Dear Colleagues:

As we discussed last year at this time, 2016 would be and is the year of arbitration. After more than ten years of work on this issue by NACA and many of our partner organizations, the Consumer Financial Protection Bureau (CFPB) released a proposed rule to restrict the use of forced arbitration clauses in consumer financial contracts that prohibit consumers’ participation in class action suits. Now that the comment period is over—the CFPB received nearly 13,000 comments from consumers, consumer advocates, and industry representatives—we expect that the CFPB will be issuing its final arbitration rules in 2017. I remain optimistic that we will be pleased when the rules are finalized but also know that we still have much work ahead of us before we completely eliminate forced arbitration from consumer contracts. For all those who contributed to our collective fight, I thank you for your continued determination and perseverance over these many years. We couldn’t have accomplished anything without the guidance and help from you, our members!

Of course, forced arbitration is not the only issue we’ve focused on this year. The CFPB has also signaled that they will soon be issuing proposed rules around debt collection. Because we are not particularly happy with what the CFPB has indicated they would be doing, we will actively work to organize our members and our fellow advocates in a campaign to push the CFPB towards strong rules that actually protect consumers. On the non-legislative/regulatory front, the Supreme Court, much to our relief, issued a decision in Spokeo that did little, if any, harm to our ability to bring cases under consumer protection statutes. However, because we knew that industry would declare victory in Spokeo when none really existed, NACA has built an active team of members ready to assist any consumer attorney faced with a similar issue in a lower court. We anticipate that next year will once again be a particularly busy one and you can be sure we’ll be looking to you to take action to help us continue the fight for consumer justice.

continued on page 3
**BUILDING COMMUNITY**

1,666 MEMBERS

269 NEW MEMBERS

Over 200 members have given of their time, knowledge, and energy to serve our organization as member volunteer leaders.

6,000 posts have been sent through the new listserv/community software since it launched in April.

**ENHANCING THE MEMBER EXPERIENCE**

More than $85,000 was spent on technology to improve the member experience online.

**MEMBER BREAKDOWN**

66% PRIVATE ATTORNEYS

26% LEGAL AID

There are more than 28,000 documents searchable in the listserv libraries with approximately 200 new resources being added every month.

**WEBINARS**

So far this year, we’ve offered 19 webinars...

...for more than 1,000 participants.

150+ webinar recordings available in the Training Library

**YOUR VOICE IN WASHINGTON**

The number of amicus briefs the Issues Committee authored this year: 9

As of June 2016, the CFPB received 900,000+ consumer complaints.

**CONSUMER RELIEF BREAKDOWN**

Consumers have received about $11.4 BILLION in relief from CFPB enforcement activity.

We appreciate the 175 members who responded to our calls to action over the past year.

**REPORT TO MEMBERS
A YEAR IN REVIEW BY THE NUMBERS**

Numbers are current as of the end of August 2016.
This past year, we completed the second year of our board-directed, three-year strategic plan designed to help our organization become the recognized leader for consumer protection advocacy. As I hope you noticed, to achieve this vision we have not only vastly expanded the number of ways our members can learn and work together to become successful consumer attorneys, but we also continue to create new opportunities for all our members to take greater ownership in our organization’s growth and future. I continue to be amazed at all of our members’ commitment to each other, to consumer justice, and to our organization and remain incredibly gratified with your unhesitating willingness to help whenever you’re asked.

As part of our strategic plan, we have also overhauled and upgraded the technology that supports your membership experience online. These investments are already having a significant impact on our ability to meet your substantive, practical, and entrepreneurial needs and will only continue to enable us to better focus on providing you with the tools and skills necessary to be successful consumer attorneys.

In the coming year, as we begin to tackle additional important long-term and operational priorities, including developing a new organizational strategic plan and updating our bylaws, we will be looking to hear from as many of our members as possible. Our strength and promise as an organization is completely dependent on your engagement. Only with your involvement and support can NACA become an even stronger and more dynamic organization with a clear plan for the future—a plan that will allow us to better anticipate and quickly respond to your needs as consumer attorneys and the needs of all consumers, while maintaining a laser focus on our core values and mission.

