

STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S
November 4, 2015, 2015
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 4th day of November, 2015, with Chairman Loftis presiding. Members present were: Messrs. Buyck, Conley, Hassell, Hart, Pennington, Saunders, Williams, Wright, Strickland, and Ms. Marcum. In attendance were, Commissioner Louie Jacobs, Interim Commissioner Jim Copeland, Mr. Carl Jeffcoat, Assistant Commissioner, Consumer Finance Division, Mr. Ron Bodvake, Review Examiner, Consumer Finance Division, Ms. Kathy Bickham, Assistant Commissioner, Ms. Renee Dzek, Accounting Fiscal Manager, Banking Division, Ms. Clarissa Adams, Chief of Staff, State Treasurer's Office, Ms. Cynthia Dannels, Deputy State Treasurer, Mr. Bert Cassell, General Counsel, State Treasurer's Office, Mr. Tony Kester, Assistant to the Chairman, State Treasurer's Office.

The Chairman requested a change in the order of the Agenda for Veritec from 5c to 8, after the discussion on Governance.

On motion of Mr. Conley and duly seconded by Mr. Saunders and unanimously carried by the Board, the Board approved the agenda as amended.

On motion of Mr. Hassell and duly seconded by Mr. Hart and unanimously carried by the Board, the Board approved minutes from the September 2, 2015, meeting.

Guests in attendance: Dr. Steven Gilbert, Senate Banking and Insurance Committee, Mr. Derial Ogburn, SC Financial Services Association, Mr. Rex Kneece, Independent Consumer Finance Association in South Carolina, Mr. Tommy Reinheimer, Veritec Solutions, and Mr. Tony Denny, Denny Public Affairs.

Mr. Williams had a potential conflict-of-interest on items 12 and 13 from the Regular Session Agenda and Mr. Saunders had a potential conflict-of-interest on Item 5 from the Executive Session Agenda.

On motion of Mr. Hassell, duly seconded by Mr. Conley and unanimously carried, the Board accepted the following Notice Agenda Items (Blue Agenda) as information:

From October

The following Supervised Consumer Finance Licensees have advised of change of address as follows: (a) Regional Finance Corporation of South Carolina from 3906 Highway 9, Suite C to 3720 Boiling Springs Road, Suite #F, Boiling Springs; (b) World Finance Company of South Carolina, LLC dba World Finance Corporation from 4503 Socastee Boulevard, Unit C to 1399 South Commons Drive, Unit A3, Myrtle Beach; (c) Southern Finance of South Carolina, Inc. dba SoCo Finance from 1108 Washington

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Street to 7457 Patterson Road, Suite 111, Columbia; (d) Palmetto Finance LLC dba Palmetto Finance from 10 Sams Point Road, Unit A-7 to 102 Sea Island Parkway, Suite P, Beaufort.

The following Supervised Consumer Finance Licensees have advised of change of name as follows: (a) World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Myrtle Beach.

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

1. AutoMoney, Inc. dba AutoMoney, Inc. of Chapin, 1200 Chapin Road, Chapin, South Carolina.
2. AutoMoney, Inc. dba AutoMoney, Inc. – Broad River #2, 2956 Broad River Road, Columbia, South Carolina.
3. AutoMoney, Inc. dba AutoMoney, Inc. – Rock Hill #2, 411 Saluda Street, Rock Hill, South Carolina.
4. AutoMoney, Inc. dba AutoMoney, Inc. – Mauldin, 507 North Main Street, Mauldin, South Carolina.
5. AutoMoney, Inc. dba AutoMoney, Inc. – North Augusta, 417 East Martintown Road, North Augusta, South Carolina.
6. AutoMoney, Inc. dba AutoMoney, Inc. – St. Andrews, 676 St. Andrews Road, Columbia, South Carolina.
7. Credit Central, LLC dba Credit Central, 421 North Limestone Street, Gaffney, South Carolina.
8. Quick Loans, 701 Anderson Road, #99, Rock Hill, South Carolina.
9. S & W's Money Tree, Inc. dba E – Z Loans, 1232 Bennettsville Square, Highway 9 West, Suite C1, Bennettsville, South Carolina.
10. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 1175 Folly Road, Suite H, Charleston, South Carolina.
11. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 510 B.C. Moore Drive, Suite E, Chester, South Carolina.
12. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 1255 North Fraser Street, Georgetown, South Carolina.
13. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 215 West Wade Hampton Boulevard, Suite O, Greer, South Carolina.
14. U.S. Money Shops of South Carolina, LLC dba U.S. Money Shops, 1525 Poinsett Highway, Suite E, Greenville, South Carolina.

