

Converting from Principia to Advisor Workstation: The Clients & Portfolios Module

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Converting from Principia to Advisor Workstation: The Clients & Portfolios Module

This manual will assist in your transition from Principia to Advisor Workstation. It discusses key elements you've worked with in the Portfolio mode of Principia, and explains how to perform equivalent functions in Advisor Workstation.

Overview

The fact that Principia served as the original basis of Advisor Workstation should encourage you that you will quickly be able to learn this new tool and use it in your practice.

The following topics are covered in this manual:

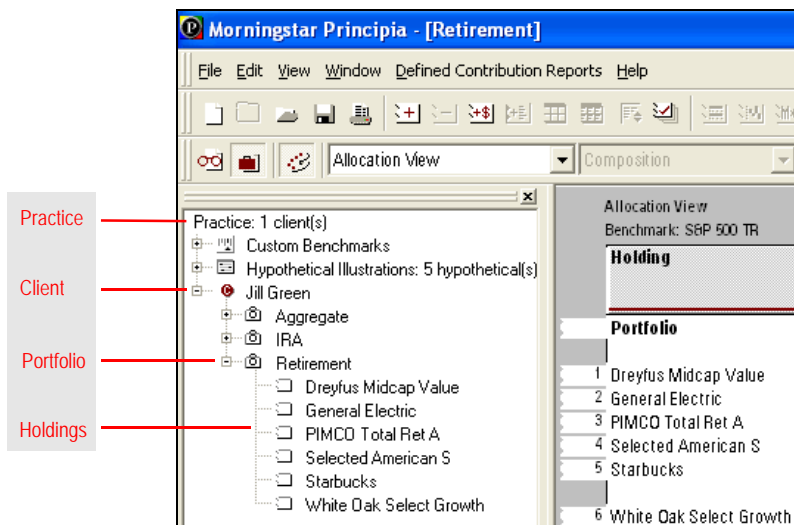
- ▶ Understanding the Features and Layout of the Clients & Portfolios Module
- ▶ Exporting Clients and Portfolios from Principia
- ▶ Importing Clients and Portfolios to Workstation
- ▶ Creating Clients in Advisor Workstation
- ▶ Creating Groups in Advisor Workstation
- ▶ Creating Portfolios in Advisor Workstation
- ▶ Working with Custom Benchmarks
- ▶ Generating Portfolio Reports in Advisor Workstation, and
- ▶ Other Differences Between Advisor Workstation and Principia.

Reviewing the organization of clients and portfolios in Principia

In Principia, the Advisor Palette was organized so you could construct multiple portfolios and save them under a single client. The Advisor Palette in Principia had the following levels:

- ▶ Practice
- ▶ Client
- ▶ Portfolio, and
- ▶ Holdings.

For example, if a client had an IRA account and a taxable account, you could create two separate portfolios for the two accounts, but keep them under the same client name.



How do clients, groups and portfolios work in Advisor Workstation?

In Advisor Workstation, the Clients & Portfolios Module allows you to manage your clients and their holdings. You can see not only a list of all clients at once, but also all portfolios. An advantage of Advisor Workstation over Principia is that you can combine clients into Groups for householding, track demographic information (e-mail, address, phone, etc.) for your clients, and create asset allocation models.

Understanding the Features and Layout of the Clients & Portfolios Module

This section explains various aspects of the interface in the Clients & Portfolios Module. You'll learn not only where to find various navigation controls, but also features available to you in this module.

Overview

In Advisor Workstation, you can create the following items:

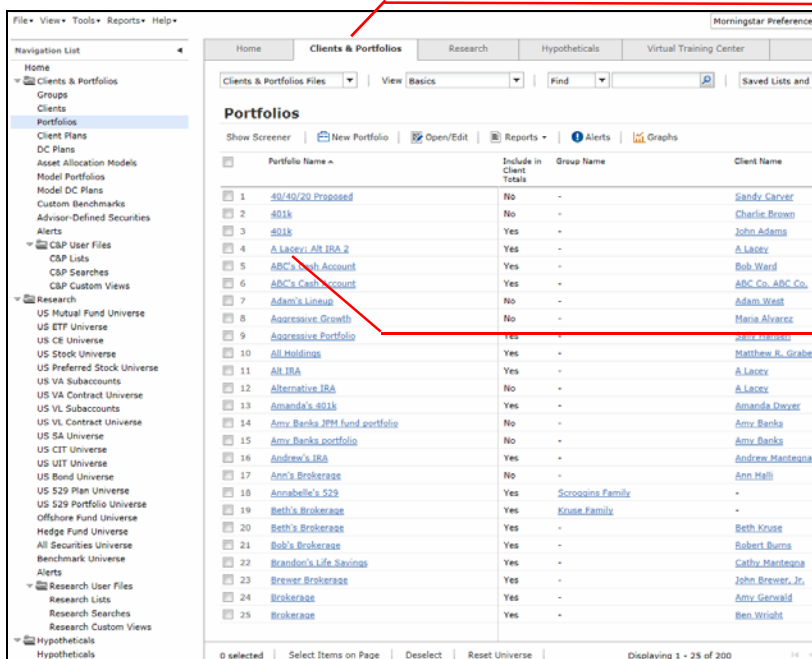
- ▶ Clients
- ▶ Groups (a collection of clients and accounts)
- ▶ Portfolios
- ▶ Client Plans (which includes a forward-looking wealth projection tool)
- ▶ Model portfolios (without having to first create a client or group record)
- ▶ Asset Allocation models
- ▶ Custom Benchmarks
- ▶ Advisor-defined securities
- ▶ Alerts for portfolios
- ▶ Lists of clients, groups or portfolios
- ▶ Searches for clients, groups or portfolios, and
- ▶ Custom views for the pages in the Clients & Portfolios Module.

What can I create in the Clients & Portfolios Module?

To access the Clients & Portfolios Module, you can use either the tab at the top of the screen, or click on any page under the Clients & Portfolios Module in the left-hand navigation pane.

How do I access the Clients & Portfolios Module?

Note: Clicking the Clients & Portfolios tab at the top of the screen brings you to the Groups page. Clicking a page in the left-hand navigation pane brings you directly to that page.

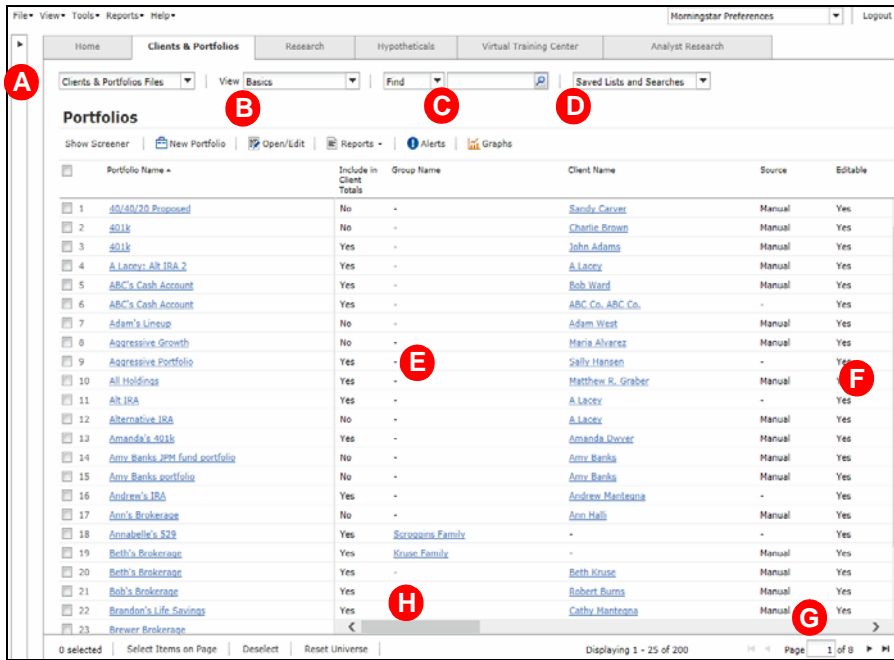


Click this tab to access the Clients & Portfolios Module

You can also click the name of an item in this list to move to that page

What are the parts of the Clients & Portfolios Module interface?

