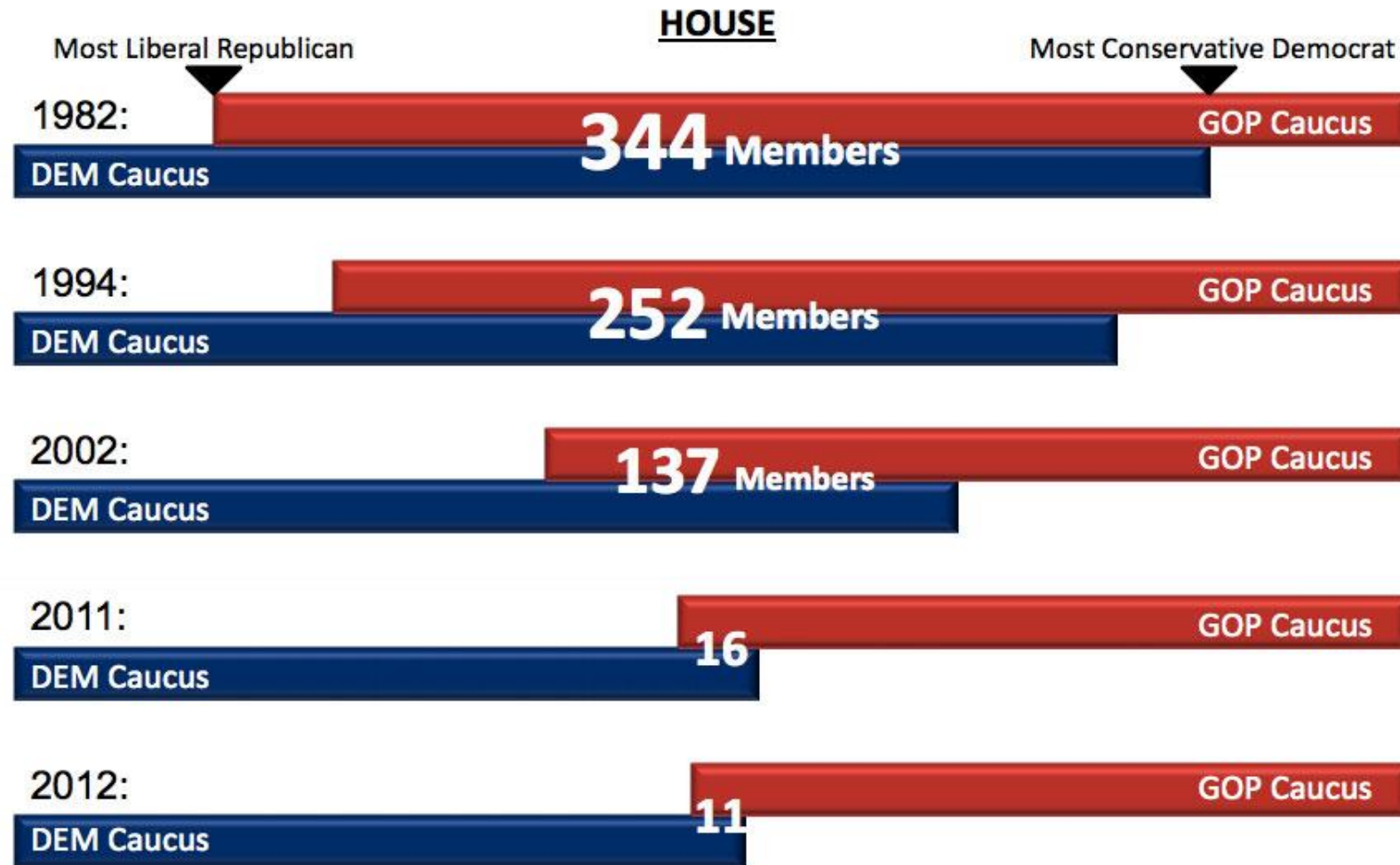