While we all know that we will face more than our fair share of challenges as attorneys and consumer advocates, I am excited for what the future holds and I am certain that if we work together, we will all continue to not only survive but thrive in our collective effort to achieve consumer justice.

Sincerely,

Ira Rheingold
Executive Director

Looking Ahead to 2017 and Beyond

Every year through the combined efforts of the board, member leaders, and staff partnering together, we strive to meet all of your substantive, practical, and entrepreneurial needs. Whether that means working with Congress or advocating with regulatory agencies, reacting to a hot topic, or providing you with the tools and skills necessary to be a successful consumer attorney, NACA is always fighting for you. In addition to our ongoing daily efforts, there are a few areas where we will concentrate our focus next year.

STRATEGIC
- Update the bylaws to reflect the dynamic organization we have become since they were last updated in 2008.
- Draft the next strategic plan that will guide our organization through 2020.
- Expand the programs and services offered under NACA’s Charitable Fund.

ADVOCACY
- Obtain congressional support and legislation on tax policy.
- Defend attacks against implementing the CFPB rule on arbitration.

FUNDRAISING
- Implement a targeted fundraising strategy to support NACA’s programs and initiatives.

LEADERSHIP
- Increase opportunities for short- and medium-term volunteer offerings.
- Expand and enhance relationships with partner organizations.
- Grow the field of consumer lawyers to meet the ever-increasing needs of vulnerable consumers.

PROFESSIONAL DEVELOPMENT
- Launch an eLearning course on debt collection.
Members Making a Difference

A large part of NACA’s strength comes from those members who go above and beyond to make a difference in the financial position of our organization. We would like to thank the following individuals for their generous support of our association.

2015–2016 Cy Pres Donors
Stacy Bardo
Leonard Bennett
Daniel Blinn
O. Randolph Bragg
Pamela Car
Benjamin Carney
Richard Gordon
Peter Holland
Allison Krumhorn
James Pietz
Lance Raphael
William Reinbrecht
Mark Steinbach
Joseph Tusa
Ronald Wilcox
Martin Wolf

2016–2017 MEMBERSHIP YEAR
Platinum Members
Leonard Bennett
Michael Donovan

Gold Members
Seth Lesser
Michael Malakoff
David Philipps
Mary Philipps

We would also like to thank our 10 Silver members and 42 Bronze members.

If you are ready and able to take your membership to the next level, talk to Jessica Hammond (Jessica@consumeradvocates.org) or Lisa Myers (Lisa@consumeradvocates.org) about increasing your membership to one of these higher levels.

A Round of Applause

2016 AWARD WINNERS
Excellence in Consumer Journalism
David Lazarus, L.A. Times

Consumer Attorneys of the Year
Scott Borison, Legg Law Firm, LLP
Phillip Robinson, Consumer Law Center LLC

National Association of Consumer Advocates
1215 17th Street, NW, 5th Floor
Washington, DC 20036
tel 202.452.1989
fax 202.452.009
www.consumeradvocates.org

Audited Statement of Activities

For Years Ended December 31

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<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
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<td></td>
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<tr>
<td>Membership Dues</td>
<td>$389,190</td>
<td>$375,503</td>
<td>$324,238</td>
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<tr>
<td>Conferences &amp; Trainings</td>
<td>$127,339</td>
<td>$71,939</td>
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<td>Cy Pres</td>
<td>$1,078,626</td>
<td>$281,416</td>
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<td>Donations</td>
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<td>Other</td>
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<td>$36,747</td>
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<td><strong>Total</strong></td>
<td>$1,651,524</td>
<td>$773,134</td>
<td>$1,407,068</td>
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*This is due largely to one off programs: $102,075 was raised for the Tax Initiative and $60,000 was from the Mortgage Database contract

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
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<tr>
<td>Membership</td>
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<td>Conferences &amp; Trainings</td>
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<td>Management &amp; General</td>
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<tr>
<td>Other</td>
<td>$63,128</td>
<td>$69,580*</td>
<td>$26,014</td>
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<td><strong>Total</strong></td>
<td>$1,020,379</td>
<td>$946,737</td>
<td>$986,640</td>
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*$59,115 of the other expenses was for the Tax Initiative contract.

For Period Ending June 30, 2016
Income  $340,414   Expenses  $544,661   Net Income  ($204,247)