Manning & Napier, Inc.
Form 4
August 01, 2014

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Mikolaichik James

(Last) (First) (Middle)

C/O MANNING & NAPIER, INC., 290 WOODCLIFF DRIVE

(Street)

FAIRPORT, NY 14450

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Manning & Napier, Inc. [MN]

3. Date of Earliest Transaction (Month/Day/Year)
06/24/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P De Sec

(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)		Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)						(In
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units	(1)	06/24/2014		A		32,752		(2)	(2)	Class A Common Stock	32,752	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Mikolaichik James C/O MANNING & NAPIER, INC. 290 WOODCLIFF DRIVE FAIRPORT, NY 14450			Chief Financial Officer	

Signatures

/s/ James Mikolaichik	07/22/2014
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Each restricted stock unit represents a contingent right to receive one share of Class A Common Stock of the Company.

(2) The restricted stock units vest on June 24, 2017.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. p; 57,633 $77,837 $1,871 $(4,328) $75,380

Net unrealized holding gains were $960 (net of income tax expense of $354) at December 31, 2009. Net unrealized holding losses were $1,524 (net of income tax benefit of $933) at December 31, 2008. These unrealized gains and losses are reported as separate components of Accumulated other comprehensive income on the accompanying Consolidated Balance Sheets.

The Company recognized gross realized gains from available-for-sale securities of $440, $1,806 and $860 in 2009, 2008 and 2007, respectively, and gross realized losses of $123 in 2009 and $88 in 2007. There were no realized losses from available-for-sale securities in 2008.

The Company had investments in two SEI-sponsored mutual funds which primarily invest in fixed-income securities, including debt securities issued by municipalities and mortgage-backed securities. The market value of these investments steadily decreased since the initial purchase in 2007. In August 2008, management concluded that the earnings potential and near term prospects of some of the issuers of the underlying securities held in the funds were uncertain and that it was unlikely the investments would fully recover from a loss position in the foreseeable future. Due to these reasons, the Company recorded an other-than-temporary impairment charge of $1,961 in August 2008. Subsequently, the market value of these securities declined a further $3,347 by December 31, 2008. Management did not consider this an other-than-temporary decline in market value because of the volatility in the capital markets, the short duration of time since the impairment charge, and the

Company s ability and intent to hold onto these securities for a sufficient period to allow for a recovery. In June 2009, it was determined that the decline in market value for one of these investments was other-than-temporary. The cost basis for this investment was adjusted again and an other-than-temporary impairment charge was recognized for $901. Subsequently, in late 2009, the Company sold both investments and recognized a gain for $363. The other-than-temporary impairment charges and the realized gains on the sales of these two investments are included in Net loss on investments on the Consolidated Statements of Operations.

The Company has investments included in Other mutual funds that have been in an unrealized loss position for a period greater than one year. These mutual funds primarily invest in a diversified mix of equity and fixed-income securities. The cost basis of these investments was $3,064 with a fair value of $2,924 and a gross unrealized loss of $140. Management did not record an other-than-temporary impairment charge at December 31, 2009 due to its assessment that the decline was not severe and the ability and intent to hold onto these securities for a sufficient duration to allow for a recovery.

Derivatives held by the Company were in the form of equity contracts for the purpose of hedging market risk of certain available for sale securities and held only for the purpose of hedging such risk and not for speculation. The Company did not own any derivative financial instruments to hedge market risk of available for sale securities in 2009. Net loss from investments on the accompanying Consolidated Statements of Operations includes net gains (losses) of $676 and $(1,089) in 2008 and 2007, respectively, from changes in the fair value of derivative instruments.

The Company s debt securities are issued by the Government National Mortgage Association and are backed by the full faith and credit of the U.S. government. These securities were purchased to satisfy applicable regulatory requirements of SEI Private Trust Company (SPTC) and have maturity dates which range from 2020 to 2038.

Table of Contents

Trading Securities

Trading securities of the Company consist of:

	For the Year ended December 31, 2009			
	Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
SIV securities	$ 309,796	$	$ (189,082)	$ 120,714
LSV-sponsored mutual funds	4,000	1,482		5,482
	$ 313,796	$ 1,482	$ (189,082)	$ 126,196

	For the Year ended December 31, 2008			
	Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
SIV securities	$ 15,034	$	$ (9,321)	$ 5,713
LSV-sponsored mutual funds	4,000		(97)	3,903
Other securities	1,971		(274)	1,697
	$ 21,005	$	$ (9,692)	$ 11,313

The Company records all of its trading securities on the accompanying Consolidated Balance Sheet at fair value. Unrealized gains and losses from the change in fair value of these securities are recognized in Net loss from investments on the accompanying Consolidated Statements of Operations.

The net charge from SIV securities and Capital Support Agreements to the Company s earnings was $5,778 during 2009. Cumulative charges for SIV securities and Capital Support Agreements were $189,082 (See Note 7).

The Company has an investment related to the startup of a mutual fund sponsored by LSV. This fund is a U.S. dollar denominated fund that invests primarily in securities of Canadian and Australian companies as well as various other global securities. The underlying securities held by the fund are translated into U.S. dollars within the fund. The Company purchased equity and currency futures contracts as part of an economic hedging strategy to minimize its exposure to price and currency risk inherent with this investment. The equity futures contracts had a notional value of $4,054 and are expected to hedge the price risk associated with movements of certain Canadian, Australian and global indices. The Company also purchased currency futures contracts with a notional value of $2,715 that are expected to hedge the currency risk associated with movements of the U.S. dollar against the Canadian and Australian dollars since the underlying securities of the fund are predominately denominated in those currencies. The fair value of the futures contracts are netted against the fair value of the investment in the LSV-sponsored fund. The Company recognized unrealized gains of $3,599 and $101 from the LSV-sponsored mutual fund and unrealized losses of $2,020 and $198 from the equity and currency futures contracts for net gains (losses) of $1,579 and $(97) during 2009 and 2008, respectively.

Note 7 Structured Investment Vehicles and Money Market Fund Support:

In late 2007, the Company entered into Capital Support Agreements with the SEI Daily Income Trust Prime Obligation Fund (the SDIT PO Fund), the SEI Daily Income Trust Money Market Fund (the SDIT MM Fund), and the SEI Liquid Asset Trust Prime Obligation Fund (the SLAT PO Fund) (each a Fund or, together, the Funds). The Company is the advisor to the Funds. Various clients of the Company are investors in the Funds.

Among other money market instruments, the Funds held senior notes issued by SIVs. SIVs issue commercial paper and other debt securities and use the proceeds to purchase bonds and other long-term debt instruments that are used to collateralize the obligations of the vehicle. The senior notes are collateralized by residential mortgage-backed securities, commercial mortgage-backed securities, corporate

Table of Contents

collateralized debt obligations and collateralized debt obligations of asset-backed securities. The SIVs owned by the Funds were in technical default because they ceased making payments on outstanding notes on scheduled maturity dates. The Company entered into the Capital Support Agreements to provide the necessary credit support related to the SIV securities owned by the Funds.

On September 30, 2008, the Company purchased the Gryphon (formerly Cheyne) notes directly from the SDIT MM Fund. The Gryphon notes were the last remaining SIV securities held by this Fund. The Company paid $15,288 to the SDIT MM Fund for the purchase of the Gryphon note, which was equal to the amortized cost of the Gryphon notes. The Capital Support Agreement with the SDIT MM fund was allowed to lapse after the purchase of the Gryphon notes.

In late 2008, the Company amended the Capital Support Agreements with the SDIT PO Fund and the SLAT PO Fund. As of December 31, 2008, the amount of the Company s obligation to commit capital to the Funds under the Amended Agreements was $173,983, but this amount was not required to be paid since the Funds did not realize any loss through a sale or disposal of the SIV securities. The Company s obligation under the Amended Agreements was reported in the current liabilities section of the Consolidated Balance Sheet as of December 31, 2008.

The obligations under the Amended Agreements at December 31, 2008 were secured by letters of credit of a third party bank rated A-1 by Standard & Poor s (S&P). The letters of credit were issued under the Company s existing credit facility and had a term of one year. As of December 31, 2008, the Company had $190,000 of letters of credit outstanding (See Note 8).

During 2009, the Company purchased all of the remaining SIV securities held by the SLAT PO Fund and SDIT PO Fund for a total purchase price of $313,133 which was equal to the amortized cost of the SIV securities. As a result of these purchases, the Company s obligations to the Funds were eliminated and the Capital Support Agreements were cancelled. The letters of credit posted to collateralize our obligations under the Amended Capital Support Agreements were also cancelled. In order to finance the purchase of the SIV securities, the Company borrowed an aggregate $254,000 under its credit facility (See Note 8).

