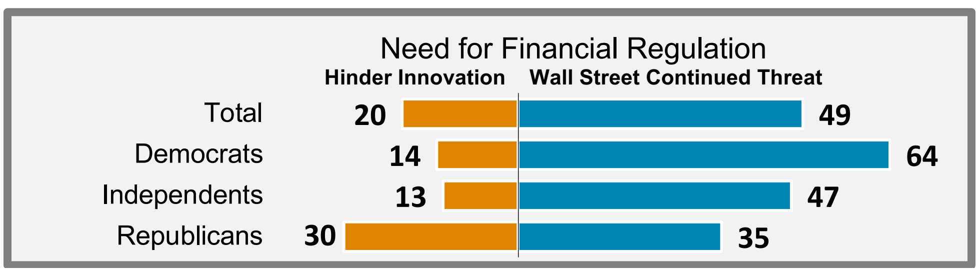
To: Interested Parties
From: Celinda Lake, David Mermin, Sahil Mehrotra, and Bob Carpenter
Re: New Poll Shows Opposition to Private Equity Abuses, Support for Reform
Date: Nov. 18, 2019

Voters support continued reform of Wall Street, and that conviction extends to the private equity industry, according to a new poll by Lake Research Partners and Chesapeake Beach Consulting. Majorities of Democrats, independents, and Republicans, oppose the predatory tactics of private equity industry, and support legislative proposals aimed at correcting its abuses. Majorities of Democrats and Independents *strongly* oppose the tactics and support the policy changes, as do robust pluralities of Republicans.

Lake Research Partners and Chesapeake Beach Consulting designed and administered this nationwide survey.[1]

Voters see a clear need for additional reform of Wall Street

- When considering two opposing statements, about half of voters (49%) tend agree that Wall Street and the financial industry are too powerful and pose a continued threat to the economy and financial well-being.[2] Only 20% say it is closer to their view that the government has intervened too much in changing the financial system. The Wall Street poses a threat statement beats the anti-government statement among Democrats (+50), independents (+34), and even Republicans (+5).



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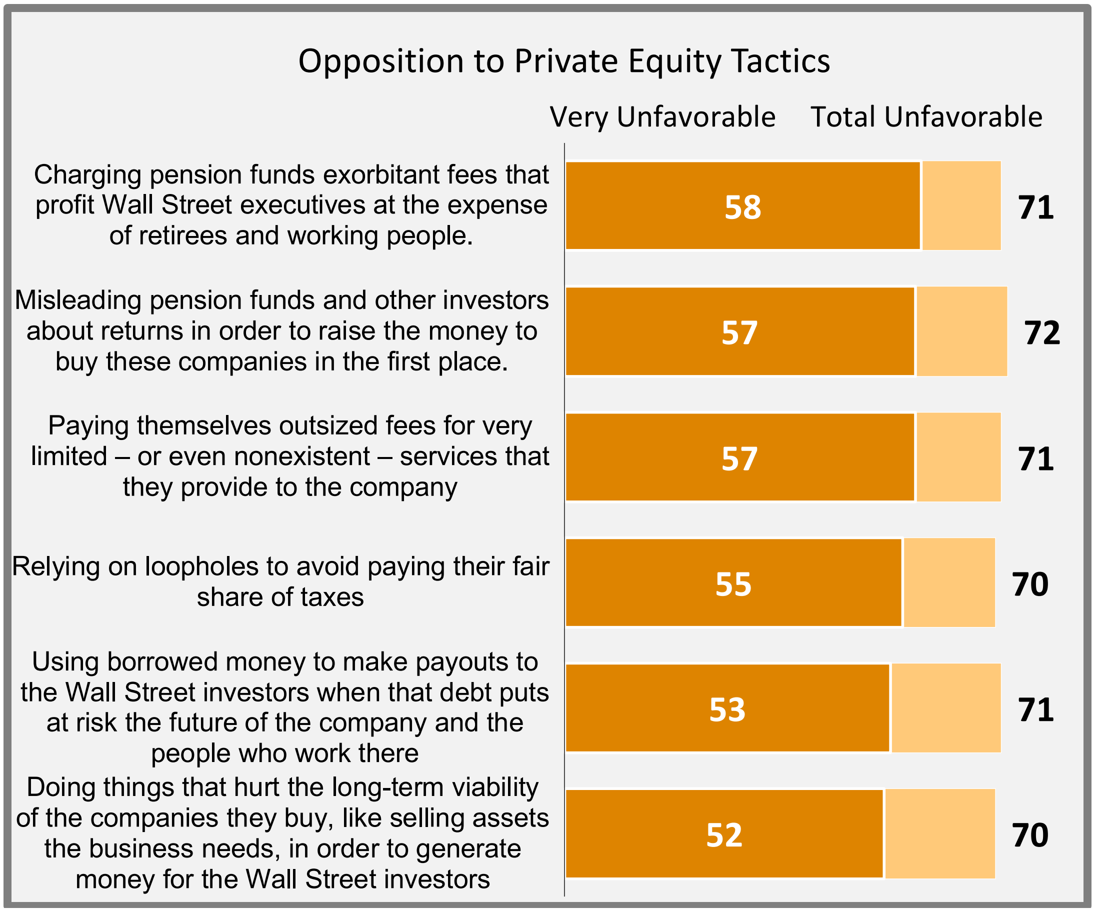
[1] The survey was conducted between July 15-23, 2019 online. The survey reached a total of 1,000 likely November 2020 voters nationwide with an additional oversample of N=400 likely Democratic Primary voters in IA, NH, NV, and SC. Data were weighted slightly by gender, party identification, age, race, education level, household income, 2016 self-reported vote, and region. The margin for error is +/- 3.1% and larger for subgroups.

