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**Office of the Minnesota Secretary of State**  
**Minnesota Public Benefit Corporation / Annual Benefit Report**  
*Minnesota Statutes, Chapter 304A*



Read the instructions before completing this form  
Must be filed by March 31  
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.  
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

- 1. Corporate Name: (Required) Esqyr, SBC
- 2. The public benefit corporation's board of directors has reviewed and approved this report.
- 3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

Please see attached

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

*Chris Henjum*

Signature of Public Benefit Corporation's Chief Executive Officer

3/23/20

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

**Email Address for Official Notices**

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

chris@esqyr.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

**List a name and daytime phone number of a person who can be contacted about this form:**

<u>Chris Henjum</u>	<u>612-709-3538</u>
Contact Name	Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?  
Yes  No

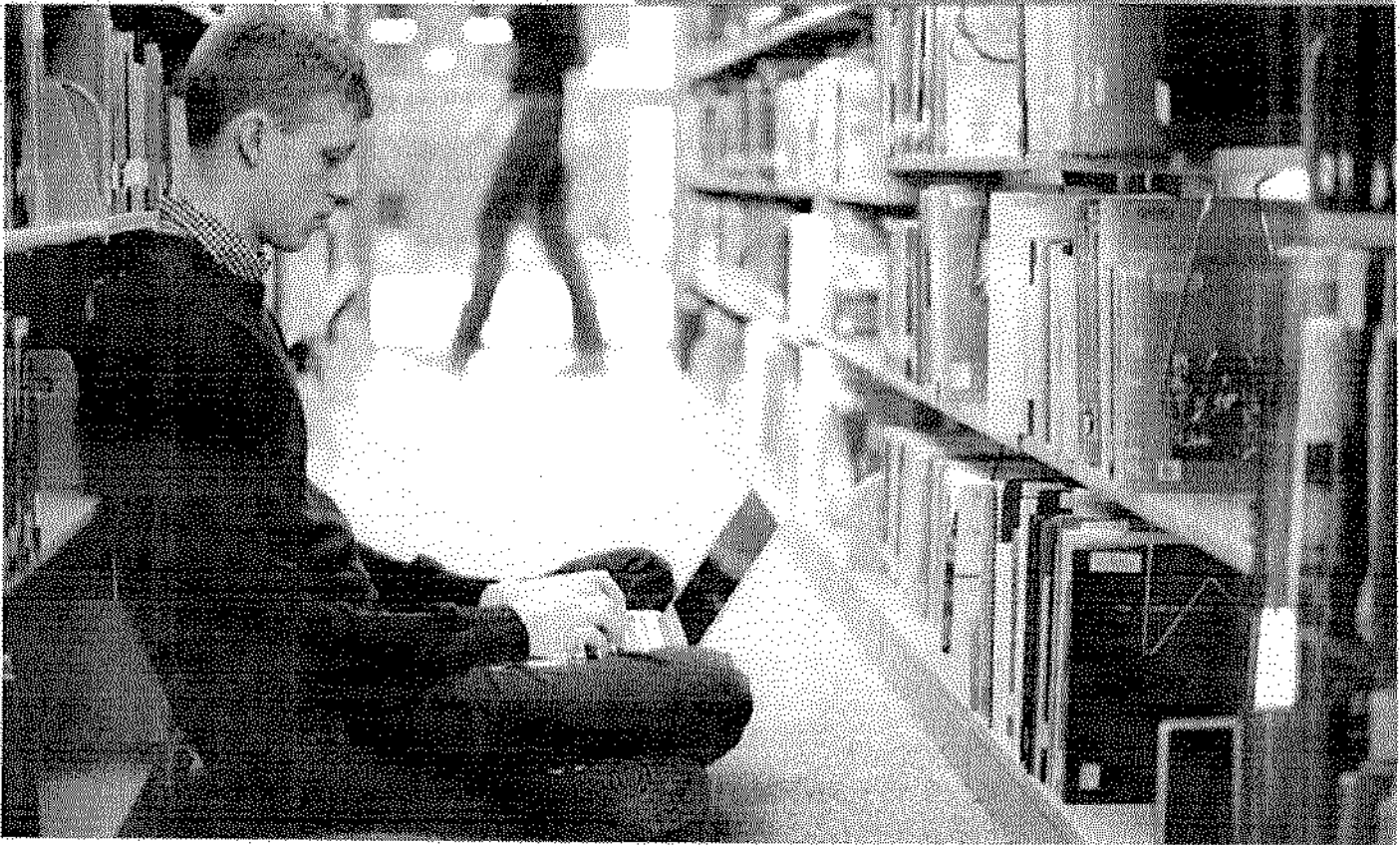


Esqyr

Test well. Do good.

Effective study tools and real-time student performance data to ensure success on the bar exam

## 2019 Annual Benefit Report



## Summary

Esqyr is the first and only public benefit corporation focused on delivering cost-effective study tools built from previously tested materials. Test prep often sends students further into debt, while failing to offer study tools students need at a price they can afford. By donating profits to tackle student debt, Esqyr helps students "test well and do good."