This section orients you to the Clients & Portfolios Module’s interface, and explain how you can best navigate through it.



Letter	Name	Description
A	Clients & Portfolios drop-down field	This field allows you to choose another page within the Clients & Portfolios Module, such as Groups, Clients, Portfolios, etc. If the left-hand navigation area is collapsed, as shown in the screenshot above, this field allows you to visit other parts of the Clients & Portfolios Module without having to expand the left-hand navigation pane.
B	View field	This field allows you to select a pre-built view, or a custom view you have created. The items you see here depend on the whether you viewing clients, groups, or portfolios.
C	Find field	This field allows you to look for a record (client, portfolio, etc.) on the page you are viewing.
D	Saved Searches and Lists field	This drop-down field shows you the lists and searches saved in the Clients & Portfolios Module for the page (Groups, Clients, etc.) you are viewing.
E	Spreadsheet area	The main area of the screen, containing rows and columns of data relative to the type of record you are viewing.
F	Vertical scroll bar	Use this to scroll up and down through the rows displayed on a page.
G	Page selector and Page icons	Shows you which page you are on among all pages available. The Page Next/Previous Page icons move you one page at a time, or you can type in a page number to go to, or move to the last page or first page in a set.
H	Horizontal scroll bar	Use this to scroll left or right, in order to see additional columns.

Exporting Clients and Portfolios from Principia

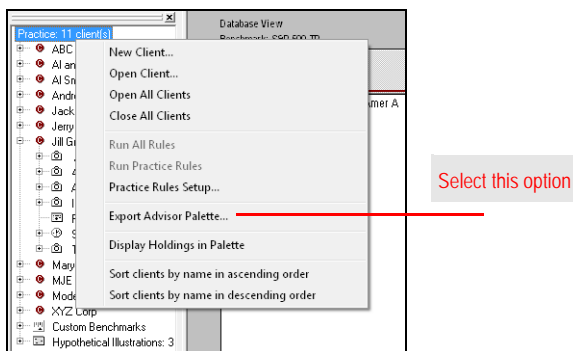
This section describes the steps necessary to export client and portfolios from Portfolio Mode. You can export all of the portfolios currently in the Advisor Palette, select specific clients and export the portfolios for just those clients, or hand pick individual portfolios for export.

Before you export files from Principia, note the following important points:

- ▶ portfolios are exported as .xml files
- ▶ scheduled portfolios can be exported, but Advisor Workstation does not track transaction information, and
- ▶ the default location for the files when exported is:
Program Files\Morningstar\Principia\Users\User.

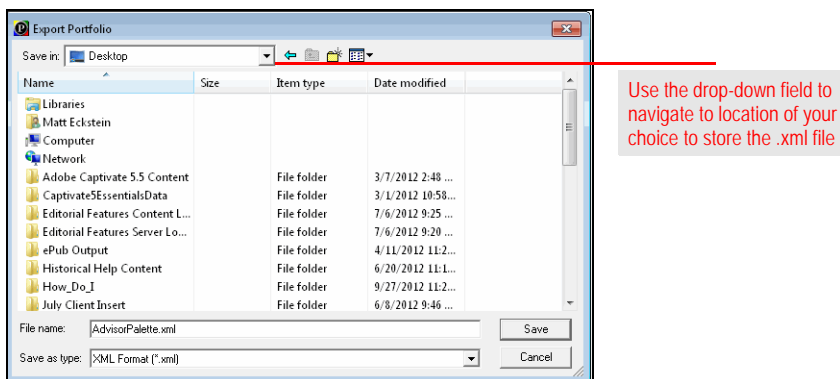
To export all portfolios from the Advisor Palette, do the following from Portfolio Mode:

1. In the Advisor Palette, right-click **Practice**, then click **Export Advisor Palette...** The Export Portfolio dialog box opens.