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Current

The following Supervised Consumer Finance Licensees have advised of change of address as follows: (a) New Holland Credit Company, LLC from 100 Brubaker Avenue to 500 Diller Avenue, Mail Station 535, New Holland, Pennsylvania; (b) Western-Shamrock Corporation dba National Finance Company from 505 North main Street, Suite F to 496 South Pleasantburg Drive, Suite F, Greenville; (c) Western-Shamrock Corporation dba National Finance Company from 14161 Wade Hampton Boulevard E to 1309 West Poinsett Street, Suite A, Greer; (d) Southern Finance of South Carolina, Inc. dba Southern Finance from 307 West Harrison Street to 517 Radford Boulevard, Suite C, Dillon; (e) OneMain Financial Group, LLC from 5809 Calhoun Memorial Highway to 5809 Calhoun Memorial Highway, Suite A, Easley.

The following Supervised Consumer Finance Licensees have advised of change of name as follows: (a) Oasis Legal Finance, LLC from dba Oasis Legal Finance, LLC to Oasis Financial, Rosemont, Illinois; (b) Oasis Legal Finance, LLC from dba www.oasislegal.com to www.oasisfinancial.com.

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

15. Grand Strand Credit Corporation dba Grand Strand Credit, 3901 Dick Pond Road, unit J, Myrtle Beach, South Carolina.
16. Clear Tree Financial LLC, 13400 Eastpoint Centre Drive, Suite 175, Louisville, Kentucky.
17. Clear Tree Financial LLC dba www.cleartreefinancial.com.
18. Three Rivers Investments, Inc. dba Always Money, 213 West Columbia Avenue, Batesburg, South Carolina.
19. World Finance Company of South Carolina, Inc. dba Peoples Finance Company, 1344 Ribaut Road, Suite F, Port Royal, South Carolina.
20. World Finance Company of South Carolina, Inc. dba World Finance Corporation, 126-A South Main Street, McCormick, South Carolina.
21. Wingate Financial Services, Inc., 34 North Mill Street, Manning, South Carolina.

EXAMINING DIVISION

Resignation of Ladson B. Furse, Financial Institutions Examiner II, effective October 9, 2015.

Minutes from the October Emergency Meeting

**STATE BOARD OF FINANCIAL INSTITUTIONS
SPECIAL EMERGENCY MEETING
M I N U T E S
October 7, 2015
Columbia, South Carolina**

The Board of Financial Institutions meeting scheduled for October 7, 2015 was cancelled due to unprecedented rain and flooding in the state. Using emergency powers authorized in the By-laws, the Chairman met with staff from the Consumer Finance and Banking Divisions to review certain applications and requests that could adversely impact the applicants if carried over to the November meeting. All other agenda items will be carried over to the November or rescheduled for a later date.

In attendance were, Commissioner Louie Jacobs, Interim Commissioner Jim Copeland, Mr. Carl Jeffcoat, Assistant Commissioner, Consumer Finance Division, Ms. Kathy Bickham, Assistant Commissioner, Ms. Renee Dzek, Accounting Fiscal Manager, Banking Division, and Mr. Tony Kester, Assistant to the Chairman, State Treasurer's Office.

Interim Commissioner Copeland presented the following applications for approval after determining the applications met statutory requirements for licensing. Upon recommendation by the Interim Commissioner, the Chairman approved items 1-8.

