

STATE OF SOUTH CAROLINA  
DEPARTMENT OF LABOR, LICENSING AND REGULATION  
BEFORE THE SOUTH CAROLINA AUCTIONEERS COMMISSION

Given before Yvonne R. Bohannon, Registered Merit Reporter, Certified Realtime Reporter and Notary Public in and for the State of South Carolina, commencing at 10:04 a.m. on Monday, February 27, 2012, at the offices of the South Carolina Department of Labor, Licensing and Regulation, 110 Centerview Drive, Columbia, South Carolina.

Reported by:  
Yvonne R. Bohannon, RMR, CRR

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1 APPEARANCES:

2

BOARD MEMBERS:

3

Victor J. Avendano

4

James G. Blocker (Chairman)

Joseph Burns

5

Matthew J. Holiday

Michelle J. Pinkney

6

7 ADVISING THE BOARD:

8

Sheridon Spoon, Esquire (LLR)

Sara McCartha, Esquire (LLR)

9

10 ALSO PRESENT:

11

Lenora Addison-Miles

12

REPORTED BY:

13

Yvonne R. Bohannon, RMR, CRR

14

15

(INDEX AT REAR OF TRANSCRIPT)

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1           MR. BLOCKER: I call this meeting to  
2           order. And if you will join me in the  
3           pledge of allegiance, please.

4           (Pledge of allegiance and prayer  
5           recited.)

6           MR. BLOCKER: This meeting has been  
7           posted as required by law under South  
8           Carolina Commission -- Auctioneers  
9           Commission Office, Synergy Business Park,  
10          Kingstree Building, and provided to all  
11          requesting persons, organizations and news  
12          media in compliance with Section 30-4-80 of  
13          the South Carolina Freedom of Information  
14          Act.

15          Our first order of business is  
16          approval of absences. We don't have any  
17          absences. I think we've got a full board.  
18          Thank y'all for attending.

19          The next order of business is approval  
20          of the minutes from the last meeting. Do I  
21          hear a motion?

22          MR. HOLIDAY: Motion to approve.

23          MR. AVENDANO: Second.

24          MR. BLOCKER: Second. I have a motion  
25          to approve and second.

1 Any discussion?

2 All in favor of approving the minutes  
3 say aye. So ordered.

4 We are glad to welcome Joe Burns. Joe  
5 and I go back -- way back. He introduced  
6 us this morning. I said we've been going,  
7 what, 20 or some -- 30 something years. I  
8 don't want to tell your age.

9 MR. BURNS: It's been a while.

10 MR. BLOCKER: We're glad to have you  
11 here.

12 MR. BURNS: Thank you.

13 MR. BLOCKER: We will miss  
14 Mr. Christopher, I'm sure. He's been a  
15 very active member for a long time. He  
16 came back for a second term, but we're glad  
17 to have you.

18 MR. BURNS: Glad to be here.

19 MR. BLOCKER: And of course we've got  
20 Mike Harper, ex-president of the South  
21 Carolina association.

22 MR. HARPER: Past president.

23 MR. BLOCKER: Past president, okay.

24 MR. HARPER: Ex kind of sounds like I  
25 was run off.

1 MR. BLOCKER: Glad to have you, sir.

2 MR. HARPER: Thank you.

3 MR. BLOCKER: And Darron Meares. And  
4 the other visitors, we are glad to have you  
5 always.

6 Ms. Miles.

7 MS. MILES: Thank you, Mr. Blocker.

8 Members are reminded that your meeting  
9 materials contain confidential information,  
10 and at the end of the meeting if you would  
11 please leave all application documents for  
12 proper disposal.

13 The December 2nd, 2011, auctioneer  
14 examination, we had seven candidates. Four  
15 passed the exam, and the average score was  
16 72. The next exam is scheduled for March  
17 9. There are currently 999 auctioneers and  
18 158 auction firms licensed through June  
19 30th, 2013.

20 The January 2012 cash balance report  
21 reflects a recovery fund balance of  
22 120,259.01. The auctioneer commission cash  
23 balance is \$1,026,512.45.

24 And members are also reminded that you  
25 need to file your statement of economic

1 interest forms.

2 And we'd like to welcome Mr. Burns.  
3 We're happy to have you and looking forward  
4 to working with you.

5 MR. BURNS: Thank you, Ms. Miles.

6 MR. BLOCKER: We will be getting those  
7 forms in the mail?

8 MS. MILES: No, you got -- you  
9 received an e-mail about filing them  
10 electronically.

11 MR. BLOCKER: Okay.

12 MS. MILES: Yeah.

13 MR. BLOCKER: Maybe I did.

14 MS. MILES: Yeah, you did.

15 MR. BLOCKER: Okay. I'll check.

16 MS. MILES: And Mr. Andrews is here to  
17 give us our OIE report.

18 MR. BLOCKER: Okay.

19 MR. ANDREWS: Good morning, gentlemen.  
20 My name is Deleon Andrews. I'm the  
21 investigator for the auctioneers board for  
22 those of you who don't know me.

23 We currently received this year 2012  
24 seven cases. We've closed eight cases for  
25 2012, and we currently have 11 cases open

1 with the auctioneers board. Okay.

2 MR. BLOCKER: Okay. Thank you.

3 Appreciate it.

4 MR. ANDREWS: Thank you.

5 MR. BLOCKER: Ms. Miles, can I ask you  
6 a question?

7 MS. MILES: Yes, sir.

8 MR. BLOCKER: They -- we haven't  
9 changed our tests, have we?

10 MS. MILES: No.

11 MR. BLOCKER: You said we had seven  
12 candidates and only four passed?

13 MS. MILES: Yes.

14 MR. BLOCKER: I was just wondering,  
15 had the test gotten harder?

16 MS. MILES: No, sir.

17 MR. BLOCKER: Okay. Average was 70  
18 what?

19 MS. MILES: 72.

20 MR. BLOCKER: 72?

21 MS. MILES: Uh-huh.

22 MR. BLOCKER: It seems like the test  
23 has gotten harder.

24 MS. MILES: No, sir.

25 MR. BLOCKER: Okay. That's all I

1 wanted to know. I was just curious about  
2 that.

3 Unfinished business, do we have any  
4 unfinished business that we didn't carry  
5 over?

6 MS. MILES: No, sir.

7 MR. BLOCKER: Don't have any.

8 New business is review of application  
9 via examination of -- the first one is  
10 Thomas Lynwood Laws. Is Mr. Laws here?