2. In the File name field, type a **name** for your exported file.

☞ If you'd like to export to an area other than the default location, click the Save in drop-down field to specify a different location.



3. In the Export Portfolio dialog box, click **Save**. A dialog box opens, confirming the successful export of your files.
4. Click **OK** to clear the confirmation message.

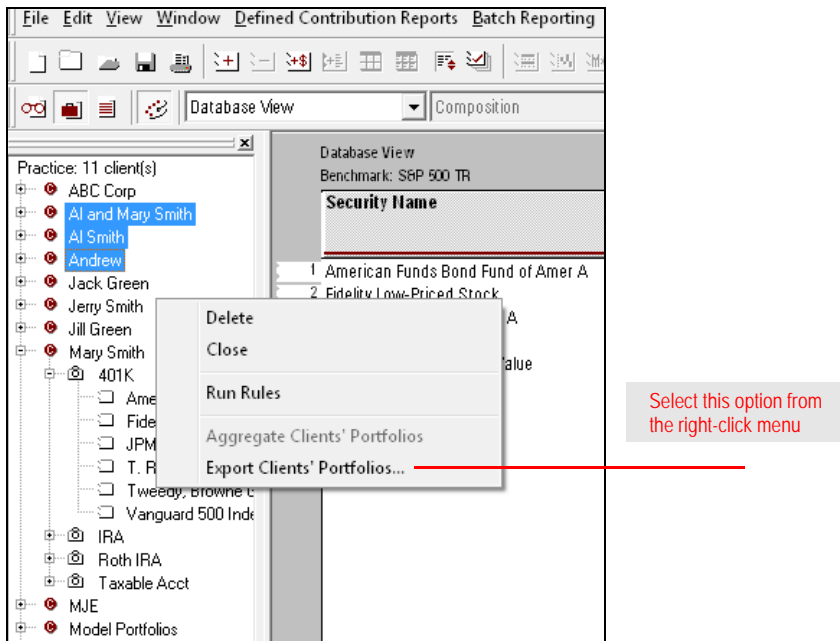
Overview

How do I export the entire Advisor Palette?

How do I export selected clients from the Advisor Palette?

If you'd like to export only selected clients from the Advisor Palette in Principia, do the following from Portfolio mode:

1. In the Advisor Palette, click once on a client **name** to select it.
 - To select multiple client **names**, use <SHIFT>+click to select multiple consecutive clients (portfolios will be selected as well), or use <CTRL>+click to select non-consecutive clients.
2. **Right-click** on a selected item, and from the menu that appears, choose **Export Client's Portfolios**. The Export Portfolio dialog box opens.

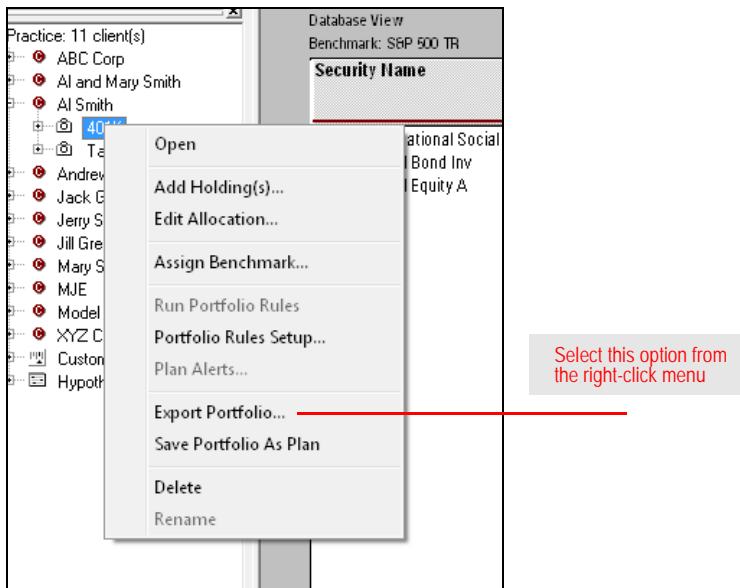


3. In the **File name** field, type a **name** for your exported file.
 - If you'd like to export to an area other than the default location, click the **Save in** drop-down field to specify a different location.
4. Click **Save**. A dialog box opens, confirming the successful export of your files.
5. Click **OK** to clear the confirmation message.