As of December 31, 2009, the Company owns five SIV securities with an aggregate cost basis of $309,796 and an aggregate market value of $120,714. Through December 31, 2009, the Company recognized $189,082 in cumulative losses from SIV securities incurred as follows: $5,778 in 2009; $158,182 in 2008; and $25,122 in 2007. These losses were recorded in Net loss from investments on the Consolidated Statements of Operations. Gryphon is the largest SIV security owned by the Company. The aggregate cost basis of the Gryphon notes represents 64 percent of the total cost basis of all SIV securities owned by the Company and 59 percent of the total market value. The next largest SIV security owned by the Company is Stanfield Victoria. The aggregate cost basis of the Stanfield Victoria notes represents 24 percent of the total cost basis of all SIV securities owned by the Company and 25 percent of the total market value. Gryphon and Stanfield Victoria combined represent 88 percent of the total cost basis of the SIV securities owned by the Company and 84 percent of the market value. The Company has received cash distributions from all of the SIV securities owned.

Four of the five SIV securities owned by the Company have completed restructuring. In January 2010, the Company sold the one SIV security that had not completed restructuring. The Company recognized an additional loss of $478 from the sale of this security.

The Company s total risk of loss from SIV securities is limited to the aggregate remaining cost basis of the SIV securities. As of February 19, 2010, the aggregate cost basis of these securities totaled $290,940 and the total market value was $113,750. A hypothetical movement of one percent in the movement in the value of the SIV securities would generate an additional loss of $2,909. Management does not engage in any lending activities or any other activity which exposes the Company to a risk of loss associated with the illiquidity issues in the credit markets.

Table of Contents

Note 8 Lines of Credit:

The Company has a five-year $300,000 Credit Agreement (the Credit Facility) which expires in July 2012, at which time any aggregate principal amount of loans outstanding becomes payable in full. Any borrowings made under the Credit Facility will accrue interest at 0.625 percent per annum above the London Interbank Offer Rate (LIBOR). There is also a commitment fee equal to 0.125 percent per annum on the daily unused portion of the facility. The aggregate amount of the Credit Facility may be increased to $400,000 under certain conditions set forth in the agreement. The Credit Facility, as amended, contains covenants that restrict the ability of the Company to engage in mergers, consolidations, asset sales, investments, transactions with affiliates, or to incur liens, as defined in the agreement. In the event of a default under the Credit Facility, the Company would also be restricted from paying dividends on, or repurchasing, its common stock without the approval of the lenders. None of covenants of the Credit Facility negatively affect the Company s liquidity or capital resources. Both the interest rate and commitment fee prices may increase if the Company s leverage ratio reaches certain levels. Upon the occurrence of certain financial or economic events, significant corporate events, or certain other events of default constituting an event of default under the Credit Facility, all loans outstanding may be declared immediately due and payable and all commitments under the Credit Facility may be terminated.

In 2009, the Company purchased SIV securities from the SEI-sponsored money market mutual funds (See Note 7). In order to finance the purchases of the SIV securities, the Company borrowed $254,000 from the Credit Facility. As a result of the purchases of the remaining SIV securities during 2009, the Amended Capital Support Agreements and the letters of credit posted to collateralize the Company s obligations under the Amended Capital Support Agreements were cancelled.

The Company made a principal payment of $21,000 in December 2009. As of December 31, 2009, the outstanding balance of the Credit Facility was $233,000 and is included in Long-term debt on the accompanying Consolidated Balance Sheet. The Company was in compliance with all covenants of the Credit Facility during 2009.

As of December 31, 2009, the Company s ability to borrow from the Credit Facility is not limited by any covenant of the agreement. In management s opinion, the leverage ratio is the most restrictive of all of the covenants contained in the Credit Facility. The leverage ratio is calculated as consolidated indebtedness divided by earnings before interest, taxes, depreciation, amortization and other items as defined by the covenant during the last four quarters (EBITDA). The amount of consolidated indebtedness according to the terms of the covenant includes the outstanding debt of LSV Employee Group. The Company must maintain a ratio of consolidated indebtedness of not more than 2.00 times the amount of EBITDA on December 31, 2009 and not more than 1.75 times EBITDA at all times thereafter. As of December 31, 2009, the Company s leverage ratio is 0.73 times EBITDA.

In February 2010, the Company made a principal payment of $33,000. As of February 19, 2010, the amount of the Credit Facility that is unrestricted and available for other purposes as determined by the Company is $100,000.

The average rate applied to the Credit Facility throughout 2009 was 1.05 percent. The Company incurred $2,491, $1,019, and $350 in interest charges and commitment fees relating to all lines of credit during 2009, 2008, and 2007, respectively, and is reflected in Interest expense on the accompanying Consolidated Statements of Operations.

The Company considers the book value of long-term debt related to the borrowings through the Credit Facility to be representative of its fair value.

The Company s Canadian subsidiary has a credit facility agreement (the Canadian Credit Facility) for the purpose of facilitating the settlement of mutual fund transactions. The Canadian Credit Facility has no stated expiration date. The amount of the facility is generally limited to $2,000 Canadian dollars or the equivalent amount in U.S. dollars. The Canadian Credit Facility does not contain any covenants which restrict the liquidity or capital resources of the Company. The Company had no borrowings under the Canadian Credit Facility and was in compliance with all covenants during 2009.

Table of Contents

Note 9 Shareholders Equity:

Stock-Based Compensation

The Company currently has one active equity compensation plan, the 2007 Equity Compensation Plan (the 2007 Plan), which provides for the grant of incentive stock options, non-qualified stock options and stock appreciation rights with respect to up to 20 million shares of common stock of the Company, subject to adjustment for stock splits, reclassifications, mergers and other events. Permitted grantees under the 2007 Plan include employees, non-employee directors and consultants who perform services for the Company. The plan is administered by the Compensation Committee of the Board of Directors of the Company. There were no grants of incentive stock options or stock appreciation rights made under the plan in 2009 or 2008.

The Company discontinued any further grants under the Company s 1998 Equity Compensation Plan (the 1998 Plan) as a result of the approval of the 2007 Plan. No options are available for grant from this plan. Grants made from the 1998 Plan continue in effect under the terms of the grant.

All outstanding stock options have performance-based vesting provisions that tie the vesting of stock options to the Company s financial performance. The Company s stock options vest at a rate of 50 percent when a specified diluted earning per share target is achieved, and the remaining 50 percent when a second, higher specified diluted earnings per share target is achieved. Stock options granted prior to 2006 fully vest after seven years from the date of grant. Beginning in 2006, the seven year vesting trigger was eliminated and, as a result, options do not vest due to the passage of time but solely as a result of achievement of the financial vesting targets. Earnings per share targets are calculated exclusive of stock-based compensation expense, net of tax. The diluted earnings per share targets are established at time of grant and are measured annually on December 31. The amount of stock-based compensation expense is based upon management s estimate of when the earnings per share targets may be achieved. If management s estimate of the attainment of the earnings per share targets proves to be inaccurate, the remaining amount of stock-based compensation expense could be accelerated, spread out over a longer period, or reversed. This may cause volatility in the recognition of stock-based compensation expense in future periods and could materially affect the Company s net income and net income per share.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options. The determination of the fair value of stock options on the date of grant using an option-pricing model is affected by the price of the Company s common stock as well as other variables. These variables include expected stock price volatility over the term of the awards, actual and projected employee stock exercise behaviors, risk-free interest rate and expected dividends. The Company primarily uses historical data to estimate the variables used in the option-pricing model except expected volatility. The Company uses a combination of historical and implied volatility. The Company estimates forfeitures at the time of grant and may revise those estimates in subsequent periods if actual forfeitures differ from those estimates. The Company uses historical data to estimate pre-vesting forfeitures and record stock-based compensation expense only for those awards that are expected to vest. Stock-based compensation is amortized over the requisite service periods of the awards, which are generally the vesting periods.

The weighted average fair value of the Company s stock options granted during 2009, 2008 and 2007 were $7.24, $7.35 and $14.75, respectively, using the following assumptions:

	2009	**2008**	**2007**
Expected term (in years)	**7.49**	**7.28**	7.62
Expected volatility	**37.44%**	**52.66%**	36.79%
Expected dividend yield	**1.02%**	**1.02%**	0.43%
Risk-free interest rate	**3.31%**	**2.27%**	4.11%

The Company recognized stock-based compensation expense in its Consolidated Financial Statements in 2009, 2008 and 2007 as follows:

Table of Contents

	2009	2008	2007
Stock-based compensation expense	**$ 14,503**	$ 16,010	$ 28,195
Less: Deferred tax benefit	**(4,636)**	(4,972)	(9,026)
Stock-based compensation expense, net of tax	**$ 9,867**	$ 11,038	$ 19,169
Basic earnings per share	**$ .05**	$ .06	$ .10
Diluted earnings per share	**$ .05**	$ .06	$ .09

The Company reduced the amount of stock-based compensation expense recognized in 2009 and 2008 by $8,223 and $6,023 due to a change in management s estimate of when certain vesting targets are expected to be achieved.

