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SEI Compliance Poll: Too Many Responsibilities, Too Few Resources Greatest Impediments to CCO Effectiveness

Regulatory Changes Remain Primary Focus According To Attendees at Annual CCO Forum

OAKS, Pa., Oct. 26 /PRNewswire/ -- Chief compliance officers continue to take on more and more responsibility while struggling to keep up with the pressure of ongoing regulatory changes, according to a poll released today by SEI (Nasdaq: SEIC). The poll, conducted recently at the company's annual CCO Forum, showed that an overwhelming majority of CCOs (68 percent) felt the greatest impediment to their ability to be effective is that they have too many other responsibilities. Another 14 percent said a lack of resources or funding was their greatest deterrent to success. The poll, which surveyed CCOs from organizations ranging from \$500 million to \$5 billion in assets under management, points to the ongoing struggle facing CCOs as they try to keep up with a dramatically changing regulatory environment in the face of shrinking or stagnant resources.

Half of all CCOs responded that their biggest challenge this year has been preparing for new or pending regulatory changes. The poll also showed 82 percent of respondents were more concerned about their personal liability than they were two years ago, pointing to the ongoing pressures facing compliance professionals. At the same time, nearly three-quarters of the respondents (73 percent) said their compliance budgets had either not changed or had decreased.

"The harsh reality is that CCOs are being asked to do more and more and their resources aren't growing to meet the need," said Jim Volk, Chief Compliance Officer for SEI's Investment Manager Services division. "With Dodd Frank and ongoing SEC rulemaking activity, the regulatory environment is constantly changing and CCOs need all the help they can get to keep up. At SEI, whether it's via the CCO Forum or through the compliance resources we provide, our goal is to give our clients what they need not only to keep pace, but to stay ahead of the curve and steer their businesses clear of regulatory peril."

Despite the increase in regulatory scrutiny across the board, 42 percent have not been subject to an SEC examination or direct SEC inquiry in more than two years. Only a quarter (25 percent) have been subject to more than one SEC inquiry in the past 18 months.

SEI provides a diverse set of compliance resources to clients including expert guidance on complex issues and timely regulatory topics. The company recently hosted its 5th annual CCO Forum as part of the *ComplianceAdvantage* Program. The event brings together investment manager CCOs to discuss key trends and topics and to share emerging best practices in the compliance arena.

About SEI's Investment Manager Services Division

SEI's Investment Manager Services division provides comprehensive operational outsourcing solutions to global investment managers focused on mutual funds, hedge and private equity funds, exchange traded funds, collective trusts, and separately managed, as well as institutional and private client, accounts. The division applies operating services, technologies, and business and regulatory knowledge to each client's business objectives.

Its resources enable clients to meet the demands of the marketplace and sharpen business strategies by focusing on their core competencies. The division has been recognized by *Buy-Side Technology* as "Best Fund Administrator" and by *HFMWeek* as "Best Funds of Hedge Funds Administrator." For more information, visit <http://www.seic.com/enUS/im/352.htm>.

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, 2010, through its subsidiaries and partnerships in which the company has a significant interest, SEI administers \$402 billion in mutual fund and pooled assets and manages \$164 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.

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