[2] Now here are two statements: A. _Some people say that Wall Street and the financial industry are too powerful and engaged in reckless practices that pose a continuing threat to the economy and people's financial well-being. B. _ Other people say that government has intervened too much in changing the financial system and that more intrusive regulation would hinder innovation and slow down economic growth. Please indicate which one is closer to your own view, even if neither is exactly right.

Voters do not support private equity tactics

- When asked about the tactics private equity firms use 70% or more of voters have an unfavorable impression of each one tested. Voters are most opposed to private equity investors charging pension funds exorbitant fees that benefit Wall Street executives at the expense of retirees and working people (58% very unfavorable, 71% total unfavorable).

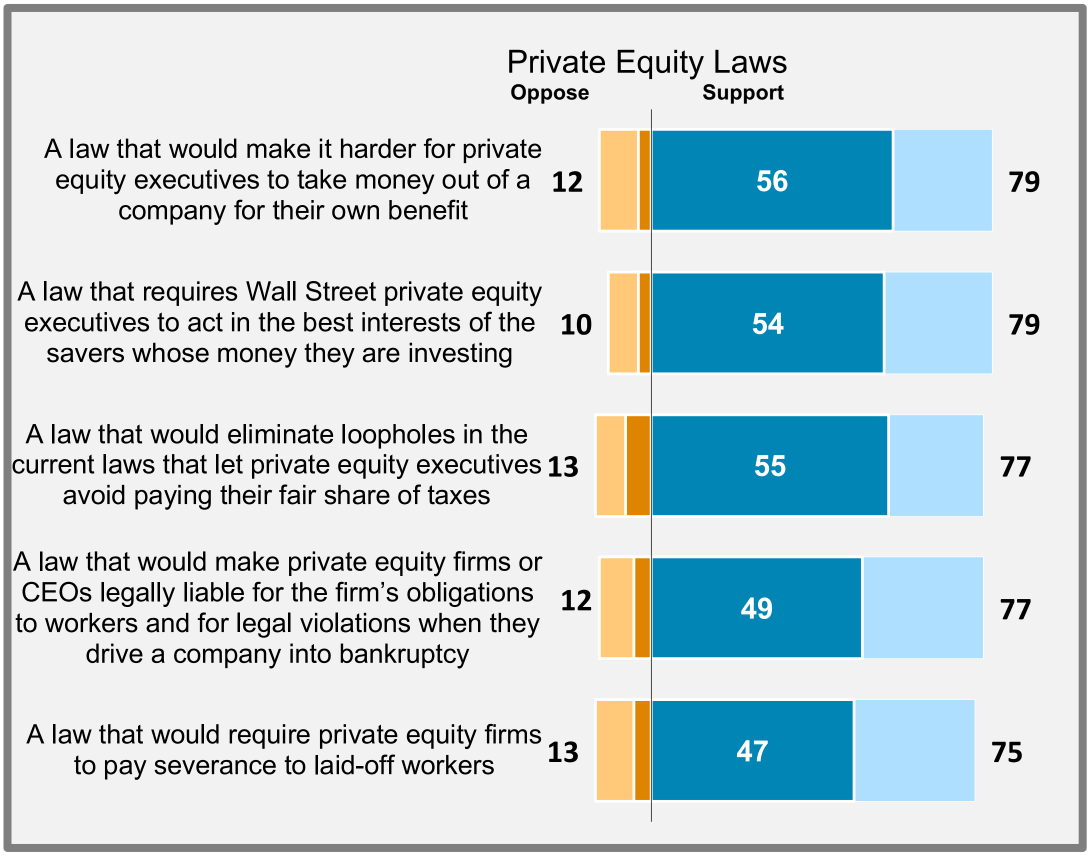


- Opposition to these private equity tactics is strong across parties, with a majority of Democrats, independents, and Republicans holding unfavorable views of each one. A majority of Republicans hold *very* unfavorable views of charging pension funds exorbitant fees, misleading pension funds and other investors, and private equity firms paying themselves outsized fees for limited services.

% Total Unfavorable (% Very Unfavorable)	Total	Dem	Ind	Rep
Charging pension funds exorbitant fees that profit Wall Street executives at the expense of retirees and working people.	**71 (58)**	73 (63)	74 (62)	67 (51)
Misleading pension funds and other investors about returns in order to raise the money to buy these companies in the first place.	**72 (57)**	73 (59)	77 (63)	70 (54)
Paying themselves outsized fees for very limited – or even nonexistent – services that they provide to the company	**71 (57)**	73 (62)	75 (61)	66 (51)
Relying on loopholes to avoid paying their fair share of taxes	**70 (55)**	74 (63)	77 (57)	65 (46)
Using borrowed money to make payouts to the Wall Street investors when that debt puts at risk the future of the company and the people who work there	**71 (53)**	73 (57)	79 (56)	67 (47)