11 MR. LAWS: Yes, sir.

12 MR. BLOCKER: Come forward, sir.

13 Ms. Miles, you want to --

14 MS. MILES: Yeah. You have your  
15 script there for Mr. Laws.

16 MR. BLOCKER: Yeah, I do. Thank you  
17 for pointing that out.

18 (Hearings in the matters of Thomas  
19 Lynwood Laws and Gary D. Townsend were  
20 presented to the Board.)

21 \* \* \* \* \*

22 MR. BLOCKER: Next on the agenda is  
23 the review of the continuing education  
24 courses.

25 Ms. Miles, do you want to bring us up

1 to speed?

2 MS. MILES: Yes, sir. In addition to  
3 the courses that we have for your review, I  
4 have also included the Commission's  
5 approved criteria for evaluating schools,  
6 sponsors or instructors. And the first  
7 item we have is All Star Training,  
8 Incorporated. They have submitted three  
9 new course modules for approval as online  
10 courses.

11 All Star is an approved CE provider  
12 for our online courses, and the new courses  
13 are bid calling, contracts, and escrow and  
14 trust funds.

15 MR. BLOCKER: Okay. I trust everybody  
16 has read that.

17 Any questions?

18 MR. HOLIDAY: Make a motion to approve  
19 the reports.

20 MR. BLOCKER: I have a motion to  
21 approve.

22 Do we have a second?

23 MR. AVENDANO: I'll second.

24 MR. BLOCKER: Second.

25 Any discussion? Any discussion?

1 No discussion.

2 All in favor say aye.

3 So ordered.

4 That's for all three courses; isn't  
5 that right?

6 MS. PINKNEY: Uh-huh.

7 MR. BLOCKER: The next is David  
8 Chapman's ratification of e-mail ballot.  
9 We've already -- we just need to make it  
10 legal I guess.

11 MS. MILES: Staff received an e-mail  
12 request from Mr. Chapman for a CE course  
13 that was instructed during the South  
14 Carolina Auctioneers Association annual  
15 convention in January. The request was  
16 e-mailed to Commission members for review  
17 on January 10th, 2012.

18 Favorable responses were received from  
19 Mr. Avendano, Ms. Pinkney, Mr. Holiday and  
20 Mr. Blocker for the courses on the agenda  
21 for the ratification of that e-mail ballot.

22 MR. HOLIDAY: Motion to accept the  
23 course.

24 MR. BLOCKER: Second?

25 MS. PINKNEY: Second.

1 MR. BLOCKER: Second.

2 Any discussion?

3 All in favor say aye.

4 So ordered.

5 Now you're legal, Mike.

6 Okay. New Hampshire auctioneer

7 commission law review.

8 MS. MILES: Yes. This item was placed  
9 on the agenda based on an inquiry and a  
10 conversation that I had with Mr. Avendano.

11 It appears the New Hampshire commission  
12 lists South Carolina as a reciprocal state,  
13 but we did not have a record of that  
14 agreement, and after inquiring about it, it  
15 appears that they are going through some  
16 law changes, and I have given you the  
17 response that I received from that board.

18 They did not -- they said they had a  
19 copy of the agreement -- the agreement from  
20 1993. However, their board just went  
21 through law changes and is currently going  
22 through rules changes, so they expect that  
23 next year they will be able to revisit the  
24 agreements with all of the states and  
25 update them. And in the meantime they will

1 continue to accept South Carolina  
2 applications.

3 MR. BLOCKER: They will?

4 MS. MILES: Yes. Based on her e-mail,  
5 uh-huh.

6 MR. BLOCKER: Okay. So it looks like  
7 if they're going to be making rule changes,  
8 we need to wait and give that attention  
9 when it changes.

10 MS. MILES: Well, these are the most  
11 recent ones that they have, and then  
12 they're going through some additional  
13 changes, so this is what she sent me for  
14 review.

15 This is just something we can look at  
16 I guess and discuss later if we want to  
17 continue to be in agreement with them, or  
18 revisit the agreement.

19 MR. BLOCKER: No urgency in it now?  
20 They're going to accept us?

21 MS. MILES: They'll continue, right.

22 MR. BLOCKER: If they came here, will  
23 we accept them?

24 MS. MILES: We have no record of them.  
25 But if she says they have the agreement,

1 I -- I don't know. We didn't -- that's why  
2 I asked her could she send me a copy of it  
3 because we didn't have them on our list.

4 MR. BLOCKER: Has -- has she sent you  
5 a copy of the agreement?

6 MS. MILES: No, she didn't.

7 MR. BLOCKER: I think we need to see  
8 the contract -- the agreement.

9 MS. MILES: She didn't send it.  
10 That's why she said based on their changes  
11 once that has been done, then they could  
12 revisit the agreements at that time.

13 MR. HOLIDAY: Is the agreement she --  
14 we're going to accept licensees from --

15 MS. MILES: Because we haven't been.

16 MR. HOLIDAY: -- from New Hampshire?

17 MS. MILES: No, we haven't been  
18 accepting them.

19 MR. BLOCKER: We would have to see  
20 that agreement, wouldn't we, before we  
21 could accept them. That's what I think.  
22 Because nobody has applied from that --  
23 from them. So we don't have any urgency.

24 MR. HOLIDAY: Until someone files.  
25 We'll have to deal with it if they apply

1           between now --

2                   MR. BLOCKER:   New Hampshire I doubt  
3           we're going to have a problem.

4                   They talk a little different than we  
5           do.  I don't know whether y'all have  
6           noticed or not.

7                   MR. SPOON:   And it may be the case too  
8           that if a New Hampshire statute has  
9           changed, you may have to revisit key issues  
10          from both -- I mean, I don't think you have  
11          as much to say about what New Hampshire  
12          does in accepting the South Carolina  
13          application.  That's done under their  
14          commission and their law, but you may  
15          have -- based on changes that have been  
16          made to their Practice Act, you may have to  
17          revisit -- revisit the acceptance of a New  
18          Hampshire application and may have to draft  
19          an updated reciprocity agreement which we  
20          may not have enough information to do  
21          today.

22                   MR. BLOCKER:   I don't think we do.

23                   MR. HOLIDAY:   So what should we look  
24          at today?  I mean, is there anything we can  
25          do?  What's our next step?

1           MR. SPOON: I was going to say that,  
2           Lenora, is this more for information for  
3           the Board at this point that something may  
4           be coming in? Is there an action  
5           requested?

