

STATE BOARD OF FINANCIAL INSTITUTIONS M I N U T E S
December 2, 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 2nd day of December, 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, Ms. Kathy Bickham, Assistant Commissioner, 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.

Guests in attendance: Dr. Steven Gilbert, Senate Banking and Insurance Committee and Mr. Rex Kneece, Independent Consumer Finance Association in South Carolina.

The Chairman explained a procedure he will use to expedite the meeting and avoid the formality of motions and voting on routine business items. This will be used on the Agenda, Minutes, Blue Agenda, and Regular Agenda Consumer Finance. If a member wants a formal motion and vote, they may indicate so at the appropriate time.

The Agenda was approved by General Consent.

The November 4, 2015 Board Minutes were approved by General Consent.

The Chairman asked any member had a potential conflict of interest. No member indicated a conflict.

The Chairman asked for an explanation of in-house name changes for licensees and the purpose of the change. Mr. Copeland provided the explanation for the Chairman.

The following Notice Agenda Items (Blue Agenda) were approved by General Consent:

CONSUMER FINANCE DIVISION

The following Supervised Consumer Finance Licensees have advised of change of address as follows: (a) Regional Finance Corporation of South Carolina from 567 King Street to 1200 Sam Rittenburg Boulevard, Suite B, Charleston; (b) World Finance Company of South Carolina, LLC dba World Finance Corporation from 113 East Main Street to 708 South Duncan Bypass, Suite D, Union; (c) eMoneyUSA Holdings, LLC from 2310 West 75th Street, Suite 101 to Suite 201, Prairie Village, Kansas; (d) Security Finance Corporation of South Carolina dba Security Finance from 5 Rigby Street to 9 West Rigby Street, Manning.

The following Supervised Consumer Finance Licensees have advised of change of name as follows: (a) Regional Finance Corporation of South Carolina from dba Sun Finance of Columbia to Regional Finance Corporation of South Carolina, Columbia; (b) Regional Finance

Corporation of South Carolina from dba R.M.C. Financial Services Corp. to Regional Finance Corporation of South Carolina, Easley; (c) Regional Finance Corporation of South Carolina from dba R.M.C. Financial Services Corp. to Regional Finance Corporation of South Carolina, Greenville; (d) Regional Finance Corporation of South Carolina from dba R.M.C. Financial Services Corp. to Regional Finance Corporation of South Carolina, Spartanburg; (e) Regional Finance Corporation of South Carolina from dba Anchor Finance of Hemingway to Regional Finance Corporation of South Carolina, Hemingway; (f) Regional Finance Corporation of South Carolina from dba Anchor Finance of Manning to Regional Finance Corporation of South Carolina, Manning; (g) Regional Finance Corporation of South Carolina from dba R.M.C. Financial Services Corp. to Regional Finance Corporation of South Carolina, Sumter; (h) Regional Finance Corporation of South Carolina from dba R.M.C. Financial Services Corp. to Regional Finance Corporation of South Carolina, Orangeburg.

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

1. OpenRoad Lending, LLC dba OpenRoad Lending, 6616 Davis Boulevard, North Richland Hills, Texas.
2. Carolina Title Loans, Inc. dba Carolina Title Loans, 6300 White Horse Road, Suite 100, Greenville, South Carolina 29611.

COMMITTEE REPORTS AND OTHER UPDATES

Policy, Planning and Budget Committee

No report.

Legislative Committee

No report.

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 Carolina Title Loans, Inc. dba Carolina Title Loans to operate at 1295 South Pleasantburg Drive, Suite A, Greenville, South Carolina 29607. (**#Active34**)
2. Request of Carolina Title Loans, Inc. dba Carolina Title Loans to operate at 1505 Woodruff Road, Suite A, Greenville, South Carolina 29607. (**#Active34**)
3. Request of Day Title LLC to operate at 3160 Highway 21, Unit 108, Fort Mill, South Carolina 29715. (**#Active2**)
4. Request of STL Funding, LLC dba 1st Priority to operate at 2400 North Pleasantburg Drive, Suite H, Greenville, South Carolina 29609. (**New**)

OUT-OF-STATE

5. Request of ADF of South Carolina, LLC dba Personify Financial for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 16787 Bernardo Center Drive, Suite 15, San Diego, California 92128. (**New**)
6. Request of ADF of South Carolina, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.personifyfinancial.com. (**New**)
7. Request of College Ave Student Loan Servicing, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 1105 North Market Street, Wilmington, Delaware 19801. (**New**)
8. Request of Motormax Financial Services Corporation for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 216 13th Street, Columbus, Georgia 31901. (**#Active3**)
9. Request of Motormax Financial Services Corporation for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at www.1800newrate.com. (**#Active3**)
10. Request of Westlake Direct, LLC for a Supervised Consumer Finance License to perform certain lending operations in South Carolina from its location at 4751 Wilshire Boulevard, Suite 100, Los Angeles, California 90010. (**New**)

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.