To export individual portfolios from the Advisor Palette, do the following:

1. In the Advisor Palette, **double-click** a **portfolio** to open it.
2. **Right-click** the portfolio **name** you just opened.
3. From the right-click menu, choose **Export Portfolio....** The Export Portfolio dialog box opens.

How do I export an individual portfolio from the Advisor Palette?



4. In the **File name** field, type a **name** for the portfolio you are exporting.

 If you'd like to export to an area other than the default location, click the **Save in** drop-down field to specify a different location.

5. Click **Save**. A dialog box opens, confirming the successful export of your files.
6. Click **OK** to clear the confirmation message.

Importing Clients and Portfolios from Principia

Overview

Advisor Workstation offers you the ability to import client and portfolio files from Principia, saving you the time and effort of manually re-entering this information.

Before you import the file, note the following important points:

- ▶ Advisor Workstation imports all portfolios as Quick Portfolios; no transaction data is recorded
- ▶ Advisor Workstation limits the number of holdings per portfolio to 250; any holdings above this limit are ignored, and
- ▶ Principia client files are imported as a Group in Advisor Workstation. Once the information has been brought into the system, you can manually convert the Group to a Client, if necessary.

How do I import client data into Advisor Workstation?

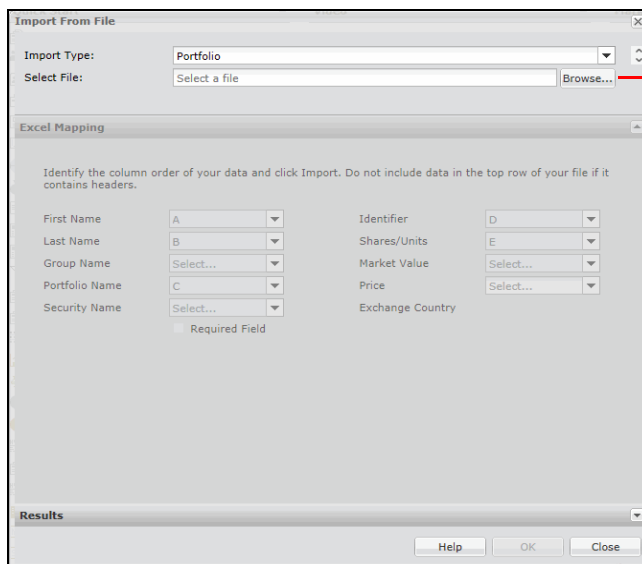
To import holdings from Principia, do the following in Advisor Workstation:

1. From the menu bar at the top of the screen, select **File...Import...From File**. The Import Portfolio dialog box opens.

 Note: You do not need to be in the Clients & Portfolios module in order to access this function.

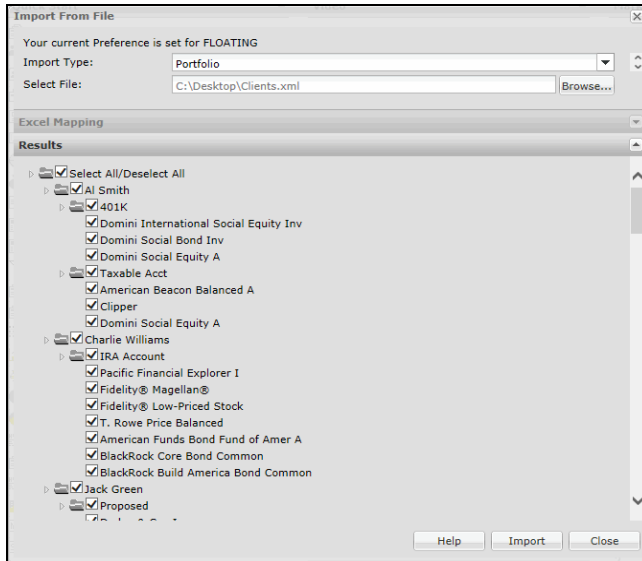
2. Click **Browse...** to navigate to the directory where the XML file is saved. The Choose File to Upload dialog box opens.

