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SEI Advisor Network Survey Finds Fiduciary Standard Widely Supported and Understood

Majority of Brokers and Advisors Support and Understand Fiduciary Standard

OAKS, Pa., Dec. 2 /PRNewswire-FirstCall/ -- According to a survey released today by SEI (Nasdaq: SEIC), a majority of brokers and advisors support and understand key elements of the fiduciary standard. More than half (53 percent) of brokers and an overwhelming majority (86 percent) of advisors believe that, "All financial professionals who give investment and financial advice should be required to meet the fiduciary standard." Additionally, nearly one-fifth (19 percent) of brokers said they are undecided and only 27 percent disagree with the standard. Knowledge of the standard is very strong as more than three-quarters (80 percent) of brokers and nearly all (98 percent) of advisors said they understand the standard either "fairly well" or "very well." The poll also showed that a majority of brokers (61 percent) and a significant majority of advisors (89 percent) are against being allowed to ask clients to waive the fiduciary standard.

The poll was conducted by the SEI Advisor Network and The Committee for the Fiduciary Standard to determine the level of support and understanding among financial advisors and brokers of the fiduciary standard, which entails a relationship of trust requiring due care, loyalty, and utmost good faith. The poll was completed in October and November by 890 RIAs, IARs, and dually registered brokers/advisors, with assets ranging from less than US \$50 million to more than US \$250 million.

"As practitioners and policymakers vigorously debate the future of regulation in the financial industry, SEI felt strongly that a true barometer of on-the-street sentiment was needed," said Jerry Lezynski, Head of Marketing and Communications for the SEI Advisor Network. "The poll results indicate that the fiduciary standard is both supported by brokers and advisors and its key components are clearly understood."

Brokers and advisors alike showed a high level of common understanding on key elements of the fiduciary standard. The poll results indicate that specific elements of the fiduciary standard are understood by an overwhelming majority -- greater than 60 percent in every category. These categories include:

- That they must disclose their compensation and all investment expenses in writing;
- That adhering to accepted fiduciary procedures can reduce an advisor's liability in the event of poor investment performance;
- That the fiduciary standard permits use of commission products; and,
- That proprietary products are permitted under the fiduciary standard.

"It's important that policymakers note the disconnect between the keen understanding and support many brokers have expressed through this survey, compared to the longstanding opposition the securities industry has expressed," said Knut A. Rostad, Chairman, The Committee for the Fiduciary Standard. "In many ways, the results are startling."

While advisors and brokers showed agreement on several key issues and general support for the fiduciary standard, some areas continue to create disagreement, including: modifications to the standard, use of the suitability standard in certain situations, compensation, and RIA registration issues. Additionally, there is a split within the brokerage community -- divided by commission-only brokers and commission-fee brokers -- around modification of the standard and potential use of the suitability standard.

The SEI Advisor Network administered the survey and published the report. The Committee for the Fiduciary Standard provided technical input into the survey design and report analysis.

A full copy of the report is available on SEI's website at www.seic.com/advisors or by calling 888-734-2679.

About the SEI Advisor Network

The SEI Advisor Network provides financial advisors with turnkey wealth management services through outsourced investment strategies; administration and technology platforms; trust, banking, and institutional services; and practice management programs. It is through these services that SEI helps advisors save time, grow revenues, and differentiate themselves in the market. With a history of financial strength, stability, and transparency, the SEI Advisor Network has been serving the independent financial advisor market for more than 15 years. As of September 30, 2009, SEI works with more than 6,000 advisors and has over \$33 billion in advisors' assets under management. The SEI Advisor Network is a strategic business unit of SEI. For more information, visit www.seic.com/advisors.

About SEI

SEI (Nasdaq: SEIC) is a leading global provider of outsourced asset management, investment processing and investment operations solutions. The company's innovative solutions help corporations, financial institutions, financial advisors, and affluent families create and manage wealth. As of September 30, 2009, through its subsidiaries and partnerships in which the company has a significant interest, SEI administers \$383 billion in mutual fund and pooled assets and manages \$156 billion in assets. SEI serves clients, conducts or is registered to conduct business and/or operations, from numerous offices worldwide. For more information, visit www.seic.com.

About The Committee for the Fiduciary Standard

The Committee for the Fiduciary Standard is a nonpartisan membership organization of more than 600 investment professionals whose mission is to preserve the authentic fiduciary

standard in any legislation and rulemaking. For more information contact Knut A. Rostad at 703-821-6616 x429, kar@rpjadvisors.com, or please visit www.thefiduciarystandard.org.

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