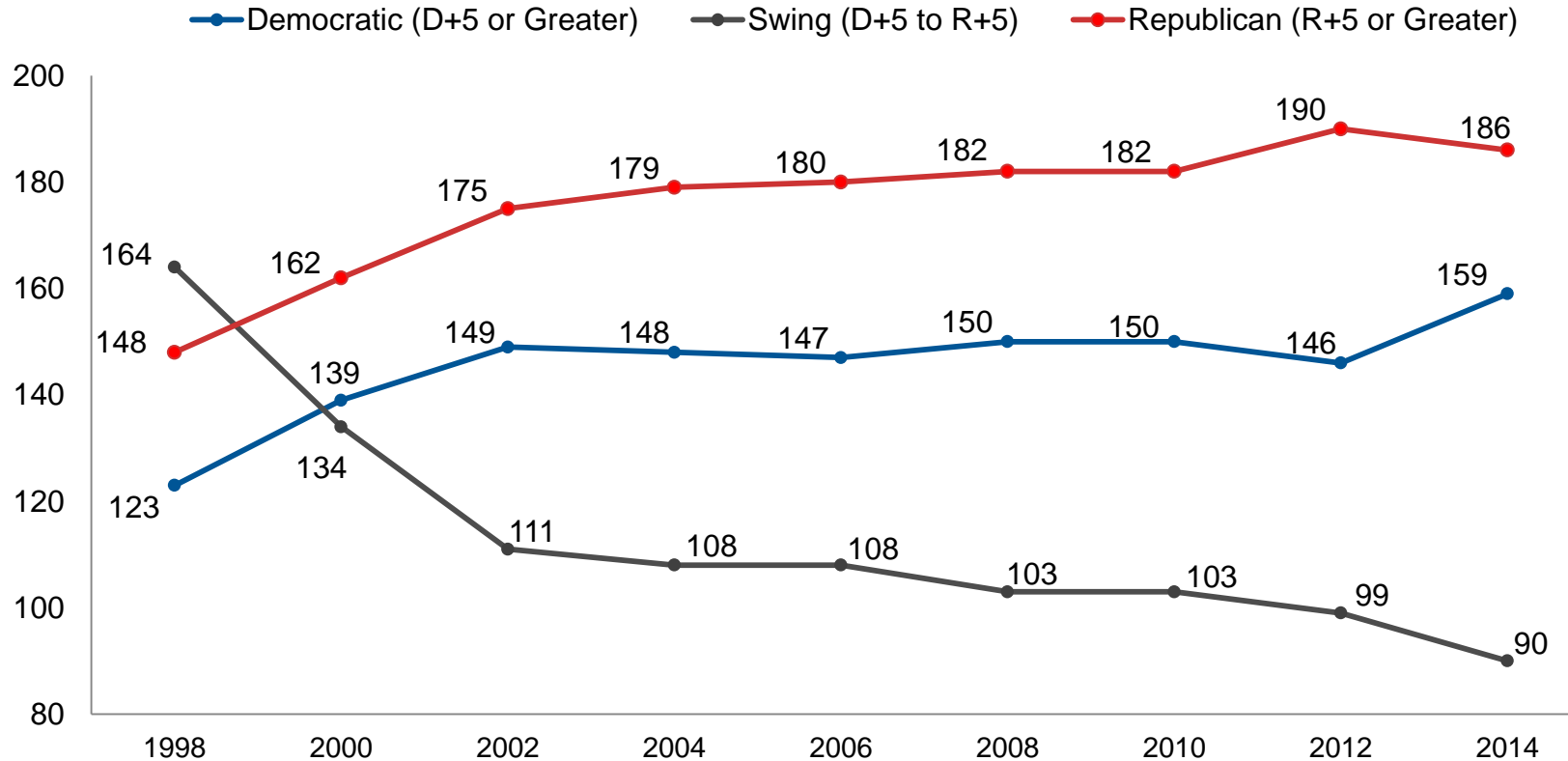


