

Greetings & a warm welcome to this week's edition of 401k Real Talk. This is Fred Barstein contributing editor at WealthManagement.com's RPA omnichannel and CEO at TRAU, TPSU & 401kTV - I review all of this week's stories and select the most important and interesting ones providing open honest and candid discussion you will not get anyway else. So let's get real!

Though holding steady, the [February jobs reports](#), the 1st under Trump's 2nd administration, was lower than expected at 151,000 new jobs created compared to 143,000 in January.

Most experts warn that many of Trump's new policies, like massive federal layoffs, have not affected the market nor has more limited immigration. Based on this jobs report, experts believe that the Fed will not change index rates.

As employers look for clarity with none in sight wondering whether there will be more white collar workers on the market due to federal layoffs and fewer lower level workers due to more restrictive immigration

policies, they must adjust benefits, especially retirement plans, to keep attracting and retaining the right workers.

[Captrust was sued by an RIA investor](#) who was defrauded of \$360,000 claiming that the firm should have done more to protect her.

The investor was a client of Boston Management acquired last November by Captrust raising the question of what obligations advisors have in protecting their clients from bad actors, above and beyond the data which could further raise the stakes for any advisor managing money, especially retirement assets.

In their annual [DC Plan Trends & Fee Study](#), NEPC highlighted the decline of the use of managed accounts as plan sponsors are concerned that they benefit the provider more than participants and that fees are too high.

The median price is 36 bps with NEPC suggesting a subscription based pricing or at least single digit asset fees. They also recommended that managed accounts provide access to an advisor.

The survey covered 137 plans with \$408 bn in assets and over 3m participants.

The recently released [ICI/Brightscope study](#) covering 2022 5500 filings offer a broader view of the DC market offering detailed and interesting insights including:

- Almost 90% of plans offer a match
- 90% of larger plans offer loans compare to just 75% of plans with \$1-10m
- TDF usage jumped to 89% in larger plans
- Index funds are 44% of all assets with over 90% offering them
- Total costs have declined from 109 bps in 2009 to 85Bps in 2022
- 36% of all plans use auto enrollment including 62% of +\$1bn plans and just 42% of plans with \$10-\$50m and 27% with smaller plans

This comprehensive report is a great guide for advisors and plan sponsors to see how the DC market is evolving

Matthew Eickman, a former RPA at [Prime Capital Financial](#) returning to his roots as an ERISA attorney at the [Fiduciary Law Center](#) with [Jason Roberts](#) begins a regular [WealthManagement.com/RPA](#) column highlighting [critical and concrete lessons](#) from specific

lawsuits that advisors can use to encourage plan sponsor clients to do the right thing rather than use scare tactics. Though some predict these lawsuits will come down market, very few have. These columns are a must read for advisors from a unique perspective – a practicing attorney & RPA rarely if ever found in our industry.

So those were the most important stories from the past week. I listed a few others I thought were worth reading covering:

- [Data breach affects school plans](#)
- [Court greenlights Clorox forfeiture lawsuit](#)
- [Creating a lead-to-client funnel](#)
- [Standard claims \\$2B in their PEP](#)
- [How AI is affecting the advisory world](#)

Please let me know if I missed anything or if you would like to comment. Otherwise I look forward to speaking to you next week on 401k Real Talk.