, and Assistant to the Chairman Alicia Sharpe.

Visitors in attendance were Research Director Steve Gilbert (Senate Banking and Insurance Committee) and Dwight Cauthen (Silver Crescent).

The Agenda was approved by General Consent.

The September 5, 2018 Board Minutes were approved by General Consent.

Board Member Recusal or Conflicts of Interest

The Chairman stated that Mr. Ham and Mr. Windley submitted written statements identifying a potential conflict of interest with an item on the agenda.

- a. Regarding the agenda items of an application by Bank of Clarendon and an action regarding the Bank of Clarendon's request to acquire its own outstanding shares of stock in the amount requested by the bank to be considered by the Board, Mr. Ham's written statement said that he has an economic interest in the decision regarding the application and consideration of action because he the President and Director of the Bank of Clarendon.
- b. Regarding an application by South State Bank that is on the agenda to be considered by the Board, Mr. Windley's written statement said that he has an economic interest in the decision regarding the application because he is an officer of South State Bank.

Commissioner Reports

Commissioner of Banking, Bob Davis provided the Board with an update on the following:

- a. IT Manager Search update.
- b. Hurricane Florence – Emergency Preparedness Engagement notifications to all SC depository institutions via alerts@banking.sc.gov:
9/10/18 - Office closing notifications.
9/17/18 - Post Hurricane Florence Status
9/19/18 - Post Hurricane Florence Status
- c. Accreditation Process update.

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

- a. Meetings and Conferences
 - October – Mortgage Bankers Association of the Carolina's Annual Convention – Asheville, NC
- b. Mortgage Examination Program
 - Mortgage Exam construction complete, walls removed, cubicles installed
 - Program is fully staffed
 - All mortgage examiners (5), review examiner, and program manager in same area
 - Sharebase software will allow for upload of mortgage loans files directly to secure digital storage.

- c. Out of State / Internet Supervised Lender Program
 - Re-established team (3) to perform out of state consumer finance examinations
 - Hired new consumer finance examiner – Mims Liner
 - Sharebase software will allow for upload of out of state consumer loans files directly to secure digital storage.
- d. Board Statistics

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 September 20, 2018 and received an update on the technology plan from the Commissioners, discussed personnel items, the need for an additional Committee member and a potential report on legislative activity from the Commissioners to both Committees.

Legislative & Legal Committee

Mr. Hart reported that the Board did not meet in September. Their next meeting is scheduled for October 17, 2018.

Consumer Finance Division Board Approvals

The Consumer Finance Division reviewed the applications for in state supervised Consumer Finance licenses listed in section 6.2(a) of the agenda and the applications for out-of-state Supervised Consumer Finance Licenses, listed in section 6.2(b) of the agenda and determined they meet the licensing or other requirements defined in the applicable Statute. The Board adopted a motion to approve these items:

In-State Applications:

1. 1st Capital Finance of South Carolina, Inc dba 1st Capital Finance at 2781 East Cherokee Street, Suite B, Blacksburg, South Carolina 29702. (#Active9)
2. 1st Capital Finance of South Carolina, Inc dba 1st Capital Finance at 3120 Highway 701 North, Loris, South Carolina 29569. (#Active9)
3. Hawk, Inc. dba Lenders Loans at 811 Montague Avenue, Suite B, Greenwood, South Carolina 29649. (#Active18)
4. Hawk, Inc. dba Lenders Loans at 106 North 5th Avenue, Dillon South Carolina 29536. (#Active18)
5. Mariner Finance, LLC dba Mariner Finance at 2537 North Pleasantburg Drive, Suite C, Greenville, South Carolina 29609. (#Active7)
6. Mariner Finance, LLC dba Mariner Finance at 2393 Cherry Road, Rock Hill, South Carolina 29732. (#Active7)
7. Mariner Finance, LLC dba Mariner Finance at 1660 Sam Rittenberg Boulevard, Suite 8, Charleston, South Carolina 29407. (#Active7)

