

COLLECTION AGENCY ANNUAL REPORT

License Number:

Due Date: March 31, 2025



State of Wisconsin
 Department of Financial Institutions
 Division of Banking
 PO Box 7876
 Madison, WI 53707-7876
 Telephone: (608) 261-7578
 FAX: (608) 267-6889

4822 Madison Yards Way
 North Tower
 Madison, WI 53705
dfi.wi.gov

FOR YEAR ENDING DECEMBER 31, 2024

1. Name of licensee. If the licensee uses a trade name or DBA (doing business as) name in its Wisconsin operations, include that name as well.

2. Licensee's website address:

3. Contact information for the person to whom questions regarding this report should be addressed:

First Name:		Last Name:		Title:	
Street:				City:	
State:	Zip:	Telephone Number:	E-mail:		

4. Number of Wisconsin debtors on 12/31/24:

5. Licensee's fiscal year end date:

Notice: This form is required under Wis. Stat. s. 218.04. Refusal to fully and accurately provide the information required below may result in the revocation of a license. Personally identifiable information on this form may be matched against tax information, data regarding delinquent child and family support and unemployment insurance obligations, and law enforcement records. This document can be made available in alternate formats upon request to qualifying individuals with disabilities.

SURETY BOND CALCULATION

BOND CALCULATION # 1 – Complete Bond Calculation # 1 only if your agency has no or limited operations physically located in Wisconsin.

BOND CALCULATION # 2 – Complete Bond Calculation # 2 if all or most of your collection agency operations are physically located in Wisconsin.

BOND CALCULATION # 1

- 1) Provide the figures requested below for the **year ended December 31, 2024**. When completing this chart please ensure that:
- Both columns are completed.
 - None of the boxes are blank. If a response is \$0, the box should be completed to indicate \$0.
 - The TOTAL column encompasses all of the agency's collections.
 - The WISCONSIN column identifies only the amount the agency collected on behalf of its **Wisconsin clients**.
 - The WISCONSIN column does not include amounts collected from Wisconsin debtors on behalf of non-Wisconsin clients.
 - The total amount collected is reported, not the amount of commission earned.

	TOTAL (all client collections)	WISCONSIN (Wisconsin client collections)
Total Annual Collections (including payments made directly to creditors)	\$	\$
<u>Less</u> Collections Paid Directly to Creditors	\$	\$
Total Annual Collections Received by the Agency	\$	\$ (A)

- 2) Complete the following chart to determine the required bond amount.

List on line (B) the bond amount from the Bond Schedule on page 4 that corresponds to your annual collections listed in line (A) above.	\$ (B)
List on line (C) the dollar amount that Wisconsin clients paid for <u>pre-paid</u> collection transmittals that were outstanding as of 12/31/24.	\$ (C)
If <u>any</u> of your records pertaining to Wisconsin operations are maintained outside of Wisconsin, list \$10,000 on line (D)	\$ (D)
Add lines (B), (C) and (D). This is the required bond amount.	\$ (E)

BOND CALCULATION # 2

- 1) Provide the figures requested below for the **year ended December 31, 2024**. The TOTAL column encompasses all the agency's operations. The total amount collected should be reported, not the amount of commission earned.

	TOTAL
Total Annual Collections (including payments made directly to creditors)	\$
<u>Less</u> Collections Paid Directly to Creditors	\$
Total Annual Collections Received by the Agency	\$ (A)

- 2) Complete the following chart to determine the required bond amount.

List on line (B) the bond amount from the Bond Schedule on page 4 that corresponds to your annual collections listed in line (A) above.	\$ (B)
List on line (C) the dollar amount that clients paid for <u>all pre-paid</u> collection transmittals that were outstanding as of 12/31/24.	\$ (C)
If <u>any</u> of your records pertaining to Wisconsin operations are maintained outside of Wisconsin, list \$10,000 on line (D)	\$ (D)
Add lines (B), (C) and (D). This is the required bond amount.	\$ (E)

ATTACHMENTS

The following items must be received by the division on or before March 31, 2025. If not received by March 31, 2025, your agency will not be in compliance with the annual report requirement set forth in Wis. Stat. s. 218.04(10).

