



FINANCIAL INSTITUTIONS TODAY

News and topics of interest to financial institutions regulated by the Department of Banking and Finance

Monthly Bulletin #9

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Conference of State Bank Supervisors (“CSBS”) Kicks Off National Cybersecurity Awareness Month with Initiative Aimed at Community Bank CEOs

On October 1, 2014, the CSBS launched the Executive Leadership of Cybersecurity (“ELOC”) initiative, a nationwide effort to promote and encourage community bank CEOs to take leadership of the management of cybersecurity risks at their financial institutions.

“With the rise in frequency and sophistication of cyber-attacks directed at all industries across the nation, and especially the financial services industry, it has never been more important for public and private sector groups to come together to raise awareness of today’s internet threats. Collectively, we must find the best solutions for combating these risks,” said CSBS President and CEO John W. Ryan.

According to the press release issued by the CSBS, ELOC strives to not only communicate the importance of CEO engagement in a bank’s cybersecurity management, but to also provide resources, best practices, and examples for small bank executives to do so in a manageable way. The ultimate goal of the ELOC initiative is to shift the thinking on the part of senior bank executives that cybersecurity is not merely an IT issue. Cybersecurity is an executive level issue that requires CEO and board level engagement.

For more information on the Executive Leadership of Cybersecurity initiative, visit <http://www.csbs.org/cybersecurity/Pages/default.aspx>.

DBF Outreach AND UPCOMING SPEAKING ENGAGEMENTS

- Commissioner Hagler will be participating on a panel at the Georgia Bankers Association’s **President/CEO Conference** on **October 13th**. Deputy Commissioner for Legal Affairs Bo Fears will be speaking at the **Bank Counsel Conference** on **October 13th**. Both events are being held at The Ritz-Carlton Lodge in Greensboro, GA.

Commissioner Hagler will also be participating in the Community Bankers Association of Georgia’s (“CBA”) Banker Regulatory Forum on **November 6th** at the CBA’s headquarters in Atlanta. **[Read more or register for the event.](#)**

- Senior Deputy Commissioner Steve Pleger and Director for Supervision Pam Keane will be participating in the National Association of State Credit Union Supervisors’ (“NASCUS”) and Georgia Credit Union Affiliates’ (“GCUA”) 2014 Georgia Director’s College on **November 6th** in Duluth, GA. **[Read more or register for the event.](#)**

"Safeguarding Georgia’s Financial Services"

Key Takeaways from the Second Annual Community Banking Research and Policy Conference

The second annual Community Banking in the 21st Century Research Conference was held September 23-24, 2014, at the St. Louis Federal Reserve Bank and was co-hosted by the CSBS and the Federal Reserve System. The conference brought together academics, policymakers, bank supervisors, and community bankers to focus on the challenges and opportunities that community bankers face in the 21st century.

The Community Banking in the 21st Century National Survey was administered by state bank commissioners in 38 states, including Georgia. A total of 1,008 community bankers participated in the survey. The goal of the survey was to provide a national view of how bankers are thinking about key issues facing the industry and how they are responding to changes in the market. In addition to the surveys, town hall meetings were held in 30 states, with more than 1,300 bankers participating in this process in 2014. Events ranged from a series of small roundtables to large events with a facilitator.

There were three main discussion focal points: new banks and emerging technologies; the effect of government policy on bank lending and risk taking; and the effect of government policy on community bank viability. More information about the conference, including the research papers that were presented and keynote speaker remarks, is available at <http://www.stlouisfed.org/CBRC2014>.

State and Federal Regulators Urge Banks to Address the BASH Vulnerability

The Federal Financial Institutions Examination Council (“FFIEC”) members are advising financial institutions of a material security vulnerability in the Bourne-again shell (Bash) system software widely used in servers and other computing devices that could allow attackers to access and gain control of operating systems. The vulnerability, nicknamed “Shellshock,” could expose organizations and individuals to potential fraud, financial loss, or breaches of confidential information. Given the widespread use of Bash and the evolving nature of the risk, the statement outlines FFIEC member agencies’ risk mitigation expectations and provides references for management to monitor the changing threat and vulnerability landscape.