Disappearance of political “middle” – bipartisanship has plummeted over the past 20 years



The House's Incredible Shrinking Swing Seat

Number of House seats by Partisan Voting Index of district



According to the Cook Partisan Vote Index, the number of swing districts in the House fell from 164 in 1998 to 90 in 2014 – a 40% reduction.

2018 Senate: GOP Poised for Continued Control

Democrat seats up: 25

Republican seats up: 8

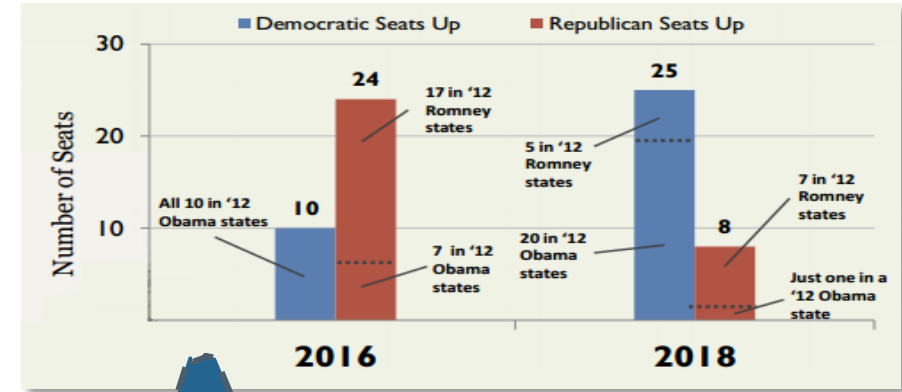
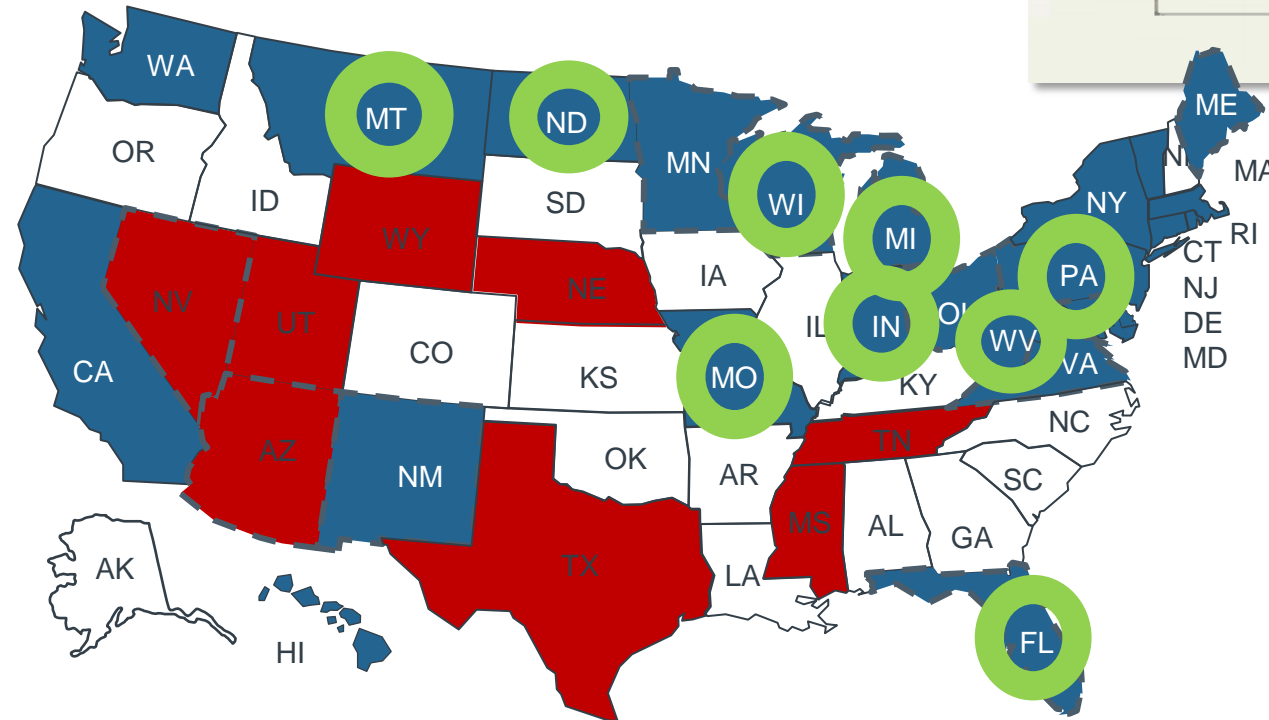
Other Potentially Competitive Races:

DEMS:

OH
WI
NM
ME
VA
PA
FL
MI
MN

GOP:

NV
AZ

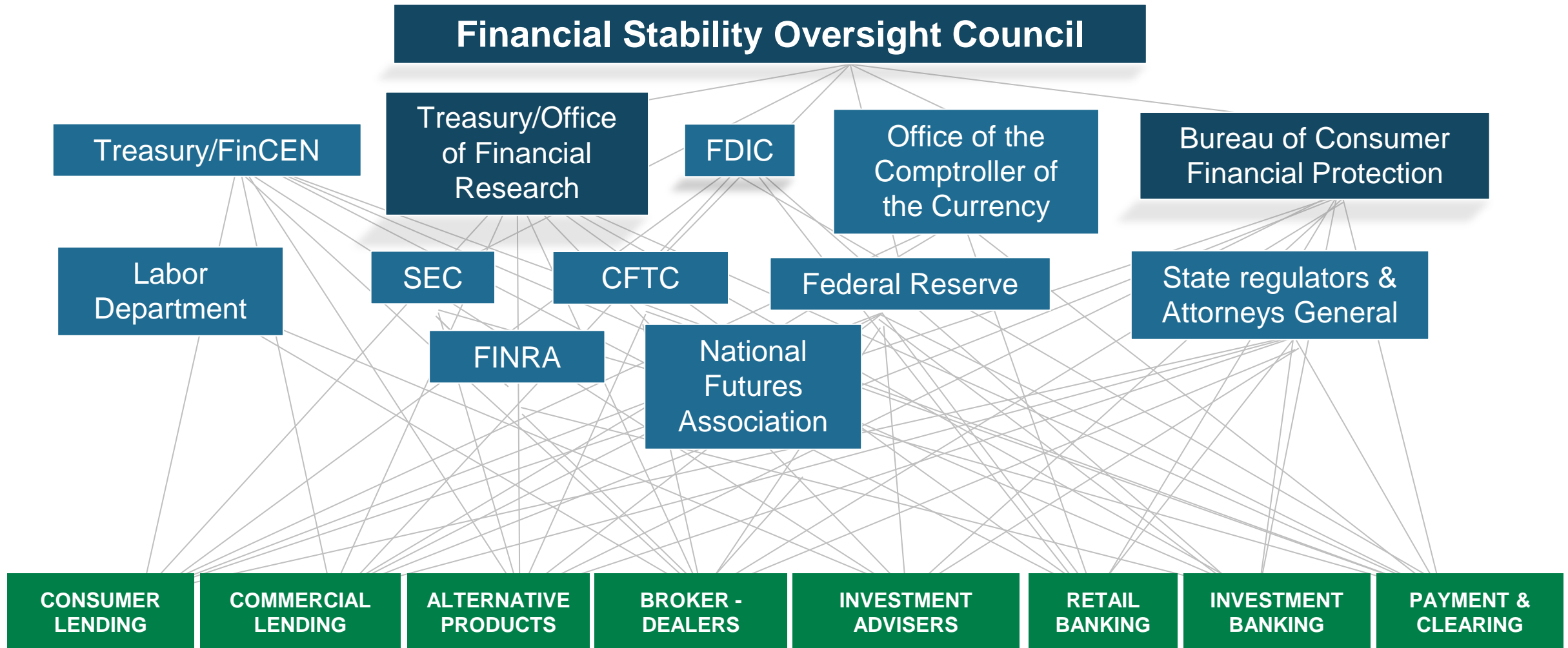


■ Democrat Seat Up for Re-election ■ Republican Seat Up for Re-election

Dashed line = Other Potentially Competitive Races

○ = Democrat seats up in 2018 in states Sec. Clinton lost in 2016

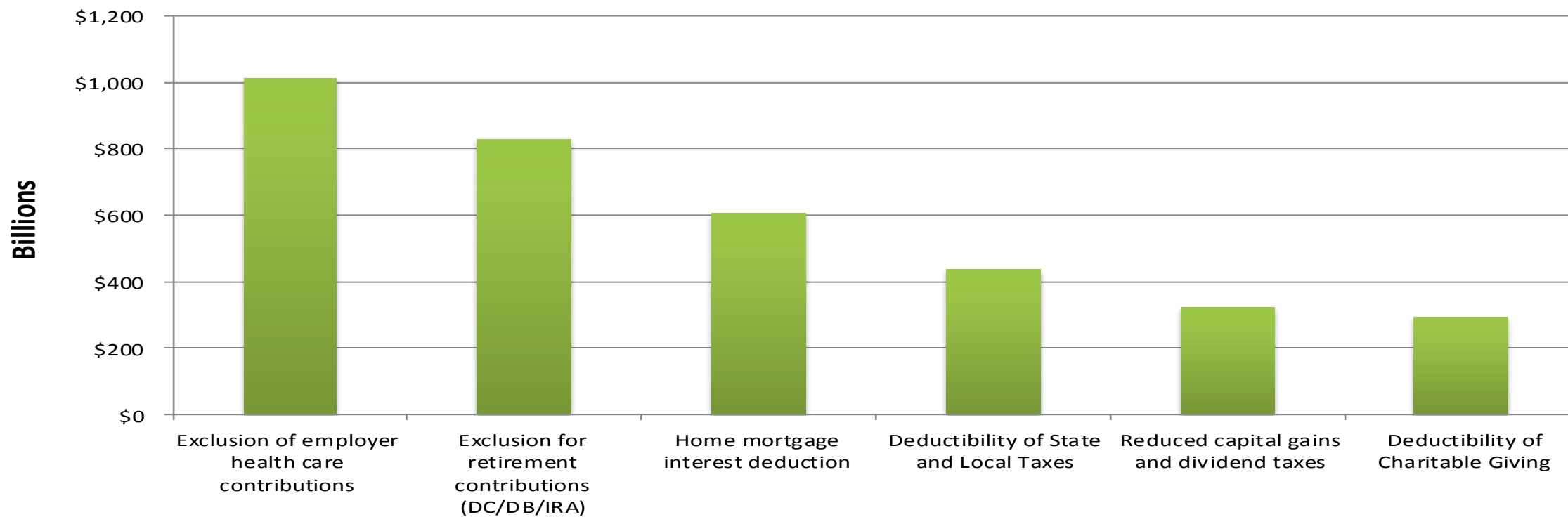
Our current complex and active regulatory state