The Company accelerated the recognition of $1,740 in stock-based compensation expense in 2007 due to changes in management s estimate of when certain vesting targets were expected to be achieved.

As of December 31, 2009, there was approximately $61,439 of unrecognized compensation cost remaining, adjusted for estimated forfeitures, related to unvested employee stock options. The Company estimates that compensation cost will be recognized according to the following schedule:

Period	Stock-Based Compensation Expense
2010	$ 18,460
2011	17,519
2012	12,840
2013	7,404
2014	3,717
2015	1,499
	$ 61,439

This table presents certain information relating to the Company s stock option plans for 2009, 2008, and 2007:

	Number of Shares	Weighted Avg. Price
Balance as of December 31, 2006	29,314,000	$ 17.85
Granted	2,753,000	32.43
Exercised	(3,513,000)	11.79
Expired or canceled	(787,000)	19.35
Balance as of December 31, 2007	27,767,000	$ 20.02
Granted	4,539,000	14.65
Exercised	(2,454,000)	10.44
Expired or canceled	(969,000)	22.92
Balance as of December 31, 2008	28,883,000	$ 19.90
Granted	4,222,000	17.66
Exercised	(2,055,000)	10.53
Expired or canceled	(2,086,000)	21.87

Table of Contents

Balance as of December 31, 2009	28,964,000	$ 20.09
Exercisable as of December 31, 2009	11,801,000	$ 19.13
Available for future grant as of December 31, 2009	9,132,000	

As of December 31, 2008 and 2007, there were 13,245,000 and 15,779,000 shares exercisable, respectively. The expiration dates for options outstanding at December 31, 2009 range from April 6, 2010 to December 15, 2019 with a weighted average remaining contractual life of 6.2 years.

Upon exercise of stock options, the Company will issue new shares of its common shares. The Company does not hold any shares in treasury. The total intrinsic value of options exercised during 2009 and 2008 was $14,015 and $24,515, respectively. The total options outstanding and exercisable as of December 31, 2009 had no intrinsic value due to the fact that the weighted average exercise price exceeded the market value of the Company s common stock. The total intrinsic value for options outstanding and options exercisable is calculated as the difference between the market value of the Company s common stock as of December 31, 2009 and the exercise price of the shares. The market value of the Company s common stock as of December 31, 2009 was $17.52 as reported by the Nasdaq Stock Market, LLC. The Company estimates that approximately 1,564,000 shares outstanding and unvested with an intrinsic value of $4,279 at December 31, 2009 will vest in 2010.

This table summarizes information relating to all options outstanding and exercisable at December 31, 2009:

	Options Outstanding at December 31, 2009			Options Exercisable at December 31, 2009		
Range of Exercise Prices (Per Share)	**Number of Shares**	**Weighted Average Exercise Price (Per Share)**	**Weighted Average Remaining Contractual Life (Years)**	**Number Of Shares**	**Weighted Average Exercise Price (Per Share)**	**Weighted Average Remaining Contractual Life (Years)**
$ 9.14 - $14.62	4,404,000	$ 14.54	8.88	66,000	$ 9.60	1.31
14.71 - 17.42	6,036,000	14.80	3.62	4,247,000	14.79	3.40
17.65 - 20.73	7,483,000	18.37	8.17	1,676,000	19.31	5.64
21.43 - 28.09	5,884,000	22.38	3.32	5,812,000	22.36	3.27
29.61 - 32.49	5,157,000	30.91	7.46			
	28,964,000			11,801,000		

As of December 31, 2009 and 2008, there was $133,836 available in the pool of windfall tax benefits.

Employee Stock Purchase Plan

The Company has an employee stock purchase plan that provides for offerings of common stock to eligible employees at a price equal to 85 percent of the fair market value of the stock at the end of the stock purchase period, as defined. The Company has reserved 15,600,000 shares for issuance under this plan. At December 31, 2009, 11,250,000 cumulative shares have been issued. Costs incurred by the Company related to the employee stock purchase plan were immaterial in 2009, 2008 and 2007.

Common Stock Buyback

The Board of Directors has authorized the purchase of the Company s common stock on the open market or through private transactions of up to an aggregate of $1,628,365. Through December 31, 2009, a total of 257,999,356 shares at an aggregate cost of $1,499,943 have been purchased and retired. The Company purchased 3,197,876 shares at a cost of $54,114 during 2009.

Table of Contents

The Company immediately retires its common stock when purchased. Upon retirement, the Company reduces Capital in excess of par value for the average capital per share outstanding and the remainder is charged against Retained earnings. If the Company reduces its Retained earnings to zero, any subsequent purchases of common stock will be charged entirely to Capital in excess of par value.

Rights Agreement

In December 2008, the Company s Board of Directors declared a dividend distribution pursuant to a Rights Agreement (the Rights Agreement) which became effective on January 6, 2009. The purpose of the Rights Agreement is to deter coercive or unfair takeover tactics and to prevent a person or group (an Acquiring Person) from acquiring control of the Company without offering a fair price to all shareholders. Under the Rights Agreement, all common shareholders receive one Right for each common share outstanding. Each Right entitles the registered holder to purchase from the Company a unit consisting of one twenty-thousandths of a share of Series A Junior Participating Preferred Shares, $.05 par value per share, or a combination of securities and assets of equivalent value, at a purchase price of $150.00 per unit, subject to adjustment. The Rights will become exercisable and trade separately from the common stock ten days following a public announcement that an Acquiring Person has beneficial ownership of more than 20 percent of the outstanding common stock of the Company or the commencement of a tender or exchange offer that would result in an Acquiring Person owning 20 percent or more of the outstanding common stock of the Company. Upon exercise, holders, other than an Acquiring Person, will have the right to purchase the common stock of the Company equal to twice the value of the exercise price of the Rights. In lieu of requiring payment of the purchase price upon exercise of the Rights following certain events, the Company may permit the holders simply to surrender the Rights, in which event they will be entitled to receive common shares and other property, as the case may be, with a value of 50 percent of what could be purchased by payment of the full purchase price. The Rights, which do not have voting rights, will expire on January 6, 2019, and may be redeemed by the Company any time until ten days following the announcement of an Acquiring Person at a price of $.01 per Right.

Cash Dividends

On May 21, 2009, the Board of Directors declared a cash dividend of $.08 per share on the Company s common stock, which was paid on June 23, 2009, to shareholders of record on June 18, 2009. On December 15, 2009, the Board of Directors declared a cash dividend of $.09 per share on the Company s common stock, which was paid on January 21, 2010, to shareholders of record on January 5, 2010.

The cash dividends declared in 2009, 2008, and 2007 were $32,422, $30,636, and $27,409, respectively. The Board of Directors has indicated its intention to declare future cash dividends on a semiannual basis.

Note 10 Employee Benefit Plan:

The Company has a tax-qualified defined contribution plan (the Plan). The Plan provides retirement benefits, including provisions for early retirement and disability benefits, as well as a tax-deferred savings feature. After satisfying certain requirements, participants are vested in employer contributions at the time the contributions are made. All Company contributions are discretionary and are made from available profits. The Company contributed $4,327, $4,844, and $4,574 to the Plan in 2009, 2008, and 2007, respectively.

Note 11 Commitments and Contingencies:

The Company leases certain of its facilities, data processing equipment, and software under non-cancelable operating leases, some which contain escalation clauses for increased taxes and operating expenses. The Company has entered into maintenance agreements primarily for its data processing equipment. Rent expense was $19,022, $21,535, and $20,757 in 2009, 2008, and 2007, respectively.

Table of Contents

The aggregate noncancellable minimum commitments at December 31, 2009, other than those related to the lines of credit and long-term debt, are:

2010	$ 13,653
2011	12,279
2012	8,818
2013	2,744
2014 and thereafter	17,257
	$ 54,751

In the ordinary course of business, the Company from time to time enters into contracts containing indemnification obligations of the Company. These obligations may require the Company to make payments to another party upon the occurrence of certain events including the failure by the Company to meet its performance obligations under the contract. These contractual indemnification provisions are often standard contractual terms of the nature customarily found in the type of contracts entered into by the Company. In many cases, there are no stated or notional amounts included in the indemnification provisions. There are no amounts reflected on the Consolidated Balance Sheets as of December 31, 2009 and 2008 related to these indemnifications.

