



FINANCIAL INSTITUTIONS TODAY

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

Monthly Bulletin #2

February 2011

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Georgia Department of Banking and Finance Adopts Final Rules

On March 3, 2011, the Department of Banking and Finance adopted Final Rules. **They were filed with the Secretary of State on March 3, 2011, and will be effective 20 days following or March 23, 2011.** These rules were proposed and distributed on February 1, 2011. No comment letters were received regarding the Proposed Rules. The Department believes these Final Rules encourage safety and soundness, safe and fair mortgage lending, and conform to the law.

To view or download the Final Rules on our website, go to Laws and Regulations from our homepage (<http://dbf.georgia.gov>) and select the appropriate link for the Final Rules OR access them directly from http://dbf.georgia.gov/vgn/images/portal/cit_1210/30/3/168713553DBFAdoptedRules_3-3-2011.pdf

In respect to the adopted rule changes, wording in Rule 80-1-5-.01 was removed which appeared to conflict with the provision added at O.C.G.A. § 7-1-285(c)(9) during the 2010 legislative session that allows for renewing loans, consistent with safe and sound banking practices, that were within the bank's legal lending limit at origination but which may be outside the bank's legal lending limit at renewal or restructuring.

In addition, the requirement in Rule 80-1-10-.09(4) which provides a cap at the actual investment amount of the bank when valuing foreclosed property was removed. Generally Accepted Accounting Principles (GAAP) allows foreclosed assets held for sale, such as other real estate (ORE), to be recorded (transferred from loans to ORE) at the fair value of the asset less the estimated cost to sell as of the acquisition date, the date that the institution receives legal title to or obtains physical possession of the asset. The rule change aligns Department requirements with GAAP. Bank management is cautioned that, even though there will be the possibility of the recognition of gain on a particular transaction, proper valuation with supporting documentation will be essential for recognizing any gain or recovery prior to an actual sale of ORE.

DBF Outreach AND UPCOMING SPEAKING ENGAGEMENTS

- ❖ Commissioner Braswell will be on speaking at the [Southeastern Community Bank Symposium](#) hosted by the Georgia Bankers Association, along with Georgia Southern University Center for Excellence in Financial Services, on **March 23rd** in Statesboro, GA.
- ❖ Senior Deputy Commissioner Steve Pleger will be speaking at the [NASCUS Board of Directors College](#) on **March 23rd** at the Atlanta Marriott Marquis, Atlanta, GA.
- ❖ Director for Non-Depository Financial Institutions Sandra Sheley will be participating on a regulatory panel at the Georgia Real Estate Fraud Prevention and Awareness Coalition's [7th Annual Conference](#) on **March 9th** at the Cobb Galleria Convention Centre, Atlanta, GA.

"Safeguarding Georgia's Financial Services"

Action on Applications for the Month of February:

The following is a summary of official action taken on applications by State Financial Institutions under Chapter 7-1 of the Code of Georgia and petitions for Certificate of Incorporation of Financial Institutions and other matters of interest during the month of February 2011.

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
SunTrust Bank Atlanta	Uptown Branch Office 600 A. W. Willis Avenue Memphis, TN 38105 Shelby County	12-11-2009	02-28-2011
Independence Bank of Georgia Braselton	Gainesville Branch Office 311 Green Street NW Suite 100 Gainesville, GA 30501 Hall County	03-08-2010	02-01-2011
Community & Southern Bank Carrollton	Cumming Branch Office 1700 Market Place Cumming, GA 30041 Forsyth County	02-10-2011	02-22-2011
Synovus Bank Columbus	St. Marys Branch Office 6308 Georgia Highway 40 East St. Marys, GA 31558 Camden County	Pending	
American Pride Bank Macon	North Macon Branch Office 4511 Forsyth Road Macon, GA 31210 Bibb County	Pending	

APPLICATIONS TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
SunTrust Bank Atlanta	From: Culpeper Colonnade Branch Office 801 James Madison Highway Culpeper, VA 22701 Culpeper County To: 15345 Creativity Drive Culpeper, VA 22701 Culpeper County	08-17-2009	02-07-2011
United Community Bank Blairsville	From: Etowah Branch Office 77 Etowah Drive Etowah, NC 28729 Henderson County To: 50 United Bank Drive Etowah, NC 28729 Henderson County	02-11-2011	

CHECK CASHER LICENSES ISSUED

<u>CITY</u>	<u>APPLICANT NAME</u>	<u>TRADE NAME</u>
LaGrange	Ambalakshmi, Inc.	Quick Change BP 59
Tifton	* B & B Investors, Inc.	Gen-Earl Store
Tifton	* Dipak Dave	A & N Food Store #2
Marietta	EZ & Fast Check Cashing, LLC	EZ & Fast Check Cashing
Marietta	Eric Nganku	Easy Check Cashing
Rebecca	* Ghanchi and Dabhi Company, Inc.	Rebecca Food Mart
Cordele	* Ma Laxmi, Inc.	US Discount Store
Columbus	* Money-Rite Auto Pawn of Georgia LLC	CashMax
Sparta	* Ohm-Shahi-Shriya, Inc.	BP Gas
Perry	* Rufus C. Little, Sr.	Little Bait Tackle & Pawn
Kennesaw	Sreekaran, Inc.	
Marietta	* Yabba's Bottle Shop, Inc.	Yabba's Package
Augusta	* Yong Hong	Lotto Express

* =Registered (O.C.G.A. 7-1-700 et al)

**GEORGIA
DEPARTMENT OF
BANKING AND FINANCE**

2990 Brandywine Road
Suite 200
Atlanta, Georgia 30341-5565

Phone: (770) 986-1633
Fax: (770) 986-1654 or 1655
Email: dbfpress@dbf.state.ga.us

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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.

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

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