

# **MyPlanIQ**

## **Quickstart Tutorial**

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## Introduction – Welcome to MyPlanIQ

Increasingly, we have to be responsible for the security of our own financial future. Unfortunately, most of us have too little knowledge of how to invest and no idea of the fees and rules of our plans. As a result, the returns are significantly less than they could be. Put another way, you could end up having to work an extra ten years or longer because of poor investment strategies and high fees.

MyPlanIQ enables average investors to achieve high returns and low risk by automating the merging of your personal risk profile and effective investment strategies to create an investment portfolio supported by your plan.

- MyPlanIQ gives you both Strategic (SAA) and Tactical (TAA) asset allocation strategies
- MyPlanIQ supports many retirement and taxable plans
- MyPlanIQ will limit portfolio tuning to incur minimal fees
- MyPlanIQ allows you to explore multiple alternatives based on profile, plan and strategy
- MyPlanIQ is free to evaluate and \$9.95 a month to use

Using MyPlanIQ, you will be able to build, compare and implement and manage your own SAA and TAA portfolios and not be at the mercy of some distant expert.

Asset allocation is a proven investment strategy and MyPlanIQ gives you both strategic and tactical allocation tailored to your plan. Then we provide you with updates at the right time to ensure you keep your portfolio optimally tuned.

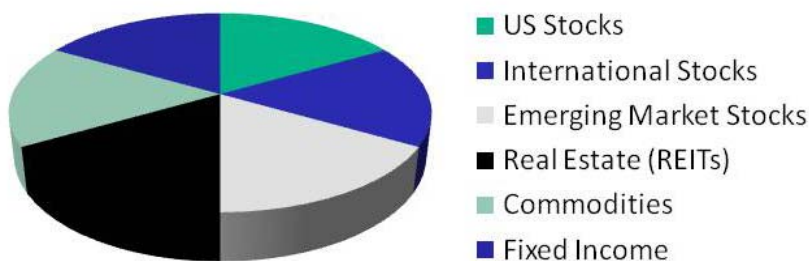


Figure 1 Asset allocation is the basis of ensuring high returns with low volatility. MyPlanIQ offers SAA and TAA. MyPlanIQ will create an optimal investment

portfolio from your risk profile, chosen investment strategy, and funds supported by your plan

Unlike other investment alternatives, MyPlanIQ offers SAA **and** TAA. In most cases, TAA offers higher return with lower volatility and is our usual recommendation.

This tutorial will take you through the steps to build SAA and TAA portfolios customized to your profile and plan. You will be able to compare them with each other and industry benchmarks so you can decide which one you want to select.

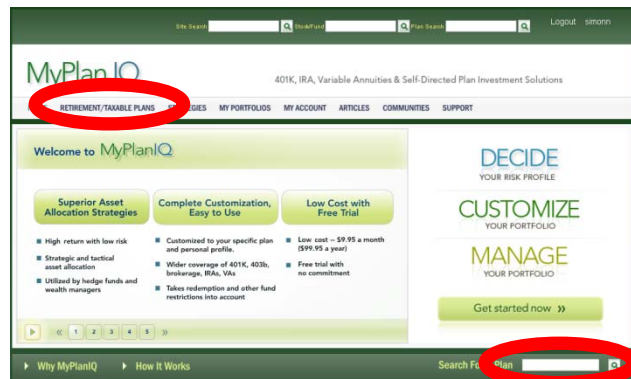
Then, you will see how to initiate the chosen portfolio and MyPlanIQ will monitor and suggest changes to the mix on a regular basis.

We won't answer every question but we will go through the major steps and features of the system. If you have questions that aren't answered in this tutorial, you should **email** them to or go to our **user forum** and see if the question has been answered already.