In the normal course of business, the Company is party to various claims and legal proceedings. One of SEI s principal subsidiaries, SIDCO, has been named as a defendant in certain putative class action complaints (the Complaints) related to leveraged exchange traded funds (ETFs) advised by ProShares Advisors, LLC. To date, the Complaints have been filed in the United States District Court for the Southern District of New York and in the United States District Court for the District of Maryland although the three complaints filed in the District of Maryland have been voluntarily dismissed by the plaintiffs. Two of them were subsequently re-filed in the Southern District of New York. Two of the complaints filed in the Southern District of New York have been voluntarily dismissed by plaintiffs. The first complaint was filed on August 5, 2009. The Complaints are purportedly made on behalf of all persons that purchased or otherwise acquired shares in various ProShares leveraged ETFs pursuant or traceable to allegedly false and misleading registration statements, prospectuses and statements of additional information. The Complaints name as defendants ProShares Advisors, LLC; ProShares Trust; ProShares Trust II, SIDCO, and various officers and trustees to ProShares Advisors, LLC; ProShares Trust and ProShares Trust II. The Complaints allege that SIDCO was the distributor and principal underwriter for the various ProShares leveraged ETFs that were distributed to authorized participants and ultimately shareholders. The complaints allege that the registration statements for the ProShares ETFs were materially false and misleading because they failed adequately to describe the nature and risks of the investments. The Complaints allege that SIDCO is liable for these purportedly material misstatements and omissions under Section 11 of the Securities Act of 1933. The Complaints seek unspecified compensatory and other damages, reasonable costs and other relief. The cases are in the early stage, and the court has not yet appointed lead plaintiff(s). Defendants have moved to consolidate the complaints, which motion is pending. While the outcome of this litigation is uncertain given its early phase, SEI believes that it has valid defenses to plaintiffs claims and intends to defend the lawsuits vigorously.

The Company has also been named in three lawsuits that were filed in August 2009 in the 19th Judicial District Court for the Parish of East Baton Rouge, State of Louisiana. One of the three actions purports to set forth claims on behalf of a class and also names SPTC as a defendant. All three actions name various defendants besides SEI, and, in all three actions, the plaintiffs purport to bring a cause of action against SEI under the Louisiana Securities Act. The putative class action also includes a claim against SEI for an alleged violation of the Louisiana Unfair Trade Practices Act. In addition, in December 2009, a group of six plaintiffs filed a lawsuit in the 23rd Judicial District Court for the Parish of Ascension, State of Louisiana against SEI and other defendants asserting claims of negligence, breach of contract, breach of fiduciary duty, violations of the uniform fiduciaries law, negligent misrepresentation, detrimental reliance, violations of the Louisiana Securities Act and Louisiana Racketeering Act and conspiracy. Further, SEI is aware that in February 2010 two groups of plaintiffs amended petitions that they had previously filed in the 19th Judicial District for the Parish of East Baton Rouge, State of Louisiana to add claims against SEI and SPTC for alleged violations of the Louisiana Securities Act, the Louisiana Racketeering Act, and civil conspiracy. The underlying allegations in all six actions are purportedly related to the role of SPTC in providing data consolidation, securities processing, and other services to Stanford Trust Company. Two of the three actions filed in East Baton Rouge have been removed to federal court, and plaintiffs motions to remand are pending. These two cases were also transferred by the Judicial Panel on Multidistrict Litigation (MDL) to a MDL pending in the Northern District of Texas. The case filed in Ascension was also removed to federal court and transferred by the Judicial Panel on Multidistrict Litigation to the same MDL pending in the Northern District of Texas. The schedule

Table of Contents

for responding to that complaint has not yet been established. SEI and SPTC filed exceptions in the putative class action that remains pending in East Baton Rouge, which the Court granted in part and dismissed the claims under the Louisiana Unfair Trade Practices Act and denied, in part, as to the other exceptions. The response to that petition will be due ten days after the Court formally enters the order reflecting its ruling on the exceptions. The time for SEI and SPTC to respond to the two amended petitions adding claims has not yet run. While the outcome of this litigation is uncertain given its early phase, SEI and SPTC believe that they have valid defenses to plaintiffs claims and intend to defend the lawsuits vigorously.

Note 12 Income Taxes:

The federal and state and foreign income tax provision is summarized as follows:

Year Ended December 31,	**2009**	**2008**	**2007**
Current			
Federal	**$ 16,012**	$ 104,984	$ 129,790
State	**664**	9,023	10,377
Foreign	**5,412**	6,440	9,144
	22,088	120,447	149,311
Deferred, including current deferred			
Federal	**61,443**	(37,180)	(2,622)
State	**5,822**	2,453	3,042
	67,265	(34,727)	420
Income taxes attributable to the Noncontrolling interest (1)	**533**	983	1,451
Total income taxes	**$ 89,886**	$ 86,703	$ 151,182

(1) There is no income tax provision for LSV due to its partnership structure.

Annual tax provisions include amounts considered sufficient to pay assessments that may result from examination of prior year tax returns; however, the amount ultimately paid upon resolution of issues raised may differ materially from the amount accrued. The examination and the resolution process may last longer than one year.

Table of Contents

The components of Net income before income taxes are summarized as follows:

Year Ended December 31,	2009	2008	2007
Domestic	**$ 354,018**	$ 340,989	$ 557,778
Foreign	**8,300**	13,241	27,641
	$ 362,318	$ 354,230	$ 585,419

The effective income tax rate differs from the federal income tax statutory rate due to the following:

Year Ended December 31,	2009	2008	2007
Statutory rate	**35.0%**	35.0%	35.0%
State taxes, net of Federal tax benefit	**1.5**	3.3	2.1
Foreign tax expense and tax rate differential	**1.1**	0.7	(0.3)
Research and development tax credit	**(0.8)**	(1.3)	(0.8)
Valuation allowance on capital losses, PA loss carryforwards and other, net		(0.2)	0.1
Net reduction of uncertain tax positions(2)	**(2.7)**		
Other, net	**(0.2)**	0.6	0.5
	33.9%	38.1%	36.6%

(2) 2.0 percent relates to research and development tax credit settled with the Internal Revenue Service (IRS), 0.5 percent relates to federal issues settled with the IRS and the remaining 0.2 percent relates to state tax issues.

Table of Contents

Undistributed earnings of the Company s foreign subsidiaries amounted to approximately $55,127 at December 31, 2009. Those earnings are considered to be indefinitely reinvested and, accordingly, no U.S. federal and state income taxes have been provided thereon. Upon distribution of those earnings, in the form of dividends or otherwise, the Company would be subject to both U.S. income taxes, subject to an adjustment for foreign tax credits, and withholding taxes payable to the various foreign countries. Determination of the amount of unrecognized deferred U.S. income tax liability is not practicable because of the complexities associated with its hypothetical calculation, including the availability, or lack thereof, of foreign tax credits to reduce a portion of the U.S. liability.

Deferred income taxes for 2009, 2008, and 2007 reflect the impact of temporary differences between the amount of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws and regulations. Principal items comprising the deferred income tax provision are:

Year Ended December 31,	2009	2008	2007
Difference in financial reporting and income tax depreciation methods	**$ (86)**	$ 2,792	$
Reserves not currently deductible	**394**	2,800	536
Reserves for Capital Support Agreements	**60,491**	(49,792)	(8,746)
Capitalized software currently deductible for tax purposes, net of amortization	**2,876**	12,220	18,056
State deferred income taxes	**2,394**	1,595	1,978
Revenue and expense recognized in different periods for financial reporting and income tax purposes	**(122)**	1,599	(309)
Stock-based compensation expense	**(4,386)**	(4,567)	(8,640)
Uncertain tax positions	**2,861**	(297)	(364)
Other, net	**2,843**	(1,077)	(2,091)
	$ 67,265	$ (34,727)	$ 420

The net deferred income tax liability is comprised of:

Year Ended December 31,	2009	2008
Current deferred income taxes:		
Gross assets	**$ 2,333**	$ 92,369
Gross liabilities	**(50)**	
	2,283	92,369
Valuation allowance		(7,539)
	2,283	84,830
Long-term deferred income taxes:		
Gross assets	**50,810**	11,545
Gross liabilities	**(130,850)**	(109,734)
	(80,040)	(98,189)
Valuation allowance	**(6,217)**	(6,359)
	(86,257)	(104,548)
Net deferred income tax liability	**$ (83,974)**	$ (19,718)

The valuation allowances against deferred tax assets at December 31, 2009 and 2008 are related to state net operating losses from certain domestic subsidiaries. Certain state tax statutes significantly limit the utilization of net operating losses for domestic subsidiaries. Furthermore, these net operating losses cannot be used to offset the net income of other subsidiaries. As of December 31, 2009, the Company had capital loss carryforward in the amount of $4,279 which will expire in 2012. During 2009, the

Table of Contents

Company utilized $2,406 of the capital loss carryforward expiring in 2012. Management expects to employ tax planning strategies to utilize the remaining capital loss carryforward expiring in 2012.