 The default file location is: Program Files\Morningstar\Principia\Users\User



Click here to open the file you exported from Principia

3. Navigate to the folder where the .xml file you exported from Principia was saved.
4. Select the **file** you want to import, then click **Open**.
5. The dialog box is populated with client, portfolio, and holding information. To import all clients, portfolios, and holdings in the file, check the **Select All** box. Otherwise, check the **boxes** for the items that you want to import.




After selecting the exported .xml file, the client and portfolio information appears here

6. Click **Import**. A dialog box confirms the number of items imported.
7. Click **OK**.
8. Click **Close** to exit the import dialog box.

When using the importing feature with Advisor Workstation 2.0, you might occasionally need to map an unrecognized security.

To map an unrecognized security, repeat steps 1-5 above, then do the following:

1. Click **Import**. A warning box appears indicating that the import process completed with unrecognized securities.
2. Click **OK**.
3. In the Edit Security Mappings dialog box, click the **Security Type** field for the unrecognized security.
4. From the drop-down list that appears, select an **option**.
5. Repeat steps 3-4 for each unrecognized holding you need to map.
6. Click **Save**.
7. Click **OK** to confirm the import process was complete.

 If there is a certain security you do not want to bring into client portfolios, leave the Mapped Security column blank for that holding. The system will remember the empty mapping, meaning you will not have to make this selection in future imports.

How do I deal with an unrecognized security during the import process?

Creating Clients in Advisor Workstation

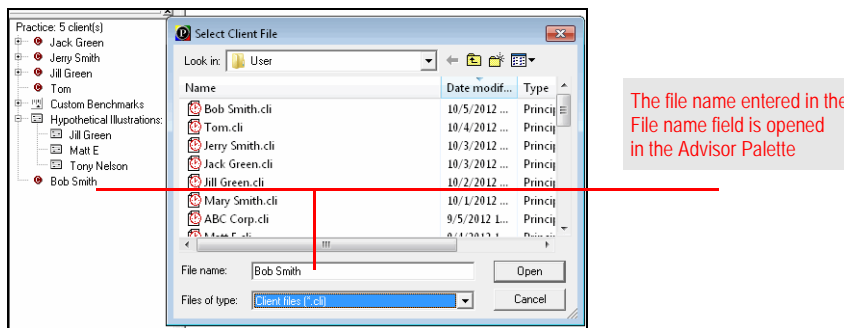
Overview

This section explains the following:

- ▶ the information you can capture about a client
- ▶ the number of clients each user can create, and
- ▶ how to create and edit a client record.

How does creating a client file in Principia compare with creating a client in Advisor Workstation?

When you created a client file in Principia, you selected **File...New Client** from the menu bar and entered a name for the file in the File name field of the Select Client File dialog box. You could also right-click **Practice** in the Advisor Palette to launch the Select Client File dialog box. Biographical information for a client could not be entered when you prepared a client file in Principia.



When creating a client, in Advisor Workstation, you can capture general demographic information such as first name, last name, gender, birth date and marital status. You can also capture contact information related to address, e-mail and phone numbers.

☞ The First Name and Last Name fields are the only required fields; all others are optional.

How many clients can I create in Advisor Workstation?

In Advisor Workstation, each user can create up to 1,000 client records.