## Step 1 – Find Your Plan and Get Started

[http://www.myplaniq.com/LTISystem/f401k\\_plans.action](http://www.myplaniq.com/LTISystem/f401k_plans.action)

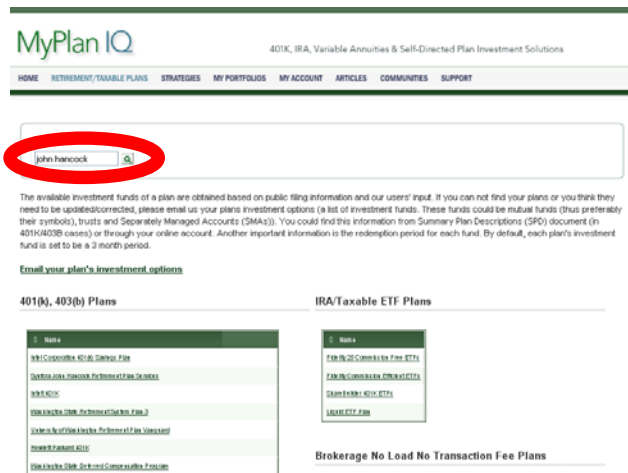
Each provider has a range of funds that they make available to you. These funds are publically traded and we need to make sure that MyPlanIQ has the correct list of funds.



From the home page select the retirement and taxable plans button to see a list of plans supported.

Alternatively, if you know your plan, you can search for it using the box in the bottom right hand corner of the page.

Figure 2 Go to the plans page to find out whether your plan is currently supported. If not, let us know immediately

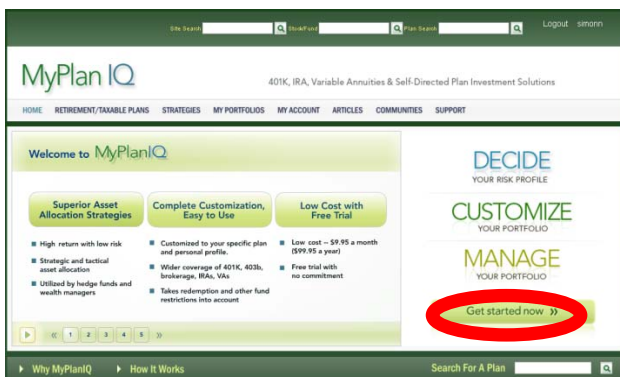


You will see a list of plans, to find your plan, type in your company's or provider's name

If you don't see your plan on the list, please contact us and let us know the details and we can let you know when it will be supported

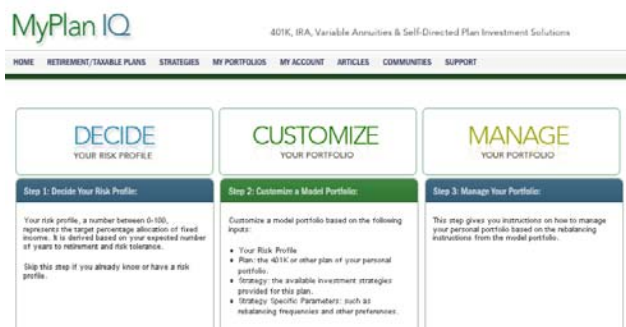
*Note that providers change their funds from time to time and it could be that we don't have all of the latest funds. This is something that can be dealt with once you have selected your risk profile and strategy.*

Figure 3 MyPlanIQ will show you the list of plans that are supported and you can type in your company or provider's name to find your particular plan



Now that you know that your plan is supported, it's time to start. Go back to the home page and press the get started button.

The steps will be to register or login as necessary; create your risk profile, build a portfolio and examine how to make the profile live and start the tracking and management process.



When you press the get started screen, you will be shown the outline of the three steps in building and managing your portfolio.

**Figure 4** There are three simple steps to build a tailored portfolio that reflects your risk profile, chosen strategy and plan parameters

- You will follow simple steps to create and decide your risk profile that determines the percentage of your assets that will be in fixed income versus equities and the like
- You will select your plan and determine whether you want to use SAA or TAA and see the historical results of the portfolio
- You will have the choice to make the selection live and have the system start tracking

When you click on any of these buttons, you will be invited to login and register if you haven't already done so.