RISK MITIGATION

While vendors are working to patch and update their systems, the FFIEC member agencies expect financial institutions to conduct a risk assessment and address the Shellshock vulnerability as part of ongoing information security and incident response plans. Financial institutions should take the following steps, as appropriate:

- Identify all servers, systems, and appliances that use vulnerable versions of Bash and follow appropriate patch management practices, including conducting a vulnerability scan to detect if the patch is installed and testing to ensure a secure and compatible configuration.
- Apply mechanisms to filter malicious traffic to vulnerable services such as appropriate Web application firewall signatures.
- Monitor systems for malicious or anomalous activity and update signatures for intrusion detection and prevention systems.
- Ensure that all third-party service providers are taking appropriate action to identify and mitigate risk and monitor the status of vendors’ efforts to address the vulnerability.
- Review systems to determine if this vulnerability has been exploited and, if necessary, conduct a forensic examination to determine the potential effects of any breach.

Financial institutions are encouraged to establish mechanisms for obtaining threat and vulnerability information such as through the United States Computer Emergency Readiness Team (US-CERT) portal at www.us-cert.gov or through the Financial Services Information Sharing and Analysis Center (FS-ISAC) at www.fsisac.com.

Calendar-Year Annual License Period for All Money Service Businesses (“MSB”)

On July 1, 2014, substantial revisions were made to the laws and rules affecting MSBs under Title 7, Chapter 1, Articles 4 and 4A of the Official Code of Georgia Annotated (“O.C.G.A.”). Changes to the law extended the annual license year of all check cashers and aligned the renewal period for all MSB license types. **Check casher licenses were extended through December 31, 2014**, as the annual license period will now be on a calendar-year basis.

This year’s renewal process for the annual license year of 2015 will coincide with our transition of licensees onto the Nationwide Multistate Licensing System (“NMLS”). **Existing MSBs must request transition through the NMLS to renew their Georgia MSB license for 2015.** Please refer to the MSB quarterly and special edition newsletters on the Department’s website at <http://dbf.georgia.gov/msb-newsletter> for more details.

Action on Applications for the Month of September:

The following is a summary of official action taken on applications by State Financial Institutions under Title 7, Chapter 1 of the O.C.G.A. and petitions for Certificate of Incorporation of Financial Institutions and other matters of interest during the month of September 2014.

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
Community & Southern Bank Atlanta	Downtown Woodstock Branch Office 400 Chambers Street Woodstock, GA 30188 Cherokee County	09-19-2014	
PeoplesSouth Bank Colquitt	Panama City Branch Office 607 S Tyndall Parkway Panama City, FL 32404 Bay County	09-03-2014	
PeoplesSouth Bank Colquitt	Tallahassee Branch Office 2920 Kerry Forest Parkway Tallahassee, FL 32317 Leon County	09-03-2014	
Metro City Bank Doraville	Centreville, VA In-Store Branch Office 5900 Centreville Crest Lane Centreville, VA 20120 Fairfax County	02-03-2014	08-11-2014
Fidelity Bank Norcross	Alpharetta Branch Office 5015 Windward Parkway Alpharetta, GA 30004 Fulton County	10-18-2013	09-08-2014
Fidelity Bank Norcross	Mandarin Branch Office 10024 San Jose Boulevard Jacksonville, FL 32257 Duval County	07-07-2014	09-19-2014
Fidelity Bank Norcross	Lake Mary Branch Office 3505 West Lake Mary Boulevard Lake Mary, FL 32746 Seminole County	07-07-2014	09-19-2014

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
Fidelity Bank Norcross	Orange City Branch Office 2494 Enterprise Road Orange City, FL 32763 Volusia County	07-07-2014	09-19-2014
Fidelity Bank Norcross	Ponte Vedra Branch Office 110 A1A North Ponte Vedra Beach, FL 32082 St. Johns County	07-07-2014	09-19-2014
Fidelity Bank Norcross	St. Augustine Beach Branch Office 3570 A1A South St. Augustine, FL 32080 Saint Johns County	05-19-2014	09-29-2014
Fidelity Bank Norcross	Winter Garden Branch Office 12901 West Colonial Drive Winter Garden, FL 34787 Orange County	07-07-2014	09-19-2014
The Citizens Exchange Bank Pearson	Main Office 1500 Newcastle Street Brunswick, GA 31520 Glynn County	Pending	
The Citizens Exchange Bank Pearson	Saint Simons Island Branch Office 60 Midway Square Saint Simons Island, GA 31522 Glynn County	Pending	
Guardian Bank Valdosta	Pearson Branch Office 82 Railroad Avenue East Pearson, GA 31642 Atkinson County	Pending	