6           MS. MILES: No, this was based on our  
7           conversation.

8           MR. SPOON: Gotcha. I'm sorry.

9           MR. AVENDANO: Thank you very much,  
10          Lenora.

11          It was brought to my attention that  
12          they had -- they were moving forward  
13          changing some laws. Mr. Meares and I had a  
14          conversation that there -- on section  
15          311(b)(4) the name of the auction would not  
16          be granted to somebody without an  
17          auctioneer's license.

18          And -- and while -- you know, us  
19          protecting other -- our industry here in  
20          South Carolina, we would like to -- I would  
21          like to see it move forward that we also  
22          move in some type -- that direction, that  
23          we won't grant auctions, auctioneers, you  
24          know, to just anybody, but they'd have to  
25          hold an auctioneer's license and pass

1           our -- our examination to better serve the  
2           people.

3                     So that's what the conversation was  
4           that we'd -- I'd like to see it move  
5           forward as, you know, I'm sure the SCAA  
6           would like to see it move forward as well  
7           and other board members.

8                     MR. HOLIDAY: Can you read that  
9           language? Do you have that in front of  
10          you?

11                    MR. AVENDANO: It's section 311(4) on  
12          page two of the -- so it covers it pretty  
13          well. You know, you can't call yourself  
14          auctioneer -- auctioneers without the --

15                    MR. HOLIDAY: So this would address  
16          the issue of placing a sign on New  
17          Hampshire soil advertising an online  
18          auction? Do you think that's what they're  
19          getting at?

20                    MR. AVENDANO: I believe so, yes.  
21          Yes. And I know that you've had this come  
22          up before in prior meetings. So I think  
23          it's moving in the direction that we would  
24          like it to go. I would just like to know  
25          if counsel can help us get it -- get that

1 done and advise us and --

2 MR. SPOON: Okay. I'm happy to. It  
3 sounds like what you're saying is that the  
4 first part of what you said had to do with  
5 the firm versus the individual license.

6 Under the New Hampshire law it looks  
7 like that falls under 311(b)(5). So what  
8 you're saying is the purpose of the  
9 reciprocity with New Hampshire -- the  
10 individual would have to have a license,  
11 not only the firm -- not just the firm.  
12 Right?

13 MR. AVENDANO: Yes.

14 MR. SPOON: And, again, there -- there  
15 may be some prior versions of the  
16 reciprocity agreement that this commission  
17 may have entered into with New Hampshire  
18 that's out there. They don't have it. We  
19 don't have it. And, again, since their law  
20 has apparently changed, it may be something  
21 that you would have to revisit the  
22 reciprocity agreement with that state  
23 anyway, even if we could find the old one,  
24 because the statutes change.

25 MR. AVENDANO: Well, absolutely. I'm

1 not too -- I'm not so much worried about  
2 the -- having the reciprocal agreement  
3 between New Hampshire and South Carolina.

4 MR. SPOON: Okay.

5 MR. AVENDANO: But what I'm more --  
6 more worried about is -- is -- and I want  
7 to make evident that, you know, they're  
8 moving forward and protecting their  
9 auctioneers and so do we. We need to move  
10 forward in that same direction, you know,  
11 and carry -- carry it through.

12 MR. SPOON: Okay.

13 MR. BLOCKER: Can we get counsel to  
14 look that up?

15 MR. SPOON: You bet. I just need a  
16 little clarification on what I'm looking  
17 at.

18 MS. McCARTHA: Are you -- are you  
19 talking about 311 (b)(4) Roman numeral III?  
20 Is that where you're looking at?

21 MR. AVENDANO: Yes.

22 MS. McCARTHA: Let me just see if I'm  
23 catching your intent. You would like to  
24 see South Carolina move towards some type  
25 of statute that has language similar to

1           this particular subsection?

2           MR. AVENDANO: Yes.

3           MS. McCARTHA: Okay. That was what

4           I --

5           MR. SPOON: Okay.

6           MR. HOLIDAY: It's subsection -- I  
7           want to read that language. Right there.

8           So for a person to be physically  
9           located in the state of New Hampshire  
10          knowingly engage and often engage in  
11          auctioneering for a fee, commission or any  
12          other consideration unless such a natural  
13          person has a valid license.

14          Knowingly make a verbal written,  
15          electronic or other representation that  
16          such person is an auctioneer or is able to  
17          perform auctioneering unless such a natural  
18          person has a valid license.

19          So B is an issue. That's their way of  
20          regulating online auctions in the state of  
21          New Hampshire. Is that how it reads to  
22          you, Victor?

23          MR. AVENDANO: If -- if -- the way I  
24          read it, yes, if they are -- if they're  
25          presenting themselves up as an auctioneer,

1           have an auction sign, billboard, that they  
2           must have a -- a auctioneer's license.

3           MR. HOLIDAY: Because I don't think  
4           there's anything that says electronic in  
5           our statute and that -- so can we move in  
6           that direction? Is it worth it? I know we  
7           talked a little bit about this. Are we  
8           bark -- are we --

9           MR. SPOON: That's really the Board's  
10          discretion, but it sounds like what you're  
11          talking about is proposing a statutory  
12          change.

13          MR. HOLIDAY: Because we should  
14          probably all agree that you probably  
15          shouldn't be doing auctions in South  
16          Carolina advertising yourself as an  
17          auctioneer without a license, a firm  
18          license or individual license.

19          Even though you're taking all your  
20          bids online, you're entering into a  
21          contract with a citizen of South Carolina  
22          where some property is located in South  
23          Carolina. So if the bidding is a public  
24          outcry, physical bidding on location or  
25          it's all done electronically whether with a

1 handheld device or via the Internet, I -- I  
2 would say you need to have -- I want those  
3 people to have an auction license.

4 So in the spirit of what our statute  
5 is promoting as far as licensure, I think  
6 that online auctions -- people that are  
7 writing these contracts -- entering into  
8 contracts should be licensed right now.  
9 The thing is that if we go after these  
10 people, do we have a leg to stand on?

11 MR. SPOON: That's --

12 (Multiple speaker.)

13 MR. HOLIDAY: So can we -- can we go  
14 after them as a commission or should we  
15 wait and get the statute changed, change  
16 the language? And this is pretty simple,  
17 but it's -- it mentions electronic.

