
The Bucket

By Editorial Staff Wed, Jun 5, 2013

Brief or late-breaking items from DST, BB&T, and Vanguard.

DST's CFO, Ken Hager, to retire after successor is in place

DST Systems, Inc. announced that Kenneth V. Hager, vice president, chief financial officer and treasurer, plans to retire after 29 years of service to the company. He will continue in his current role until a successor is in place.

Hager has served as CFO and vice president since April 1988 and has been treasurer since August 1995. He led DST's successful IPO in 1995 and has been DST's primary interface to the investment community since that time. During Mr. Hager's tenure, DST has grown from a \$100 million mutual fund processing company to a \$2 billion global provider of diversified services to a broad range of industries.

DST is undertaking a process to name Mr. Hager's successor. The Company does not intend to provide an update on the process until a successor is named.

BB&T revamps retirement plan websites

BB&T Retirement and Institutional Services has redesigned its two websites to create a "retirement destination" for plan sponsors and participants, the company said in a release.

Retirement plan sponsors now have access to additional retirement planning resources, such as industry news, fiduciary and compliance updates, worksheets and stock research.

The redesigned plan participant website includes a new section which offers education sections for different stages of retirement planning. Additional changes include easier menu navigation, tab viewing, new charts, in-page help and PDF confirmations. Visitors also have access to interactive retirement planning tools, videos and additional investment and retirement planning services offered by BB&T.

BB&T Retirement and Institutional Services offers a range of employee benefits consulting, fiduciary, philanthropic, corporate trust and investment management services to small and large corporations, charitable organizations, foundations and endowments, and state and local governments.

International bond fund bolsters Vanguard's 'Total

Market' lineup

Vanguard has launched a Total International Bond Index Fund, in three share classes, Investor, Admiral, and Institutional, for purchase immediately. The expense ratios for the fund's Investor, Admiral, Institutional, and ETF share classes will range from 0.12% to 0.23%, as shown in the table below.

The fund's ETF shares (ticker: BNDX) commenced trading on June 4, 2013.

The top country holdings as of April 30, 2013 were Japan (22%), France (11%), Germany (11%), Italy (8%), and the United Kingdom (8%). Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged) will be the new fund's benchmark.

The index comprises about 7,000 investment-grade corporate and government bonds from 52 countries. To meet regulated investment company (RIC) tax diversification requirements, the index caps its exposure to any single bond issuer, including government issuers, at 20%.

According to a release, Vanguard designed the new fund to give investors broad exposure to international fixed income markets and to complement Vanguard's Total Stock Market Index Fund (\$248 billion in assets), Total Bond Market Index Fund (\$117 billion), Total International Stock Index Fund (\$95 billion), and Total World Stock Index Fund (\$3 billion).

Vanguard Total International Bond Index Fund		
Share class	Min. initial investment	Annual expense ratio (%)
Investor	\$3,000	0.23
Admiral	\$10,000	0.20
Institutional	\$5 million	0.12
ETF (BNDX)	—	0.20
Source: Vanguard.		

Vanguard also announced:

- Ended: the subscription period for Vanguard Emerging Markets Government Bond Index Fund. Investor, Admiral, and Institutional shares are available for purchase. The fund's ETF shares (ticker: VWOB) are expected to begin trading on June 4, 2013.
- Vanguard Total International Bond Index Fund has been added to 18 of Vanguard's funds-of-funds (including Vanguard Target Retirement Funds) and represents 20% of the fixed income allocation of the funds.
- Vanguard Short-Term Inflation-Protected Securities Index Fund has replaced Vanguard Inflation-Protected Securities Fund in three Target Retirement Funds (Target Retirement Income, 2010, and 2015).
- The 0.25% purchase fee for the Short-Term Inflation-Protected Securities Index Fund has been eliminated.