11. Request of Carolina Payday Loans, Inc. dba Carolina Payday Loans for a license to provide deferred presentment services at 1295 South Pleasantburg Drive, Suite B, Greenville, South Carolina 29607. **(#Active18)**
12. Request of Carolina Payday Loans, Inc. dba Carolina Payday Loans for a license to provide deferred presentment services at 1505 Woodruff Road, Suite B, Greenville, South Carolina 29607. **(#Active18)**

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.

13. Request of C and DP, LLC dba Shop n Go for a license to provide Check Cashing Level II services at 430 Parris Island Gateway, Beaufort, South Carolina 29906. **(New)**
14. Request of Madirajal, LLC dba Brewski Brothers Fine Beverage for a license to provide Check Cashing Level II services at 1425 South Main Street, Greenwood, South Carolina 29646. **(New)**
15. Request of Tiendas El Mexicano, LLC dba El Mexicano for a license to provide Check Cashing Level II services at 301 Batesburg Highway, Suite A, Saluda, South Carolina 29138. **(New)**

Mr. Kester requested any member wanting a Commission License Plate to let him know in order to get the proper application submitted.

The Chairman requested a change to the By-Laws to further define how the Chairman Pro-Tempore is selected when two members have the same beginning service date.

Mr. Kester explained the changes to the Board to clarify why the amendment was needed, and how it would apply through several scenarios of absent members.

After discussion of the amendment and change, a motion was made by Ms. Marcum, duly seconded by Mr. Wright, and unanimously carried by the Board, to approve the new By-Laws.

BY-LAWS
STATE BOARD OF FINANCIAL
INSTITUTIONS
Adopted by the Board December 2, 2015

Article I: Name and Purpose.

Section 1: Name. The name of the board is "State Board of Financial Institutions."

Section 2: Authority. The State Board of Financial Institutions is organized pursuant to S.C. Code of Laws Chapter 1 of Title 34 for the purposes of supervising and licensing state chartered banks, credit unions, building and loan associations, check cashing, mortgage and other financial lenders.

Article II: Membership

Section 1: Membership. The State Board of Financial Institutions is composed of eleven members, one of whom is the State Treasurer as an ex officio member and as the Chairman. The remaining ten members must be appointed by the Governor with the advice and consent of the Senate. Four must be engaged in banking and recommended by the South Carolina Bankers Association, one must be recommended by the Association of Supervised Lenders, one must be engaged in the mortgage lending business and recommended by the Mortgage Bankers Association of the Carolinas, one must be engaged in the licensed consumer finance business as a restricted lender or a supervised lender and recommended by the Independent Consumer Finance Association, two must be engaged in the cooperative credit union business and recommended by the State Cooperative Credit Union League, and one must be unaffiliated with a financial organization and serve as a representative of the consumers of the State. Each member shall represent the best interests of the public and shall not serve more than two consecutive four-year terms. The association which is to provide a member to fill a vacancy on the board, except for a consumer representative, shall submit three names, from three different institutions, from which the Governor shall select one. (SC Code of Laws §34-1-20. Also note that Attorney General Opinions have consistently concluded that "serving a portion of any unexpired term is distinguishable from serving full term in office and therefore, does not count toward a term limit imposed by statute. 2007 WL 3244889 (S.C.A.G.))

Section 2: Term. Members shall be appointed for a term of four years and until their successors are appointed and have qualified. (SC Code of Laws §34-1-30)

Section 3: Ethics. Members of the State Board of Financial Institutions are responsible for complying with the South Carolina Ethics Act, specifically §8-13-700 to 790 (Rules of Conduct),

§8-13-11 10 to 1180 (Disclosure of Economic Interests) and lobbying restrictions under §2-17-10 et al.

Section 4: Resignations. Members wishing to resign should notify the Chairman in writing in of his or her resignation. The Chairman should then notify the other Board members, the Governor, and

the entities responsible for nominating individuals to that position. Article III:

Officers and decision-making

Section 1: Chairman. The State Treasurer serves as chairman. (SC Code of Laws §34-1-20)

Section 2: Chairman Pro-Tempore: In the event the Chairman is absent or unavailable, the member with the most service on the Board shall chair the meeting until the Chairman is available. If there is more than one member with the most service, the same beginning term date, the Board shall

elect from these members a Chairman Pro-Tempore who shall serve until the end of their term and their successor is appointed and qualified. The election shall include those members present and participating by phone. In the event of a tie, the Board shall continue voting until the tie is broken. While serving in the absence of the Chairman, the Chairman Pro-Tempore shall have the same powers and responsibilities as the Chairman.

Section 3: Emergency Authority. (A) In the event of an emergency or similar situation where immediate action is needed to protect the best interests of the State, the Chairman shall attempt to coordinate an emergency meeting, if possible. The meeting may be conducted by telephone.

(B) If, however, it is not feasible for the Board to meet in a timely manner, the Chairman and the appropriate Commissioner shall solicit advice from as many Board members as practical regarding the issue. After due consideration, the Chairman may then authorize the appropriate Commissioner to act as may be needed which shall be ratified by the full Board at the next meeting.

