

# AdvicePlus

a step by step guide



## Dreaming about retirement is fun...

Living in retirement can be fun, too — if you've done some planning.

MasteryPOINT *AdvicePlus* (AP) helps you with that planning — right from the comfort of your home.

You know that you rarely get something for nothing. That's true of retirement, too. Maybe you're one of the lucky few with no concerns about your retirement finances. But, if you're like most of us, you've got more than a few questions.

*AdvicePlus* can provide you with some answers. The only cost is some time...and you won't have to spend a whole lot of that.

## Getting Started

### Step 1

#### Log in to MasteryPOINT AdvicePlus (AP) using the instructions provided.

When you log in, AP secures certain information from your retirement plan account, so you don't have to enter it.

But you will have to provide some information about yourself. Having a recent paycheck handy will help.

Once you've logged in, click on the **First Look icon**.

First Look allows you to see results without providing much information. The plus side of First Look is that it's quick.

The minus side is that it relies on a bunch of assumptions about you that may or may not be correct. (*You can change the assumptions later.*)



First Look icon

## Step 2

### Answer the Getting Started questions.

You'll see that we've provided default answers to these questions already, so you can breeze by them if you want.

**Getting Started**

Please answer the following:

Question	Yes	No
Are you married?	<input checked="" type="radio"/>	<input type="radio"/>
If you are married, Does your spouse currently earn an income?	<input checked="" type="radio"/>	<input type="radio"/>
Do you want to include your spouse's income and assets in your retirement strategy?	<input checked="" type="radio"/>	<input type="radio"/>
Does your spouse have a retirement plan at work?	<input checked="" type="radio"/>	<input type="radio"/>
Does your spouse's employer provide contributions to his/her retirement plan?	<input checked="" type="radio"/>	<input type="radio"/>
Do you or your spouse have investments in other retirement plans?	<input checked="" type="radio"/>	<input type="radio"/>

## Step 3

### Provide your basic personal information.

We use your age and current salary to project the income you'll need at retirement and how much you may be able to save between now and then.

**?** Note the "?" icon next to some of the questions. Place your cursor over the icon to get help with your answer.

**Personal Information**

Please enter all information on this screen.

Note: It is particularly important that you keep your salary information and desired retirement age as up-to-date as possible on this screen. This information is key to developing your retirement analysis. The information is also used by several other processes within the system. Each time you login, the system will notify you whether you are on track to meet your retirement goal. Determination of that goal requires that you maintain your salary information accurately.

Participant	Spouse
Name: John Doe	Name: Janice
Gender: Male	Gender: Female
Date of Birth: 01/01/1970	Date of Birth: 10/20/1971
Annual Salary: 75000	Annual Salary: 55000
Future: Desired Retirement Age: 67	Future: Desired Retirement Age: 67

## Step 4

### Check your current investments.

Nothing to do here, really. We get your account balances directly from your plan recordkeeper.

**NOTE:** You can add other investments you, your spouse, or your significant other may have when you've completed the First Look process.

**Current Investments**

Your plan investments have been pre-filled with current values by the program and appear below. You may also include other retirement investments by clicking the button below. You will need to update the current values for those other investments each time you use this program.

Investment Option	Current Value
Your 401(k) Plan	
ABN AMRO Mid Cap Fund	\$8,923.23
American Beacon Small Cap Value (PA)	\$3,478.34
Jensen Portfolio	\$6,842.34
PIMCO Total Return Fund (D)	\$8,930.33
Your IRA Plan	
<input checked="" type="checkbox"/> Diversified Equities	\$100,000

## Step 5 Confirm your goals and assumptions.

The key question here is the amount of replacement income you'd like to have. "Replacement income" is the percentage of your current income you think you'll need at retirement. Advisors recommend between 70% and 85% of your current income.

First Look assumes 80%.

**Retirement Income Goal**  
Before you can build a plan for your retirement, you need to set a reasonable goal. Enter the percentage of your current income that you expect to need in retirement.

Retirement Income Goal:  %

**Setting Goals**

Most people contemplating retirement want two things: sufficient income to meet their retirement needs and a reasonable comfort level in building their retirement nest egg. The two are related. Take more risk and you might produce a larger nest-egg - and more retirement income. But not everyone is comfortable with high levels of risk - nor should they be.

To determine your individual retirement goals, we need some more information.

