

THE  
ROSENBAUM  
LAW FIRM P.C.

## ADVISORS ADVANTAGE

A Publication for Retirement Plan Professionals

### Some "Truths" About The Retirement Plan Business.

You may not be able to handle it.



I'm very outspoken, probably too much. Many people in the industry don't like flamethrowers who call things as they see it. While it might cost me a speaking slot at some event, it has allowed me to have a following of other plan providers who like that I do call it as I see it. There are many "truths" out there in the retirement plan industry that plan providers may not be aware of and some plan providers who don't want to

know about these "truths." This article is going to reveal some "truths" that many plan providers like you don't or don't want to know about.

To read the article, please click [here](#).

### It's legal until it's not.

Shelf space payments are legal for now..

Shelf space payments where mutual fund companies pay to get access on a particular 401(k) custodial platform is a trending topic. The payments made are for access and if you don't pay if you're a mutual fund company, you don't play.

Many pay for play schemes are illegal such as the music payola scandal in the 1950s and the reason that was illegal because a law was passed to make it so. Until Congress says something or the SEC or Department of Labor does something in the rulemaking realm, shelf space payments are legal. Whether participants are harmed in these type of arrangements will probably be decided in the courts through litigation.



It will be some time before it's decided whether shelf space payments are a growing trend or a dying trend, thanks to new rules being place on them.

### You and shelf space payments.

Let your plan sponsor clients know.



Shelf space payments where mutual funds pay a platform a fee for space on their 401(k) shelf of investments is the newest thing, especially as a way to replace the loss of revenue sharing. One provider, in particular, is under investigation for these payments.

These payments are legal for the time being, but I always err on the side of caution. If you're an advisor using these type of funds, my belief is that you should willingly disclose the arrangement even that you're not involved in the arrangement. I'd rather have you disclose such information, rather than your competition because it's all about appearances and not disclosing makes it look like you're hiding something (and you're not since it's not your arrangement). Just my two cents.

## You're still using too much paper.

**You know who you are.**

I used to use a lot of paper in my law practice. Then I had 10 feet of water in my office after Hurricane Sandy and my file cabinet was outside, drying off for the next six months. Let's just say I went paperless after that.

I'm still amazed that today, retirement plan providers still use paper and a lot of it when so much can be done online or in some digital format. You can save a lot of trees by moving some or most of your work to a non-paper format and I enthusiastically support the American Retirement Association's imitative in trying to push the Department of Labor to go digital for notice requirements.



If you're looking to cut costs in your business, see how you can save on paper. Saving trees and money is a good thing.

## They won't tell you why they're pissed.

**They certainly won't.**

I was very outspoken in law school, complaining some of the injustices and hypocrisy that went on. I think there were some in the faculty and in the student body that thought that I was just an army of one disgruntled student. I always insisted that I spoke for a silent



majority of students who weren't happy, but just didn't want to rock the boat.

Years later, on Facebook and through various reunions, I realize that I was speaking for the silent majority, almost all who haven't contributed a nickel to the law school.

When it comes to clients and employees, they may be unhappy and chances are that you will never know that until they leave. Even when they do leave, you may not understand how unhappy they were because many people are passive aggressive and other people just want to avoid the confrontation. As I always say, happy clients and employees never leave and clearly, if they do, there has to be some level of dissatisfaction. Just because they don't tell they're unhappy doesn't mean they weren't unhappy.

## Cleveland is next.

**Registration for all event open including Disney World.**

That 401(k) Conference is the most fun 401(k) advisor out there with a price point that won't break your back.

\$100 gets you 4 hours of content to grow your advisory business, lunch, a stadium tour and a meet and greet with a baseball legend.

These events are so fun, we have advisors from around the country to fly in. The cost and the experience can not be beat.



In September, we will be in Cleveland at Progressive Field on Friday, September 20th with special guest Cory Snyder. Information on sponsorship can be found [here](#). You can sign up for the event [here](#),

In October, we will be having our first football themed That 401(k) Conference with an event at Gillette Stadium in Foxborough, MA, home of the Super Bowl Champion New England Patriots.



Information on sponsorship can be found [here](#) . Tickets to the event can be purchased [here](#) .

In November, we come home, sort

of. The events started a year and change ago at Citi Field and we will be close by in New Jersey at MetLife Stadium. While it's the home of the Giants and Jets, we will have a Giants themed event. Information on sponsorship can be found [here](#) . Tickets can be purchased [here](#) .



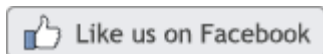
To finish the year, we will be in Arlington Texas, home of the Dallas Cowboys. That event at AT&T Stadium will be on Friday, December 13th. Tickets can be purchased [here](#).



For information on sponsorship opportunities, please click [here](#).

Don't forget, our national

conference for March 2020. Family fun at Disney World with a conference that won't break your bank if you're a sponsor or attendee. Information on That 401(k) National Conference sponsorship and to sign up is [here](#).



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