18 MR. SPOON: In -- in the New Hampshire  
19 law?

20 MR. HOLIDAY: Yeah. Right.

21 MS. McCARTHA: You don't have that  
22 word anywhere in your statute. You don't.

23 MR. HOLIDAY: No, not at all.

24 MR. BLOCKER: Arkansas and Tennessee  
25 both go off it and they have been --

1 MR. HOLIDAY: I think Kentucky also.

2 MR. BLOCKER: Yeah, Kentucky also.

3 And a couple other states that said you  
4 can't get the Attorney General to look at  
5 it. Don't know how to enforce it. All  
6 those -- I think everybody agrees we need  
7 to be licensed, but how do you enforce it.

8 MR. SPOON: It's a practical problem.

9 MR. BLOCKER: It's a practical problem  
10 how do you enforce it.

11 MR. BURNS: And from an enforcement  
12 standpoint the first sentence reads "a  
13 person physically located." So if I'm  
14 located in South Carolina but I conduct an  
15 auction in New Hampshire, I guess  
16 geographically I'm not physically located  
17 in New Hampshire.

18 MR. BLOCKER: But you can't hold --

19 MR. BURNS: It would not end up --

20 MR. BLOCKER: And there are big cracks  
21 in there and a lot of people in that crack.  
22 They think they're being protected and  
23 they're not. But it's a bigger issue I  
24 think than --

25 MR. HOLIDAY: Well, in South Carolina

1 we have people that, you know -- you can  
2 get in trouble in South Carolina and give  
3 up your license and then become an employee  
4 of a firm. It would still be a boss. I  
5 mean, that's the number one issue we need  
6 to look at. You can still -- so -- and --  
7 and still hold physical auctions.

8 And so there's a real issue of people  
9 just getting around -- forget the Internet.  
10 You can get around regulation right now and  
11 still be out there doing business as an  
12 auctioneer. The public use them as an  
13 auctioneer, but they're just an employee,  
14 but they no longer can hold a firm license  
15 or maybe even auction as a possibility.

16 So we have to deal with that issue  
17 first I think, and -- but in -- in the  
18 spirit of all this, I mean, right now an  
19 auctioneer can get in trouble with us. We  
20 can pull their license and they can decide  
21 to continue to operate an auction facility  
22 and allow people to be on iPhones and we  
23 can't touch them. I mean, we can't touch  
24 them. It's just a joke.

25 So we have to -- I think we can do

1 something with people physically located  
2 here in South Carolina. So we started the  
3 two major wars in the country, the  
4 Revolutionary and the Civil War. I think  
5 maybe we can do this. I know they failed  
6 in other states, but maybe we do something  
7 here.

8 MR. BLOCKER: Counselor, that's your  
9 job.

10 MR. SPOON: Well, just one  
11 observation. Now, I look at this in  
12 311(b)(4) and what y'all have been  
13 discussing, and with a -- they've sort of  
14 tried to set out a scope of practice. What  
15 constitutes the practice of the profession.

16 And I -- and this is just something to  
17 think about. They're limiting it to  
18 someone who is physically located in that  
19 state.

20 MR. HOLIDAY: Right.

21 MR. SPOON: And, I mean, I can't give  
22 an opinion on New Hampshire law  
23 necessarily, but it would seem to me that  
24 they have put that limitation in there,  
25 that the person is limited -- the license

1 requirement is limited to someone who is  
2 physically located in the state of New  
3 Hampshire.

4 MR. HOLIDAY: And I think that's  
5 great. Just force the criminals to  
6 another -- another state. If they're here,  
7 we can get them.

8 But we -- we have -- people hide  
9 behind corporate veils. Corporations go  
10 overseas to skirt taxes. I mean, we have  
11 that in the auction industries. People  
12 will hide behind Internet auctions if  
13 they're crooks, but, you know, people can  
14 be in the auction business and be part of a  
15 firm and talking to people about, you know,  
16 entering into a contract with the firm but  
17 not be licensed auctioneers, not be -- you  
18 know, it happens in the real estate  
19 business all the time, so --

20 MR. BLOCKER: But the -- the broker in  
21 charge or the licensee is responsible. So  
22 we can go get them.

23 MR. HOLIDAY: Ultimate -- absolutely.  
24 Ultimately responsible.

25 MR. BLOCKER: I have him working for

1 me and he's screwing up, it's me.

2 MR. HOLIDAY: Absolutely.

3 MR. BLOCKER: So I have to clean that  
4 up.

5 MR. HOLIDAY: But once they jump  
6 over -- and, yeah, that's the thing. Once  
7 they jump over into online only, there's  
8 nothing we can do.

9 MR. BLOCKER: Okay.

10 MR. HOLIDAY: But at least we have  
11 that accountability with the auction firm  
12 holder, you're right, or a broker in charge  
13 in the real estate industry. But if they  
14 go online -- the issue is people are  
15 entering into a trust agreement with an  
16 auctioneer.

17 We have great reputations as  
18 auctioneers in South Carolina that we  
19 actually pay our clients after we're  
20 finished. And so they see the name auction  
21 or auctioneer and they think, "Well, you  
22 know, in South Carolina auctioneers are  
23 regulated. They have to pay up. If they  
24 don't -- they're going to be holding my  
25 money."

1           And they unwittingly will enter into a  
2           contract with an online auction, and  
3           they're at the mercy of these people paying  
4           them or not paying them. And there's  
5           nothing we can do as an auction commission  
6           right now, so --

7           (Multiple speakers.)

8           MR. BLOCKER: That would be fine with  
9           me.

10          MR. SPOON: You -- you have that on  
11          your agenda anyway, so if you want -- the  
12          timing of it is the question. You can  
13          entertain that -- or a comment on that.

14          MR. AVENDANO: Darron -- Darron, would  
15          you like to come up and let us --

16          MR. MEARES: Yeah, I was going to say,  
17          this was brought up on in the lower  
18          conference call the last -- I believe a  
19          month ago. We had the -- one of the  
20          representatives from the New Hampshire  
21          auctioneer's commission on the call, and he  
22          announced that they had finally passed this  
23          law.

24                 One of the things that I was  
25                 researching when I was sitting back there,

1           this is House Bill 544 as it's listed in  
2           the New Hampshire -- New Hampshire House  
3           right now.

4                     One thing that this doesn't do, it  
5           doesn't regulate online auctions. This  
6           doesn't cover online auctions in that bill,  
7           and the title of this article is New  
8           Hampshire May Exempt eBay Consignment  
9           Sellers From Regulation. And one of the  
10          big things, this 800-pound gorilla in the  
11          room, people don't want to face eBay.

