

STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S
August 3, 2016
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 3rd day of August, 2016, with Chairman Loftis presiding. Members present were: Messrs. Buyck, Hassell, Hart, Pennington, Williams, Wright, Saunders, Strickland, and Ms. Marcum. In attendance were, Commissioner Louie Jacobs; Commissioner Ron Bodvake, Ms. Sally Estes, Consumer Finance Division, Ms. Kathy Bickham, Assistant Commissioner, Banking Division, Ms. Renee Dzek, Accounting Fiscal Manager, Banking Division, Ms. Clarissa Adams, Chief of Staff, State Treasurer's Office, Mr. Bert Cassell, General Counsel, State Treasurer's Office, Mr. Paul Ham, Administration Division Director, State Treasurer's Office, and Mr. Tony Kester, Assistant to the Chairman, State Treasurer's Office.

Members absent: Mr. Conley

The Agenda was approved by General Consent.

The June 1, 2016 Board Minutes were approved by General Consent.

Guests in attendance: Steven Gilbert, Senate Staff, Billy Boylston, Carolinas Credit Union League.

The following Notice Agenda Items were approved by General Consent:

CONSUMER FINANCE DIVISION

The following Supervised Consumer Finance Licensees have advised of change of address as follows: (a) World Finance Company of South Carolina, LLC dba World Finance Corporation from 357 West Evans Street to 1655 West Palmetto Street, Florence; (b) Regional Finance Corporation of South Carolina from 1337 Wilson Road to 2889 Main Street, Newberry; (c) Residential Credit Solutions, Inc. from 4708 Mercantile Drive to 4500 Mercantile Plaza Drive, Suite 311, Fort Worth, Texas; (d) Southern Specialty Finance, Inc. dba Check 'n Go from 7358 Two Notch Road, Suite B to Suite A, Columbia; (e) Florence Financial Services, Inc. from 1605 West Palmetto Street to 1605-A West Palmetto Street, Florence; (f) Regional Finance Corporation of South Carolina from 710 East Liberty Street, Suite 102 to 938 East Liberty Street, York; (g) Opportunity Financial, LLC from 11 East Adams Street, Suite 501 to 130 East Randolph Street, Suite 1650, Chicago, Illinois; (h) Universal Financial Services, Inc. from 604 Cherry Road to 110 North Anderson Road, Suite 114, Rock Hill; (i) Regional

Finance Corporation of South Carolina from 515 North Limestone Street to 1544 West Floyd Baker Boulevard, Gaffney; (j) OneMain Financial Group, LLC from 605 Munn Road, Suite 2A to 605 Munn Road, 3rd Floor, Fort Mill.

The following Supervised Consumer Finance Licensees have advised of change of name as follows: (a) Regional Finance Corporation of South Carolina from dba www.getregionalcash.com to www.regionalfinance.com; (b) World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Florence; (c) World Finance Company of South Carolina, LLC from dba Peoples Finance Company to World Finance Corporation, Charleston; (d) 1st Money Center, Inc. to 1st Money Center, Inc. dba RSVP Loans, Hurst, Texas; (e) Green Tree Servicing LLC to Ditech Financial LLC, Tempe, Arizona; (f) Green Tree Servicing LLC to Ditech Financial LLC, Kennesaw, Georgia; (g) Green Tree Servicing LLC to Ditech Financial LLC, Rapid City, South Dakota; (h) Green Tree Servicing LLC to Ditech Financial LLC, St. Paul, Minnesota; (i) World Finance Company of South Carolina, LLC from dba Colonial Finance Company to World Finance Corporation, Greenville.