8. Mariner Finance, LLC dba Mariner Finance at 6185 Rivers Avenue, Suite D-1, North Charleston, South Carolina 29406. (#Active7)
9. Mariner Finance, LLC dba Mariner Finance at 1984 Carolina Avenue, Orangeburg, South Carolina 29115. (#Active7)
10. Mariner Finance, LLC dba Mariner Finance at 110 West Wesmark, Suite C, Sumter, South Carolina 29150. (#Active7)
11. Mariner Finance, LLC dba Mariner Finance at 1220 Highway 9 By-Pass West, Lancaster, South Carolina 29720. (#Active7)
12. Mariner Finance, LLC dba Mariner Finance at 1400 John B. White Boulevard, Spartanburg, South Carolina 29306. (#Active7)
13. OneMain Financial Group, LLC at 2406 Whiskey Road, Aiken, South Carolina 29803. (#Active30)
14. OneMain Financial Group, LLC at 1110 North Main Street, Anderson, South Carolina 29621. (#Active30)
15. OneMain Financial Group, LLC at 11 Robert Smalls Parkway, Suite G, Beaufort, South Carolina 29906. (#Active30)
16. OneMain Financial Group, LLC at 3720 Boiling Springs Road, Suite K, Boiling Springs, South Carolina 29316. (#Active30)
17. OneMain Financial Group, LLC at 1670 Springdale Drive, Suite 18, Camden, South Carolina 29020. (#Active30)
18. OneMain Financial Group, LLC at 1836 Ashley River Road, Charleston, South Carolina 29407. (#Active30)
19. OneMain Financial Group, LLC at 275 Harbison Boulevard, Suite J, Columbia, South Carolina 29212. (#Active30)
20. OneMain Financial Group, LLC at 110-3 Forum Drive, Columbia, South Carolina 29803. (#Active30)
21. OneMain Financial Group, LLC at 1610 Church Street, Suite B, Conway, South Carolina 29526. (#Active30)
22. OneMain Financial Group, LLC at 1027 South Pendleton Street, Suite C, Easley, South Carolina 29642. (#Active30)
23. OneMain Financial Group, LLC at 110 Woody Jones Boulevard, Suite D, Florence, South Carolina 29501. (#Active30)
24. OneMain Financial Group, LLC at 1613 West Floyd Baker Boulevard, Gaffney, South Carolina 29341. (#Active30)
25. OneMain Financial Group, LLC at 1511 Woodruff Road, Suite D, Greenville, South Carolina 29607. (#Active30)
26. OneMain Financial Group, LLC at 3261 North Pleasantburg Drive, Suite C5, Greenville, South Carolina 29609. (#Active30)
27. OneMain Financial Group, LLC at 534 Bypass 72 Northwest, Greenwood, South Carolina 29649. (#Active30)
28. OneMain Financial Group, LLC at 1483 Retail Row, Hartsville, South Carolina 29550. (#Active30)

29. OneMain Financial Group, LLC at 900 East Main Street, Suite E, Laurens, South Carolina 29360. (#Active30)
30. OneMain Financial Group, LLC at 141 East Church Street, Suite J, Leesville, South Carolina 29070. (#Active30)
31. OneMain Financial Group, LLC at 926 North Lake Drive, Suite 50, Lexington, South Carolina 29072. (#Active30)
32. OneMain Financial Group, LLC at 1986 Paxville Highway, Manning, South Carolina 29102. (#Active30)
33. OneMain Financial Group, LLC at 2101 Enterprise Drive, Suite A, Mullins, South Carolina 29574. (#Active30)
34. OneMain Financial Group, LLC at 960 Cipriana Drive, Unit B1, Myrtle Beach, South Carolina 29572. (#Active30)
35. OneMain Financial Group, LLC at 6185 Rivers Avenue, Suite A-1, North Charleston, South Carolina 29406. (#Active30)
36. OneMain Financial Group, LLC at 572 John Ross Parkway, Suite 103, Rock Hill, South Carolina 29730. (#Active30)
37. OneMain Financial Group, LLC at 4859 Old York Road, Suite 106, Rock Hill, South Carolina 29732. (#Active30)
38. OneMain Financial Group, LLC at 330 Harrison Bridge Road, Simpsonville, South Carolina 29680. (#Active30)
39. OneMain Financial Group, LLC at 1450 W O Ezell Boulevard, Spartanburg, South Carolina 29301. (#Active30)
40. OneMain Financial Group, LLC at 975 Bacons Bridge Road, Unit 108, Summerville, South Carolina 29485. (#Active30)
41. OneMain Financial Group, LLC at 4650 Ladson Road, Suite 207, Summerville, South Carolina 29485. (#Active30)
42. OneMain Financial Group, LLC at 1295 Broad Street, Sumter, South Carolina 29150. (#Active30)
43. OneMain Financial Group, LLC at 6005 Wade Hampton Boulevard, Taylors, South Carolina 29687. (#Active30)
44. OneMain Financial Group, LLC at 412 Bells Highway, Walterboro, South Carolina 29488. (#Active30)
45. OneMain Financial Group, LLC at 2341 Augusta Road, West Columbia, South Carolina 29169. (#Active30)
46. Professional Financial Services of South Carolina, LLC dba Professional Financial Services at 121 Hunter Village Drive, Suite E, Irmo, South Carolina 29063. (#Active8)
47. Southern Specialty Finance, Inc. dba Check 'n Go at 6133 White Horse Road, Greenville, South Carolina 29611. (#Active32)
48. World Finance Company of South Carolina, LLC dba World Finance Corporation at 9616 Highway 78, Suite 3, Ladson, South Carolina 29456. (#Active101)
49. World Finance Company of South Carolina, LLC dba World Finance Corporation at 517 Laurens Road, Greenville, South Carolina 29607. (#Active101)

Out of State Applications:

50. Credit Control, LLC at 5757 Phantom Drive, Suite 330, Hazelwood, Missouri 63042. (New)
51. Credit Control, LLC at www.credit-control.com. (New)
52. Flexstar Financial Solutions, LLC at 1150 East Little Creek Road, Suite 201, Norfolk, Virginia 23518. (New)
53. Flexstar Financial Solutions, LLC at www.flexstarfinancial.com. (New)
54. Portfolio Recovery Associates, LLC at 140 Corporate Boulevard, Norfolk, Virginia 23502. (New)
55. Portfolio Recovery Associates, LLC at 500 West First Avenue, Hutchinson, Kansas 67501. (New)
56. Portfolio Recovery Associates, LLC at 4829 Highway 45 North, Jackson, Tennessee 38305. (New)
57. Portfolio Recovery Associates, LLC at 6341 Boulevard 26, Suite 500, North Richland Hills, Texas 76118. (New)
58. Portfolio Recovery Associates, LLC at 5200 West Mercury Boulevard, Suite 285, Hampton, Virginia 23605. (New)
59. Portfolio Recovery Associates, LLC at 600 Beacon Parkway West, Suite 700, Birmingham, Alabama 35209. (New)
60. Portfolio Recovery Associates, LLC at 5425 Robin Hood Road, Norfolk, Virginia 23513. (New)
61. Portfolio Recovery Associates, LLC at 309 Huffman Mill Road, Suite 180, Burlington, North Carolina 27215. (New)
62. Portfolio Recovery Associates, LLC at 168 North Gibson Road, Henderson Nevada 89014. (New)
63. Portfolio Recovery Associates, LLC at 120 Corporate Boulevard, Norfolk, Virginia 23502. (New)
64. Portfolio Recovery Associates, LLC at www.portfoliorecovery.com. (New)
65. Square Capital, LLC at www.squareinstallments.com. (#Active2)
66. Unifund CCR, LLC at 10625 Techwoods Circle, Cincinnati, Ohio 45242. (New)

There were no Supervised Consumer Finance Licensees who advised of change of name, applications for Deferred Presentment Licenses, and no Applications for Level II Check Cashing Services this meeting.

Examining Division Board Approvals

On motion of Mr. Pennington duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the operational instruction regarding participations in stock repurchase programs by State chartered banks presented by Commissioner Davis.

Mr. Ham abstained from voting.

Financial Reports

There were no items this meeting.

Executive Session

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

Mr. Johnson, General Counsel, stated the reasons the Board entered into Executive Session: (a) to discuss personnel matters, 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).

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

On motion of Mr. Conley, duly seconded by Mr. Strickland, and unanimously carried, the Board returned to public session. No other votes were taken in 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 he left the room while that was being discussed and voted on.

On motion of Mr. Strickland, duly seconded by Mr. Wicker, and unanimously carried, the Board voted to approve the application of South State Bank, Columbia, South Carolina, to establish a branch at 6623 Falls of Neuse Road, Raleigh, North Carolina.

Mr. Ham had a conflict of interest on matters pertaining to Bank of Clarendon and left the room while that was being discussed and voted on.

On motion of Mr. Pennington, duly seconded by Mr. Hart, and unanimously carried, the Board voted to approve the request of the Bank of Clarendon, Manning, South Carolina, to participate in a stock repurchase program as requested by the bank.

On motion of Mr. Strickland, duly seconded by Mr. Wright, and unanimously carried, the Board voted to approve the request of Bank of Greeleyville, Greeleyville, South Carolina, to pay a cash dividend in the amount requested by the bank.

On motion of Mr. Wicker, duly seconded by Mr. Wright, and unanimously carried, the Board voted to approve the request of the Citizens Bank, Olanta, South Carolina, to relocate its branch from 311 Revell Drive, to 1600 West Palmetto Street, Florence.

On motion of Mr. Wicker, duly seconded by Mr. Hart, and unanimously carried, the Board voted to approve the request of the Citizens Bank, Olanta, South Carolina, to pay a cash dividend in the amount requested by the bank.

On motion of Mr. Wicker, duly seconded by Mr. Wright, and unanimously carried, the Board voted to approve the request of Citizens Bancshares Corporation, Olanta, South Carolina, to acquire 100% of the voting shares of Regional Bankshares, Inc., Hartsville, South Carolina, and thereby acquire its wholly owned subsidiary, Heritage Community Bank, Hartsville, South Carolina.

On motion of Mr. Strickland, duly seconded by Mr. Pennington, and unanimously carried, the Board voted to approve the request of the Citizens Bank, Olanta, South Carolina, to merge with Heritage Community Bank, Hartsville, South Carolina, and to operate the three offices of Heritage Community Bank as branches of The Citizens Bank.

On motion of Mr. Windley, duly seconded by Mr. Strickland, and unanimously carried, the Board voted to approve the request of First-Citizens Bank & Trust Company, Raleigh, North Carolina, to acquire 100% of the voting shares of Palmetto Heritage Bancshares, Inc., and its wholly owned subsidiary, Palmetto Heritage Bank & Trust, Pawleys Island, South Carolina.

There was no new business to discuss.

The next scheduled Board meeting is for Wednesday, November 7, 2018.

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