Student debt continues to climb each year and now stands at \$1.6 trillion.<sup>1</sup> Educational costs – including the test prep needed to pass a licensure exam – put students at an enormous disadvantage at the very moment they are set to begin their career. Law students in particular have traditionally lacked affordable, effective study tools for the bar exam. In fact, law students are the *only* students who have a private loan named after their licensure test (a "bar loan") – and it was an open question until recently whether this loan could even be canceled in bankruptcy.<sup>2</sup>

Given the financial burden law students face, Esqyr continued to work hard in 2019 to tackle the student debt crisis.

## The Esqyr Social Mission

Esqyr formed as a public benefit corporation on July 30, 2015 to assert our strong commitment to serve students, not just a bottom line.

As stated in our Articles of Incorporation, Esqyr's public benefit is twofold:

"First, giving a proportion of its profits to students to reduce or prevent debt related to educational costs, and/or second, to give a portion of its profits to organizations seeking to reduce student debt through systematic educational reforms."

For nearly a year and a half (including a portion of 2019), Esqyr paused its operations to dedicate time and resources to expand its content in order to better meet student needs. This report, therefore, reflects our efforts to pursue our mission following our relaunch in mid-2019.

Despite pausing its activities, and with regard to the period covered by this report (January 1, 2019 to December 31, 2020) Esqyr pursued the specific benefit purpose stated in its Articles of Incorporation in the ways described below.

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<https://www.bloomberg.com/news/2019/03/03/opinion/real-story-16-trillion-student-loan-debt-crisis>  
<http://www.wtvm.com/articles/judge-says-bankrupt-law-grads-can-cancel-bar-loans-just-as-easy>  
<https://www.westlaw.com/student/practice-areas/bar-exam/>

## Annual Progress Toward Social Mission

Esqyr remains the only test prep company with a social mission and continues to offer students scholarships. Similar to other public benefit corporations, Esqyr has greater impact as it expands to serve more students.

Because the amount of profit donated impacts the price of our products, Esqyr balances two considerations: 1) delivering affordable, student-friendly products, and 2) donating profits to tackle student debt. Specifically, Esqyr donates accounts to students who face challenges paying back student debt, and donates profits to organizations working on student debt issues.

### Esqyr worked with others to change the test prep market

The bar exam market has changed since Esqyr first launched in 2015. Companies that once offered only a bundled package of materials for \$3,000 to \$4,000 now offer basic study tools at a reduced price. Moreover, several non-profit organizations are working to launch new study tools for the bar exam.

Esqyr has offered its assistance to others – including competitors – in helping expand affordable options. Esqyr's team has personally consulted (for free) on products that are soon to be offered by nonprofits looking to expand access to affordable, credible bar prep materials. Partly as a result of its efforts, the market has changed to better serve students.

### Esqyr helps fund reforms in legal education

Esqyr continues to partner with Law School Transparency ("LST") as its 2019 donation recipient. In 2019, Esqyr donated significant funds to LST in order to further its social mission. LST in turn advocated for specific policies that would help reduce the cost of a legal education, while ensuring students receive the best legal education possible.

### Esqyr granted scholarships to students seeking a more affordable alternative

Students routinely reach out for assistance in funding their bar preparation, due to a lack of low cost, effective options. Pursuant to its Articles of Incorporation, Esqyr must provide at least 20% of its profits to tackle the student debt crisis. In 2019, Esqyr provided nearly \$2,000 in aid to students. This, plus the amounts donated to LST, more than exceeded the amount required by our social mission.

Apart from funds donated, however, Esqyr has focused on proactively reaching out to schools in order to best serve students who most need study materials. Esqyr has even provided several free accounts to students at the request of law school administrators and students themselves.

## Esqyr closely partners with law schools to offer better, more affordable tools

Law schools face increasing scrutiny from the American Bar Association regarding their student bar exam passage rates. To fill this need, Esqyr created a dashboard in 2016 to allow law schools to receive real-time data on student performance and progress. In 2017, Esqyr gave administrators the ability to assign questions and receive real-time information on students, with the goal of helping each student succeed. In 2018, Esqyr increased its ability to deliver statistics and data on student progress and delivered additional content, such as subtopic identification. In 2019, Esqyr provided expanded features and content to instructors at no additional cost.

The social impact of our tools is clear: with Esqyr's affordable study tools offering bar prep materials that students – and increasingly, schools – need, students may no longer need to take out more loans to fund their bar exam prep. Schools, on the other hand, can ensure better student performance while saving students money.

## Plans for the Future

To date, Esqyr has made substantial strides to help students “test well and do good.” In the coming year, the company will expand its scholarship options to be more targeted based on need.

As noted above, there were circumstances that hindered Esqyr's ability to pursue its specific benefit purpose in 2019 (specifically, preparing for relaunch). Still, through scholarships and donations, Esqyr continues to give back – expanding access to tools that had traditionally been offered only by high priced competitors.

## Certification by the Board of Directors

The undersigned, being all the directors of Esqyr, hereby acknowledge and certify that we have reviewed and approved the enclosed Annual Report.



Chris Henjum  
President, Esqyr, SBC

**SUBMISSION:**

**I, the undersigned, certify that I am the President of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.**



**Work Item 1150932700030**  
**Original File Number 834850200056**

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
FILED  
**03/27/2020 11:59 PM**

*Steve Simon*

Steve Simon  
Secretary of State