Press the Get started now button to complete registration and then move to the first step in building your portfolio which is deciding your risk profile.

## Step 2 – Determine Your Risk Profile

Determining your risk profile – which will determine the split between fixed income and more volatile assets – is

The screenshot shows the 'Decide Your Risk Profile' form. It has two input fields: 'What's the expected number of years to your retirement?' with a value of 18, and 'What's your investment risk tolerance?' with a value of 10. Below these, it says 'Your Risk Profile Number is 27'. A pie chart titled 'Risk Profile' shows 'Fixed Income Target Allocation 27%' in green and 'Risk Target Allocation 73%' in blue.

simply derived from the number of years before retirement – really that is the number of years before you will need access to the money – and your own personal tolerance for risk – or volatility.

There is an opportunity to learn more about how this derived with the button on the page.

In the end, you can always override the given number as you wish. We recommend, however, that you stick with the number derived for you. Click the save button to store the risk profile into the system.

The system will keep track of the number of years before retirement and automatically adjust the mix of

assets

You can have multiple risk profiles to reflect different

**Figure 5** Determining your risk profile is derived from the number of years before need access to the money and your personal tolerance for volatility.

time horizons and/or risk tolerances.



## Step 3 – Create Your Customized Portfolio

**DECIDE**  
YOUR RISK PROFILE

**CUSTOMIZE**  
YOUR PORTFOLIO

**MANAGE**  
YOUR PORTFOLIO

Your Risk Profile Number: 27  
This means the target allocations in your portfolio are:

Fixed Income Allocation: 27%  
Risky Asset Allocation: 73%

Select a Plan

Plans

John Hancock  
John Hancock Retirement Plan Services  
Copy of John Hancock Retirement Plan Services  
Simplify John Hancock Retirement Plan Services  
John Hancock Medicare, Supplemental & Shareable Assets  
Misc. Plans

Select

**Figure 6** The customize environment allows you to select a plan and then create a portfolio based on your risk profile and chosen strategy

**DECIDE**  
YOUR RISK PROFILE

**CUSTOMIZE**  
YOUR PORTFOLIO

**MANAGE**  
YOUR PORTFOLIO

Your Risk Profile Number: 27  
This means the target allocations in your portfolio are:

Fixed Income Allocation: 27%  
Risky Asset Allocation: 73%

Select a Plan: John Hancock Retirement Plan Services

Select a Strategy

Strategies and model portfolios

The following strategies are supported in this plan. Each strategy has three pre-configured model portfolios: conservative, moderate and growth. Select a strategy or just simply use a pre-configured model portfolio by clicking Select This Portfolio button.

Strategic Asset Allocation	1Yr	3Yr	5Yr	5Yr	5Yr	Select
John Hancock Retirement Plan Services Strategic Asset Allocation Growth	AR	Sharpe AR	Sharpe AR	Sharpe AR	Sharpe AR	Select this Portfolio
John Hancock Retirement Plan Services Strategic Asset Allocation Moderate	42%	271%	1%	18%	8%	Select this Portfolio
John Hancock Retirement Plan Services Strategic Asset Allocation Conservative	24%	247%	1%	12%	8%	Select this Portfolio
Tactical Asset Allocation	1Yr	3Yr	5Yr	5Yr	5Yr	Select
John Hancock Retirement Plan Services Tactical Asset Allocation Growth	AR	Sharpe AR	Sharpe AR	Sharpe AR	Sharpe AR	Select this Portfolio
John Hancock Retirement Plan Services Tactical Asset Allocation Moderate	38%	255%	13%	96%	10%	Select this Portfolio
John Hancock Retirement Plan Services Tactical Asset Allocation Conservative	27%	214%	11%	84%	10%	Select this Portfolio

The customize environment is where you select your plan and investment strategy to create the tailored portfolio. You can create multiple portfolios and compare them with each other and with standard market benchmarks.

The system already has your risk profile and you now enter the name of your company or plan in the search box to bring up your plan.