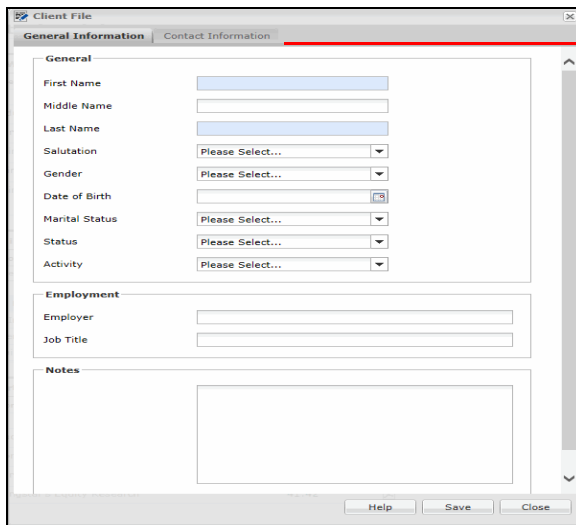
You can create a client record in Advisor Workstation from any of the following areas:

- ▶ in the Quick Start widget on the Home page, click the **Client** link
- ▶ the menu bar at the top of the screen (by selecting **File...New...Client**), or
- ▶ above either the Groups or Clients spreadsheet areas, by clicking the **New Client** icon.

How do I create a client in Advisor Workstation?

Regardless of the method you choose to get started, the Client File dialog box opens. To create a client, do the following:

1. Enter information on the General Information tab. Remember, **First Name** and **Last Name** are required.

The image shows a screenshot of the 'Client File' dialog box in Advisor Workstation. The 'General Information' tab is selected, and the 'Contact Information' tab is highlighted with a red line. The 'General' section contains fields for First Name, Middle Name, Last Name, Salutation, Gender, Date of Birth, Marital Status, Status, and Activity. The 'Employment' section contains fields for Employer and Job Title. The 'Notes' section is a large text area. At the bottom, there are 'Help', 'Save', and 'Close' buttons.

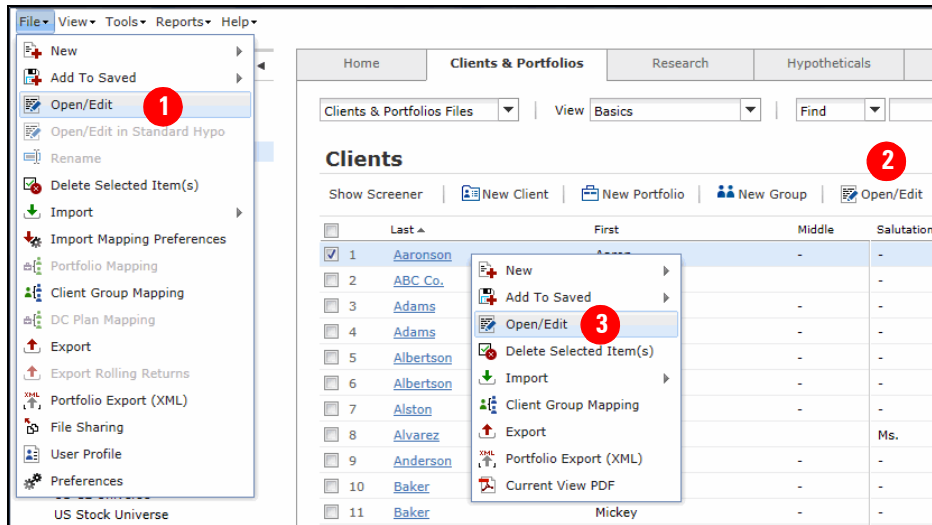
Filling out the Contact Information tab can make it easier to later search for clients and create lists

2. Click the **Contact Information** tab to record more information about the client.
3. Once all of the information has been entered, click **Save**.
4. To close the dialog box, click **Close**.

How do I edit a client's record in Advisor Workstation?

If you need to edit a client's record—either to input new information or change existing data—you can use one of the following methods from the Clients page:

- ▶ click once on the **client**, then use the menu bar at the top of the screen to select **File... Open/Edit**
- ▶ click once on the **client**, then click the **Open/Edit** icon above the spreadsheet area, or
- ▶ right-click on the **client**, and select **Open/Edit** from the right-click menu.



Note the options you have for editing a client's record

Regardless of the method you choose to edit the record, the Client File dialog box opens. From here, you can enter or change any information you need to, then click **Save**.

Creating Groups in Advisor Workstation

This section explains the following:

- ▶ why it's beneficial to create a group
- ▶ how many groups can be created by each user
- ▶ how to create a group
- ▶ how to add new clients to an existing group, and
- ▶ how to associate new portfolios with a group.