The tax effect of significant temporary differences representing deferred tax liabilities is:

Year Ended December 31,	2009	2008
Difference in financial reporting and income tax depreciation methods	**$ (10,879)**	$ (11,722)
Reserves not currently deductible	**905**	1,784
Reserves for Capital Support Agreements		72,884
Valuation allowance on SIV-related deferred tax asset		(7,539)
Capitalized software currently deductible for tax purposes, net of amortization	**(123,693)**	(117,753)
State deferred income taxes	**4,565**	3,257
Revenue and expense recognized in different periods for financial reporting and income tax purposes	**2,300**	1,668
Unrealized holding loss (gain) on investments	**(338)**	934
Stock-based compensation expense	**31,052**	26,112
State net operating loss carryforward	**15,518**	11,545
Valuation allowance on deferred tax assets	**(6,217)**	(6,359)
Federal benefit of state tax deduction for uncertain tax positions	**1,518**	2,720
Capital loss, net of valuation allowance	**1,527**	2,400
Other, net	**(232)**	351
Net deferred income tax liability	**$ (83,974)**	$ (19,718)

Table of Contents

The Company recognizes tax liabilities in accordance with the applicable accounting guidance and adjusts these liabilities when management s judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different than from our current estimate of the tax liabilities. The Company s total unrecognized tax benefit, not including interest and penalties, as of December 31, 2009 was $4,989, of which $4,335 would affect the effective tax rate if the Company were to recognize the tax benefit. The gross amount of uncertain tax liability of $127 which is expected to be paid within one year is included in Current liabilities while the remaining amount of $5,726 is included in Other long-term liabilities on the accompanying Consolidated Balance Sheets. During the year ended December 31, 2009, the Company recognized $9,888 of previously unrecognized tax benefit as a result of settlements with the IRS and state taxing authorities. The Company also recognized $481 of previously unrecognized tax benefits relating to the lapse of the statute of limitation for certain state filings.

The Company files a consolidated federal income tax return and separate income tax returns with various states. Certain subsidiaries of the Company file tax returns in foreign jurisdictions. The Company is no longer subject to U.S. federal income tax examination for years before 2008 and is no longer subject to state, local or foreign income tax examinations by authorities for years before 2001.

Table of Contents

A reconciliation of the beginning and ending amount of unrecognized tax benefit is as follows:

	2009	2008	2007
Balance as of January 1	**$ 13,453**	$ 13,329	$ 11,275
Tax positions related to current year:			
Gross additions	**1,905**	1,288	2,463
Gross reductions			
	1,905	1,288	2,463
Tax positions related to prior years:			
Gross additions		468	651
Gross reductions		(273)	(251)
		195	400
Settlements	**(9,888)**		
Lapses on statute of limitations	**(481)**	(1,359)	(809)
Balance as of December 31	**$ 4,989**	$ 13,453	$ 13,329

The above reconciliation of the gross unrecognized tax benefit will differ from the amount which would affect the effective tax rate because of the recognition of the federal and state tax benefits.

The Company classifies all interest and penalties as income tax expense. The Company has recorded $864, $2,337 and $1,865 in liabilities for tax related interest and penalties in 2009, 2008, and 2007, respectively.

The Company estimates it will recognize $237 of unrecognized tax benefits within the next twelve months due lapses on the statute of limitation.

The Company includes its direct and indirect subsidiaries in its U.S. consolidated federal income tax return. The Company s tax sharing allocation agreement provides that any subsidiary having taxable income will pay a tax liability equivalent to what that subsidiary would have paid if it filed a separate income tax return. If the separately calculated federal income tax provision for any subsidiary results in a tax loss, the current benefit resulting from such loss, to the extent utilizable on a separate return basis, is accrued and paid to that subsidiary.

Note 13 Business Segment Information:

The Company s reportable business segments are:

Private Banks provides investment processing and investment management programs to banks and trust institutions worldwide, independent wealth advisers located in the United Kingdom, and financial advisors in Canada;

Investment Advisors provides investment management programs to affluent investors through a network of independent registered investment advisors, financial planners, and other investment professionals in the United States;

Institutional Investors provides investment management programs and administrative outsourcing solutions to retirement plan sponsors and not-for-profit organizations worldwide;

Investment Managers provides investment processing, fund processing, and operational outsourcing solutions to investment managers, fund companies and banking institutions located in the United States, and to investment managers worldwide of alternative asset classes such as hedge funds, funds of hedge funds, and private equity funds across both registered and partnership structures;

Investments in New Businesses provides investment management programs to ultra-high-net-worth families residing in the United States through the SEI Wealth Network®; and

Table of Contents

LSV Asset Management   a registered investment advisor that provides investment advisory services to institutions, including pension plans and investment companies.

In 2009 and 2008, no single customer accounted for more than ten percent of revenues in any business segment. In 2007, one client accounted for approximately 11 percent of the revenues of the Private Banks segment.

The following tables highlight certain financial information about each of the Company s business segments for the years ended December 31, 2009, 2008, and 2007:

2009

	Private Banks	Investment Advisors	Institutional Investors	Investment Managers	Investments In New Businesses	LSV	Total
Revenues	$ 361,273	$ 166,097	$ 177,721	$ 139,004	$ 4,492	$ 211,961	$ 1,060,548
Expenses (1)	309,300	109,418	99,924	93,074	11,625	136,580	759,921
Operating profit (loss)	$ 51,973	$ 56,679	$ 77,797	$ 45,930	$ (7,133)	$ 75,381	$ 300,627
Profit margin	14%	34%	44%	33%	N/A	36%	28%

2008

	Private Banks	Investment Advisors	Institutional Investors	Investment Managers	Investments In New Businesses	LSV	Total
Revenues	$ 408,500	$ 223,164	$ 198,154	$ 147,968	$ 6,865	$ 263,268	$ 1,247,919
Expenses (1)	326,661	122,231	112,866	101,078	15,795	164,783	843,414
Operating profit (loss)	$ 81,839	$ 100,933	$ 85,288	$ 46,890	$ (8,930)	$ 98,485	$ 404,505
Profit margin	20%	45%	43%	32%	N/A	37%	32%

2007

	Private Banks	Investment Advisors	Institutional Investors	Investment Managers	Investments In New Businesses	LSV	Total
Revenues	$ 413,922	$ 259,288	$ 199,593	$ 143,375	$ 7,205	$ 345,645	$ 1,369,028
Expenses (1)	330,923	124,942	121,365	101,401	19,670	213,926	912,227
Operating profit (loss)	$ 82,999	$ 134,346	$ 78,228	$ 41,974	$ (12,465)	$ 131,719	$ 456,801
Profit margin	20%	52%	39%	29%	N/A	38%	33%

(1) For the years ended December 31, 2009, 2008, and 2007, LSV includes $105,471, 135,251 and $181,591, respectively, of noncontrolling interest of the other partners of LSV.

A reconciliation of the total reported for the business segments to income from operations in the Consolidated Statements of Operations for the years ended December 31, 2009, 2008, and 2007 is as follows:

Year Ended December 31,	2009	2008	2007

Total operating profit from segments above	**$ 300,627**	$ 404,505	$ 456,801
Corporate overhead expenses	**(36,529)**	(38,955)	(42,045)
Noncontrolling interest reflected in segments	**106,905**	138,079	186,500

Table of Contents

LSV Employee Group expenses (2)	**(7,296)**	(7,280)	(7,281)
Income from operations	**$ 363,707**	$ 496,349	$ 593,975

(2) Includes $7,222 in 2009, 2008, and 2007 of amortization expense related to intangible assets.
The following tables provide additional information for the years ended December 31, 2009, 2008, and 2007 as required by the accounting standard pertaining to our business segments:

	Capital Expenditures			Depreciation and Amortization		
Year Ended December 31,	**2009**	**2008**	**2007**	**2009**	**2008**	**2007**
Private Banks	**$ 39,364**	$ 48,467	$ 57,874	**$ 39,473**	$ 27,131	$ 19,683
Investment Advisors	**13,607**	17,005	21,148	**10,836**	6,527	4,716
Institutional Investors	**2,665**	4,434	4,792	**2,035**	1,681	1,628
Investment Managers	**4,306**	5,467	6,531	**2,268**	2,180	1,742
Investments in New Businesses	**831**	1,166	1,078	**2,073**	422	427
LSV	**1,358**	156	1,062	**831**	819	883
Total from business segments	**$ 62,131**	$ 76,695	$ 92,485	**$ 57,516**	$ 38,760	$ 29,079
LSV Employee Group				**7,280**	7,280	7,281
Corporate Overhead (A)	**1,085**	7,184	1,834	**1,343**	919	776
	$ 63,216	$ 83,879	$ 94,319	**$ 66,139**	$ 46,959	$ 37,136

(A) Includes an Out of period adjustment related to capitalized interest for $5,777 in 2008 (See Note 1).

