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A Hall of Famer Closes for Superheroes at Matrix

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(401kWire) - A closer from the baseball hall of fame helped close the tenth annual **Matrix Get (k)onnected** conference this week, even as speakers and attendees talked of regulation, auto-IRAs and more. And a few of the nearly 700 attendees revealed their superhero alter-egos after two days of educational sessions and networking activities in the mountains of Keystone, Colorado.

401(k) Insiders Dine With Batman and Wolverine

Former Yankees relief pitcher **Goose Gossage** returned to the conference again this year, signing baseballs for lucky attendees at the Monday night dinner at Keystone Ranch and closing out the final dinner at the conference center on Tuesday night. That final dinner was superhero-themed, featuring attendees dressed as Batman, Superman, Supergirl and more. One Matrix executive even sported claws in a blue and yellow Wolverine costume.

At a TPA breakout session earlier on Tuesday, industry researcher **Mathew Greenwald** reminded attending advisors, DC I-O firms, recordkeepers and TPAs that participants need the help of 401(k) superheroes to meet high expectations for retirement.

"When people first retire, most want to spend more," Greenwald said, confiding that one participant told him, "Now that I'm retired, I have nothing but spending opportunities."

Insiders Spark Regulatory Discussion

After opening remarks Sunday afternoon from Matrix national sales manager **Jamie DeRubertis**, Matrix general counsel **Cindy Dash**, moderated a "Washington Update Roundtable." **WilmerHale** partner **Amy Hale** offered an overview of the new interim final 408(b)(2)

regulations for disclosures to plan fiduciaries. **Larry Goldbrum**, general counsel at the **Spark Institute** worried about the **DoL**'s emphasis on examining fees, not past performance, under the participant advice regulations.

"That creates a problem for advisors," Goldbrum told attendees, "and I also think it opens you up to litigation."

Goldbrum also argued that "it's a little bit early" for the DoL to come up with any regulations regarding defined contribution plans' use of retirement of income products, thanks to issues regarding things like portability and cost. And he also discussed the **SEC**'s proposed 12b-1 reform, which would eliminate the 12b-1 fee name and restrict the use of such fees.

"This could be a problem for R shares," Goldbrum said. "There is a potential solution: broker fee externalization, essentially creating a broker sales wrap."

Providers Hold Off on Embracing Auto-IRAs

Tuesday morning at an advanced session of the *Matrix U* advisor training program, industry insiders discussed another current regulatory issue, automatic IRAs. In light of the recent introduction of an auto-IRA bill in Congress, one attendee asked **CPI** chief marketing officer **Jon Prescott** and **American Funds** national speaker **Tom Warren** whether or not their firms are "preparing for automatic IRA enrollment for companies that do not have a qualified plan." Prescott confirmed that CPI is not making such preparations, and Warren confirmed that American Funds parent **Capital Group** has no such plans yet.

"We're thinking about that," Warren said. "We haven't put anything in motion."

Speak Spanish, Too

Prescott and fellow panelist **Tony Mingo**, president of **vWise** (which specializes in online, interactive, video-based education), also discussed the importance of having Spanish-language capabilities for participants. Mingo confided that vWise is working on Spanish-language versions of services (with different actors, instead of simply dubbing or subtitling the English-language ones). And Prescott confirmed that CPI has enrollers who speak Spanish.

"It's important to have a Spanish capability on the website and the call center, too," said Prescott, whose firm serves as a recordkeeping, non-producing TPA.

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