



85 7th Place East, Suite 500
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An equal opportunity employer

April, 2014

TO THE DEBT SETTLEMENT SERVICES PROVIDER ADDRESSED:

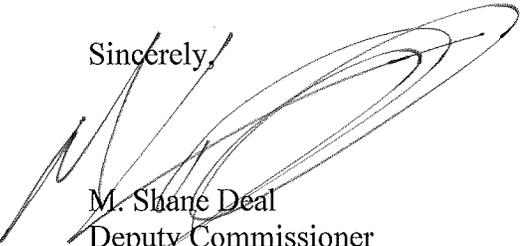
In 2013 two new companies were licensed, and three companies did not renew their licenses, resulting in total companies dropping to ten. One company did not renew for 2014, and did not submit a report. Therefore, the report reflects only the activity of those nine companies reporting for 2013.

Debt settlement activity declined in 2013 in both number and volume, following increases in 2012. The number and volume of contracts cancelled or withdrawn and settled were higher than last year, but the volume of payments and balances forgiven were lower. The result is a reduction in the number and volume of contracts at year-end.

One company accounted for 70% of the contract volume entered into during the year, and held 84% of the contract volume at year-end. Two companies reported no new contracts during the year. Eight companies (88.9%) calculate fees as a percentage of debt. Two companies (22.2%) reported having a client trust account, but one company reported no activity in 2013.

If there are questions, please contact Review Examiner Ted Ellingson at (651)539-1704.

Sincerely,



M. Shane Deal
Deputy Commissioner

TDE:ams

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**DEPARTMENT OF COMMERCE
CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDING DECEMBER 31, 2013**

**OF THE 10 LICENSED DEBT SETTLEMENT SERVICES PROVIDERS PURSUANT TO MINNESOTA STATUTES,
CHAPTER 332B.**

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Method of calculating fees		
Percentage of debt	8 (88.9%)	5 (62.5%)
Percentage of savings	1 (11.1%)	3 (37.5%)
Total fees collected during year	\$823,454	\$827,072
Client trust account		
Yes	2 (22.2%)	1 (12.5%)
No	7 (77.8%)	7 (87.5%)

DEBT SETTLEMENT ACTIVITY SUMMARY

	<u>2013</u>		<u>2012</u>	
	<u>Number of Accounts</u>	<u>Total Debt</u>	<u>Number of Accounts</u>	<u>Total Debt</u>
*Balance at beginning of year	1,305	\$28,597,190	1,331	\$28,196,419
Contracts entered into during year	467	11,777,016	596	12,992,503
Contracts settled during year	367	xxxxx	213	xxxxx
Payments made to creditors	xxxxx	583,799	xxxxx	2,015,041
Balances forgiven or withdrawn	xxxxx	779,805	xxxxx	2,471,187
Contracts cancelled or withdrawn	347	13,225,447	302	7,588,471
Contracts sold or transferred	0	0	0	0
*Balance at year-end	1,058	\$25,785,155	1412	\$29,114,223

* The balance at the end of 2012 differs from the beginning balance of 2013 because one company that showed an ending balance for 2012 did not renew in 2013 and did not report.

**STATE OF MINNESOTA
ANNUAL REPORT OF DEBT SETTLEMENT SERVICES PROVIDERS
OPERATING UNDER CHAPTER 332B**

To: Minnesota Department of Commerce
Division of Financial Institutions
85 7th Place East, Suite 500
St. Paul, Minnesota 55101

For the Year Ending December 31, 2013

THIS REPORT IS DUE NO LATER THAN MARCH 15TH. ANSWER EVERY QUESTION. ALL TOTALS MUST BALANCE. IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL SCHEDULE.

SCHEDULE A - GENERAL INFORMATION

Name of Company Consolidated License No. 10 Licensees
Place of Business Operating at 10 Locations
Phone Number _____ E-Mail Address: _____

This report is for **MINNESOTA ACTIVITY ONLY.**

1. Method of calculating fees (check one)
 Fees as a percentage of debt. 8
 Fees as a percentage of savings. 1

2. Total fees collected in 2013 (include both methods) \$823,454

3. Does your company have a client trust account? (check one)
 Yes 2
 No 7

If yes, complete the chart on the following page. If no, skip to line 17.

Trust Account Month End Balances

4.	January	<u>11,271</u>
5.	February	<u>5,092</u>
6.	March	<u>1,361</u>
7.	April	<u>1,228</u>
8.	May	<u>1,064</u>
9.	June	<u>3,389</u>
10.	July	<u>2,780</u>
11.	August	<u>2,359</u>
12.	September	<u>5,485</u>
13.	October	<u>10,180</u>
14.	November	<u>18,941</u>
15.	December	<u>32,364</u>
16.	Total (4 through 15)	<u>95,514</u>

DEBT SETTLEMENT ACTIVITY SUMMARY:

		Number of Accounts	Total Debt
17.	Balance at beginning of year	1,305	\$28,597,190
18.	Contracts entered into during year	467	11,777,016
19.	a. Contracts settled during year	367	xxxxx
	b. Payments made to creditors	xxxxx	583,799
	c. Balances forgiven or reduced	xxxxx	779,805
20.	Contracts cancelled or withdrawn	347	13,225,447
21.	Contracts sold or transferred	0	0
22.	Balance at end of year (17+18 minus 19, 20, 21)	1,058	\$25,785,155

Line 17 should be the same as line 22 of the 2012 report.