
Honorable Mention

By Editorial Staff Tue, Oct 17, 2017

Stash has a new banking app, Cerulli reports higher CIT sales, David Blanchett's prize-winning paper, and new hirings/promotions at Voya Financial and MassMutual.

Stash plans new banking and advice app for early 2018

Stash, the financial services platform, announced a plan to launch mobile-first banking services to help millions of Americans who need support managing their day-to-day money and reaching their dreams of financial security and prosperity. The personalized banking experience will use new technology, data and simple recommendations to lead clients on a path toward healthy financial habits.

Individuals can join the Stash banking services waiting list at www.stashbanking.com.

Core banking features will include:

- A savings feature to help clients create customizable short-term and long-term savings goals.
- Free FDIC-insured bank accounts with no fees, no minimum balance requirement and free access to the “largest ATM network in the U.S.”
- Customized advice.
- A “spend and bill tracker” to show clients their current money status, transactions and financial patterns.
- “Auto” and “Smart-Save” features to automatically save small amounts, analyze historical spending, and optimize savings.
- Access to the “Stash Plan,” a proprietary, long-term financial security plan.
- Standard banking features such as bill pay, direct deposit and a Stash debit card.

“The average American pays close to \$300 a year in bank fees,” said Ed Robinson, president and co-founder of Stash, in a release. “We’re building our banking services to solve that and bring new tools, coaching and complete transparency to the process.”

The banking app joins the “Invest” and “Retire” functions on the Stash platform gives everyone access to the tools and education needed to save and invest in their financial futures. Clients of Stash’s current Invest and Retire products can build personalized portfolios from a selection of over 40 curated ETFs to build personalized portfolios.

Stash claims more than 2.5 million Stash Learn subscribers and 1.2 million clients. Stash includes Stash Cash Management LLC, Stash Investments LLC, an SEC Registered Investment Adviser and Stash Capital LLC, an SEC Registered Broker Dealer and member of FINRA and SIPC. Based in New York City, it launched in February 2015 by Brandon Krieg and Ed Robinson.

U.S. collective investment trust assets grow at double-digit rate in 2016

Fee sensitivity, the threat of litigation, and increased awareness of collective investment trusts (CITs) are causing many defined benefit and defined contribution plans to increase their use of CITs in their investment portfolios, according to Cerulli Associates, the global research and consulting firm.

“As of 2016, CIT assets were almost \$2.8 trillion, which is a major increase from 2011, when assets had yet to cross the \$2 trillion mark,” said Christopher Mason, a senior analyst at Cerulli, in a release this week. The 11.6% increase from 2015 to 2016 represented the first year of double-digit year-over-year growth for CITs since 2012.

“CITs often are priced lower as compared to mutual funds of similar strategies,” the Mason said. More important, he added, “The threat of litigation is putting pressure on plan sponsors to ensure that related fees paid reflect the best interest of the plan participants.”

According to the research, 81% of CIT managers perceive consultants to be very knowledgeable about CITs, but only 14% believe that financial advisors are very knowledgeable about the product category.

“Financial advisors’ familiarity with mutual funds, along with marginal differences in cost compared to CITs, cause them to be more apt to turn to mutual funds,” Mason said. Cerulli maintains that as financial advisors become more educated about CITs, the more likely they are to use them in client portfolios.

‘Best Paper’ award goes to David Blanchett

‘The Value of a Gamma-Efficient Portfolio,’ a research paper by David Blanchett, Director of Retirement Research with Morningstar Investment Management and adjunct professor at The American College, has won a ‘Best Paper’ award from the Academy of Financial Services, The American College of Financial Services announced this week.

The paper reviews the concept of “gamma,” a metric designed to quantify the value of advisors’ contributions to client financial decisions. It will be part of the curriculum for the American College’s upcoming Wealth Management Certified Professional ([WMCP](#)) designation, which helps advisors apply modern investment theory to client relationships.

The AFS’s ‘Best Paper’ award recognizes authors from a variety of financial planning disciplines that relate to financial planning, including estate planning, insurance, tax accounting aspects of financial planning, investments, and retirement planning.

Ken Stapleton joins MassMutual DB team

To boost support of its defined benefit (DB) pension plans, Massachusetts Mutual Life Insurance Co.

(MassMutual) has appointed Ken Stapleton as senior institutional investment consultant to support plan sponsors and financial advisors in the DB space.

Stapleton assumes responsibility for portfolio strategy, asset allocation, risk reduction, investment policy, product selection and day-to-day information and data sharing. MassMutual has \$16 billion in DB pension assets under administration and serves 400,000 workers and retirees.

MassMutual, which said it is expanding its support of the DB marketplace in pursuit of growth, recently introduced its PensionSmart Analysis tool, which evaluates a DB plan's current status, funding level, and service structure.

Earlier this year, MassMutual introduced customized pension yield curves to help plan sponsors measure their pension obligations more accurately.

The appointment of Stapleton gives MassMutual three investment consultants focused on the DB marketplace. Prior to joining MassMutual, Stapleton worked at Keefe, Bruyette and Woods as an institutional equity trader and research analyst. He also worked an investment banker with Ironwood Capital.

He holds B.S. and MBA degrees from the University of Connecticut and FINRA Series 7 and 63 licenses.

Bill Bainbridge named SVP of Product for Voya Annuities and Individual Life

Voya Financial, Inc., has appointed Bill Bainbridge, FSA, MAAA, CERA, as senior vice president and leader of all product development and in-force management for the company's Annuities and Individual Life businesses. He will report to Carolyn Johnson, chief executive officer, Annuities and Individual Life.

Bainbridge served as vice president of pricing for Voya's Annuities and Individual Life businesses since November 2016. Previously, he oversaw product development for the company's Annuities business. He joined Voya as a senior actuarial associate in August 2005. Bainbridge began his career at Buck Consultants as an associate in June 2003.

Bainbridge received bachelor's degrees in both actuarial science and economics from Lebanon Valley College. He is a fellow of the Society of Actuaries and holds the chartered enterprise risk analyst designation. In 2016, Bainbridge was recognized by LIMRA as a "Rising Star" in the financial services industry.

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