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SEI Finds That Fear and Confidence Issues Hinder Affluent Families From Effectively Passing Wealth to Future Generations

Rather Than Aiming for Success, Families Are "Playing Not to Lose"

OAKS, PA -- (MARKET WIRE) -- 04/25/11 -- Insights from a recent SEI (NASDAQ: SEIC) Wealth Insight Initiative roundtable suggest that fear of negative outcomes and a lack of confidence in heirs are two of the biggest barriers to families sustaining and growing wealth over time. The roundtable is the first in a series in which the company gathers small groups of wealthy families* to discuss issues, insights, and experiences related to creating and sustaining generational wealth. The roundtable was hosted in Philadelphia.

The roundtable feedback points to a prevailing focus on avoiding the negative outcomes that often come with passing wealth to future generations. But it also highlighted a desire to learn how to best instill the values required to build upon families' current successes. SEI is working to share best practices and help families take advantage of the significant wealth creation opportunities that will be available to their heirs. The company continues to research these topics with families, while attempting to initiate a widespread cultural narrative on the issue.

"Since very few creators of wealth actually inherited wealth themselves, they often doubt that their heirs have the same motivation or ability. Family leaders come to the table with that fear and often end up playing not to lose rather than playing to win," said [David McLaughlin](#), Senior Managing Director for the [SEI Wealth Network](#)®. "The challenge in passing wealth to future generations is not simply to avoid failure, but to actually aim for success. Family leaders need to transfer the skills and capabilities that led to the creation of wealth in the first place. The reality is that if future generations don't have the desire or ability to create wealth themselves, it's just a matter of time until the family no longer has any wealth to pass."

As part of its goals of raising awareness and dialogue on wealth issues, SEI identified some of the top pitfalls wealthy families should try to avoid. Those include:

Not Establishing Accountability - The reality is that most families lose wealth when future generations continue to spend to support their lifestyle, but are ill-prepared to continue to

create wealth. By comparison, the most successful families spend time establishing an expectation that the inheritors are accountable to build upon their success and improve the lives of future generations.

Unhealthy Wealth Communication - Family dynamics and relationship problems can be far more damaging than any economic downturn. In many families the topic of money is considered taboo. Future generations might know they're affluent but they often don't know how much, where it came from, or what the plan is to sustain it. Wealthy families must get comfortable with the idea that talking about money candidly is not rude, it's necessary. Especially if the next generation is to have any hope of sustaining and creating new wealth.

Competing Parental Priorities - Wealthy parents are still parents and they want to do what's best for their children. Oftentimes they struggle with balancing the ideas of nurturing children while also motivating them. They want to give their children everything they didn't have and yet they worry about spoiling them. The most successful families establish a framework to help decide how to educate their heirs about money and when to get them involved in wealth creation activities.

Lack of Financial Values - Parents often talk about personal values, but don't overtly think about or talk about financial values. Research shows that most people believe personal values will guide how someone deals with money. The truth is they are related but separate. Successful families recognize the difference between financial values and personal values and more importantly they take steps to talk about and pass on both.

The company will continue to research these and other issues facing wealthy families as the series continues in Philadelphia on May 24, 2011 and June 27, 2011. For further information about the SEI Wealth Management Research Panel's roundtable series, please email wealthnetwork@seic.com.

About SEI Wealth Network®

SEI Wealth Network is a provider of private wealth management services. The SEI Wealth Network provides clarity into the complex issues faced by individuals and families so they can make better decisions for themselves, their families, and their communities. SEI created the SEI Wealth Insight Initiative both to learn from and provide wealth education to affluent families. For more information about the SEI Wealth Network, visit www.seic.com/WN.

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, 2010, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers \$416.0 billion in mutual fund and pooled or separately managed assets, including \$172.3 billion in assets under management and \$243.7 billion in client assets under administration. For more information, visit www.seic.com.

* For the purposes of this press release, wealthy families are defined as those with more than \$5 million in investible assets.

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