12                    One of the writers of this article  
13          said that he brought names of consignment  
14          stores to the Attorney General three years  
15          ago, and the Attorney General said there's  
16          no money to fight it. So one of the  
17          biggest things that states are starting to  
18          do is to regulate those sellers and  
19          regulate the eBay drop-off store owners as  
20          auction firms.

21                    Another thing that -- that you look at  
22          with this, when you start looking at  
23          governing the Internet -- Kentucky did  
24          this, and Mr. Holiday brought this up. If  
25          you sell an item in the state of Kentucky,

1 if you sell it online, you have to have a  
2 Kentucky auctioneer's license whether I  
3 sell it right now on Proxibid or Bid Spot  
4 or another platform, I have to have a  
5 Kentucky auction license to sell that item  
6 in the state of Kentucky even though I'm  
7 here in South Carolina. So they have  
8 regulated that part in Kentucky.

9 You bring up Arkansas and I believe  
10 you said Tennessee. You know, they're  
11 looking at doing this. Philadelphia --  
12 Pennsylvania has been going after eBay for  
13 probably the past five or six years, and I  
14 believe they're spending between five and  
15 \$10,000 a month trying to fight and  
16 regulate these and it didn't work.

17 I totally agree with being the  
18 frontrunner in this and trying to figure  
19 out a way to do this. The man that was  
20 here in the article that I was reading --  
21 and I can e-mail the link to you guys. He  
22 was quoted as saying that he sold a violin  
23 online for \$31,000. He had that money in  
24 his escrow account in another state and  
25 nobody could look in his escrow account and

1 see what he did with that money.

2 Mr. Blocker and I had a conference  
3 probably two or three years ago. I worked  
4 with a firm in Illinois that couldn't get a  
5 license in time to do their auction here,  
6 so they got a firm license, and the main  
7 reason they did this is so that the  
8 commission here in South Carolina could see  
9 the money they collected here in South  
10 Carolina and where it went.

11 With the Internet auctions you can't  
12 do that. And that's one of the biggest  
13 things that could probably be the easiest  
14 to regulate is that escrow account and  
15 where the money goes with an item that is  
16 sold here in South Carolina. So that's my  
17 thoughts on it.

18 MR. HOLIDAY: So South Carolina could  
19 be known as a state if there's an online  
20 auction based in South Carolina that South  
21 Carolina you can trust an organization --

22 MR. MEARES: Absolutely.

23 MR. HOLIDAY: -- because we're going  
24 to watch out for the -- for the money in  
25 that escrow account?

1           MR. MEARES: Well, and to -- to add to  
2           exactly what you're saying right here. In  
3           this article, the -- one of the -- the  
4           chairman of the New Hampshire board of  
5           auctioneers, he spoke in opposition to this  
6           and says, "Thousands of lawful auctions  
7           occur in New Hampshire with sales estimated  
8           in hundreds of millions of dollars annually  
9           with virtually no problems. This makes  
10          auctioneer -- the auctioneer profession a  
11          serious and significant business in the  
12          state."

13                 That was Charles Clougherty that said  
14          that. And he said that -- for that reason  
15          he had added, "The state requires  
16          auctioneers to be licensed and bonded for  
17          the protection of the public." And he  
18          mentioned eBay drop-off centers springing  
19          up around the state, and said, "Unlicensed  
20          individuals who choose to auction online do  
21          not answer to anyone, have no  
22          accountability for their stores and would  
23          be free to operate without any oversight  
24          whatsoever."

25                 So if you had that oversight, then it

1 adds professionalism. And the other thing  
2 that it adds is it also brings in those  
3 auctioneers that are selling our assets.  
4 GovDeals is one. GovDeals.com. The state  
5 of South Carolina has multiple states. Our  
6 county used to do that. In Georgia at one  
7 time there were 70 percent of the counties  
8 I believe -- don't quote me on that number,  
9 but it was close to that -- had the -- the  
10 counties had signed on to sell with  
11 GovDeals.com. They're not regulated.  
12 They're not regulated at all.

13 Now, granted, you're probably -- if  
14 you're selling for SLED or ATF or FBI or  
15 somebody like that, you're probably going  
16 to follow the rules and you shouldn't have  
17 any issues with that. But who knows what  
18 happens with that.

19 MR. BLOCKER: How does GovDeals work?

20 MR. MEARES: GovDeals is sort of like  
21 eBay.

22 MR. BLOCKER: Who handles the money?

23 MR. MEARES: GovDeals. GovDeals --  
24 it's the same way -- what -- what GovDeals  
25 does is they go in -- and it's sort of like

1 eBay where you go to, let's say, Richland  
2 County here. They go in and sell their --  
3 they list their assets. They do a sales  
4 fee and a commission fee and that sort of  
5 thing the same way eBay works.

6 They pay -- they collect the money  
7 somehow. I don't know if you write a check  
8 directly to Richland County or to GovDeals  
9 or whoever it is, and then they keep their  
10 commissions and fees out of that and then  
11 either give you the remainder or that  
12 person writes you a check for the remainder  
13 and you pay the fees to GovDeals.

14 MR. BLOCKER: That's what I  
15 understand.

16 MR. MEARES: That's probably the way  
17 that it works right now, and that's  
18 probably how it circumvents --

19 MR. BLOCKER: GovDeals does not handle  
20 the money --

21 MR. MEARES: Probably not. Probably  
22 not.

23 The one thing with GovDeals is unless  
24 you sign up to sell, you can't get any  
25 information about GovDeals as an

1           auctioneer. You can sign up for a bidder  
2           account and then they call you the next day  
3           and say, "Hey, you're approved. What kind  
4           of auctions would you like to do? Or what  
5           kind of auctions would you like to attend?"

6                     But they won't physically go in and  
7           give you information on their website about  
8           their services and how they work unless you  
9           sign on as a client.

10                    MR. HOLIDAY: Well, maybe we -- we  
11           need to address this. Maybe -- when you  
12           have an Internet auction company, there's  
13           an agency issue. So if you have an  
14           Internet auction company, number one, who  
15           do they serve? Are they acting as an agent  
16           for the seller? And if they're acting as  
17           an agent for the seller, are they handling  
18           the money for the seller?

19                    If the Internet is just a bidding tool  
20           and the money -- and it's individual people  
21           or individual businesses that -- you know,  
22           it's legal to sell your own property in  
23           South Carolina at auctions. So if I want  
24           to -- if I'm unlicensed and I want to sell  
25           my property at auction, I can do it. So if

1 I want to utilize the Internet to do it as  
2 an individual, I'm selling directly to the  
3 public. I'm utilizing some type of  
4 software on the Internet. The money is  
5 coming directly into my account.