	Total Assets	
	2009	**2008**
Private Banks	**$ 428,367**	$ 421,728
Investment Advisors	**108,426**	109,887
Institutional Investors	**68,101**	67,230
Investment Managers	**102,682**	95,654
Investments in New Businesses	**9,669**	8,759
LSV	**127,152**	120,142
Total from business segments	**$ 844,397**	$ 823,400
LSV Employee Group	**63,117**	70,339
Corporate Overhead (3)	**626,294**	447,976
	$ 1,533,808	$ 1,341,715

(3) Unallocated assets primarily consist of cash and cash equivalents, deferred tax assets, and certain other shared services assets.
The following table presents revenues based on the location of the use of the products or services:

For the Year Ended December 31,	2009	2008	2007
United States	**$ 950,891**	$ 1,103,727	$ 1,200,899
International operations	**109,657**	144,192	168,129
	$ 1,060,548	$ 1,247,919	$ 1,369,028

Table of Contents

The following table presents assets based on their location:

	2009	2008
United States	**$ 1,380,038**	$ 1,205,400
International operations	**153,770**	136,315
	$ 1,533,808	$ 1,341,715

Note 14 Related Party Transactions:

The Company, either by itself or through its wholly-owned subsidiaries, is a party to Investment Advisory and Administration Agreements with regulated investment companies (RICs) and other investment products which are administered by the Company. These investment products are offered to clients of the Company and its subsidiaries. Under the Investment Advisory and Administration Agreements, the Company receives a fee for providing investment advisory, administrative, and accounting services. The investment advisory and administration fee is a fixed percentage, referred to as basis points, of the average daily net assets, subject to certain limitations. Investment advisory and administration fees received by the Company totaled $334,084, $425,136, and $478,623, in 2009, 2008, and 2007, respectively. The Company is also a party to various agreements with several RICs which are advised and/or administered by the Company. The Company receives a fee for providing shareholder, administrative and distribution services pursuant to the provisions of various shareholder service, administrative service, and distribution plans adopted by the RICs. These fees totaled $33,008, $50,689, and $64,967 in 2009, 2008, and 2007, respectively. A portion of the transaction costs incurred by the RICs for securities transactions are directed to the Company s broker-dealer subsidiary in its capacity as an introducing broker-dealer. The Company recognized $4,300, $2,891, and $1,515 in commissions during 2009, 2008, and 2007, respectively.

Note 15 Quarterly Financial Data (Unaudited):

	For the Three Months Ended			
2009	**March 31**	**June 30**	**Sept. 30**	**Dec. 31**
Revenues	$ 248,611	$ 252,009	$ 275,933	$ 283,995
Income before income taxes	$ 59,992	$ 88,339	$ 111,782	$ 102,205
Net income attributable to SEI	$ 34,200	$ 41,571	$ 52,727	$ 45,837
Basic earnings per share	$ .18	$ .22	$ .28	$ .24
Diluted earnings per share	$ .18	$ .22	$ .27	$ .24
Effective income tax rate	20.5%	36.8%	37.0%	35.7%
Total SIV-related gains (losses)	$ (14,442)	$ (2,260)	$ 14,912	$ (3,989)
Diluted earnings per share (1)	$ .05	$ .01	$ .05	$ .01

(1) Attributable to SIV-related charges (See Note 7).

Our effective tax rate in the first quarter of 2009 was favorably impacted by the recognition of certain tax benefits related to the conclusion of federal and state income tax audits.

Total SIV-related gains (losses) include amounts incurred by the Company from Capital Support Agreements and losses from SIV securities (See Note 7).

Table of Contents

2008	For the Three Months Ended March 31	June 30	Sept. 30	Dec. 31(1)
Revenues	$ 333,908	$ 329,523	$ 316,086	$ 268,402
Income before income taxes	$ 117,636	$ 110,315	$ 85,383	$ 40,896
Net income attributable to SEI	$ 48,946	$ 46,164	$ 34,495	$ 9,649
Basic earnings per share	$ .25	$ .24	$ .18	$ .05
Diluted earnings per share	$ .25	$ .24	$ .18	$ .05
Effective income tax rate	37.1%	37.1%	36.5%	50.5%
Total SIV-related losses	$ (25,796)	$ (27,300)	$ (40,793)	$ (64,293)
Diluted earnings per share (2)	$ .08	$ .09	$ .13	$ .20

(1) Includes an Out of period adjustment related to capitalized interest for $5,777 (See Note 1).

(2) Attributable to SIV-related charges (See Note 7).

Our effective tax rate in the fourth quarter of 2008 was affected by a higher than usual state tax rate. The tax benefit associated with the deduction for the SIV-related losses is uncertain due to net operating loss carryforward limitations by Pennsylvania state tax law.

Total SIV-related losses include charges incurred by the Company from Capital Support Agreements and losses from SIV securities (See Note 7).

Table of Contents

SEI INVESTMENTS COMPANY AND SUBSIDIARIES

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

FOR THE THREE YEARS ENDED DECEMBER 31, 2009, 2008, AND 2007

Description	Balance at Beginning of Year	Additions: Charged to Costs and Expenses	Additions: Charged to Other Accounts	(Deductions)	Balance at End of Year
Allowance for doubtful accounts:					
2009	$ 2,656	$ 692	$	$	$ 3,348
2008	3,032			(376)	2,656
2007	2,730	302			3,032
Deferred income tax valuation allowance:					
2009	$ 13,897	$ (32)	$	$ (7,648)	$ 6,217
2008	13,315		6,821	(6,239)	13,897
2007	10,393		5,208	(2,286)	13,315

Table of Contents

Item 9. **Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.**
None.

Item 9A. **Controls and Procedures.**
Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act), as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective as of the end of the period covered by this annual report to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer s management including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in *Internal Control Integrated Framework*, our management concluded that our internal control over financial reporting was effective as of December 31, 2009.

The effectiveness of our internal control over financial reporting as of December 31, 2009 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting occurred during the quarter ended December 31, 2009 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. **Other Information.**
None.

Table of Contents

PART III

Item 10. Directors, Executive Officers and Corporate Governance.
Identification of Directors

Information with respect to the members of the Board of Directors of the Company is set forth under the caption Election of Directors in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

Identification of Executive Officers

The Board of Directors of the Company has determined that the Company s executive officers within the meaning of Rule 3b-7 promulgated under the Securities Exchange Act of 1934, as amended, are as follows:

ALFRED P. WEST, JR., 67, has been the Chairman of the Board of Directors and Chief Executive Officer of the Company since its inception in 1968. Mr. West was President from June 1979 to August 1990.

KEVIN P. BARR, 44, has been an employee of the Company since May 2000. Mr. Barr has been an Executive Vice President since May 2008.

KATHY C. HEILIG, 51, has been an employee of the Company since November 1987. Ms. Heilig has been Chief Accounting Officer and Controller since May 1999. Ms. Heilig was Treasurer from May 1997 to May 2005.

N. JEFFREY KLAUDER, 57, has been Executive Vice President and General Counsel of the Company since August 2004. Prior to August 2004, Mr. Klauder was a partner of Morgan Lewis & Bockius, LLP, a law firm.

EDWARD D. LOUGHLIN, 59, has been an employee of the Company since September 1979. Mr. Loughlin has been an Executive Vice President since May 1993 and a Senior Vice President since January 1988.

DENNIS J. MCGONIGLE, 49, has been an employee of the Company since August 1985. Mr. McGonigle has been the Chief Financial Officer since December 2002 and an Executive Vice President since July 1996 and a Senior Vice President since May 1995.

STEPHEN G. MEYER, 45, has been an employee of the Company since November 1992. Mr. Meyer has been an Executive Vice President since December 2006 and a Senior Vice President since December 2005.

JOSEPH P. UJOBAI, 48, has been an employee of the Company since May 1998. Mr. Ujobai has been an Executive Vice President since May 2003 and a Senior Vice President since January 2001.

WAYNE M. WITHROW, 54, has been an employee of the Company since January 1990. Mr. Withrow has been an Executive Vice President since March 2000 and a Senior Vice President since January 1994. Mr. Withrow was Chief Information Officer from March 2000 to May 2002.