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

1. First Credit of Greenwood, Inc., dba First Credit, 712-A Montague Avenue, Greenwood, South Carolina.
2. First Credit of Sumter, Inc., dba First Credit, 728 Broad Street, Sumter, South Carolina.
3. Local Finance Co. of Landrum, LLC, 1768 Highway 17 East, Landrum, South Carolina.
4. Coastal Carolina Cash Corp dba Coastal Carolina Cash II, 1727 A Church Street, Conway, South Carolina.
5. Santander Consumer USA, Inc. dba Roadloans, 8585 North Stemmons Freeway, Suite 1100N, Dallas, Texas.
6. Clarendon Credit, LLC, 327 South Mill Street, Manning, South Carolina.
7. OneMain Financial Group, LLC, 6801 Colwell Boulevard, 1st Floor, Irving, Texas.
8. OneMain Financial Group, LLC, 2 North Hamilton Street, Williamston South Carolina.

EXAMINING DIVISION

None

COMMITTEE REPORTS AND OTHER UPDATES

Policy, Planning and Budget Committee

Mr. Pennington reported the Policy, Planning, and Budget Committee met July 20 to discuss the current organizational chart and the number of FTE's approved for each division.

On motion of the Policy, Planning, and Budget Committee, and unanimously carried, the Board approved the Organizational Chart dated August 3, 2016 and 22 FTE's each for the Banking and Consumer Finance Divisions.

Mr. Pennington also reported the Committee had received an Appropriation request for the FY2018 budget. The request included an appropriation increase of \$75,073 for Banking salaries, an appropriation increase of \$51,156 for Consumer Finance salaries, and an appropriation increase of \$48,047 for Employer Contributions. The increase in appropriation for salaries included a higher salary for the permanent Commissioner of Consumer Finance, an increase for the anticipated salary for a new Commissioner of Banking, a general increase of 3.25% approved by the Legislature effective 7/1/2016, and the increase in Employer Contributions cost related to an increase in appropriation for salaries.

On motion of the Policy, Planning, and Budget Committee, and unanimously carried, the Board approved the FY2018 Appropriation request.

Legislative Committee

None

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).

IN-STATE

1. Request of Next Epic Holdings LLC dba Direct Lenders to operate at 109 East Marion, North Augusta, South Carolina 29821. **(New)**

OUT-OF-STATE

2. Request of Ditech Financial LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 3000 Bayport Drive, Suite 880, Tampa, Florida 33607. **(#Active4)**
3. Request of Ditech Financial LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.ditech.com. **(#Active4)**

CHECK CASHING LEVEL II SERVICES

4. Request of Nirmal Dhali dba Beer and Tobacco Outlet for a license to provide Check Cashing Level II services at 3610 Ashley Phosphate Road, Suite 3, North Charleston, South Carolina 29418. **(New)**

EXECUTIVE SESSION

On motion of Mr. Saunders, duly seconded by Mr. Williams, 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. Hassell, duly seconded by Mr. Hart, 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:

On motion of Mr. Hassell, duly seconded by Mr. Pennington, and unanimously carried, the Board approved the application of First Reliance Bank, Florence, South Carolina, to establish a branch at 348 Highway 701 North, Unit 2, Loris, South Carolina

On motion of Mr. Williams, duly seconded by Mr. Hart, 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. Wright, duly seconded by Mr. Strickland, and unanimously carried, the Board approved the request of Coastal Carolina Bancshares, Inc., Myrtle Beach, South Carolina, to acquire through its subsidiary, Coastal Carolina National Bank, Myrtle Beach, South Carolina, 100% of the voting shares of VistaBank, Aiken, South Carolina.

On motion of Mr. Wright, duly seconded by Mr. Hassell, and unanimously carried, the Board approved the request of CresCom Bank, Charleston, for approval to purchase property in Sunset, North Carolina.

On motion of Mr. Hart, duly seconded by Mr. Saunders, and unanimously carried, the Board approved the request of Nucor Employee's Credit Union, Florence, to establish a branch at 912 Cheney Avenue, Marion, Ohio.

Item 6 was a discussion on personnel and did not require a vote.

On motion of Mr. Hassell, duly seconded by Mr. Williams, and unanimously carried, the Board approved the annual evaluation of the Commissioner of Banking.

The Board, through consensus, scheduled its next meeting for September 7, 2016.

Mr. Saunders did not participate in any discussion or vote where he had a conflict of interest.

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

An audio copy of the meeting is available upon request.