6 You know, so there's an issue of, you  
7 know, not ripping off a consumer, but as  
8 far as the agency is concerned, you know,  
9 as an entity or as a municipality, if  
10 you're just using GovDeals, for instance,  
11 as a tool but the money is coming directly  
12 to you, that -- that's, you know, a little  
13 bit better than an Internet company out  
14 there that's actually going a step further  
15 and representing -- and fighting for a  
16 seller's best interest and handling their  
17 money making sure the checks clear and they  
18 distribute the money after a certain period  
19 of time.

20 So I think we need to just clarify  
21 what's out there. I mean, who is handling  
22 the money? I think that's the number one  
23 issue is if the South Carolina citizen is  
24 giving -- you know, handing over their  
25 goods to an entity and that entity is

1 handling their money and they have to write  
2 a check, that's a huge issue, so do you  
3 want to address that?

4 MR. MEARES: Well, and I was going to  
5 say you're exactly right. That's how  
6 GovDeals and eBay and some of these other  
7 ones get around having escrow accounts here  
8 in the state.

9 You know, based on our auction law,  
10 you know, it says that if you're going to  
11 operate in the state, you have to have an  
12 escrow account, a firm license, an  
13 auctioneer's license, and those records can  
14 be open for Commission inspection at any  
15 time. If you're in Texas and you're  
16 holding somebody in South Carolina's money,  
17 then there's no way for anybody here to  
18 fight that.

19 Now, I think that's where Kentucky is  
20 going with theirs because if you -- if I  
21 sell an asset from Kentucky, I have to be  
22 licensed in their state, and in my opinion  
23 I feel that that is why they decided to do  
24 that so that they could figure out where  
25 those assets are going and where that money

1 is being held.

2 So now that opens up to Kentucky the  
3 escrow account of that auctioneer and  
4 wherever they work and whatever state they  
5 operate in.

6 MR. HOLIDAY: Well, Mr. Meares, I also  
7 want us to look at -- I've conducted some  
8 online auctions, and I know that, you know,  
9 we have a fiduciary duty to the seller to  
10 get the most amount of money possible. But  
11 we also have a set of rules as auctioneers,  
12 and we -- we know what the rules are as far  
13 as how to handle, you know -- treat the  
14 public fairly.

15 We're giving -- we're giving a lot of  
16 information on an online auction. People  
17 enter in proxy bids. They'll put in --  
18 it's like -- it's like an absentee bid  
19 where they'll start the bidding off at \$25,  
20 but their maximum bid will be a hundred.

21 The issue I have is that you have  
22 people on the other side possibly operating  
23 a software that are privy to the  
24 information of a buyer. They're at the  
25 mercy now of this person who has an

1 incentive to run that bid up electronically  
2 to get a higher commission. And no one is  
3 there to regulate them.

4 So that issue of who's handling the  
5 money is one issue, but the other issue is  
6 just the conduct of an auction.

7 Auctioneers are supposed to take bids from  
8 real people. And if the seller in a  
9 reserve auction situation decides to bid on  
10 their own property, that has to be properly  
11 disclosed to the buyers.

12 I have a real problem with buyers,  
13 even proxy bids online and auctioneers  
14 and -- and whatever other companies  
15 involved has this information --  
16 confidential information on buyers.  
17 They're willing to go up to \$5,000 and  
18 they're starting the bidding out at a  
19 thousand. Who is regulating that person on  
20 the backside of the software --

21 MR. BLOCKER: I think we --

22 MR. HOLIDAY: -- and running the bids  
23 up?

24 MR. BLOCKER: I think we all agree  
25 that we have a problem with that, but how

1 can we fix it?

2 MR. MEARES: Well, one of the  
3 things -- I don't mean to interrupt, but  
4 one of the things with that, Proxibid has  
5 taken the stance -- Proxibid,  
6 P-R-O-X-I-B-I-D -- has taken the stance to  
7 where if an auctioneer can see pre-bids, it  
8 has to be disclosed in their terms and  
9 conditions, and I believe it shows up in  
10 red on their site. And if they're bidding  
11 on behalf of the seller, which the Uniform  
12 Commercial Code allows you to do in reserve  
13 auctions like you say, it has to be  
14 properly disclosed.

15 I had an auctioneer call me and ask me  
16 how we were handling that, and I said, "We  
17 don't do it. We don't see the bids. I  
18 don't want to see the bids."

19 I advocated years ago with Proxibid  
20 when I was on their advisory board that I  
21 didn't want to see those pre-bids because  
22 of the situation you're talking about. I  
23 didn't want anybody to know that. A, I  
24 didn't want the seller to know that we  
25 stopped at 300 when the guy would go to

1           5,000, and I didn't want to have a bidder  
2           to come back and go, "Hey, you went  
3           straight to my maximum of 5,000. I don't  
4           want that information."

5                   And what happened, Proxibid decided to  
6           go in and make it to where the auctioneer  
7           must disclose those terms if they see  
8           these.

9                   Had an auctioneer call me last week  
10          and he said his online sell through went  
11          from 62 percent to ten percent when he  
12          disclosed that. And I said, "There you go.  
13          That's why you don't need to do it."

14                   MR. HOLIDAY: And Proxibid works with  
15          I think mostly licensed auctioneers.

16                   MR. MEARES: That's all they take,  
17          yes.

18                   (Multiple speakers.)

19                   MR. HOLIDAY: That follows the code of  
20          ethics of the MAA. Most of them are I  
21          would assume reg -- if they're in a  
22          state -- operating in a state, they're  
23          actually regulated, so they -- they're used  
24          to following those rules and --

25                   MR. MEARES: However --

1           MR. HOLIDAY: But there's hundreds of  
2 other --

3           MR. MEARES: That's right.

4           MR. HOLIDAY: There's a hundred --  
5 hundreds of others out there that have no  
6 connections with auctioneers. They don't  
7 work with us. They work with Joe the  
8 public. And that's the real issue. So  
9 anybody -- go ahead.

10          MR. MEARES: Sure. I was going to  
11 stay BidSpotter, iCollector, Auction Bid  
12 Live, none of those have adopted this  
13 policy. So there you go. That's another  
14 way that -- you could possibly have an  
15 auctioneer brought before this commission  
16 on some charge that they ran the bid on  
17 somebody when somebody -- when a buyer  
18 finds out about it because of that.