Section 16(a) Beneficial Ownership Reporting Compliance

Information with respect to the Section 16(a) compliance of the directors and executive officers of the Company is set forth under the caption Section 16(a) Beneficial Ownership Reporting Compliance in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

Code of Conduct

The Company has adopted a Code of Conduct applicable to all of its employees, including its executive officers, as well as a Code of Ethics for Senior Financial Officers. The Code of Conduct and the Code of Ethics for Senior Financial Officers is posted on our website, www.seic.com under the Corporate Governance section.

Table of Contents

Item 11. Executive Compensation.

Information required by this item is set forth under the caption Executive Compensation in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information required by this item is set forth under the caption Ownership of Shares in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

The following table provides information regarding the aggregate number of securities to be issued under all of our equity compensation plans upon exercise of outstanding options, warrants, and other rights and their weighted-average exercise price as of December 31, 2009. Material features of each of the plans reflected in the table are described below.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (1)	28,964,244	$ 20.09	9,132,350
Equity compensation plans not approved by security holders			
Total	28,964,244	$ 20.09	9,132,350

(1) Consists of: (i) the 2007 Equity Compensation Plan, and (ii) the Amended and Restated 1998 Equity Compensation Plan.

The 2007 Equity Compensation Plan:

On April 3, 2007, the Board of Directors adopted the 2007 Equity Compensation Plan (the 2007 Plan), and the Company s shareholders approved the adoption of the 2007 Plan on May 23, 2007. The 2007 Plan provides for grants of stock options (incentive stock options and nonqualified stock options) and stock appreciation rights (SARs) to all employees (including employees who are also directors) of the Company or its subsidiaries, consultants and advisors who perform valuable services to the Company or its subsidiaries and members of the Board of Directors who are not employees of the Company. The Company has not granted any incentive stock options or stock appreciation rights under the 2007 Plan.

The 2007 Plan is administered and interpreted by the Compensation Committee; however, the Board of Directors or its delegate will make grants under the 2007 Plan to non-employee directors. The Compensation Committee has the authority to (i) determine the individuals to whom grants will be made under the 2007 Plan, (ii) determine the type, size and terms of the grants, (iii) determine the time when grants will be made and the duration of any applicable exercise or restriction period, including the exercisability and the acceleration of exercisability, (iv) amend the terms of any previously issued grant, (v) adopt guidelines separate for the 2007 Plan that set forth the specific terms and conditions for grants under the 2007 Plan, and (vi) deal with any other matters arising under the 2007 Plan.

Options granted under the 2007 Plan may be incentive stock options, which are intended to qualify within the meaning of Section 422 of the Internal Revenue Code, and nonqualified stock options which are not intended to so qualify. Options are granted under the 2007 Plan with an exercise price equal to or greater than the fair market value of the Company s common stock on the date of grant and the term of may not exceed ten years from the date of grant. The vesting period for options commences on the date of grant, or upon the achievement of such vesting requirements, and ends on such date as is determined in each case by the Compensation Committee, in its sole discretion, which is specified in the grant letter. Options may be exercised only while the participant is actively

Table of Contents

employed by or actively providing service to the Company unless the Compensation Committee provides for a period after such employment or service in which the option may be exercised.

The Compensation Committee may grant SARs to anyone eligible to participate in the 2007 Plan. Upon exercise of a SAR, the participant will receive an amount equal to the excess of the fair market value of the Company s common stock on the date of exercise over the base amount set forth in the grant letter. Such payment to the participant will be in cash, in shares of common stock, or in a combination of cash and shares of common stock. The Compensation Committee will determine the period when SARs vest and become exercisable, the base amount of the SARs, and whether SARs will be granted in connection with, or independently of, any options. SARs may be exercised only while the participant is actively employed by or actively providing service to the Company unless the Compensation Committee provides for a period after such employment or service in which the option may be exercised.

If there is any change in the number or kind of shares of common stock outstanding by reason of a stock dividend, spin-off, recapitalization, stock split, or combination or exchange of shares, by reason of a merger, reorganization or consolidation, by reason of a recapitalization or change in par value or by reason of any other extraordinary or unusual event affecting the outstanding common stock as a class without the Company s receipt of consideration, or if the value of outstanding shares of common stock is substantially reduced as a result of a spin-off or the Company s payment of an extraordinary dividend or distribution, the maximum number of shares of common stock available for issuance under the 2007 Plan, the maximum number of shares of common stock which any individual may receive pursuant to grants in any year, the kind and number of shares covered by outstanding grants, the kind and number of shares issued and to be issued under the 2007 Plan, and the price per share or the applicable market value of such grants shall be appropriately adjusted by the Compensation Committee, in such manner as the Compensation Committee deems appropriate, to reflect any increase or decrease in the number of, or change in the kind or value of, the issued shares of common stock to preclude, to the extent practicable, the enlargement or dilution of rights and benefits under the 2007 Plan and such outstanding grants.

In the event of a change in control, the Compensation Committee may take any of the following actions with respect to outstanding grants: (i) determine that outstanding options and SARs will be fully exercisable as of the date of the change in control or at such other time as the Compensation Committee determines, (ii) require that participants surrender their options and SARs in exchange for payment by the Company, in cash or shares of common stock as determined by the Compensation Committee, in an amount equal to the amount by which the then-fair market value subject to the participant s unexercised options and SARs exceeds the exercise price of the option or the base amount of the SAR, as applicable, (iii) after giving participants the opportunity to exercise their options and SARs, the Compensation Committee may terminate any or all unexercised options and SARs at such time as the Compensation Committee determines appropriate, or (iv) determine that grants that remain outstanding after the change in control will be converted to similar grants of the surviving corporation.

The Board of Directors may amend or terminate the 2007 Plan at any time, subject to shareholder approval. No grants may be issued under the 2007 Plan after June 1, 2017.

As of December 31, 2009, options to acquire 10,867,650 shares were outstanding under the 2007 Plan, out of a total of 20,000,000 shares of common stock reserved for issuance under the 2007 Plan. A total of 9,132,350 shares of common stock remain available for issuance under the 2007 Plan for future grants.

The 1998 Equity Compensation Plan:

On May 21, 1998, the Board of Directors adopted the 1998 Equity Compensation Plan (the 1998 Plan), and the Company s shareholders approved the adoption of the 1998 Plan. The Board of Directors had made certain amendments to the 1998 Plan after its adoption that did not require shareholder approval. The 1998 Plan was most recently amended and restated in May 2003. The 1998 Plan provided for grants of stock options (incentive stock options and nonqualified stock options), stock appreciation rights, restricted stock and performance units to all employees (including employees who were also directors) of the Company or its subsidiaries, consultants and advisors who performed valuable services to the Company or its subsidiaries and members of the Board of Directors who were not employees of the Company. The Company did not grant any incentive stock options, stock appreciation rights, restricted stock or performance units under the 1998 Plan. The 1998 Plan was terminated by the Board of Directors in April 2007, and no further options, stock appreciation rights, restricted stock and performance units may be granted. However, options granted under the 1998 Plan prior to its termination continue in effect under the terms of the grant and the 1998 Plan.

All options that were granted under the 1998 Plan to employees and consultants were granted at the fair market value of the Company s common stock on the date of grant, become exercisable ratably upon the attainment of

Table of Contents

specific diluted earnings per share targets or in their entirety after seven years from the date of grant (for grants prior to 2006), and expire ten years from the date of grant.

The 1998 Plan provided that non-employee members of the Board of Directors would receive automatic grants of nonqualified stock options. Each non-employee director who first became a member of the Board of Directors after the effective date of the 1998 Plan, but before the termination of the 1998 Plan, received a non-qualified stock option to purchase 8,000 shares. In addition, each non-employee director received a non-qualified stock option to purchase 4,000 shares pursuant to the 1998 Plan. The exercise prices for these options were equal to the fair market value of the Company s stock on the date of grant, the term is ten years from the date of grant, and the options became exercisable ratably over the first four anniversaries of the date of grant (unless otherwise determined by the Compensation Committee).

If the Company is consolidated or merged into another corporation, each optionee with an outstanding option under the 1998 Plan will receive, upon exercise of the option, the same consideration as other shareholders of the Company received in connection with the transaction. If all or substantially all of the assets of the Company are sold or exchanged (other than by merger or consolidation), each optionee will have the right to exercise the option in full within ten days after the Compensation Committee provides notice of the right to exercise the option, and any portion of the option not exercised will lapse.

As of December 31, 2008, options to acquire 18,096,594 shares were outstanding under the 1998 Plan, out of a total of 40,444,000 shares of common stock reserved for issuance under the 1998 Plan.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information required by this item is set forth under the captions Election of Directors, Executive Compensation, and Director Compensation in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

Information required by this item is set forth under the caption Ratification or Appointment of Independent Public Accountants in the Company s definitive proxy statement to be filed pursuant to Regulation 14A, which information is incorporated herein by reference.