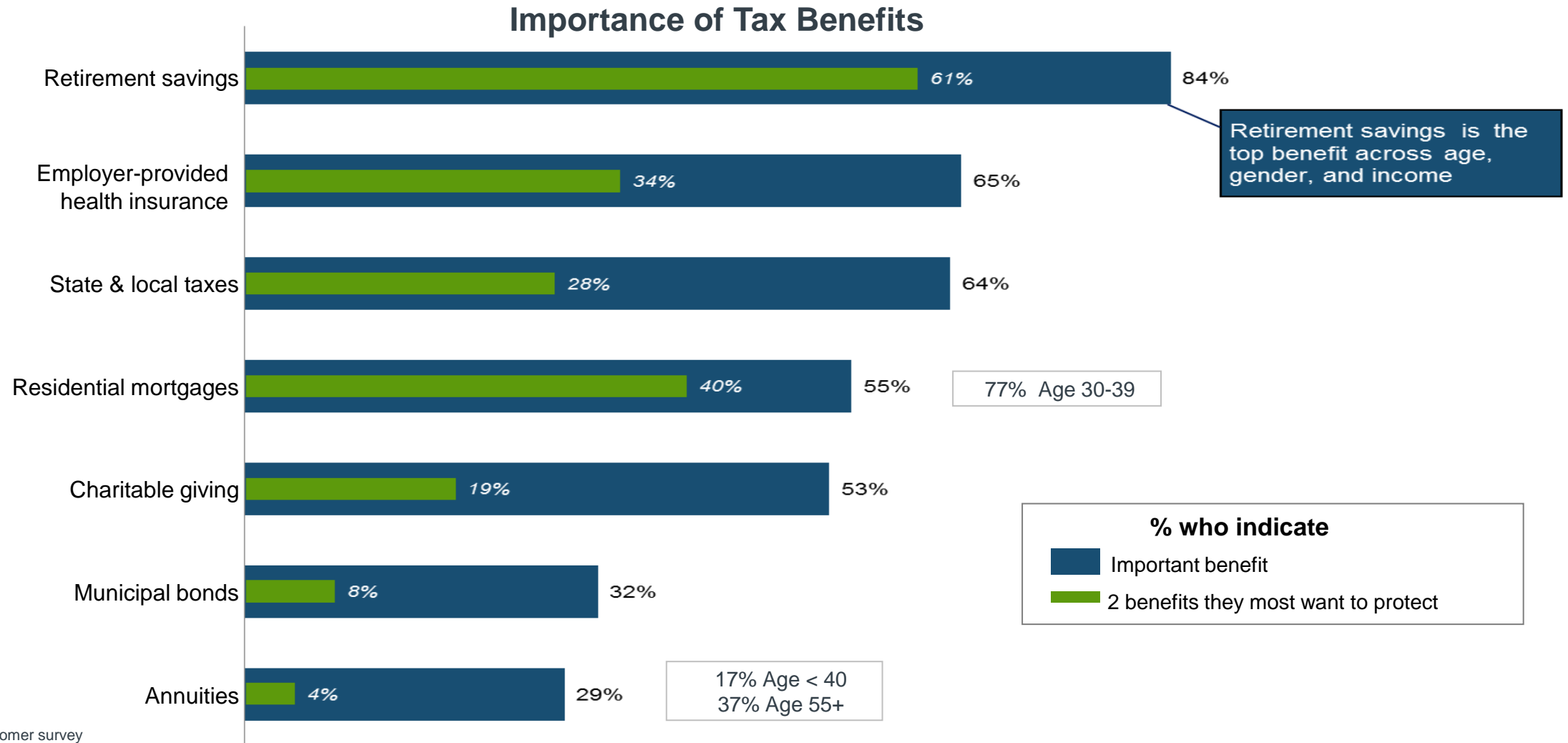
For illustrative purposes only.

Is Tax Reform Possible?