Once you see the name of your plan, hit the select button and not the plan name!

Once you have selected a plan, you will be given the choice of SAA or TAA strategies. You will also be able to see historical results of the different strategies applied to your plan.

Again, note that you should hit the select button of the strategy not of one of the example plans (unless you want your portfolio to be the same as the model).

**Figure 7** Once you have selected a plan, you now choose SAA or TAA strategies. You will also be able to see historical results of the different strategies applied to your plan.

**DECIDE**  
YOUR RISK PROFILE

**CUSTOMIZE**  
YOUR PORTFOLIO

**MANAGE**  
YOUR PORTFOLIO

Your Risk Profile Number: 27  
This means the target allocations in your portfolio are:

Fixed Income Allocation: 27%  
Risky Asset Allocation: 73%

Select a Plan: John Hancock Retirement Plan Services

Select a Strategy: Strategic Asset Allocation

Portfolio Name: JH\_Tutorial\_TAA\_RP27

Risk Profile Number: 27

Frequency: monthly

Generate

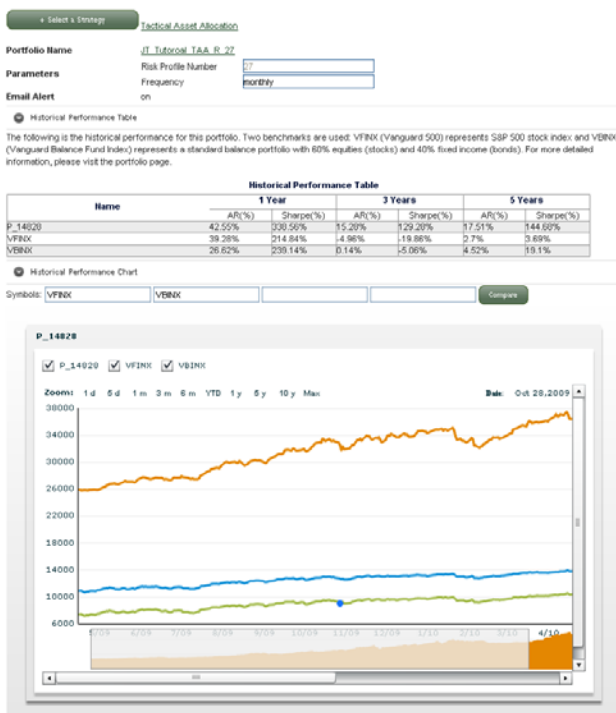
**Figure 8** The system will summarize your choices and give you the opportunity to change the name of the portfolio.

The system will summarize your choices and give you the opportunity to change the name of the portfolio. It is important that the name be meaningful as you may end up with multiple portfolios if you want to explore different strategies and risk profiles. The important elements are plan name, investment strategy and risk profile.

Then click the generate button to build your customized portfolio.

Note that building the portfolio may take several minutes and the historical and portfolio data tables will be populated as the work is completed. If you lose that page,

you will be able to see the same data but you will have to get to it through the my portfolios page which will be covered later.



Once the portfolio has been built, you will see that the various parameters are populated. By default, they are closed so you need to click them open.

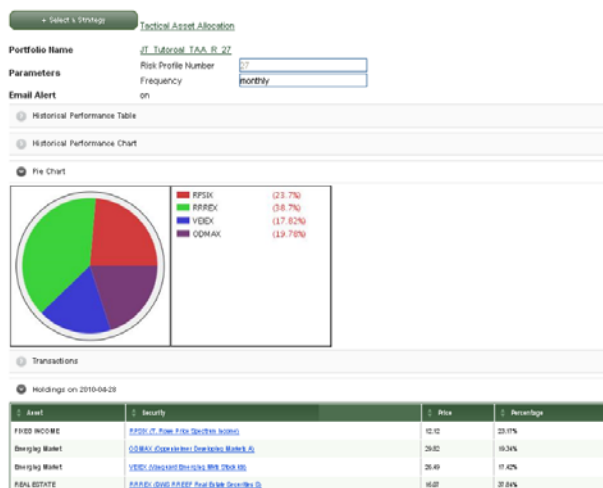
The first two give you a tabular and graphical view of the historical performance of the portfolio.