Article IV: Commissioners and Office

Section 1: Divisions. The Board of Financial Institutions shall be comprised of two divisions, an Examining (Banking) Division and a Consumer Finance Division. The Board shall appoint a Commissioner for each division who serve at the pleasure of the Board. Each Commissioner, subject to the Board's approval, may hire staff necessary staff to carry out its responsibilities. (SC Code of Laws §34-1-80 and §34-29-200)

Section 2: Commissioners. Each Commissioner is authorized to carry-out or implement orders or directives of the Board.

Section 3: Secretary and Assistant. The Chairman may appoint an Assistant and a Secretary to assist the Board in carrying out its duties. The Secretary shall be responsible for maintaining the official records and minutes of the Board as well as coordinating administrative issues for the Board members. The Assistant shall assist the Chairman as directed.

Article V: Meetings and Procedures

Section 1: Meetings. Generally, Board meetings will be held on the first Wednesday of the month, though exceptions are permitted. Before the beginning of each calendar year, the Board shall publish a tentative meeting schedule for the new calendar year which may be amended during the fiscal year as necessary.

Section 2: Agendas. The Chairman, with advice from the two commissioners shall prepare the agenda and distribute it to the members in advance of the meetings. Meeting notices and minutes shall comply with the Freedom of Information Act (SC Code of Laws §30-4-10 et. seq.).

Section 3: Procedure: Unless statues or these by-laws provide otherwise, the Board shall follow Robert's Rules of Order for conducting business.

Section 4: Quorum. At least a majority of members who have been duly appointed must be present to conduct business. A member may be counted in the quorum and vote if participating by phone.

Section 5: Voting. Unless otherwise provided for in these by-laws, decisions are made by a majority of those present and voting. Voting by proxy is prohibited.

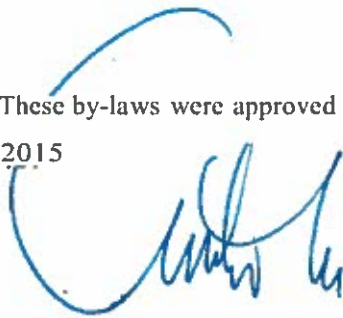
Section 6: Freedom of Information. The meetings, notices, and minutes of the Board shall be in compliance with provisions of the Freedom of Information Act and other applicable state and federal law. (SC Code of Laws §30-4-10 et. seq. Also note that §30-4-20(c) relating to public records provides that: " Nothing herein authorizes or requires the disclosure of records of the Board of Financial Institutions pertaining to applications and surveys for charters and branches of banks and savings and loan associations or surveys and examinations of the institutions required to be made by law.").

Section 7: Special Meetings. Special meetings may be called by the Chairman as necessary.

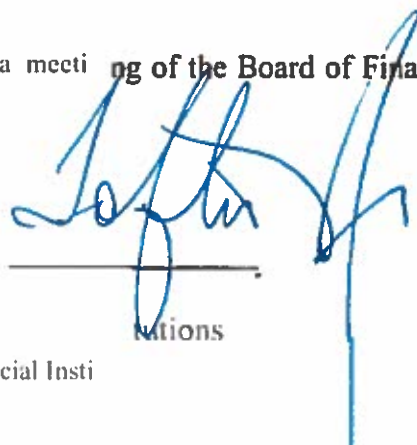
Article: Miscellaneous

Section 1: Amendments to by-laws. Any member may propose changes to these by-laws. Proposed amendments must be provided to all members at least one week in advance of a meeting. Any amendment to the by-laws must be approved by a majority of the members of the Board. Unless otherwise prohibited by law, the Board may temporarily suspend a by-law under emergency or extraordinary situations until the next scheduled Board meeting.

These by-laws were approved at a meeting of the Board of Financial Institutions on December 2, 2015



Curtis M. Lofis Jr.
Chairman, State Board of Financial Insti



stitutions

MINUTES, St. Board of Fin. Inst.,
December 2, 2015

The Chairman called for the Board to vote on a Chairman Pro-Tempore since Mr. Williams and Mr. Saunders had the same service date. Mr. Williams asked that his name be withdrawn from consideration. Mr. Hassell made a motion that the Board elect Rick Saunders Chairman Pro-Tempore by Acclamation. Mr. Conley duly seconded the motion and the motion was unanimously carried by the Board.

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. Saunders, duly seconded by Mr. Williams, 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. Hassell and unanimously carried, the Board approved the request of Security Federal Bank, Aiken, South Carolina, to establish a branch at 5513 Washington Road, Evans, Georgia.

On motion of Mr. Hart, duly seconded by Mr. Williams and unanimously carried, the Board approved the request of The Peoples Bank, Iva, for approval to pay a cash dividend in the amount requested by the bank.

Item 3 was a report by the Commissioner of Banking to discuss confidential information and did not require a vote.

MINUTES, St. Board of Fin. Inst.,
December 2, 2015

Items 4, 5, and 6 were a discussion on personnel matters and did not require a vote.

The Board, through consensus, scheduled its next meeting for January 13, 2016.

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

An audio copy of the meeting is available upon request.