



# FINANCIAL INSTITUTIONS TODAY

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

August 2015

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## Credit Union Committees

On May 5, 2015, Governor Deal signed House Bill 184 ("HB 184") into law and its provisions went into effect on July 1, 2015. Among a number of other changes, HB 184 revised the statutory requirements for committees acting on behalf of a credit union's board of directors. Relevantly, O.C.G.A. § 7-1-656(b)(2) provides that a committee acting in lieu of the board must consist of three or more board members. It is worth noting that nothing in the law precludes a credit union from having an advisory committee with one or two board members but that such committee must make recommendations to the board as opposed to acting on behalf of the board.

Within this framework, it appears that there are three different permissible structures for membership on credit unions committees.

- 1) A committee can consist entirely of 3 or more board members and can act in lieu of the board consistent with a resolution adopted by the board.
- 2) A committee can consist of 3 or more board members as well as other individuals. If only the board members can cast a binding vote, then the committee can act in lieu of the board consistent with a resolution adopted by the board. Under this structure, the non-board members on the committee would be honorary members that would either be precluded from voting or only entitled to cast a non-binding vote. However, in the event the non-board members are authorized to cast a binding vote, then this structure would be an advisory committee that could not act on behalf of the board.
- 3) A committee can consist of 1 or 2 board members as well as other individuals. A committee comprised in this manner, will be deemed to be an advisory committee and not be able to act in lieu of the board.

All advisory committees will be required to report to the board and make recommendations. The board will need to engage in due diligence on any proposal and make its own independent determination. If the board simply "rubber stamps" advisory committee recommendations, then O.C.G.A. § 7-1-656(b) will be violated as the committee would not be acting in an "advisory" capacity but instead would be impermissibly acting in lieu of the board.

## Annual Assessment for Georgia State-Chartered Financial Institutions

The Department e-mailed the annual assessment fee letters to Georgia state-chartered banks and credit unions in August. The **fees will be assessed on September 15, 2015**. Please e-mail or call Chris Pittman with any questions at [cpittman@dbf.state.ga.us](mailto:cpittman@dbf.state.ga.us) or 770-986-1641.

## Annual Assessment for Supervised Bank Holding Companies

The Department e-mailed the annual holding company assessment fee letters to supervised bank holding companies in August. **The fees are due by September 15, 2015, and online reporting/payment is mandatory** from the Department's website at: <https://bkgfin.dbf.state.ga.us/HCAssessments.html>.

Please e-mail or call Chris Pittman with any questions at [cpittman@dbf.state.ga.us](mailto:cpittman@dbf.state.ga.us) or 770-986-1641.

## Action on Applications for the Month:

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 August 2015.

### **FINANCIAL INSTITUTION CONVERSIONS**

<b><u>PREVIOUS NAME</u></b>	<b><u>CONVERTED TO</u></b>	<b><u>APPROVAL</u></b>	<b><u>EFFECTIVE</u></b>
Southeastern Federal Credit Union	Southeastern Credit Union Valdosta Lowndes County	Pending	

### **APPLICATIONS TO ESTABLISH A BRANCH OFFICE**

<b><u>FINANCIAL INSTITUTION</u></b>	<b><u>BRANCH OFFICE</u></b>	<b><u>APPROVAL</u></b>	<b><u>BEGIN BUSINESS</u></b>
SunTrust Bank Atlanta	Del Mar Branch Office 322 8th Street, Suite 100 Del Mar, CA 92014 San Diego County	07-08-2015	08-17-2015
SunTrust Bank Atlanta	Los Angeles Branch Office 1999 Avenue of the Stars Los Angeles, CA 90067 Los Angeles County	07-08-2015	08-17-2015
SunTrust Bank Atlanta	San Diego Branch Office 655 West Broadway, 13th Floor San Diego, CA 92101 San Diego County	07-08-2015	08-17-2015
SunTrust Bank Atlanta	San Francisco Branch Office One Montgomery Street, Suite 2800 San Francisco, CA 94104 San Francisco County	07-08-2015	08-17-2015