Table of Contents

PART IV

Item 15. Exhibits, Financial Statement Schedules.

1 and 2. Financial Statements and Financial Statement Schedules. The following is a list of the Consolidated Financial Statements of the Company and its subsidiaries and supplementary data filed as part of Item 8 hereof:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets December 31, 2009 and 2008

Consolidated Statements of Operations For the years ended December 31, 2009, 2008, and 2007

Consolidated Statements of Comprehensive Income For the years ended December 31, 2009, 2008, and 2007

Consolidated Statements of Changes in Equity For the years ended December 31, 2009, 2008, and 2007

Consolidated Statements of Cash Flows For the years ended December 31, 2009, 2008, and 2007

Notes to Consolidated Financial Statements

Schedule II Valuation and Qualifying Accounts and Reserves For the years ended December 31, 2009, 2008, and 2007

All other schedules are omitted because they are not applicable, or not required, or because the required information is included in the Consolidated Financial Statements or notes thereto.

3. Exhibits, Including Those Incorporated by Reference. The exhibits to this Report are listed on the accompanying index to exhibits and are incorporated herein by reference or are filed as part of this Annual Report on Form 10-K.

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SEI INVESTMENTS COMPANY

Date February 25, 2010 — By /s/ Dennis J. McGonigle
Dennis J. McGonigle
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on dates indicated.

Date February 25, 2010 — By /s/ Alfred P. West, Jr.
Alfred P. West, Jr.
Chairman of the Board,
Chief Executive Officer,
and Director

Date February 25, 2010 — By /s/ Carmen V. Romeo
Carmen V. Romeo
Director

Date February 25, 2010 — By /s/ Richard B. Lieb
Richard B. Lieb
Director

Date February 25, 2010 — By /s/ William M. Doran
William M. Doran
Director

Date February 25, 2010 — By /s/ Henry H. Porter, Jr.
Henry H. Porter, Jr.
Director

Date February 25, 2010 — By /s/ Kathryn M. McCarthy
Kathryn M. McCarthy
Director

Date February 25, 2010 — By /s/ Sarah W. Blumenstein
Sarah W. Blumenstein
Director

Table of Contents

EXHIBIT INDEX

The following is a list of exhibits filed as part of this annual report on Form 10-K. For exhibits incorporated by reference, the location of the exhibit in the previous filing is indicated in parentheses.

3.1	Articles of Incorporation of the Registrant as amended on January 21, 1983. (Incorporated by reference to exhibit 3.1 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 1982.)
3.1.2	Amendment to Articles of Incorporation of the Registrant, dated May 21, 1992. (Incorporated by reference to exhibit 3.1.2 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 1992.)
3.1.3	Amendment to Articles of Incorporation of the Registrant, dated May 26, 1994. (Incorporated by reference to exhibit 3.1.3 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 1994.)
3.1.4	Amendment to Articles of Incorporation of the Registrant, dated November 21, 1996. (Incorporated by reference to exhibit 3.1.4 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 1996.)
3.1.5	Amendment to Articles of Incorporation of the Registrant, dated February 14, 2001. (Incorporated by reference to exhibit 3.1.4 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2000.)
3.2	Amended and Restated By-Laws. (Incorporated by reference to exhibit 3.2 to the Registrant s Current Report on Form 8-K dated January 6, 2009.)
4.1	Rights Agreement dated January 6, 2009. (Incorporated by reference to exhibit 4.1 to the Registrant s Current Report on Form 8-K dated January 6, 2009.)
4.2	Statement with Respect to Shares of a Domestic Corporation amending the designations of Series A Junior Participating Preferred Shares as a series of the Series Preferred Stock of the Company, dated January 6, 2009. (Incorporated by reference to exhibit 4.1 to the Registrant s Current Report on Form 8-K dated January 6, 2009.)
	Note: Exhibits 10.4 through 10.11 constitute the management contracts and executive compensatory plans or arrangements in which certain of the directors and executive officers of the Registrant participate.
10.4	1998 Equity Compensation Plan, Amended and Restated as of April 8, 2003. (Incorporated by reference to exhibit 99.1 to the Registrant s Registration Statement on Form S-8 (No. 333-111224) filed December 16, 2003.)
10.4.1	Amendment 2006-1 to the 1998 Equity Compensation Plan, Amended and Restated as of April 8, 2003. (Incorporated by reference to exhibit 10.4.1 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2006.)
10.5	Employee Stock Purchase Plan as Amended and Restated on May 20, 2008. (Incorporated by reference to the Registrant s Current Report on Form 8-K dated May 20, 2008.)
10.6	SEI Capital Accumulation Plan. (Incorporated by reference to exhibit 99(e) to the Registrant s Registration Statement on Form S-8 (No. 333-41343) filed December 2, 1997.)
10.9	Employment Agreement, dated June 25, 2004, between N. Jeffrey Klauder and the Registrant. (Incorporated by reference to exhibit 10.9 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2006.)
10.10	2007 Equity Compensation Plan. (Incorporated by reference to exhibit 10.10 to the Registrant s Current Report on Form 8-K dated April 11, 2007.)
10.21	Guaranty and Collateral Agreement, dated as of January 24, 2006 by and among SEI Investments Company, LSV Employee Group, LLC, the Grantors party thereto and LaSalle Bank National Association as Administrative Agent (including the underlying Credit Agreement dated as of January 24, 2006 by and among LSV Employee Group, LLC, LSV Asset Management, the Lenders party thereto and LaSalle Bank National Association as Administrative Agent to which the Guaranty and Collateral Agreement relates). (Incorporated by reference to exhibit 10.1 to the Registrant s Current Report on Form 8-K dated January 30, 2006.)
10.22	Credit Facility, dated January 14, 2003 between Royal Bank of Canada and SEI Investments Canada Company, a subsidiary of SEI Investments Company. (Incorporated by reference to exhibit 10.22 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2005.)

Table of Contents

10.22.1	First Amendment, dated June 15, 2005 to Credit Facility, dated January 14, 2003 between Royal Bank of Canada and SEI Investments Canada Company, a subsidiary of SEI Investments Company. (Incorporated by reference to exhibit 10.22.1 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2005.)
10.22.2	Second Amendment, dated February 20, 2006 to Credit Facility, dated January 14, 2003 between Royal Bank of Canada and SEI Investments Canada Company, a subsidiary of SEI Investments Company. (Incorporated by reference to exhibit 10.22.2 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2005.)
10.23	$200,000 Credit Agreement, dated July 25, 2007, among SEI Investments Company, the Lenders Party thereto, JPMorgan Chase Bank, N.A., Wachovia Bank, National Association, Bank of America, N.A., Manufacturers and Traders Trust Company and PNC Bank, National Association. (Incorporated by reference to exhibit 99.2 to the Registrant s Current Report on Form 8-K dated July 24, 2007.)
10.23.1	First Amendment, dated November 7, 2007, to $200,000 Credit Agreement, dated July 25, 2007. (Incorporated by reference to exhibit 10.3 to the Registrant s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2007.)
10.23.2	Second Amendment, dated March 19, 2008, to $200,000 Credit Agreement, dated July 25, 2007. (Incorporated by reference to exhibit 10.23.2 to the Registrant s Current Report on Form 8-K dated March 19, 2008.)
10.23.3	Third Amendment, dated November 5, 2008, to $200,000 Credit Agreement, dated July 25, 2007. (Incorporated by reference to exhibit 10.23.3 to the Registrant s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2008.)
10.23.4	Fourth Amendment, dated November 26, 2008, to $200,000 Credit Agreement, dated July 25, 2007. (Incorporated by reference to exhibit 10.23.4 to the Registrant s Current Report on Form 8-K dated November 26, 2008.)
14	Code of Ethics for Senior Financial Officers. (Incorporated by reference to exhibit 14 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2003.)
21*	Subsidiaries of the Registrant.
23.1*	Consent of Independent Registered Public Accounting Firm.
23.2	Consent of Independent Accountants. (Incorporated by reference to exhibit 23.2 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2005.)
31.1*	Rule 13a-15(e)/15d-15(e) Certification of Chief Executive Officer.
31.2*	Rule 13a-15(e)/15d-15(e) Certification of Chief Financial Officer.
32*	Section 1350 Certifications.
99	Financial Statements of LSV Asset Management. (Incorporated by reference to exhibit 99.1 to the Registrant s Annual Report on Form 10-K for the fiscal year ended December 31, 2005.)

* Filed herewith as an exhibit to this Annual Report on Form 10-K.

Page 97 of 97