APPLICATION TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
Ameris Bank Moultrie	Drayton Street Branch Office From: 18 West Bryan Street Savannah, GA 31401 Chatham County To: 26 Drayton Street Savannah, GA 31401 Chatham County	Pending	

NOTICE OF CHANGE IN NAME

<u>PREVIOUS NAME</u>	<u>NEW NAME</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
Macon Police Credit Union Macon	Consolidated Public Safety Credit Union	07-25-2014	09-01-2014
The Citizens Exchange Bank Pearson	South Coast Bank & Trust	Pending	

APPLICATION FOR RESERVATION OF A NAME

<u>PROPOSED NAME</u>	<u>COUNTY</u>	<u>APPLICANT</u>
First Federal Savings Bank of Valdosta	Lowndes County	Mr. Richard T. Hills Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 Nashville, TN 37219

FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
HeritageBank of the South Albany, GA	Alarion Bank Ocala, FL	09-30-2014	09-30-2014
Community & Southern Bank Atlanta, GA	Alliance National Bank Dalton, GA	09-12-2014	09-19-2014
Georgia's Own Credit Union Atlanta, GA	SPC Federal Credit Union Atlanta, GA	09-26-2014	
Members First Credit Union Decatur, GA	Fidelity Federal Credit Union Sandy Springs, GA	09-03-2014	
The Farmers Bank Forsyth, GA	The Bank of Perry Perry, GA	Pending	
The Farmers Bank Forsyth, GA	The Peoples Bank Covington, GA	Pending	
The Farmers Bank Forsyth, GA	Spivey State Bank Swainsboro, GA	Pending	
Community Bank & Trust - West Georgia LaGrange, GA	Community Bank & Trust- Alabama Union Springs, AL	Pending	
State Bank and Trust Company Macon, GA	Bank of Atlanta Atlanta, GA	09-17-2014	
First Landmark Bank Marietta, GA	Midtown Bank & Trust Company Atlanta, GA	09-12-2014	
Southeastern Federal Credit Union Valdosta, GA	Nashville Credit Union Nashville, GA	Pending	

**APPLICATIONS TO BECOME A BANK HOLDING COMPANY
AND/OR TO ACQUIRE VOTING STOCK OF A FINANCIAL INSTITUTION**

<u>BANK HOLDING COMPANY</u>	<u>TO ACQUIRE</u>	<u>APPROVAL</u>
<u>FORMATIONS</u> MetroCity Bankshares, Inc. Doraville, GA	Metro City Bank Doraville, GA	Pending
Liberty First Bancshares, Inc. Monroe, GA	Liberty First Bank Monroe, GA	Pending

BANK HOLDING COMPANY**TO ACQUIRE****APPROVAL****ACQUISITIONS**

WB&T Bankshares, Inc.
Waycross, GA

The Citizens Exchange Bank
Pearson, GA

Pending

Action on MALPB Applications for the Month of September:

The following is a summary of official action taken on applications for a Merchant Acquirer Limited Purpose Bank ("MALPB") charter under Title 7, Chapter 9 of the O.C.G.A. during the month of September 2014.

APPLICATION FOR AN MALPB CHARTER**NAME**

Credorax Bank North America, MALPB
c/o Margaret D. Higginbotham, CPA
970 York Cove
Milton, GA 30004
Fulton County

APPROVAL

Pending

BEGIN BUSINESS**HOLIDAY CLOSING**

This is a reminder that the Department will be closed on
Monday, October 13th for Columbus Day.

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BANKING AND FINANCE**

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The Department is the state agency that regulates and examines banks, credit unions, and trust companies chartered by the State of Georgia. The Department also has regulatory and/or licensing authority over mortgage brokers/processors, lenders and loan originators, money service businesses, international banking organizations, and bank holding companies conducting business in Georgia.

Our **Mission** is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our **Vision** is to be the best financial services industry regulator in the country – Progressive. Proactive. Service-Oriented.

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Our Motto is: "Safeguarding Georgia's Financial Services"

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