The graphical representation is interactive and you can see comparisons against other portfolios and market benchmarks.

If you scroll up, you will be able to change the historical view up to ten years and if you scroll to the top right hand corner (using the scroll bars) you will be able to normalize the comparison. The normalized comparison is for a \$10,000 investment on the inception date forward.

Figure 9 The first two parameters give you a tabular and graphical view of the historical performance of the portfolio

There is more opportunity for comparison with other portfolios that will be covered later.



The next set of parameters gives you the details of the portfolio. The pie chart gives a graphical view and the holdings give you name of the funds, their current price and the percentage of the holdings.

Figure 10 The pie chart gives a graphical view and the holdings give you name of the funds, their current price and the percentage of the holdings

We will return to how to compare and manage multiple portfolios later. For now, this is now a complete portfolio and the next step is to start managing the portfolio.



## Step 4 – Execute the transactions with your plan provider

DECIDE  
YOUR RISK PROFILE

CUSTOMIZE  
YOUR PORTFOLIO

MANAGE  
YOUR PORTFOLIO

**Manage Your Portfolio JT Tutorial TAA R 27**

**Start to follow**


**End Date** 2010-04-28

the current suggested holdings of the portfolio are as follows:

**Current Holdings**

#	Asset	Security	Price	Percentage
1	FIXED INCOME	FFPSX (F. Ross, Bna. Spectrm. Bondst)	12.52	23.17%
2	Emerging Market	COMAK (Commerz. Development, Mexico, B)	29.82	19.34%
3	Emerging Market	YEDY (Citigroup's Emerging Mkt. Stock, BR)	25.49	17.42%
4	REAL ESTATE	REESX (REITs, REITs, Real Estate, Spectrm. B)	15.27	27.04%

**Current Allocation**



■ FFPSX (23.17%)

■ COMAK (19.34%)

■ YEDY (17.42%)

■ REESX (27.04%)

To mirror the above model portfolio in your actual account, please follow the two steps:

- Initial Investment:**

You could make a one time change of your actual portfolio to mirror the model portfolio or adopt so called Dollar Cost Averaging (DCA) to change your actual portfolio in several phases to gradually adapt to the model portfolio. Refer to [FAQs](#) for more on DCA or other ways to make initial investments based on a model portfolio.
- Periodical Rebalance:**

The model portfolios is now fully live and monitored daily. Depending on the rebalancing frequency you set, the strategies in the model portfolios will send out Rebalancing Email Notification periodically (such as monthly, quarterly or annually). A rebalancing email will be sent only when there are rebalance transactions at the time.

Once you receive the email, you should make rebalancing transactions in your actual portfolio mirroring this model portfolio. The percentages stated in the email should be used to make sure the allocation in your personal portfolio is consistent with that in the model portfolio.

You could manage (such as remove/setup email alert or deleting a model portfolio) model portfolios on [My Portfolios](#) page.

**Figure 11 To start managing your portfolio, MyPlanIQ needs to know when you have made the initial transaction so that it can send out update emails without incurring additional fees**

Your portfolio is virtual in the sense that you have not purchased the assets. Once you decide to purchase the assets, the system will start tracking time and changes in value.

There are two key aspects to the tracking

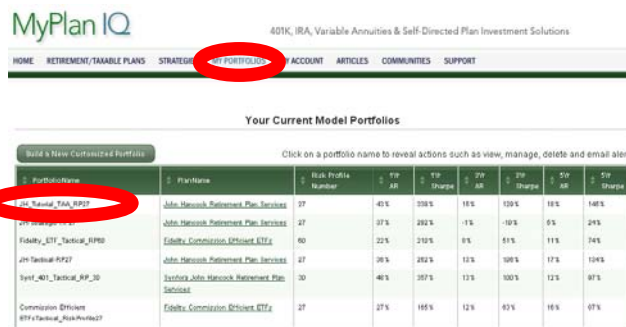
- Managing the changes in each of the assets and determining how and when to make changes to the portfolio
- Working within the plan redemption policies so as not to incur extra fees

The system brings over the portfolio you have just built and by pressing the start to follow button, the system makes this portfolio live and will start tracking.