Attached

☐

List of Wisconsin clients

Provide a complete alphabetical list, sorted by name, of ALL WISCONSIN clients or forwarders that currently have accounts listed with your collection agency. The list must include each client's name, address and account number.

☐

Balance Sheet and Income Statement

Submit a balance sheet and income statement for the licensed entity's most recently completed fiscal year. If the agency is licensed as a partnership or sole proprietorship, also submit each owner's personal financial statements. All financial statements must be prepared in accordance with Generally Accepted Accounting Principles ("GAAP") using accrual basis accounting. Please ensure that the balance sheet discloses reconciled balances (not bank statement balances) and that total assets equal total liabilities plus total equity.

☐

Supplemental Financial Statement Information Form

Complete the attached Supplemental Financial Statement Information form with information obtained from the licensee's most recent fiscal year-end financial statements.

CERTIFICATION

I hereby certify that the statements in this annual report are correct and true.

(Name)

(Title)

(Authorized Signature)

(Date)

CHECKLIST

The following checklist addresses common problems that the division identifies when reviewing collection agency annual reports. Review each question on the checklist to verify that your annual report submission is complete and accurate. Corrections must be made before submitting the annual report for any applicable questions that cannot be answered "Yes".

Yes

☐

Do the figures in the bond calculation chart on page 2 represent the amount the agency collected on behalf of its Wisconsin clients? We are not requesting the total collections from Wisconsin debtors.

☐

Was the surety bond calculation page of the annual report (page 2) completed with the total amount collected on behalf of clients? The figures should not represent the commission amounts earned on those collections.

☐

Are the fiscal year-end financial statements and a completed Supplemental Financial Statement Information form attached?

Return completed reports to ONE of the following addresses:

E-mail:

DFI_LFS@wi.gov

Mailing Address:

Wisconsin Department of Financial Institutions
P.O. Box 7876
Madison, WI 53707-7876

Courier Address:

Wisconsin Department of Financial Institutions
North Tower
4822 Madison Yards Way
Madison, WI 53705

BOND SCHEDULE

If Annual Collections Net of Paid Directs (line 1A on page 2) are:	Then Bond Amount is:
Less than \$150,000	\$25,000
\$150,000 - \$249,999	\$35,000
\$250,000 - \$349,999	\$45,000
\$350,000 - \$499,999	\$50,000
\$500,000 - \$749,999	\$65,000
\$750,000 - \$999,999	\$85,000
\$1,000,000 - \$1,999,999	\$100,000
\$2,000,000 - \$3,999,999	\$145,000
\$4,000,000 - \$5,999,999	\$155,000
\$6,000,000 - \$9,999,999	\$190,000
\$10,000,000 - \$19,999,999	\$240,000
\$20,000,000 - \$29,999,999	\$290,000
\$30,000,000 and Over	Contact the Division of Banking for special requirements

IMPORTANT BONDING INFORMATION

The licensee is responsible for calculating the required bonding level for the next year and should review the Surety Bond Calculation on page 2 carefully and use the Bond Schedule above to determine the required bond amount.

The accuracy of the licensee's reporting information and calculation of the required surety bond level will be verified by division staff during a review of your agency. Pursuant to Wis. Stat. s. 218.04(3)(d), the division reserves the right to require a higher bond amount if the division deems it necessary to safeguard the interests of the public.

The collection agency license must be transitioned to NMLS by May 31, 2025 and the existing collection agency bond must be converted to an electronic surety bond during the transition. If your bond has been converted to an electronic surety bond prior to requesting the amount of the bond to be changed, the insurance company will process the bond rider in electronic form and submit it through NMLS.

