



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

WEBINAR

What the **New Executive Order and Legislation** Mean for Retirement in 2026 & Beyond



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Alternative Assets in Participant- Directed Plans

Private Funds



Alternative Assets Executive Order



Issued August 7, 2025



The White House issued an Executive Order entitled **Democratizing Access to Alternative Assets for 401(k) Investors.**

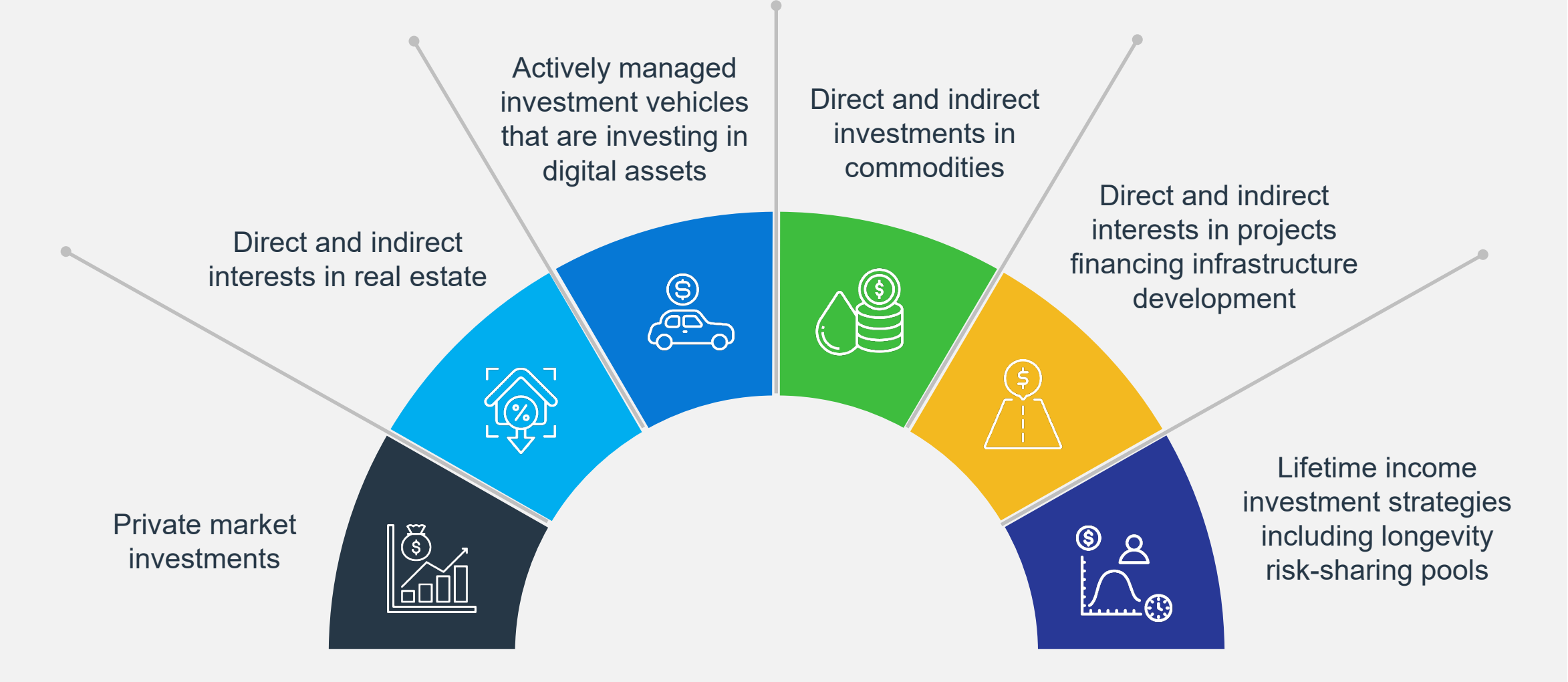
The EO directed the DOL to review and issue guidance for including alternative assets in [asset allocation funds](#).