Doing things that hurt the long-term viability of the companies they buy, like selling assets the business needs, in order to generate money for the Wall Street investors	**70 (52)**	74 (57)	71 (58)	65 (44)

Significant majorities support legislative proposals to address private equity abuses

- The Stop Wall Street Looting Act,that would address private equity abuses.[3] More than three quarters of voters support every provision tested. A majority of Democrats and independents, and a near-majority of Republicans, *strongly* support making it harder for private equity executives to take money out of a company for their own benefit. Likewise enjoying strong support were measures requiring executives to act in the best interests of the savers whose money they are investing and those that would eliminate loopholes that let private equity executives avoid paying their fair share of taxes.



[3] Some people are proposing new laws to curb abuses like those described previously. Here are some of the proposals that have been made. For each one, please indicate whether you would support or oppose the proposal to curb these abuses.

% Total Support (% Strong Support)	Total	Dem	Ind	Rep
A law that would make it harder for private equity executives to take money out of a company for their own benefit	**79 (56)**	83 (64)	80 (60)	75 (47)
A law that requires Wall Street private equity executives to act in the best interests of the savers whose money they are investing	**79 (54)**	83 (61)	81 (59)	76 (47)
A law that would eliminate loopholes in the current laws that let private equity executives avoid paying their fair share of taxes	**77 (55)**	82 (64)	75 (61)	74 (44)
A law that would make private equity firms or CEOs legally liable for the firm's obligations to workers and for legal violations when they drive a company into bankruptcy	**77 (49)**	83 (57)	73 (50)	73 (40)
A law that would require private equity firms to pay severance to laid-off workers	**75 (47)**	82 (56)	70 (49)	70 (37)

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