- If the required bond amount is **greater** than your current bond, you will need to obtain a rider or endorsement to increase the bond amount. The rider must be effective on June 1, 2025 or before and must be submitted to the Department of Financial Institutions on or before May 1, 2025.
- If the required bond amount is **less** than your current bond, you may obtain a rider or endorsement to decrease the bond amount. Any decrease rider must be effective June 1, 2025 or later and should be submitted to the Department of Financial Institutions. If the bond has not yet been converted to an electronic surety bond, pursuant to the terms of the original bond, the bonding company will need to submit written notice of such decrease to the Department of Financial Institutions by certified mail at least 30 days prior to the effective date of the decrease.
- If the required bond amount is **the same** as your current bond, no action is required.

Any rider or endorsement to increase or decrease the bond amount **should not** reference your agency's address or addresses. Such riders will not be accepted.

Since the bonds are continuous until cancelled, **no continuation certificate, rider, or any other document regarding the expiration date of the bond should be issued or submitted to the Department of Financial Institutions.**

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Supplemental Financial
Statement Information

This form is for the use of licensed Wisconsin **collection agencies**.

Purpose: Wis. Stat. s. 224.35(8)(c) requires collection agency licensees to annually submit their fiscal year-end financial statements to the Wisconsin Department of Financial Institutions' Division of Banking (division). A completed Supplemental Financial Statement Information form must accompany the financial statements so the division can determine if the licensee is complying with established financial responsibility requirements.

Instructions: Complete this form with financial information obtained from the licensee's balance sheet for its most recently completed fiscal year. The completed form and financial statements must be returned to the division with the licensee's annual report. The annual report, financial statements, and this form are due in the division's office on March 31, 2025.

Notice: This form is required under Wis. Stat. s. 224.35(8)(c). Refusal to provide this information may result in the revocation of a license. Failure to complete this form completely and accurately may result in the revocation of a license and any other penalties as provided by law. This document can be made available in alternate formats upon request to qualifying individuals with disabilities.

1. Are any receivables reported on the balance sheet over 90 days old? ☐ Yes ☐ No

If yes,

- a. Provide the total balance of receivables reported on the balance sheet, other than related party receivables, that are over 90 days old. \$ _____
- b. Attach an accounts receivable aging report to this form. An accounts receivable aging is a report that itemizes the accounts receivable and identifies the length of time each receivable has been outstanding. Typically, the aging report categorizes receivables as "current," "30 days," "60 days," "90 days," and "over 90 days."

2. Are any **receivables** reported on the balance sheet owed to the licensee by the licensee's shareholders, owners, officers, employees, parents, affiliates, or another related party? ☐ Yes ☐ No

If yes, identify the related party and balance of each related party receivable (attach additional pages if necessary).

Related Party 1: _____ \$ _____

Related Party 2: _____ \$ _____

Related Party 3: _____ \$ _____

3. Are any **payables** reported on the balance sheet owed by the licensee to the licensee's shareholders, owners, officers, employees, parents, affiliates, or another related party? ☐ Yes ☐ No

If yes, identify the related party and balance of each related party payable (attach additional pages if necessary).

Related Party 1: _____ \$ _____

Related Party 2: _____ \$ _____

Related Party 3: _____ \$ _____

4. If *intangible assets* are reported but are not itemized on the balance sheet, itemize those assets below (attach additional pages if necessary).

Net Goodwill: _____ \$ _____

Net Intangible Asset 1: _____ \$ _____

Net Intangible Asset 2: _____ \$ _____

Net Intangible Asset 3: _____ \$ _____

5. Net leasehold improvements \$ _____

6. If *Other Assets* are reported but are not itemized on the balance sheet, itemize those assets below (attach additional pages if necessary).

Other Asset 1 Description: _____ \$ _____

Other Asset 2 Description: _____ \$ _____

Other Asset 3 Description: _____ \$ _____

Other Asset 4 Description: _____ \$ _____

AFFIDAVIT

I, _____, the undersigned, am employed by, or am an officer or a control person of,
(Print Name)

_____. I certify that I have reviewed the
(Name of Licensee)

foregoing responses, have made diligent inquiry as to their accuracy, and they are true and correct to the best of my knowledge.

(Signature)

(Title)

(Date)