Executing the trades with your plan provider may not

exactly mirror the portfolio provided but it is desirable to be as close as possible. There will be an opportunity to rebalance your portfolio as often as the plan allows and you will receive regular email updates.

## Step 5 – Managing your portfolios



Once you have created several portfolios, it is important to have a central place from which to manage them.

Figure 12 The My portfolio button is visible from all pages and will show you what portfolios you have built

You will see a description of each of the portfolios along with their historical performance. To select a portfolio to manage, click on the portfolio name.

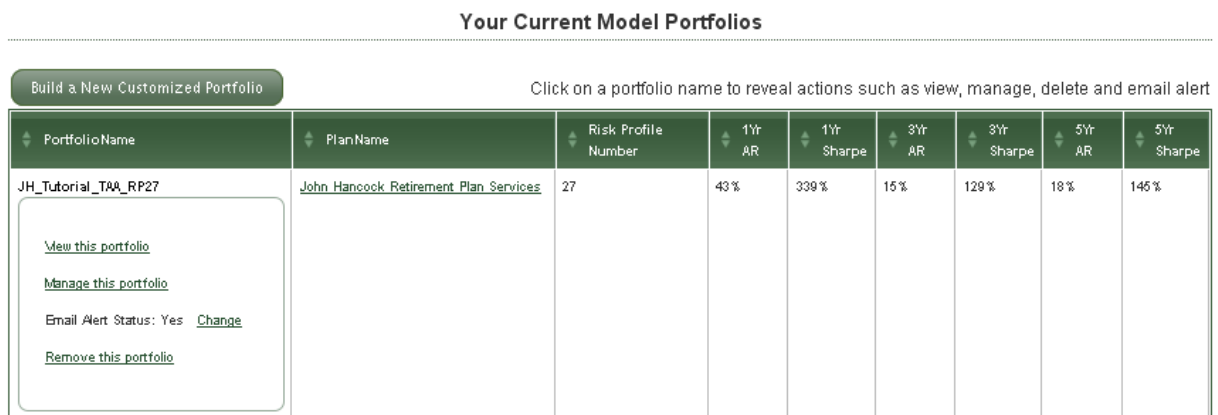


Figure 13 When you click on the portfolio name, you will see a range of alternatives: View, Manage, change email alert status and remove

This is the main management screen. When you click on the portfolio name, you will see a range of alternatives: View, Manage, change email alert status and remove.

JH\_Tutorial\_TAA\_RP27

Customize Portfolio News Remove Email Alert

Flash Interactive Chart

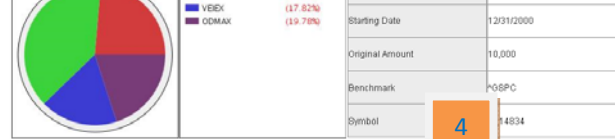
Performance: From 12/31/00 To 4/28/10

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	1Yr	3Yr	5Yr	Inception
Annualized Return (%)	0	8.07	6.28	26.71	14.34	17.21	14.71	20.05	-14.08	34.50	7.8	42.65	15.20	17.61	16.00
Sharpe Ratio (%)	NA	97.71	74.44	458.95	146.43	206.39	98.54	115.33	-105.89	347.2	53.28	338.56	129.20	144.08	144.11

More Performance Analytics

Strategies: Asset Allocation Strategy [Tactical Asset Allocation](#)

Holdings on 04/28/2010



Historical Info  
Monthly Holding Date: 2010-03-31

Asset	Security	Price	Percentage
FIXED INCOME	RP27 (CT Bond Fund)	12.02	23.66%
Emerging Market	RP28 (Emerging Market Fund)	29.09	19.88%
Emerging Market	RP29 (Emerging Market Fund)	29.04	17.88%
REAL ESTATE	RP30 (Real Estate Fund)	15.10	26.63%

