


Pontera turns to Washington insiders in a backdoor plan to shake loose Fidelity's file-sharing ban, after '401(k) king' slapped down its 'frontal assault,' that accused Fidelity of 'an anti-competitive power grab'

The feisty New York City tech company is building bridges with RIAs, state regulators and Orion in a soft power play, appealing to regulators over consumer choice, advisor access and retirement outcomes.

🕒 13 min read

By **Oisín Breen** June 24, 2026



Kajal Patel: We engaged in productive, high-energy dialogues with regulators from across the country.

Key Points



Plan A was rough but [Pontera's](#) Plan B may be taking shape as it banks gains with regulators, RIAs, Orion – and maybe even Schwab.

The latest move follows Fidelity Investments' delivery of a stunning rebuff in 2024, disallowing password sharing by its plan participants to let RIAs manage their assets via the 2021 New York City startup. See: [Pontera password-sharing business model is a bridge too far for Fidelity](#).

Pontera has been lying low since, CEO [Yoav Zurel](#) published a highly publicized open letter last October, titled "The Battle Over 401(k)s: Freedom vs. Captivity." He took aim at the "Boston 401(k) king," accusing it of "an anti-competitive power grab."



[Yoav Zurel](#): Taking a carrot, stick approach to Fidelity.

The letter marked a massive escalation in a multi-year feud over "held-away" asset management. It brought quiet backroom negotiations to the fore by the New York fintech and the retirement giant.

Months later, [Pontera](#) has just made its [first public overture](#), replete with paths forward and devoid of finger-pointing.

"A head-on fight was unwinnable, [so] Pontera's pivot to 'common sense' grassroots lobbying isn't a retreat; it's the only viable strategy," says [Will Trout](#), director of securities and investments and Datos Insights, in an email.

"It builds regulatory goodwill without triggering a direct counterattack. It's slower, but it's the only path that doesn't end in [[Pontera's](#)] annihilation," he adds. See: [Pontera's last-bid gambit to turn Fidelity credential-sharing ban into an 'investor rights issue' falls flat](#).

(Editor's note: [Pontera](#) did not respond to two requests for comment. It also declined to respond to a prior April 21 series of questions, which included specific mention of its long-term strategy. Schwab did not respond to a series of questions sent June 17, including whether it is likely to further step up its efforts to block or throttle Pontera's

access to its DC plan data, or if its *growing 'workplace' ambitions* might prompt a thaw in relations.)

Turning a corner

The surest sign yet that [Pontera](#) is executing a plan came from its May 21 blog [post](#) penned by [Kajal Patel](#), the firm's new public policy and state affairs lead, appointed in April. The post details Pontera's effort to court regulators and industry leaders at the 2026 [NASAA](#) Symposium, a conference of state securities regulators.



[Ari Sonneberg](#): Pontera discovered the limits of fighting this battle.

It showed [Pontera](#) had turned a corner by holstering its intent to browbeat Fidelity into allowing credential sharing to aggregate data.

We now have a "shared commitment to finding reasonable, innovation-friendly paths forward," she writes in one recent blog post about her firm's efforts to court state regulators on the issue of getting recordkeepers to share data.



[Will Trout](#): It's the only path [for Pontera] that doesn't end in annihilation.

The post also details its bid to garner support for what [Pontera](#) calls a "common-sense framework" for "a more integrated financial future," which includes advisor access to defined contribution data, but also ties the issue to a larger theme of rights and better "experience."

"This is really a shift in tone and tactics, [because] the recent messaging is much less about confrontation, and much more about consumer choice, advisor access, retirement outcomes, and what Pontera repeatedly calls 'common-sense' regulation," says Ari Sonneberg, partner at

the [Wagner Law Group](#). See: [Pontera CEO writes 'open letter' accusing Fidelity of a 'power grab'](#).

"That's evident not just in the NASAA symposium piece but across [Pontera](#)'s recent policy and marketing materials.

"It is no longer arguing only that advisors should have access. It is also arguing that retirement accounts are being left outside holistic planning and that participants should be able to receive advice regardless of where assets are custodied.