19          MR. HOLIDAY: But if it was an online  
20 only auction, you can't do a darn thing  
21 about it.

22          MR. MEARES: Exactly and that goes  
23 back to Mr. Blocker's point that there's a  
24 problem out there and something needs to be  
25 done about it.

1           MR. BLOCKER: We all agree there's a  
2           problem. We know how bad it is. But how  
3           do we handle it?

4           MR. SPOON: It sounds like what you're  
5           talking about now -- it sounds like what  
6           you're talking about is statutory -- is a  
7           bill, statutory change to clarify the issue  
8           for the public and put that forward in the  
9           form of legislation.

10          MR. MEARES: I definitely don't want  
11          to be regulated anymore. There's no doubt  
12          about it. Nobody does, but if we're going  
13          to have a professional organization and a  
14          professional license in this state, it  
15          needs to have that involved.

16          Thank you.

17          MR. BURNS: Thank you.

18          MR. HOLIDAY: Thank you.

19          MR. BLOCKER: Can you look into that.

20          MR. SPOON: I'd be happy to. It will  
21          be her, but --

22          MR. BLOCKER: Sara?

23          MR. SPOON: Yeah, that's really where  
24          we are with it right now. What we do when  
25          it comes to an issue like that, whether it

1 is a regulation, that the -- of course the  
2 Commission promulgates regulation or one  
3 step above that being a statutory change.

4 Of course, a statute -- or I should  
5 say a bill can be introduced by anyone.  
6 There's no limitation on that. Bills do  
7 not have to be introduced by the -- by the  
8 Commission.

9 So I think that's pretty much where we  
10 are with it at this point is that it's  
11 going to require some legislative  
12 clarification, either regulatory or  
13 statutory.

14 MR. HOLIDAY: I may have misspoke,  
15 counselor. If -- as a commission, we can  
16 act on ethical misconduct. So if a  
17 licensed auctioneer does something  
18 unethical in an online auction situation,  
19 we can do something about that.

20 MR. SPOON: That's right. And thank  
21 you -- thank you for mentioning that  
22 because that was the third approach I guess  
23 is sort of the existing law complaint  
24 approach which is Mr. Andrews may have more  
25 information about specifics, but of course

1 anyone may file a complaint.

2 Of course that -- that has to do with  
3 what's occurring under current law. I'm  
4 not -- I don't know one way or the other  
5 what the position of those complaints have  
6 been in the past or whether you have any  
7 that are on their way to you as we speak.  
8 I don't have any information on that.

9 But of course that's why Mr. Andrews'  
10 office exists. Members of the public  
11 can -- can make complaints if they feel  
12 like there's been a violation of the  
13 Practice Act by a licensee.

14 MR. HOLIDAY: If we are unable to move  
15 forward legislatively, I think it would be  
16 proactive as a commission and as a  
17 association -- I know we have  
18 representation in the association here --  
19 to educate the public about, "Hey, if  
20 there's a licensed auctioneer --" you want  
21 a license auctioneer for an online auction  
22 because we will go after them if they do  
23 something inappropriate online --

24 MR. SPOON: Certainly, and that's --

25 MR. HOLIDAY: -- because we'll nail

1           them on ethical --

2           MR. SPOON: Yeah, we get calls like  
3           that all the time for all 41 boards, is  
4           that they'll e-mail and call and they'll  
5           say, "I've got a problem with my dentist.  
6           I've got a problem with my builder,"  
7           whatever the case may be, and, "Let me --"  
8           and they say, "Let me tell you all about  
9           what's going on," and then you have to say,  
10          "We'd love to hear all about what's going  
11          on. It's just that you would have to --  
12          since it is something that has already  
13          occurred and we -- there's a licensee  
14          that's involved, that goes to OIE  
15          investigations."

16          So that, again, is the right avenue  
17          for that kind of information. And we of  
18          course -- LLR as the investigators for all  
19          intents and purposes are required by law to  
20          investigate, and it goes through the IRC  
21          process after the investigation and so on.

22          MR. HOLIDAY: Okay.

23          MR. AVENDANO: I'm sorry to interrupt.  
24          You said anybody can introduce this bill --  
25          a bill?

1 MR. SPOON: Yes, sir.

2 MR. AVENDANO: Well, why don't we get  
3 together as a commission, draft something  
4 up and, you know, also get the SCAA  
5 involved with its numbers in mass and  
6 present it to whoever we need to present it  
7 to. Can we get that ball rolling like  
8 that?

9 MR. SPOON: Yes, sir, that's within  
10 your -- within your discretion, and the  
11 role that our office plays in that process  
12 is we do help out with the drafting of  
13 that. There's a -- either regs or  
14 statutes. We do look at the drafting and  
15 help out with that. Beyond the drafting  
16 part, we're pretty much in a mutual  
17 position.

18 MS. McCARTHA: We have to have a  
19 sponsor.

20 MR. SPOON: Right, that's the other  
21 thing. The bill's got to have a sponsor.  
22 We don't get involved in locating sponsors  
23 for you.

24 MR. AVENDANO: Thank you.

25 MS. McCARTHA: It is halfway through

1 the legislative session, so it would  
2 probably be something you need to look at  
3 now for the next legislative session.

4 MR. BLOCKER: Maybe get us this  
5 information --

6 MS. McCARTHA: I'll get some more  
7 information to all of you about the  
8 process.

9 MR. BLOCKER: Okay.

10 Election of officers. We need a  
11 chairman and a vice chairman. The floor is  
12 open for nomination for chairman.

13 If that's the proper way, counsel.

14 MR. SPOON: That's fine, yes, sir.

15 The first office is for chairman. The  
16 request is for nominations.

17 MR. HOLIDAY: Make a motion James  
18 Blocker to continue as the chairman.

19 MR. BURNS: Second.

20 MR. SPOON: It's been made and  
21 seconded.

22 Is there a --

23 MR. HOLIDAY: We don't know what we're  
24 doing. He -- he's carrying us along fine.

25 MR. SPOON: Before the nominations

1 close, are there any additional nominations  
2 for that -- for that office?

3 Okay. Would the Commission entertain  
4 a motion to close the nominations for  
5 chairman?

6 MR. HOLIDAY: Make that motion.

7 MR. AVENDANO: Second.

8 MR. SPOON: The Commission call --  
9 call for the question as to the election of  
10 the chairman.

11 All those in favor of Mr. Blocker?

12 MR. BLOCKER: Thank you, gentlemen. I  
13 appreciate the confidence, but let's don't  
14 get into what we know. But thank you for  
15 that.