Top Tax Expenditures For Individuals, 2013-2017

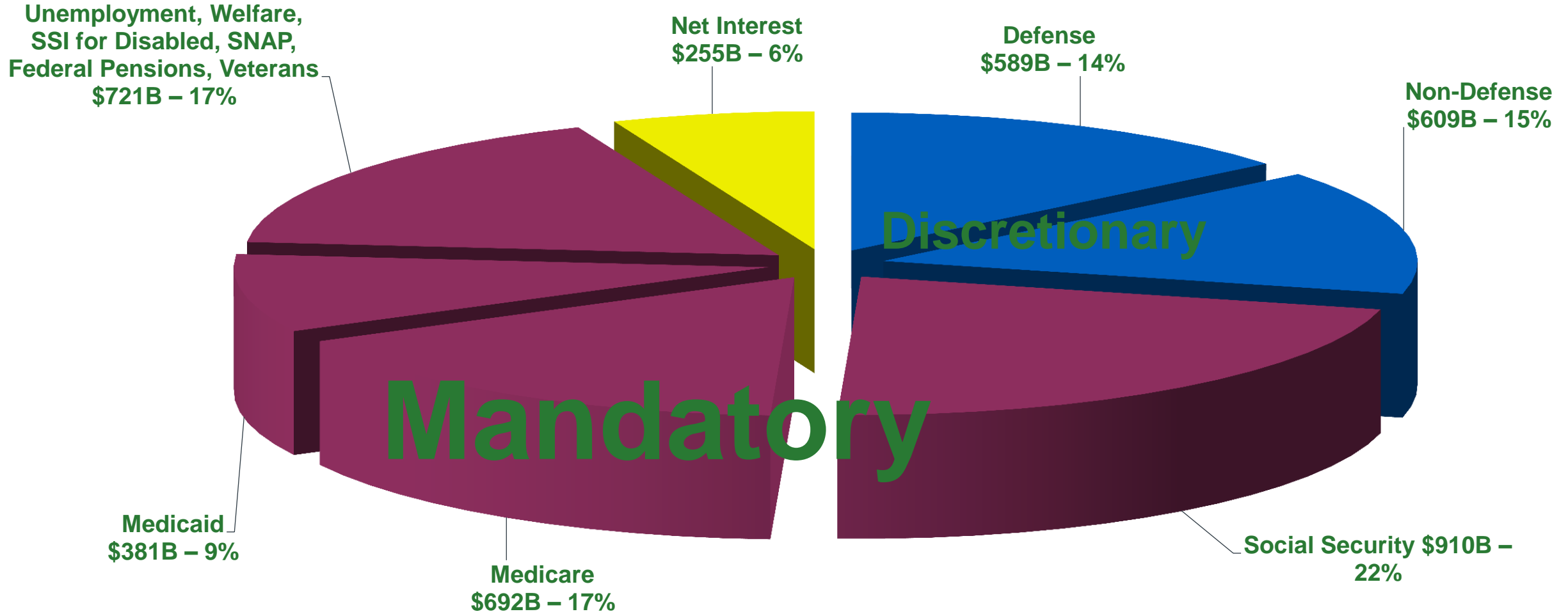


Investors continue to highly value retirement tax incentives



Base: Retail Customers
Source: FBC Retail Customer survey

Federal Spending in Fiscal Year 2016: \$3.919 Trillion (2015: \$3.66 Trillion)