"That's a framing that may resonate more with regulators and policymakers than a direct fight over account access," Sonneberg adds.

New integration

[Pontera](#) seems to have learned from its Fidelity experience that it needs friends to ever gain the kind of access it wants to the Boston giant's assets data,

The data-aggregation company also completed a new integration [with Orion in April](#) that included Orion President of Advisor Technology [Reed Colley](#)'s endorsement of its value proposition. with nearly \$6 trillion of AUA at the time of the release.



Rick Wurster: [Schwab](#) can win 401(k) assets.

"Advisors want to deliver advice that reflects the full household, not just the assets they can easily see," Colley said in the release.

New RIABiz data shows [Pontera](#) is landing with RIAs.

In 2025, 484 RIA firms mentioned [Pontera](#) according to a recent SEC ADV update examined by RIABiz. Mentions have doubled from 251 in 2024.



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Pontera attracts yet another \$45-million VC round for its 'held-away' 401(k) order management system and snags SageView, a \$175-billion RIA, as a customer

More than 30% of those firms listed assets under management exceeding \$1 billion. [Pontera](#)'s RIA client-base manages nearly a fifth, or \$1.93 trillion of the estimated \$10 trillion managed by domestic RIAs today.

High-profile Merrill Lynch breakaway OpenArc, with a \$129 billion book pre-breakaway, is using [Pontera](#).

Powerful backers

[Schwab](#), which provides custody services for the self-directed sleeves of plan accounts administered by Vanguard, Voya Financial, and Nationwide, began pushing back against credential-sharing, citing “security concerns,” but its actions differ materially from [Fidelity](#)'s.

[Pontera](#) head of brand Zachary Pardes, told Barron's in a [Nov. 17](#) interview [Schwab](#)'s is simply not a total block.

The giant RIA custodian could be a critical ally for [Pontera](#).

[Schwab](#) CEO Rick Wurster recently made clear he can “win” in the workplace sphere – something Schwab CEOs have historically not pursued. See: [Rick Wurster puts Fidelity's \\$5-trillion-plus of 'workplace' assets in play](#).

OpenArc is not only a [Schwab](#) custody client, but also as a strategic partner in pursuing workplace assets. See [Schwab just announced another stock plan-related deal after helping OpenArc launch \\$129-billion stock plan RIA, an 'impactful funnel,' Cerulli analyst says](#)

[Pontera](#) also has a raft of powerful backers that have staked it capital for a potential slow-burn growth strategy.

It raised \$60 million in a 2023 round (for a total of \$160 million) led by Iconiq Growth. The rewards could be rich. It commands 30 basis points on held-away assets administered by its software.

It got a glowing endorsement [in the release](#) from Dynasty Financial Partners CEO and President Shirl Penney.

“It's one of those rare moments in time where if you implement a new capability, everyone wins, from the client to the advisor,” Penney said in the release at the time. Dynasty owns a large minority stake in OpenArc.

Fidelity, however, felt that it could be a potential loser because of legal exposure.

Fiduciary duties

Some lawyers and analysts [agreed](#) with Fidelity's argument that it had, foremost, a fiduciary duty to protect plan sponsors from unauthorized access.

"If [Pontera](#) had pursued a regulatory confrontation – demanding 401(k) access through legal force – Fidelity would have responded with overwhelming force. Lawyers and analysts sided with Fidelity's position because the law reflects sponsor and custodian obligations first," Trout says.

That doesn't mean that [Pontera's](#) October sword-falling didn't bear fruit, according to Sonneberg.



Louis Harvey: [It's] a political question over which states see the benefit.

Story Timeline



Dec 2, 2025

[Pontera's last-bid gambit to turn Fidelity credential-sharing ban into an 'investor rights issue,' falls flat, and now Schwab and others are turning a deaf ear as bans spread](#)



Oct 11, 2025

Pontera CEO heats up year-long battle over Fidelity ban on credential sharing, with an 'open letter' accusing the No. 1 plan provider of a 'power grab'



Jan 11, 2025

RIABlitz: Vanguard technology • Pontera rebounds • Ex-HiddenLever's exec success • BlackRock rocked • Vivek's crypto • WF dunks SF? • Betterment dry option • Vestwell poached



Dec 18, 2024

Pontera-like play wins Black Diamond deal to allow its RIAs to manage held-away 401(k) assets -- with all parties mum on Fidelity's credential-sharing policy



Sep 24, 2024

Pontera password-sharing business model is a bridge too far for Fidelity; it bans the practice for its 401(k) plans in blow to the fintech's future

[See all updates \(6+\)](#)

"I wouldn't call [the previous strategy] a blunder. If nothing else, [Pontera](#) succeeded in making held-away retirement assets a national industry issue," he says.