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL</u>	<u>BEGIN BUSINESS</u>
The Brand Banking Company Lawrenceville	Dacula Branch Office 485 Dacula Road Dacula, GA 30019 Gwinnett County	Withdrawn 08-24-2015	
The Brand Banking Company Lawrenceville	Suwanee Branch Office 480 Industrial Boulevard Suwanee, GA 30024 Gwinnett County	Pending	
The Citizens Bank of Swainsboro Swainsboro	Statesboro Branch Office 1101 Brampton Avenue Statesboro, GA 30458 Bulloch County	08-24-2015	

### APPLICATIONS FOR RESERVATION OF A NAME

<u>PROPOSED NAME</u>	<u>COUNTY</u>	<u>APPLICANT</u>
Citizens Bank of the South	Washington County	Mr. James C. Francis, III Chief Financial Officer/Vice President Citizens Bank of Washington County P.O. Drawer 836 Sandersville, GA 31082-0836
Pineland Bank	Bacon County	Mr. Robert D. Johnston, Jr. Alma Exchange Bank & Trust P.O. Box 1988 Alma, GA 31510

### FINANCIAL INSTITUTION MERGERS

<u>FINANCIAL INSTITUTION (SURVIVOR)</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL</u>	<u>EFFECTIVE</u>
Southern States Bank Anniston, AL	Columbus Community Bank Columbus, GA	Pending	
United Community Bank Blairsville, GA	The Palmetto Bank Greenville, SC	08-25-2015	
FSGBank, National Association Chattanooga, TN	Atlantic Capital Bank Atlanta, GA	Pending	
Members First Credit Union Decatur, GA	Chatham Federal Credit Union Savannah, GA	Pending	
Georgia United Credit Union Duluth, GA	Etowah Valley Federal Credit Union Cartersville, GA	05-22-2015	08-01-2015
Hamilton State Bank Hoschton, GA	Highland Commercial Bank Marietta, GA	08-25-2015	08-31-2015
FirstBank Lexington, TN	Northwest Georgia Bank Ringgold, GA	Pending	

**FINANCIAL INSTITUTION****(SURVIVOR)**

MidSouth Community Federal Credit Union  
Macon, GA

**MERGED INSTITUTION**

Consolidated Public Safety Credit Union  
Macon, GA

**APPROVAL**

Pending

**EFFECTIVE**

First Peoples Bank  
Pine Mountain, GA

The Greenville Banking Company  
Greenville, GA

Pending

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

**BANK HOLDING COMPANY****TO ACQUIRE****APPROVAL****FORMATIONS**

WCSB Holding Company, Inc.  
Abbeville, GA

Wilcox County State Bank  
Abbeville, GA

Pending

NOA Bancorp, Inc.  
Duluth, GA

NOA Bank  
Duluth, GA

Pending

**ACQUISITIONS**

Southern States Bancshares, Inc.  
Anniston, AL

Columbus Community Bank  
Columbus, GA

Pending

Atlantic Capital Bancshares, Inc.  
Atlanta, GA

First Security Group, Inc.  
Chattanooga, TN

Pending

Hamilton State Bancshares, Inc.  
Hoschton, GA

Highland Financial Services, Inc.  
Marietta, GA

08-25-2015

# DBF Outreach

## AND UPCOMING SPEAKING ENGAGEMENTS

- Commissioner Hagler will be participating on a regulatory panel at the Community Bankers Association's 47th Annual Meeting and Trade Show on September 25th in Savannah, GA. [Learn more about this event.](#)

**DEPARTMENT OF  
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The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, and state-chartered trust companies. The Department also has responsibility for the supervision, regulation, and examination of Merchant Acquirer Limited Purpose Banks (MALPBs) chartered in Georgia.

In addition, the Department has regulatory and/or licensing authority over mortgage brokers, lenders and processors, mortgage loan originators, check cashers, sellers-issuers of payment instruments, money transmitters, 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 a willing and able partner with our regulated entities in order to support vibrant and economic growth and prosperity in Georgia.

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