Source: Executive Order – [“Democratizing Access to Alternative Assets for 401\(k\) Investors.”](#), August 7, 2025.

Alternative Assets Executive Order

The EO defines “alternative assets” as:



Alternative Assets Executive Order

Department of Labor steps and next steps

Withdrawal of Biden-era Supplemental Statement on Private Equity investments



Probable expansion of DOL's June 3, 2020 Information Letter on Private Equity



Issuance of “appropriately calibrated safe harbors” for fiduciaries selecting asset allocation funds that include alternative assets?



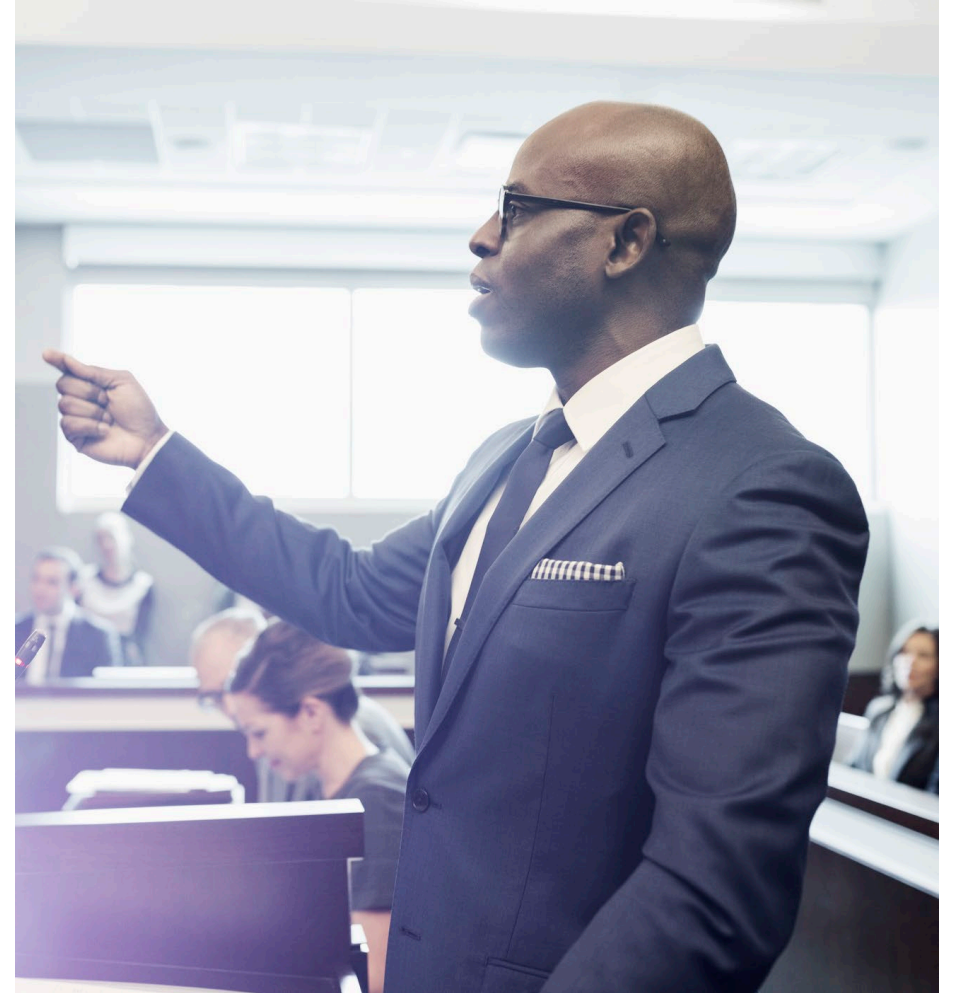
Source: DOL News Release [“US Department of Labor Rescinds 2021 Supplemental Statement on Alternative Assets in 401\(k\) Plans”](#), August 12, 2025.

