

Regional Management Corp.  
Form 10-Q/A  
November 20, 2014

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 10-Q/A**  
**(Amendment No. 1)**

**x    QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the quarterly period ended June 30, 2014**

**OR**

**..    TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the transition period ended**

**Commission File Number: 001-35477**

**Regional Management Corp.**

**(Exact name of registrant as specified in its charter)**

<b>Delaware</b> <b>(State or other jurisdiction of</b>  <b>incorporation or organization)</b>  <b>509 West Butler Road</b>  <b>Greenville, South Carolina</b> <b>(Address of principal executive offices)</b>	<b>57-0847115</b> <b>(I.R.S. Employer</b>  <b>Identification No.)</b>  <b>29607</b> <b>(Zip Code)</b>  <b>(864) 422-8011</b>  <b>(Registrant's telephone number, including area code)</b>
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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input checked="" type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 6, 2014, the registrant had outstanding 12,713,573 shares of Common Stock, \$0.10 par value.

### **Explanatory Note**

In this Amendment No. 1 to Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2014 (the Form 10-Q/A ), Regional Management Corp. (the Company ) is updating Item 4 (Controls and Procedures) of the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2014, as filed with the Securities and Exchange Commission (the SEC ) on August 7, 2014 (the Original Filing ), to reflect changes in the Company's assessment of its disclosure controls and procedures and internal control over financial reporting. Other than new certifications, as required, under Item 6 Exhibits, this Form 10-Q/A does not affect any other parts of, or exhibits to, the Original Filing, nor does it reflect events occurring after the date of the Original Filing.

### **Item 4. Controls and Procedures**

#### ***Evaluation of Disclosure Controls and Procedures***

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ( Exchange Act )) are designed to provide reasonable assurance that information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate to allow timely decisions regarding required disclosures.

In connection with the preparation of the Original Filing, our management, under the supervision and with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures. On August 7, 2014, at the time we made our Original Filing with the SEC, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2014. However, our Interim Chief Executive Officer (the Interim CEO ) and our Chief Financial Officer (the CFO ) have since concluded that, because of the existence of a material weakness in our internal control over financial reporting described below, our disclosure controls and procedures were not effective as of June 30, 2014.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. Management has identified a control deficiency that constituted a material weakness in our internal control over financial reporting as of June 30, 2014. Specifically, we did not design and maintain effective controls over the credit risk associated with the origination of direct mail loans, resulting in a reasonable possibility that a material misstatement of our allowance for credit losses would not be prevented or detected on a timely basis. Controls were not effectively designed to apply sufficient scrutiny to the credit quality criteria used to identify direct mail recipients and to audit the resulting recipient list. Accordingly, we have determined that this control deficiency constitutes a material weakness. This material weakness did not result in any adjustments to our prior-period interim or annual consolidated financial statements.

In response to the material weakness described above, our management, with oversight from the Audit Committee of our Board of Directors, has taken steps and plans to take additional measures to remediate the underlying causes of the material weakness. While we believe we will remediate the material weakness prior to December 31, 2014, we can provide no assurance at this time that management will be able to report that our internal control over financial reporting is effective as of December 31, 2014.

#### ***Changes in Internal Control Over Financial Reporting***

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There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the quarterly period ended June 30, 2014 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 6. Exhibits**

The exhibits listed in the accompanying exhibit index are filed as part of this Quarterly Report on Form 10-Q/A.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**REGIONAL MANAGEMENT CORP.**

Date: November 20, 2014

By: /s/ Donald E. Thomas  
Donald E. Thomas, Executive Vice President and  
Chief Financial Officer

(Principal Financial Officer and Duly Authorized  
Officer)

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**EXHIBIT INDEX**

Exhibit	Exhibit Description	Incorporated by Reference			Filed
Number		Form	File No.	Exhibit	
					Filing Date
					Herewith
31.1	Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Executive Officer				X
31.2	Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Financial Officer				X
32.1+	Section 1350 Certifications				
101++	The following materials from our Quarterly Report on Form 10-Q for the three and six months ended June 30, 2014, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets as of June 30, 2014 and December 31, 2013; (ii) the Consolidated Statements of Income for the three and six months ended June 30, 2014 and 2013; (iii) the Consolidated Statements of Stockholders' Equity for the six months ended June 30, 2014 and the year ended December 31, 2013; (iv) the Consolidated Statements of Cash Flows for the six months ended June 30, 2014 and 2013; and (v) the Notes to the Consolidated Financial Statements.				

+ Included in the Original Filing.

++ The XBRL-related information was furnished with the Original Filing.