

**(DO NOT INCLUDE THIS PAGE WITH YOUR SUBMISSION)**

**PLEASE NOTE:**

The following are common reasons that will cause the annual report to be returned to you with an incomplete notice. **The report will not be accepted until corrected.**

1. **New Address:** A bond rider reflecting a **new** address not previously reported to the Department must accompany the report. If the address on the report is different than the address on record with the Department, a bond rider reflecting the new address is required.
2. **Changes in Required Bond Amount:** A bond rider reflecting an increase/decrease in the agency's required bond amount must accompany the report.
3. The agency's current and/or required bond amount is left blank in Section II(a).
4. Out-of-state agency leaves Section I – 3(b) blank or inputs "N/A."
5. No explanation provided when checking Yes under Section I - 6 or 7.
6. Out-of-state agencies include non-Michigan client amounts in Section II – Bond Calculation or Section III – Trust Account Reconciliation and Client Liability. **Provide Michigan client activity only.**
7. Identical Michigan trust account bank statements are provided for more than one collection agency licensee number.  
  
Each collection agency licensee that collects money under Article 9 is required to have a separate trust account. If a licensee is affiliated with multiple licenses, each Michigan license number must calculate the Michigan client activity handled by the license number and maintain a separate Michigan trust account for that collection activity.
8. The Michigan trust account bank statement was not accompanied with the report.
9. The report is not signed by the licensed manager. The report can only be signed by the licensed owner manager or the licensed non-owner manager.

## 2020 ANNUAL REPORT OF BUSINESS AND OPERATIONS

AUTHORITY: 1980 PA 299

### IMPORTANT: COMPLETE ALL SECTIONS OF THIS FORM

**This report is due before May 16, 2021. You may email this report and supporting documentation to [BPLData@michigan.gov](mailto:BPLData@michigan.gov), or mail to the address on this form.**

### SECTION I

|   |       |  |            |
|---|-------|--|------------|
| Agency's Licensed Name  |       | License Number<br><b>2401-</b>                                     |            |
| Street Address  | City  | State  | Zip Code   |
| Telephone Number  | Email |  |            |
| 1) What type of business do you conduct? (Check all that apply)   |       |  |            |
| <input type="checkbox"/> Collection <input type="checkbox"/> Repossession<br><input type="checkbox"/> Billing <input type="checkbox"/> Letter Writing <input type="checkbox"/> Other – Please describe: |       |  |            |
| 2) If the agency is a repossession agency, does the agency handle monies from debtors to prevent repossession, debtor redemptions of repossessed items, or sale of repossessed items?                   |       |  |            |
| <input type="checkbox"/> Yes - If yes, include monies owed and not remitted from repossessions in Section II of this report.<br><input type="checkbox"/> No<br><input type="checkbox"/> Not Applicable  |       |  |            |
| 3(a) Approximated number of clients:  |       | 3(b) If out-of-state agency, estimated number of Michigan clients: |            |
| 4) Is the agency affiliated with any other agencies licensed to collect debts in Michigan?  |       | Agency Name:   | License #: |
|   |       | Agency Name:   | License #: |
|   |       | Agency Name:   | License #: |
|   |       | Agency Name:   | License #: |
|   |       | Agency Name:   | License #: |
| <input type="checkbox"/> Yes - If yes, list the agency(s) name and license number(s) →<br><input type="checkbox"/> No   |       |  |            |
| 5(a) Does the agency collect monies owing itself or to an entity with common ownership?   |       | 5(b) If yes, is this the agency's only collection activity?        |            |
| <input type="checkbox"/> Yes<br><input type="checkbox"/> No   |       | <input type="checkbox"/> Yes<br><input type="checkbox"/> No        |            |
| 6) Does the licensed agency have unsatisfied judgments pending or any tax liens?  |       |  |            |
| <input type="checkbox"/> Yes - If yes, provide details:<br><input type="checkbox"/> No  |       |  |            |
| 7) Has the agency's or manager's license been revoked or suspended in any other state?  |       |  |            |
| <input type="checkbox"/> Yes - If yes, provide details:<br><input type="checkbox"/> No  |       |  |            |

### SECTION II - BOND CALCULATION

Completion of this section will result in a determination of the required surety bond amount. Out-of-state agencies should only include Michigan client activities. NOTE: If the agency maintains a \$50,000.00 bond, you need only complete Section II (a).