Alternative Assets Executive Order

In a June 3, 2020 Information Letter, the first Trump administration's DOL discussed investing in portfolios that included private equity:

- The Department believes that a plan fiduciary of an individual account plan may offer an asset allocation fund with a private equity component of the type you describe in a manner consistent with the requirements of Title I of ERISA.
- In evaluating whether to include a particular investment vehicle with an allocation of private equity as a designated investment alternative, the responsible plan fiduciary must evaluate the risks and benefits associated with the investment alternative.

Source: U.S. Department of Labor Information Letter "[Private Equity Investments in Defined Contribution Plans.](#)" June 3, 2020.



Alternative Assets Executive Order

The Information Letter continued to say that the fiduciary review should include, among other things:

- (iii) whether the asset allocation fund has limited the allocation of investments to private equity in a way that is designed to address the unique characteristics associated with such an investment, **including cost, complexity, disclosures, and liquidity, and has adopted features related to liquidity and valuation designed to permit the asset allocation fund to provide liquidity** for participants to take benefits and direct exchanges among the plan's investment line-up consistent with the plan's terms.



Alternative Assets Executive Order

Key questions:

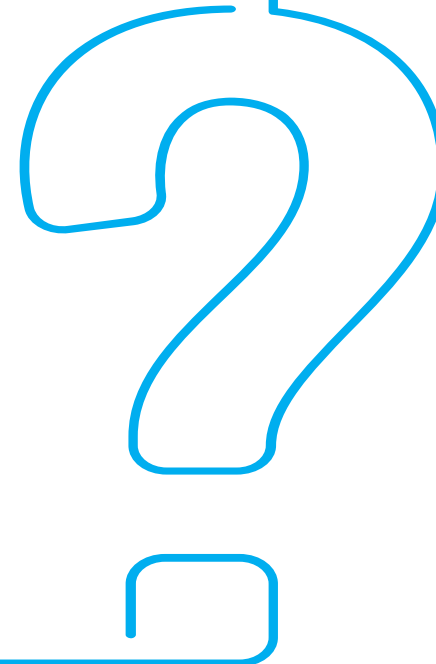
- Why is this happening?
- What do I need to do?
- How should I do that?
- What does that do to my fiduciary risk profile?



Alternative Assets Executive Order

Key questions (continued):

- **What **should** I consider:** fees, valuation, liquidity, transparency, conflicts of interest, daily trading, participant disclosures
- **What **must** I consider:** internal capabilities, knowledgeable adviser, fiduciary advisers for accounts and CITs, advisers of mutual funds



Cryptocurrencies & Other Alternative Assets



The Other Alternative Assets

The Executive Order also included these in its definition of alternative assets:

Actively managed funds invested in digital assets

Commodities

Real estate

Financing infrastructure development

Lifetime income investment strategies including longevity risk-sharing pools

The Other Alternative Assets

Prior to the issuance of the EO on alternative assets, the DOL issued Compliance Assistance Release 2025-01, rescinding a 2022 CAR, which was cautionary about cryptocurrency investments:

CAR 2025-01: Today's release restores the Department's historical approach by neither endorsing, nor disapproving of, plan fiduciaries who conclude that the inclusion of cryptocurrency in a plan's investment menu is appropriate. When evaluating any particular investment type, a plan fiduciary's decision should consider all relevant facts and circumstances and will "necessarily be context specific."

Source: DOL issued Compliance Assistance Release "[2025-01, rescinding a 2022 CAR.](#)", May 28, 2025.

The Other Alternative Assets

Comments on other alternative assets:

Actively managed
funds invested in
digital assets

Commodities

Real
estate

Financing
infrastructure
development

Issues: Risk and practical implementation

Other Investment Issues – ESG



Other Investment Issues – ESG

In a letter to the court overseeing the lawsuit seeking to invalidate the Biden-era regulation that permitted the consideration of ESG factors where they were material to the risk and return profile of investments, **the new DOL said that it intended to propose a new regulation that would substantially modify the existing regulation.**



Other Investment Issues – ESG

Fiduciary considerations and risk factors:

- ESG factors and ESG impact funds
- Tie breakers
- QDIAs and target date funds



Q&A

Key Takeaways

Thank you

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