"But it has become increasingly clear that this is a political and regulatory question as much as a technological one ... Coalition-building probably matters more than escalation.

“What’s interesting now is that [Pontera](#) [also] appears to be broadening the battlefield. Instead of focusing solely on advisor access, it’s tying its case to larger themes ... a deliberate effort to move the conversation beyond aggregation and more toward retirement outcomes,” Sonneberg says.

Influence building

[Pontera](#)'s strategic pivot is also underpinned by an expansion of its public policy team, led by 2024-appointed senior director of public policy, Ben White.

It appointed former Department of Labor regulator, Lisa M. Gomez as a strategic advisor to White's team in July 2025, before adding former Wells Fargo assistant general counsel, Jeff Rosenstock as its new senior regulatory counsel in Dec. 2025.

Patel, a former Kamala Harris, Joe Biden and DNC strategy director, followed in April.

Patel “will lead [Pontera](#)'s state affairs efforts ... build[ing] relationships and initiatives to support retirement savers' right to advice ...” White wrote in an April LinkedIn [post](#).

Defining [Fidelity](#)'s 401(k) and DC dominance

- An estimated 70 million Americans hold a combined \$10 trillion in 401(k) plans.
- An estimated 730,000 plans are in operation, including small 401(k) plans.
- Fidelity is the largest 401(k) recordkeeper in the country, administering 47%, or 33 million of all plan participants.
- It administers around \$4.65 trillion, or 33% of the total \$13.95 trillion of domestic DC assets, including other plan types, like 403(b)s.
- Over 24,300 of the largest 401(k) plans in the country use its services.

* Source: [The Investment Company Institute, Pensions & Investments, Fidelity.](#)



Pontera password-sharing business model is a bridge too far for Fidelity; it bans the practice for its 401(k) plans in blow to the fintech's future

She "has worked closely with policymakers, community leaders, elected officials, and partners to help shape conversations and advance policy objectives ... [so] it's a critical time for [her] advocacy."

Patel says she has made inroads already.

"We engaged in productive, high-energy dialogues with regulators from across the country ... listen[ing] to the practical questions states are asking and how common-sense frameworks can address them ...

"We now have a] shared commitment to finding reasonable, innovation-friendly paths forward," she writes in the firm's recent blog post.

"There is a clear appetite for regulatory clarity that fosters growth while protecting the public ... [and] by continuing to build on this momentum, we can ensure that the 'converged marketplace' of the future includes the most important asset of all: a secure, professionally managed, and truly holistic retirement account."

Far stretch

Patel also pointed positively to 2025 [guidance](#) issued by Texas and Rhode Island over credential sharing, giving advisors access to their clients' 401(k) accounts.

"We engaged with regulators on how the Texas and Rhode Island guidance models act as a common-sense bridge for this evolving marketplace. These states have shown that you don't need to create a massive new regulatory apparatus to oversee innovation," she says.

“The consensus among the [\[NASAA\]](#) panels was that consumers demand a lack of friction across use cases ranging from travel to food delivery to their financial journey,” she added.

Yet, one leading industry executive says Patel's view on an [NASAA](#) "consensus" is a "far stretch," according to a source familiar with the matter.

State "support" may also prove less robust than press releases suggest.

Urging caution

An October 2025 [Pontera press release](#) lauds Delaware alongside Texas and Rhode Island, but the Delaware Department of Justice categorically rejects the idea that it “supports” Pontera.