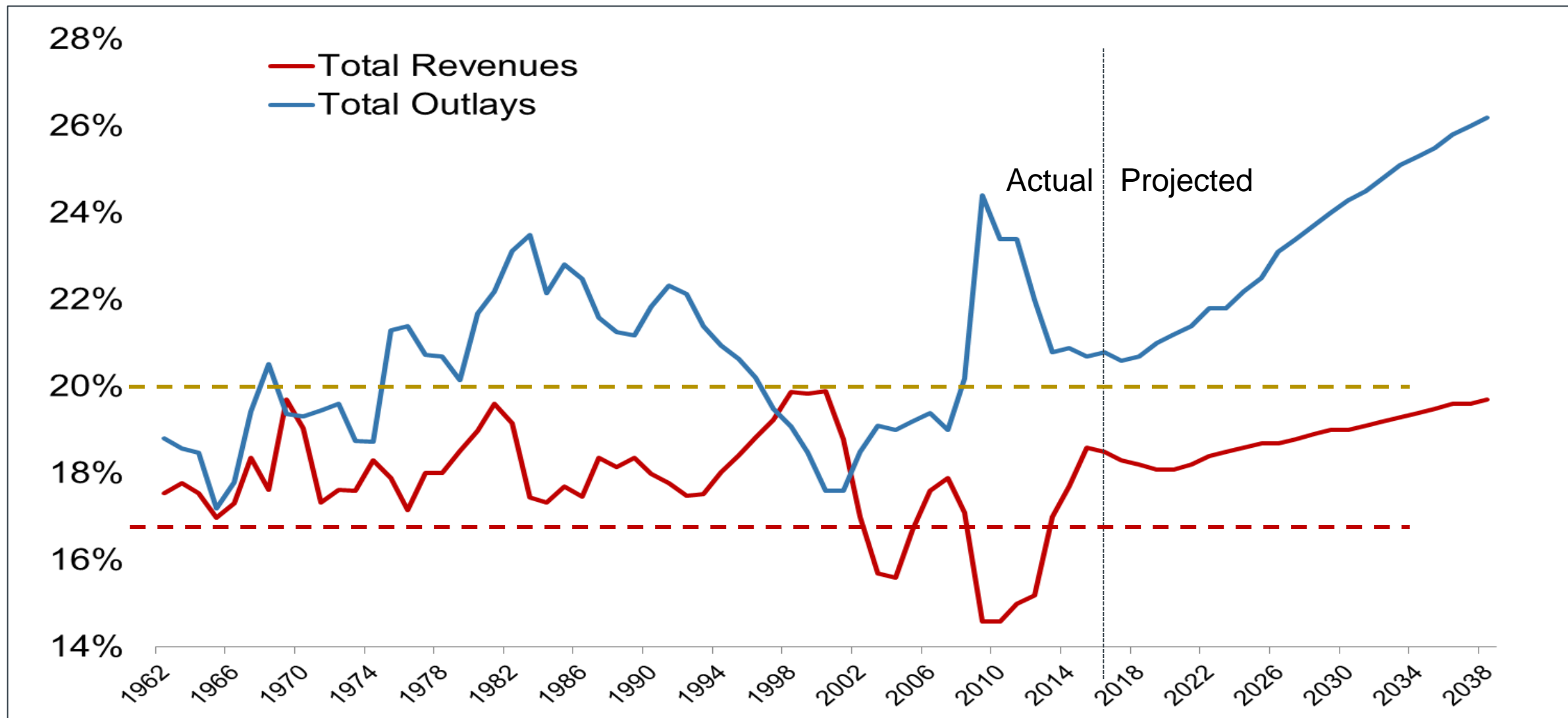
Mandatory: 65%

Discretionary: 29%

Interest: 6%

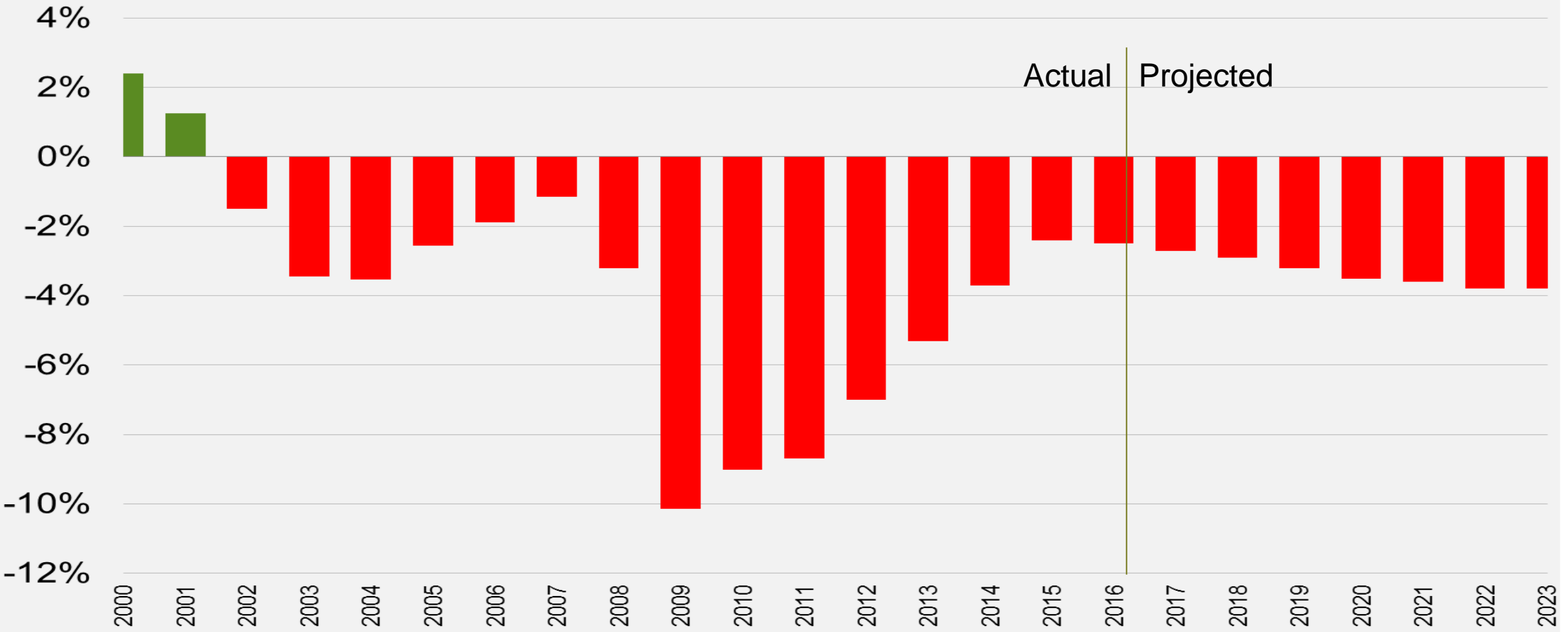
Offsetting Receipts -\$237B

Total Revenues and Outlays, As a percent of GDP

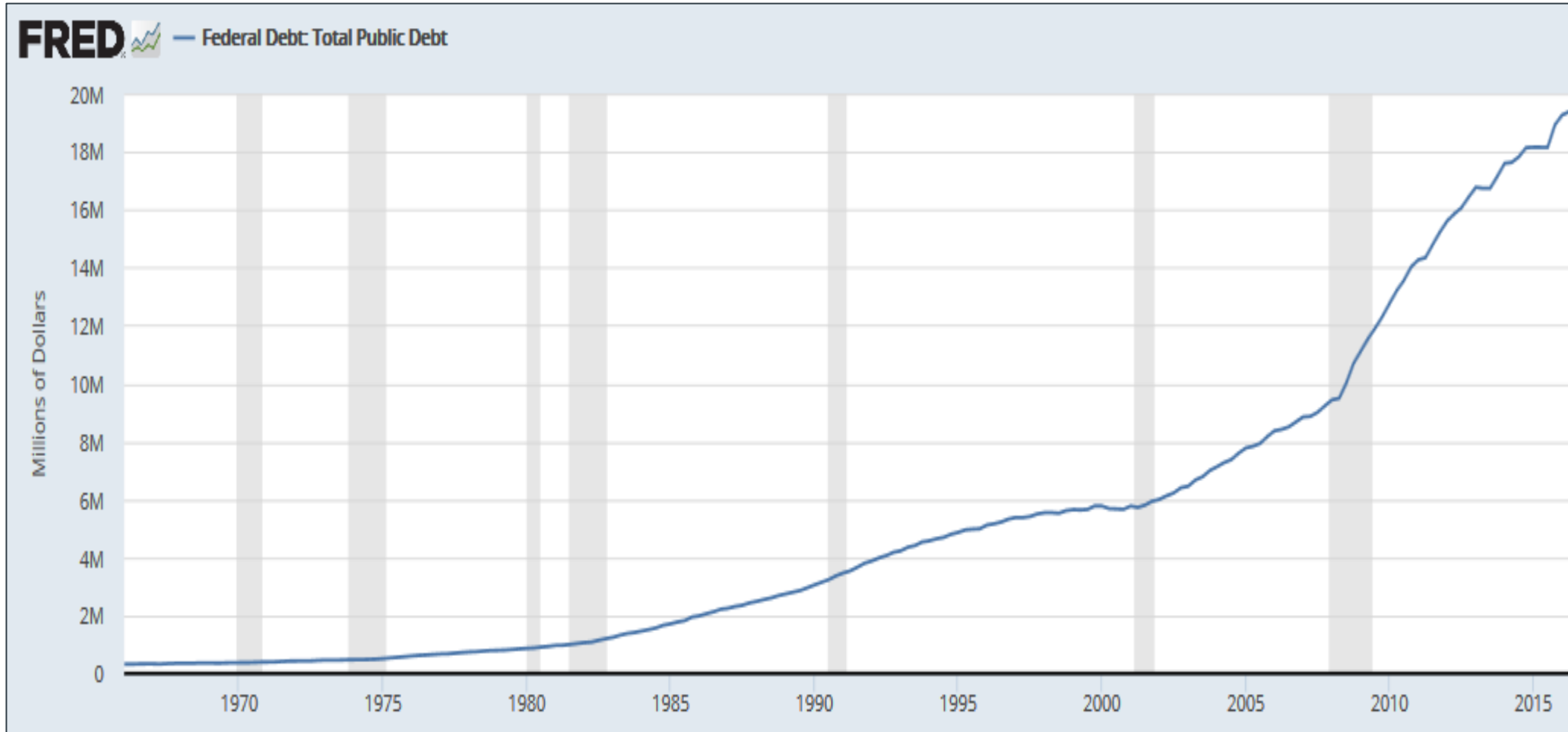


Deficits are estimated to shrink, but only for a few years

Federal Budget Surplus/Deficit As a percent of GDP



Rapidly Increasing Federal Debt – Has doubled in the past 8 years



Source: <https://fred.stlouisfed.org/series/GFDEBTN>