16 Vice chairman. Nominations for vice  
17 chairman?

18 MR. SPOON: Do you typically elect a  
19 vice chairman? I'm just curious.

20 MS. MILES: Yes. Yes.

21 MR. BLOCKER: We did two meetings ago.

22 MR. AVENDANO: We do.

23 MR. SPOON: We already elected a vice  
24 chairman.

25 MS. MILES: We did because the former

1 vice chairman -- he was replaced, so we had  
2 to have somebody to fill the position.

3 MR. SPOON: Okay. And I only brought  
4 it up because your -- your specific  
5 Practice Act calls for the election of a  
6 chairman, but I think you certainly need to  
7 have someone if nothing else designated to  
8 serve in your absence.

9 MR. BLOCKER: Okay. Nomination for  
10 vice chairman? Do I hear a nomination for  
11 vice chairman?

12 MS. PINKNEY: I make a motion that  
13 Mr. Avendano continue in his role as vice  
14 chairman.

15 MR. BLOCKER: Do we need a second for  
16 nomination?

17 MR. SPOON: Yes, sir.

18 MR. BLOCKER: Do I have a second?

19 MR. HOLIDAY: Second it.

20 MR. BLOCKER: Okay.

21 MR. AVENDANO: Thank you.

22 MR. BLOCKER: Have any discussion on  
23 it?

24 Any other nominations I guess is what  
25 the proper would be. Any other

1 nominations?

2 Call for the vote. All in favor of  
3 Mr. Avendano as the vice chairman say aye.

4 So ordered.

5 That's only two officers, so you just  
6 had one officer.

7 MR. SPOON: I just happened to see  
8 that in your ad.

9 MR. BLOCKER: Okay. Now we'll go to  
10 public comments.

11 Do we have anybody from the public  
12 wanting to comment?

13 I see Mr. Ligon has come in.

14 MR. LIGON: Yes, sir.

15 MR. BLOCKER: Glad to have you, sir.

16 MR. LIGON: Thank you, sir. Sorry I  
17 was late.

18 MR. BLOCKER: Any comments?

19 MR. LIGON: I'm sorry, I didn't hear  
20 you, Mr. Blocker. No, I don't have  
21 anything for the agenda. We appreciate  
22 being here and we'll support Darron's --  
23 what he was just going over with the  
24 Internet. Let us know.

25 As you said, certainly the SCAA stands

1 ready to support some legislation on the --  
2 in the bidding situation which we certainly  
3 need to address and also want to welcome  
4 Mr. Burns today. Thank you.

5 MR. HOLIDAY: Well, we have three SCAA  
6 members here. We -- I think -- I want to  
7 breach the subject. We -- we have the  
8 \$120,000 in the recovery fund, and 20 of it  
9 is supposed to be used for the promotion  
10 and the education of all the auctioneers in  
11 South Carolina.

12 So we need to -- Lenora -- Ms. Miles,  
13 we -- we have \$20,000 we need to use up  
14 before the state takes it, right? Right?

15 MR. SPOON: Now, is that a fair  
16 question?

17 MS. MILES: Thank you so -- thank you.  
18 Thank you.

19 MR. HOLIDAY: So we have -- this is  
20 public comment time. We want to help  
21 promote and educate every single auctioneer  
22 in South Carolina.

23 So, Mr. Ligon, we don't want to put  
24 you on the spot, but I want --

25 MR. LIGON: We're working on --

1                   MR. HOLIDAY: The Commission -- we --  
2                   we want to --

3                   MR. LIGON: We're working on a game  
4                   plan. I don't know that we're ready to --  
5                   we don't want to go all half-cocked. So we  
6                   want to have a better -- we've got  
7                   representation in the education committee.  
8                   Past president Mike Harper is back here.  
9                   He's worked hard in this area.

10                  So we do hope to have something for  
11                  you soon that would be of service to all  
12                  auctioneers, not just SCAA members, but all  
13                  auctioneers, which is what, you know, we're  
14                  striving, for good proper education and  
15                  regulation of all auctioneers.

16                  So we will -- we are working in that  
17                  direction. Just not prepared to present  
18                  you anything today.

19                  MR. AVENDANO: Okay.

20                  MR. BLOCKER: Thank you.

21                  MR. LIGON: Thank you.

22                  MR. BLOCKER: Any other comments?

23                  I'll entertain a motion that we go  
24                  into executive session.

25                  MR. SPOON: For the applications.

1 MR. BURNS: So moved.

2 MR. BLOCKER: Second?

3 MR. AVENDANO: Second.

4 MR. BLOCKER: Any discussion?

5 All in favor of going into executive  
6 session say aye.

7 All right. We're going to take a  
8 five-minute recess and handle the matters.

9 (A recess transpired at 11:11 a.m.,  
10 after which The Board went into executive  
11 session to 11:37 a.m.)

12 MR. BLOCKER: Did I hear a motion we  
13 come back into -- come out of executive  
14 session?

15 MR. HOLIDAY: So moved.

16 MR. BURNS: Second.

17 MR. BLOCKER: All in favor of coming  
18 out of executive session?

19 (Hearings in the matter of Thomas  
20 Lynwood laws and Gary D. Townsend were  
21 presented to the Board.)

22 \* \* \* \* \*

23 MR. BLOCKER: Anything else to come  
24 up, Ms. Miles?

25 MS. MILES: No, sir.

1                   MR. BLOCKER: I'll entertain a motion  
2                   that we adjourn.

3                   MR. HOLIDAY: So moved.

4                   MR. BLOCKER: Do I hear a second?

5                   MR. AVENDANO: Second.

6                   MR. BLOCKER: All in favor of  
7                   adjourning, sign up.

8                   Thank you. Appreciate your help.

9                   (The meeting was concluded at  
10                  11:39 a.m.)

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CERTIFICATE OF REPORTER

I, Yvonne R. Bohannon, Registered Merit Reporter, Certified Realtime Reporter, and Notary Public for the State of South Carolina at Large, do hereby certify:

That the foregoing transcript was taken before me on the date and at the time and location stated on page 1 of this transcript; that all statements made on the record at the time of the proceeding were recorded stenographically by me and were thereafter transcribed; that the foregoing proceeding as typed is a true, accurate and complete record of the proceeding to the best of my ability.

I further certify that I am neither related to nor counsel for any party to the cause pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal March 21, 2012, at Columbia, Richland County, South Carolina.

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Yvonne R. Bohannon  
Registered Merit  
Reporter, CRR  
My Commission expires  
April 11, 2015

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(None marked.)