



FINANCIAL INSTITUTIONS TODAY

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

May 2021

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Governor Brian Kemp Signs House Bill 111

Governor Kemp signed House Bill 111 into law on May 4, 2021, and it will go into effect on July 1, 2021. The bill was introduced by Representative Bruce Williamson at the request of the Department of Banking and Finance (“Department”) and sponsored in the Senate by Senator John Kennedy. The bill revises statutory provisions governing a number of the entities regulated by the Department – banks, credit unions, trust companies, installment lenders, money service businesses, mortgage lenders and mortgage brokers.

Among other items, the bill:

- 1) provides that financial institutions may conduct a hybrid shareholder or member meeting (a combination of in-person and remote) and, in certain circumstances with the approval of the Department, may conduct such meetings solely by remote means;
- 2) authorizes the board of directors of financial institutions to meet in any manner so long as all directors can simultaneously hear one another in such meeting;
- 3) provides for various technical revisions to the merger and conversion processes for banks;
- 4) codifies certain merger and conversion processes for credit unions;
- 5) authorizes the board of directors of a credit union to establish a policy to expel members for certain types of behavior detrimental to the credit union;
- 6) provides that name reservations are valid for six months;
- 7) clarifies that an out of state financial institution can utilize the term “bank” or “credit union” so long as its deposits are federally insured; and
- 8) authorizes the Department to conduct background checks on directors and officers of entities that obtain control of a trust company.

The Department strongly encourages every regulated entity to review the bill to ensure a thorough understanding of all the applicable revisions. House Bill 111 can be viewed at:

<https://www.legis.ga.gov/legislation/58958>

Commissioner Kevin Hagler’s Comments from State-Federal Supervisory Forum

Commissioner Hagler delivered remarks that detailed the resiliency of the State System, even in the fact of the pandemic. Commissioner Hagler is now the Conference of State Bank Supervisors (CSBS) Immediate Past Chair as his 12-month term as CSBS Chair ended in May of 2021.

Commissioner Hagler’s remarks can be viewed at <https://www.csbs.org/newsroom/resiliency-state-system-even-through-pandemic>.

2021 National Survey for Community Banks

Survey Link: <https://sri.cornell.edu/cb21/2021/>

Survey Close Date: July 15, 2021

The Department would like to share with you that the [2021 National Survey of Community Banks](https://sri.cornell.edu/cb21/2021/) is now live. This survey is a vital pillar of the Community Banking in the 21st Century Research and Policy Conference sponsored by the Conference of State Bank Supervisors (CSBS), the Board of Governors of the Federal Reserve System (FRB), and the Federal Deposit Insurance Corporation (FDIC). The results from the survey have enabled community banks to inform policymakers and researchers about the opportunities and challenges facing the community banking industry.

This year's questions focus on current bank conditions and emerging issues, responses to the COVID-19 pandemic, product and service design and offerings, and the future of community banking.

The survey should take approximately 20 minutes to complete. We ask that you complete the survey by **July 15, 2021** so the findings can be analyzed and presented in the national publication released during the 9th annual Community Banking in the 21st Century Research and Policy Conference, which is being held September 28-19, 2021, in St. Louis, Missouri.

If you have any questions regarding this survey, then please contact Deputy Commissioner for Supervision Melissa Sneed at msneed@dbf.state.ga.us.

Department Guidance for Development of Policies by Financial Institutions

Recently, the Department updated the Guidance for Development of Policies by Financial Institutions (Guidance) as a tool for supervision staff and the industry. The updated Guidance specifically addresses policy development considerations for the following areas:

- Loan Policy
- Liquidity and Funds Management Policy
- Investment Policy
- Sensitivity to Market Risk Policy
- Audit Policy
- Conflicts of Interest Policy
- Interbank Liability Policy
- Electronic Banking Policy
- Retail Payment Systems Policy
- Wholesale Payment Policy

The Department's intent in publishing the Guidance is to provide greater transparency and insight to the industry. The Guidance provided may not necessarily be appropriate in every situation, and examiners will continue to implement a risk-focused approach requiring professional judgment based on relevant factors. The Guidance does not have force and effect of law and the Department will not take enforcement actions based solely on the Guidance. Further, the Guidance does not impose additional requirements on state-chartered financial institutions.