IN-STATE

1. Request of Southern Fast Title Loans of South Carolina, Inc. dba Carolina Title Loans to operate at 1512 South Main Street, Suite B, Darlington, South Carolina 29532. (#Active3)

OUT-OF-STATE

2. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3 Christy Drive, Suite 201, Chadds Ford, Pennsylvania 19317. (New)

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3. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 7525 Irvine Center Drive, Suite 250, Irvine, California 92618. **(New)**
4. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 4600 Regent Boulevard, Suite 100, Irving, Texas 75063. **(New)**
5. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 4602 University Drive, Suite 130, Pheonix, Arizona 85034. **(New)**
6. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at flagshipcredit.com. **(New)**
7. Request of Lendmark Financial Services, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 9198 Highway 278 NE, Covington, Georgia 30014. **(#Active15)**

CHECK CASHING LEVEL II SERVICES

8. Request of Raj LLC dba Corner Stop: 58 for a license to provide Check Cashing Level II services at 102 South Broad Street, Clinton, South Carolina 29325. **(New)**

EXAMINING DIVISION

Commissioner Jacobs presented the following application and requests. Upon recommendation by the Commissioner, the Chairman approved items 1-4.

1. Request of South State Bank, Columbia, to relocate its branch at 1274 East Main Street, Rock Hill.
2. Application of Arthur State Bank, Union, to sell to Macon Bank, Inc., Franklin, North Carolina, certain assets and liabilities of two branches of Arthur State Bank, Union, located at 602 North Main Street, Anderson, and 110 South Alabama Avenue, Chesnee.
3. Request of Southcoast Community Bank, Mount Pleasant, for an extension of time from January 8, 2016, to January 8, 2017, in which to establish a branch at 297-299 East Bay Street, Charleston, South Carolina.

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4. Request of Colonial Trust Company, Spartanburg, to relocate its office at 856 Low Country Boulevard, Suite 119, Mount Pleasant.

The items discussed today will be presented to the Board for ratification at the next meeting.

There being no other business requiring immediate action, the meeting was adjourned.

The next Board meeting is scheduled for November 4, 2015.

COMMITTEE REPORTS AND OTHER UPDATES

Policy, Planning and Budget Committee

No report.

Legislative Committee

Ms. Marcum reported there were two meetings, Charleston and Greenville, to discuss PACE, the Commercial Property Assessment. There are two bills S668 and H4043 currently in the Legislature. Ms. Marcum said the legislation needed additional refinements.

Mr. Hart reported on information from the credit union trade association that merchants were trying to slow down the implementation of the EMV, (Europay, Mastercard, and Visa). The deadline was October 1 but the banking and credit union groups had worked together to contact the State Attorney General to support the continued rollout of the EMV.

REGULAR SESSION

Consumer Finance Division

On motion of Mr. Conley duly seconded by Mr. Hart and unanimously carried, the Board ratified the Chairman's approval of Supervised Consumer Finance and Deferred Presentment Licenses presented at the October 4, 2015 emergency meeting as follows:

IN-STATE

1. Request of Southern Fast Title Loans of South Carolina, Inc. dba Carolina Title Loans to operate at 1512 South Main Street, Suite B, Darlington, South Carolina 29532. (#Active3)

OUT-OF-STATE

2. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3 Christy Drive, Suite 201, Chadds Ford, Pennsylvania 19317. (New)
3. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 7525 Irvine Center Drive, Suite 250, Irvine, California 92618. (New)
4. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 4600 Regent Boulevard, Suite 100, Irving, Texas 75063. (New)
5. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 4602 University Drive, Suite 130, Pheonix, Arizona 85034. (New)
6. Request of Flagship Credit Acceptance LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at flagshipcredit.com. (New)
7. Request of Lendmark Financial Services, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 9198 Highway 278 NE, Covington, Georgia 30014. (#Active15)

CHECK CASHING LEVEL II SERVICES

8. Request of Raj LLC dba Corner Stop: 58 for a license to provide Check Cashing Level II services at 102 South Broad Street, Clinton, South Carolina 29325. (New)

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On motion of Mr. Saunders, duly seconded by Mr. Hart and unanimously carried, the Board approved the requests for Supervised Consumer Finance and Level II Check Cashing Licenses as follows:

OUT-OF-STATE

9. Request of LoanMe, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3660 Regent Boulevard, Suite 200, Irving, Texas 75063. (#Active2)
10. Request of OpenRoad Lending, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location 5555 North Beach Street, Suite 4100, Fort Worth, Texas 76137. (#Active2)
11. Request of Springleaf Consumer Loan, Inc. for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.iLoan.com. (#Active5)

CHECK CASHING LEVEL II SERVICES

14. Request of BJ Express Inc. dba GT Express Mart for a license to provide Check Cashing Level II services at 550 Wade Hampton Boulevard, Greenville, South Carolina 29609. (New)
15. Request of Lajwanti Patel dba 3 Way Food Mart #5 for a license to provide Check Cashing Level II services at 755 Silver Bluff Road, Aiken, South Carolina 29803. (New)
16. Request of Om Gayatri Inc. dba Ohm Food Mart for a license to provide Check Cashing Level II services at 5838 Highway 11, Inman, South Carolina 29349. (New)

On motion of Mr. Hart, duly seconded by Mr. Strickland and unanimously carried, the Board approved the requests for Supervised Consumer Finance Licenses as follows:

12. Request of Western-Shamrock Corporation dba Western-Shamrock Corp for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 801 S Abe, San Angelo, Texas 76903. (#Active41)
13. Request of Western-Shamrock Corporation for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.westernshamrockcorp.com. (#Active41)

EXECUTIVE SESSION

On motion of Mr. Hassell duly seconded by Mr. Pennington 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 Ms. Marcum, 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

None

Examining Division

On motion of Mr. Saunders, duly seconded by Mr. Conley and unanimously carried, the Board ratified the actions taken by the Chairman in the October 4 emergency meeting.

1. Request of South State Bank, Columbia, to relocate its branch at 1274 East Main Street, Rock Hill.
2. Application of Arthur State Bank, Union, to sell to Macon Bank, Inc., Franklin, North Carolina, certain assets and liabilities of two branches of Arthur State Bank, Union, located at 602 North Main Street, Anderson, and 110 South Alabama Avenue, Chesnee.

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3. Request of Southcoast Community Bank, Mount Pleasant, for an extension of time from January 8, 2016, to January 8, 2017, in which to establish a branch at 297-299 East Bay Street, Charleston, South Carolina.
4. Request of Colonial Trust Company, Spartanburg, to relocate its office at 856 Low Country Boulevard, Suite 119, Mount Pleasant.

On motion of Mr. Buyck, duly seconded by Mr. Williams and unanimously carried, the Board approved the request of First Reliance Bank, Florence, for approval to pay a cash dividend in the amount requested by the bank.

On motion of Mr. Pennington, duly seconded by Mr. Hart and unanimously carried, the Board approved the request of BNC Bancorp, High Point, North Carolina, to acquire 100% of the voting shares of Southcoast Financial Corporation, Mount Pleasant, South Carolina, and thereby acquire its wholly owned subsidiary, Southcoast Community Bank, Mount Pleasant, South Carolina.

Item 7 was a report by the Commissioner of Banking to discuss confidential information of a financial institution and did not require a vote.

Item 8 was a discussion on personnel matters and did not require a vote.

No votes were taken in Executive session.

Mr. Williams did not participate in any votes, deliberations, or other actions which involved a potential conflict-of-interest.

Mr. Saunders did not participate in any votes, deliberations, or other actions which involved a potential conflict-of-interest.

Agenda item 8 on Governance was discussed in Executive Session as a part of personnel matters and did not require a vote.

On motion of Mr. Saunders, duly seconded by Mr. Hassell and unanimously carried, the Board voted that any freezes with respect to promotions and compensation for the staff of both Commissions should be lifted and allow the Commissioners to do their job and operate within the boundaries of budget and policy with respect to their staff.

Mr. Reinheimer, Veritec Solutions, provided a presentation on changes under consideration by the Consumer Finance Protection Bureau and the possible impact on small dollar lending in South Carolina.

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The Board, through consensus, scheduled its next meeting for December 2, 2015.

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