When you select the view option, you will see a summary of the portfolio. Here are some important items to note and view for yourself:

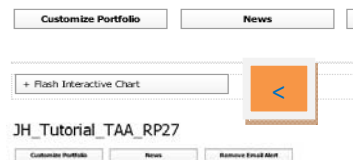
- Flash interactive chart allows you to compare historical performance of this portfolio with others and industry benchmarks
- More performance analytics gives you other parameters of the portfolio
- Detailed portfolio strategy
- Portfolio symbol for comparison
- Historical slider so you can see the holdings change over time
- Holdings window for the given time

Figure 14 When you select the view option, you will see a summary of the portfolio

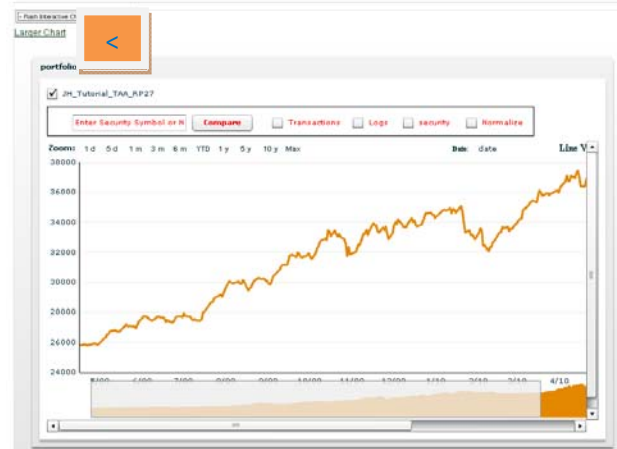
Most of the details are self explanatory. In this tutorial, we are going to cover how to compare plans graphically and take a closer look at the detailed plan parameters.

The first item is the flash interactive chart. We are going to compare an SAA with a TAA for the same plan and risk profile. The current plan (TAA) is the host and we will use the portfolio symbol (P\_14184) as the overlay comparison.

## JH\_Tutorial\_TAA\_RP27



Press the Flash Interactive Chart button to load the chart application.



This displays the small chart with the historical performance of the current portfolio. You can use this chart but, for the tutorial, we are going to use the larger chart as that makes it easier to see the options.

Press the larger chart button

**Figure 15** The Chart gives you a graphical representation of the portfolio's performance and allows you to make some comparisons

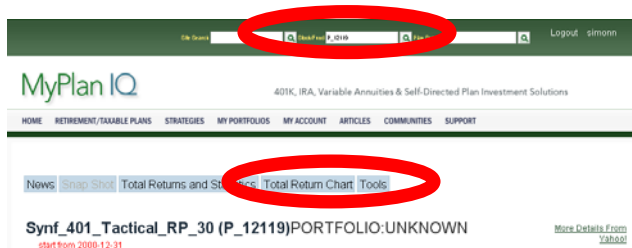
The larger chart allows you to span the whole time period in a single window without scrolling.

Normalize has been selected and the comparison is between SAA and TAA. The TAA is the host and is the



**Figure 16** The chart allows you to compare two portfolios and you can normalize out to each starting with \$1000 and compare growth.

brown line. The SAA portfolio (P\_14184) has been entered and compared and is the blue line. You can expand or contract the plan horizon using the buttons above.



If you want to compare more than two portfolios or compare multiple portfolios with industry benchmarks, go to the top of the page and insert your portfolio symbol into the search for plans and then press on the total return tools.

This will give you a chart against which you can compare multiple plans and industry benchmarks –

you will be required to use the ticker symbols.