The Guidance and all other guidance documents can be found in Banking Memos and Guidance at <https://dbf.georgia.gov/banks-holding-companies/publications-and-guidance> and Credit Union Policy Statements and Guidance at <https://dbf.georgia.gov/credit-unions/publications-and-guidance>. If you have any questions, please contact your financial institution's Supervisory Manager.

Annual Assessment Notices - Banks and Credit unions

The bank and credit union annual assessments are due no later than September 30th. An email will be sent to each institution's primary contact from GADBF@micropact.com at the beginning of September with the annual assessment invoice. Please be on the look out for this email. The Department will initiate an ACH debit for the assessment fee for regulated banks and credit unions unless stated otherwise in the body of the assessment notice. The assessment fee for holding companies will need to be paid through the Department's online portal. If you do not receive the annual assessment invoice email at the beginning of September, please contact your Supervisory Manager.

Speaking Engagements

Deputy Commissioner for Supervision Melissa Sneed will be speaking at the Community Bankers Association of Georgia Annual Convention on Saturday, June 5, 2021. Further information can be found at <https://www.cbaofga.com/annual-convention.html>.

Deputy Commissioner for Supervision Melissa Sneed will be speaking at the League of Southeastern Credit Union & Affiliates Annual Convention in Orlando on June 18, 2021. Additional information is located at <https://www.lscu.coop/education/southeast-expo/index.php>.

ACTION ON APPLICATIONS FOR THE MONTH

The following is a summary of official action taken by the Department on certain applications by Georgia state-chartered financial institutions, petitions for certificate of incorporation of financial institutions, and other matters of interest during the month of May 2021:

FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Bridgeway Credit Union Phenix City, AL	Members United Credit Union Albany, GA	Pending	

APPLICATIONS TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
United Community Bank Blairsville, GA	From: 1627 Church Street Conway, SC 29526 Horry County To: 1505 Church Street Conway, SC 29526 Horry County	05/18/2021	

APPLICATIONS TO RESERVE A NAME

<u>Proposed Name of Institution</u>	<u>Applicant</u>
FirstTrust Bank of Georgia	David S. Park Alston & Bird One Atlanta Station 1201 West Peachtree Street Atlanta, Georgia 30309-3424
Moultrie Bank & Trust	Byron Richardson Bank Resources, Inc. 2451 Cumberland Pwky Suite 3618 Atlanta, GA 30339
Synter Bank	John T. Hobgood Alston & Bird One Atlanta Station 1201 West Peachtree Street Atlanta, GA 30309-3424

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Barwick Banking Company Barwick, GA	111 Grand Preserve Way Daytona Beach, FL 32117 Volusia County	05/19/2021	
Barwick Banking Company Barwick, GA	101 Marina Cove Drive St. Augustine, FL 32080 St. Johns County	05/19/2021	
Pineland Bank Alma, GA	1351 SE Bowens Mill Rd, Unit A Douglas, GA 31533 Coffee County	05/04/2021	
PeoplesSouth Bank Colquitt, GA	917 Forrester Drive Dawson, GA 39842 Terrell County	05/19/2021	
Pinnacle Bank Elberton, GA	375 Furys Ferry Road Martinez, GA 30907 Columbia County	05/20/2021	
Delta Community Credit Union Atlanta, GA	285 Molly Lane Woodstock, GA 30189 Cherokee County	05/20/2021	
Ameris Bank Atlanta, GA	3700 Roswell Road Atlanta, GA 30342 Fulton County	05/24/2021	
Heritage Southeast Bank Jonesboro	108 Canton Highway Cumming, GA 30040 Forysth County	04/19/2021	

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The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, state-chartered trust companies, international banking organizations, and bank holding companies that own Georgia state-chartered financial institutions. The Department also has responsibility for the supervision, regulation, and examination of Merchant Acquirer Limited Purpose Banks chartered in Georgia.

In addition, the Department has regulatory and/or licensing authority over mortgage brokers, lenders and processors, mortgage loan originators, consumer installment loan companies, check cashers, sellers-issuers of payment instruments, and money transmitters.

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

Our Vision is to be a willing and able partner with our regulated entities in order to support vibrant eco-