February 14, 2013

SEI Survey: Nearly Half of Ultra-Wealthy Feel Isolated When Making Financial Decisions

Poll Reveals Most Ultra-Wealthy Don't Feel Financially Secure

OAKS, PA -- (Marketwire) -- 02/14/13 -- In a world with more ways than ever for people to stay connected, the ultra-wealthy still often feel cut off. Nearly half of ultra-wealthy Americans (49 percent) feel isolated when making financial decisions, according to a poll released today by SEI (NASDAQ: SEIC). The poll revealed that while nearly two in five (39 percent) of those surveyed feel most confident getting advice for difficult financial decisions from a wealth advisor, more than half (57 percent) feel their wealth advisor is not giving them all the information they need to assess investment risk. The results point to a lack of communication between the ultra-wealthy and their advisors when it comes to the potential risks involved in investment decisions. The survey, of 162 individuals representing families with more than $11.8 million in financial assets on average, was carried out by the independent research firm Scorpio Partnership.

"The results show that many investors feel isolated when making financial decisions," said Michael Farrell, Managing Director for SEI Private Wealth Management. "The challenge is trying to balance the need for external input with clients' instincts to take the lead on family decisions, financial or otherwise. It really comes down to having frequent and meaningful communication with clients in order to arm them with all the information and advice they require to make confident decisions. Hopefully in doing this, the client will feel more connected and more informed when assessing financial decisions."

The survey also revealed insights on the level of assets at which the fear of risk dissolves and perceived financial security is attained for ultra-wealthy individuals. The results show that, on average, the ultra-wealthy believe they would feel financially secure with double the level of assets they currently have, regardless of present net worth. What's more, the amount needed for investors under the age of 50 to feel they have financial security is even greater, coming in at more than three times their current net worth.

Other findings from the poll include how the ultra-wealthy view and assess risk. Respondents most often felt "the probability of not meeting a specific goal" (40 percent) was the best measure of investment risk, according to the survey results. The most common

definition of risk for the ultra-wealthy was "damage to the long-term financial health of my family" (44 percent).

The survey results are part of an ongoing series that SEI has developed in collaboration with Scorpio Partnership to help gain front-line insights on wealth goals, behavior, and issues of ultra-high-net-worth families. For more information about the poll, please email SEIPrivateWealth@seic.com.

About SEI Private Wealth Management
SEI Private Wealth Management provides clarity into the complex issues faced by wealthy individuals and families so they can make better decisions for themselves, their families, and their communities. In September 2011, SEI Private Wealth Management, formerly the SEI Wealth Network, was named to the National Association of Board Certified Advisory Practices' (NABCAP) Premier Advisor list, published by the Philadelphia Business Journal. SEI Private Wealth Management is an umbrella name for various life and wealth advisory services provided by SEI Investments Management Corporation (SIMC). SIMC is a subsidiary of SEI. For more information about SEI Private Wealth Management, visit www.seic.com/privatewealth.

About SEI
SEI (NASDAQ: SEIC) is a leading global provider of investment processing, fund processing, and investment management business outsourcing solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of December 31, 2012, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers $458 billion in mutual fund and pooled or separately managed assets, including $201 billion in assets under management and $257 billion in client assets under administration. For more information, visit www.seic.com.

Source: SEI