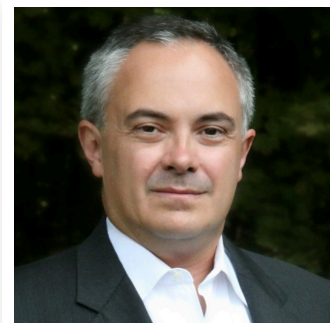
“Our guidance to investors is straightforward: financial data aggregators can be useful, [but] it behooves investors to be cautious about the potential risks, including privacy and security risks,” says a spokesman for the Delaware DOJ, in an email exchange.

The spokesperson also pushed back “on any claim” that it is “coming out swinging,” or “an ally” of [Pontera](#), or “any other private entity.”

“The DOJ is a regulator and for ethical reasons we do not endorse any business’s services. For that reason, we try not to identify specific businesses at all unless we’ve taken official actions against them, [and] any inference to the contrary is mistaken at best,” he says.

The Rhode Island and Texas DOJs did not respond to a request for comment.

Philosophy first



Alex Barned: Many plans don’t allow for advisor involvement, however the majority do.

Whether an individual state is ever likely to publicly support [Pontera](#) may also rest largely on their cultural philosophy, analysts say.

It's "a 'political' question [over] which states see the benefit in providing flexibility to voters, and which want to keep costs low," says Louis Harvey, founder and president of Boston market retirement research company, Dalbar, in an email.

Sonneberg adds that "the states that were receptive generally seemed attracted to arguments around consumer choice, data portability, advisor access, and innovation."

Conversely, "states that were less receptive tended to give more weight to concerns around fiduciary responsibility, cybersecurity, operational risk, and the role of plan sponsors and recordkeepers," Sonneberg explains.

But "as for quieter allies, I suspect there are more than meets the eye," he says.

"Many RIAs, fintech firms, account-aggregation providers, and even some retirement-industry participants probably agree that the traditional distinction between workplace assets and advised assets is becoming increasingly artificial, [so] the question is whether [Pontera](#) can rally the troops in order to help it achieve its goal," he concludes.

No underlying friction

[Pontera](#) may also have less of a product-market fit than it assumes, says Trout.

"The broader question isn't whether [Pontera](#) is right ... it's why the market itself has been slow to embrace it ... The answer... because the stated problem doesn't match how the market actually operates," he says.

"RIAs, advisors, and wealth managers have been providing genuine holistic planning that encompasses 401(k)s for years through [householding](#), factoring workplace accounts into asset allocation, tax-loss harvesting sequencing, withdrawal ordering, and rebalancing strateg[ies] ... This is standard practice, and it works.

“[Pontera](#)'s pitch assumes participants experience daily friction from logging into separate platforms, and that advisors are blocked from delivering holistic care ... Participants don't check 401(k)s daily ... There's no daily friction to solve ... [Where] travel apps solve real friction in daily workflows, a quarterly 401(k) login does not,” Trout explains.

"[Pontera](#)'s model only works if advisors *need* real-time, discretionary, frictionless access to automatically rebalance 401(k)s ... But that's not how most advisory relationships operate ...

"The market has been slow to adopt ... not because recordkeepers are blocking it, but because advisors and participants don't experience the underlying problem," Trout says.

Respecting rules

The needle is moving toward greater advisor involvement in managing DC accounts, says Alex Barned, National Sales Director at [Pontera](#) rival Absolute Capital, which spurns credential sharing.

As a result, Fidelity remains on its side in favor of directly negotiating data-sharing deals with plan sponsors on a case-by-case basis.

“As it stands today, many plans don’t allow for advisor involvement, however the majority do, *and* the number of plans that do allow advisors has doubled over the last decade and the trend continues,” he explains.

“The ‘plan ecosystem’ recognizes the benefits of financial professionals, and it continues to move in the right direction ... We only work with plans where the sponsor allows for advisor involvement. We believe ERISA, plan rules, and sponsor wants all needs to be respected,” he says.



Oisín Breen

Dublin-native and Edinburgh-based Oisín Breen has spent seven years writing about finance, including five whirlwind years diving into the advisor world for RIABiz. A widely published and well regarded poet with two full collections under his belt, Breen is also an academic in English Literature with a deep fondness for his Scottish rabbit, Hessel.

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