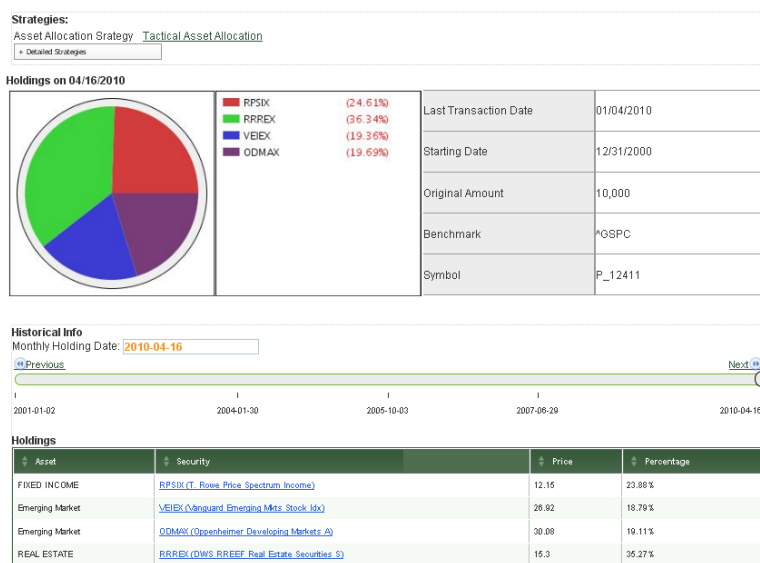
This allows you to rapidly understand how well your portfolio has fared against industry benchmarks and other portfolios.

**Figure 17** This chart allows you to compare multiple portfolios and industry benchmarks to get a rapid appreciation of the historical performance of your customized portfolio

More Performance Analytics														
From 12/31/00 To 4/16/10														
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	1 Yr	3 Yr	5 Yr
Annualized Return (%)	0	8.07	7.3	26.08	14.19	19.26	15.94	19.6	-6.53	28.23	6.8	34.36	12.85	16.57
Sharpe Ratio (%)	NA	97.71	93.29	416.01	134.78	223.55	104.95	116.51	-112.93	246.43	47.94	252.92	103.85	132.69
Alpha (%)	NA	0.05	0.04	0.09	0.04	0.08	0.03	0.07	-0.01	0.09	0.01	0.06	0.05	0.05
Beta	NA	-0.046	-0.01	0.067	0.553	0.466	0.765	0.708	0.029	0.131	0.916	0.47	0.128	0.169
RSquare	NA	0.028	0.002	0.035	0.391	0.393	0.407	0.636	0.032	0.097	0.829	0.401	0.113	0.135
Standard Deviation	NA	0.059	0.066	0.061	0.098	0.076	0.12	0.142	0.066	0.114	0.141	0.136	0.114	0.111
Treynor Ratio	NA	-1.258	-5.965	3.812	0.24	0.367	0.165	0.234	-2.588	2.156	0.074	0.729	0.925	0.875
Draw Down	0	0.054	0.055	0.047	0.12	0.063	0.164	0.113	0.104	0.058	0.085	0.085	0.146	0.164
Sortino Ratio	NA	1.415	1.382	7.106	1.827	3.326	1.424	1.589	-1.392	3.888	0.667	3.815	1.474	1.869

The more performance analytics button gives you different parameters to review. For most, the Draw Down ratio will be one to review as this gives you an idea of the

volatility of the portfolio. We all tend to feel worse about a portfolio going down in value than going up. The lower the number, the less the volatility; this portfolio performs well on that score as reflected in the historical chart.



Further down the page, you can see portfolio details. The system gives you the ticker symbols for each fund in the portfolio and below that is a more detailed description of the funds.

In between, there is a slider that allows you to see what funds have been selected historically and how they have changed.

Note also that this particular portfolio has its own symbol (P\_12411) which may become important when you want to compare plans.

## Conclusion

This tutorial gives you a brief overview of the main capabilities provided by MyPlanIQ. The goal is to enable you to get higher returns with less risk than you have been able to achieve in the past and to do it at a fraction of the cost you would be paying for investment experts.

You should rapidly gain confidence in using the system and find yourself in control of your investments and your financial future.