Step 1 - Compute the monthly client liability (amount remitted).

Step 2 - Compute the lesser of the amount owed the agency versus the amount owed to the client for each full remit client. Do this for each month.

Step 3 - Subtract the total from Step 2 from result of Step 1 and insert the totals in the appropriate spaces below.

|                                      |                |                             |                   |
|--------------------------------------|----------------|-----------------------------|-------------------|
| January 2020: \$                     | April 2020: \$ | July 2020: \$               | October 2020: \$  |
| February 2020: \$                    | May 2020: \$   | August 2020: \$             | November 2020: \$ |
| March 2020: \$                       | June 2020: \$  | September 2020: \$          | December 2020: \$ |
| Total All Months and Divide by 12: → | \$             | = Average Monthly Liability |                   |

**BOND REQUIREMENT**

| Average Monthly Liability | Required Bond | Average Monthly Liability | Required Bond |
|---------------------------|---------------|---------------------------|---------------|
| \$0.00 - \$5,000.00       | \$5,000.00    | \$30,001.00 - \$35,000.00 | \$35,000.00   |
| \$5,001.00 - \$10,000.00  | \$10,000.00   | \$35,001.00 - \$40,000.00 | \$40,000.00   |
| \$10,001.00 - \$15,000.00 | \$15,000.00   | \$40,001.00 - \$45,000.00 | \$45,000.00   |
| \$15,001.00 - \$20,000.00 | \$20,000.00   | \$45,001.00 - \$50,000.00 | \$50,000.00   |
| \$20,001.00 - \$25,000.00 | \$25,000.00   | Repossession Companies    | \$10,000.00   |
| \$25,001.00 - \$30,000.00 | \$30,000.00   |                           |               |

**SECTION II (a)**

|                                 |    |                                  |    |
|---------------------------------|----|----------------------------------|----|
| Agency's <b>current</b> bond is | \$ | Agency's <b>required</b> bond is | \$ |
|---------------------------------|----|----------------------------------|----|

I have contacted the Surety Company to change the bond rider.  Yes  No **If "Yes", please attach a copy with this report**

**SECTION III - TRUST ACCOUNT RECONCILIATION AND CLIENT LIABILITY**

Per MCL 339.909, a collection agency is required to maintain a separate trust account; if the collection agency is out-of-state, the trust account can be maintained in that state in which the collection agency is located or maintained in the state of Michigan. The trust account is maintained solely for money collected under Article 9, Section 339.909. If you are an out-of-state collection agency with MICHIGAN clients, you must report MICHIGAN client activity ONLY.

|  |    |
|--|----|
| 1) Bank balance in the Michigan trust account(s) at the close of business on December 31, 2020, as reflected on the bank statement(s). | \$ |
| 2) Add: Money collected, but not deposited as of December 31, 2020. [Deposits that do not appear on December bank statement(s).]       | \$ |
| 3) Less: Total checks outstanding as of December 31, 2020. [Checks written that haven't cleared the bank as of December 31, 2020.]     | \$ |
| 4) Reconciled Trust Account Balance. [Funds available to pay client liabilities.]  | \$ |

**CLIENT LIABILITY**

|  |    |
|--|----|
| 5) Total amount owing and not remitted to clients as of December 31, 2020. [Note: Do not show as outstanding checks (Section III, line 3) if checks were released (mailed) after December 31, 2020.] | \$ |
| 6) Line 4 minus line 5.  | \$ |
| 7) If the amount shown on line 6 is negative, please explain the reason(s) for the shortage.   |    |
|  |    |
|  |    |
|  |    |

**ADDITIONAL DOCUMENTS REQUIRED**

- Submit a copy of the December 2020 Michigan Trust Account Bank Statement(s). (Exception – Repossession companies who are not engaged in the collection of money are not required to submit a Trust Account Statement)

**SECTION IV - CERTIFICATION - REQUIRED** - I certify all information to be true and correct and understand that any misrepresentation or fraud may be cause for disciplinary action.

|  |           |
|--|-----------|
| Signature of Licensed Manager or Licensed Owner/Manager  | Date      |
| Print Name of Licensed Manager or Licensed Owner/Manager | License # |