**Starting Assumptions**

Participant: 3, 82, 67, 1791, 0  
Spouse: 3, 84, 67, 1604

**Retirement Income Goal**  
Before you can build a plan for your retirement, you need to set a reasonable goal. Enter the percentage of your current income that you expect to need in retirement.

Retirement Income Goal:  %

## Step 6 Confirm your risk tolerance.

First Look assumes you're a moderate investor (i.e., a "50" on a scale of 1 to 100). You can confirm that assumption by clicking on "Risk Advisor" and answering a series of questions. Or you can leave well enough alone for the moment and come back to the Risk Advisor later.

**Setting Goals**

Participant: 3, 82, 67, 1791, 0  
Spouse: 3, 84, 67, 1604

Your tolerance for risk is an important part of your investment strategy. The system will help you determine an investment mix based on your risk level. The risk scale ranges from 1 (most conservative) to 100 (most aggressive). Select one of the following options to determine your risk level.

[Use the Risk Advisor score.](#) The Risk Advisor uses your responses to some simple

## Step 7 Review your Action Plan.

Ready for some advice? Here it is. The **Action Plan** tells you if you're likely to meet your goals — and suggests what steps you should consider if you're not.

Action Plan

**Action Plan**

You may not be on track to reach your goals!

Your current strategy is projected to have a **LOW** likelihood (48% probability) of meeting your goals, and the risk level of your current portfolio may be different than your indicated risk tolerance. In comparison, your suggested strategy may offer a more appropriate risk tolerance level, but the results fall short of the recommended 90% probability threshold. Click on Design Custom Strategy below to adjust your assumptions to explore other strategies that may yield more favorable results. Click on Accept Strategy to view the suggested fund selections.

Your projected wealth and income values below include your spouse's salary information and any outside assets that you provided. The projection assumes conservative "bear market" conditions. [Click here](#) to see your income and wealth values using alternative market assumptions.

Use [Design Custom Strategy](#) to adjust your assumptions and create different results.

GOALS/ASSUMPTIONS	SUMMARY OF CHANGES TO CURRENT RETIREMENT STRATEGY		Dist. Analysis Details	
	Current	Suggested	Current	Suggested
Annual Retirement Income Goal <sup>1</sup>	\$237,944 or 80%	\$208,201 or 70%	\$17,844 or 80%	\$208,201 or 70%
Retirement Age	67	67	67	67
Probability of Reaching Goal	48%	77%	48%	77%
Projected Wealth at Retirement	\$1,304,640	\$1,745,363	\$1,304,640	\$1,745,363
Projected Annual Retirement Income	\$138,515	\$171,544	\$138,515	\$171,544
Total Portfolio Risk (All Plans) <sup>2</sup>	<a href="#">Understanding Portfolio Risk Details</a>			

**Understanding Portfolio Risk Details**

Current: Moderately Aggressive  
Suggested: Aggressive

Very Conservative | Conservative | Moderately Conservative | Moderate | Moderately Aggressive | Aggressive | Very Aggressive

## Step 8 Have some fun.

You can, of course, accept the retirement strategy as proposed. But just for the heck of it, select the “Custom” option and bring up the **Custom Strategy** screen. You can adjust in one place the four factors that will most affect your retirement finances: your retirement age; your replacement income assumption; your plan contribution level; and your risk tolerance.

Custom Strategy

## Step 9 Implement your strategy.

Based on the information you’ve provided, MasteryPOINT AP tells you where you should invest your retirement plan resources. Before you take this step, however, you may want to provide AP with additional information. (Remember that First Look is intended to provide a quick overview of your situation. If you want a more in-depth analysis, take the time to walk through AP from the beginning.)

**Education** — MasteryPOINT AP includes a wealth of information on investing and retirement planning. If you need additional info, select the “Education” option on the toolbar and scroll down to the subject you’re interested in. We suggest, however, that you start at the beginning and get the full picture. Estimated time: 15 minutes.

**Sophisticated Planning** — Remember the Getting Started page? The default answers were mostly “No.” Answer “Yes” to those questions, and MasteryPOINT AP becomes a much more sophisticated planning tool.

**Other Features** — Include additional portfolios in your planning; factor in extraordinary income and expense items; include your spouse’s or significant other’s resources and you’ll achieve more complete results.

**Additional Tools** — MasteryPOINT AP offers a number of valuable tools to assist in your financial and retirement planning. Check the impact of your plan loans with the plan loan calculator. Weigh your distribution options with the distribution planner. Determine the impact of saving for your children’s college educations. These tools — and more — are available under the “Calculator” option.