Overview

A feature that exists in Advisor Workstation, but not in Principia, is the concept of working with groups. Working in a group in Advisor Workstation allows you to household members of the same family, or link together similar types of clients.

What are the benefits of creating a group?

 Note: You must create a client record before it can be joined to a group.

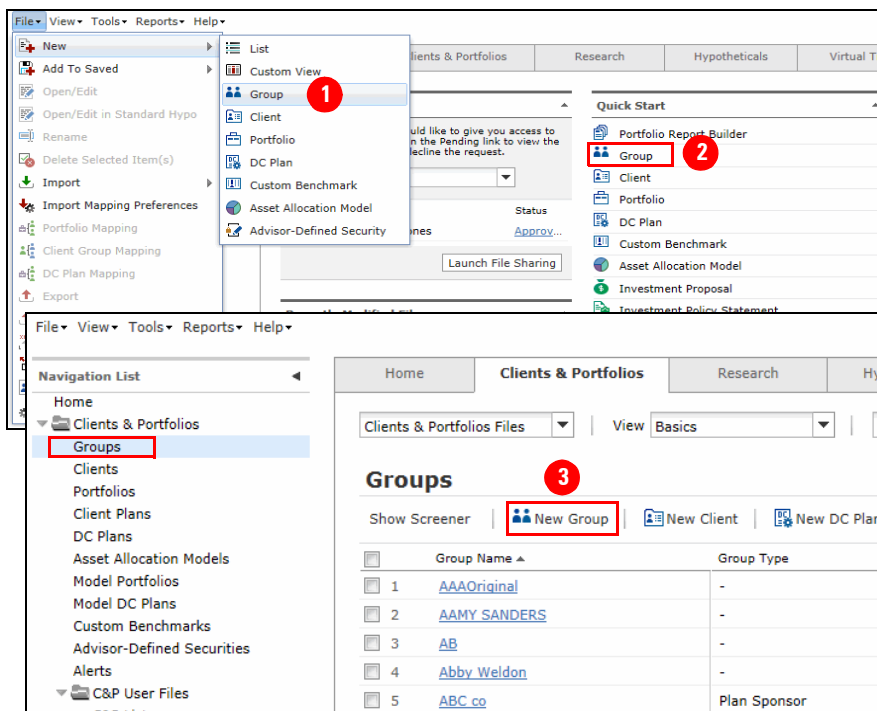
You can create up to 500 groups. Each group can have up to 21 clients associated with it, and up to 150,000 portfolios.

How many groups can I create?

You can create a group in Advisor Workstation by doing one of the following:

- ▶ from the menu bar, select **File...New...Group**, or
- ▶ from the **Home** page, click the **Group** link in the Quick Start widget.
- ▶ From the Clients & Portfolios module, go to either the **Groups** or **Clients** page, and click the **New Group** icon above the spreadsheet area.

How do I create a group?



You have multiple options for creating groups

1. When the Group File window opens, enter a **name** for the group.
2. All other fields are optional, but adding this information will help you later when you want to sort, search and create lists of groups.

The more information you enter here, the easier it will be later to search, sort and create lists of groups

3. On the Group File window, click the **Clients** tab.
4. In the Client Name column, type the **name** of a client to add to this group.
5. From the **Designation** column, select an option.

Note: Each group can have only one Primary client.


Client Name	Designation	Delete
John Smith	Primary	X
Mary Smith	Secondary	X
Bryan Smith	Child	X

Remember to set a Designation for each member of the group

6. Repeat steps 4-5 for each group member.
7. Click **Save**.

Existing clients can be added to a group when the group is created, but if you create a client record after the group has been created, you can add those clients to a group by doing the following:

1. After creating the client and group records, go to the **Groups** page in the Clients & Portfolios Module.
2. Check the **box** next to the group you want to associate the client to.
3. Click the **Open/Edit** icon above the spreadsheet area. The Group File window opens.
4. On the Group File window, select the **Clients** tab.
5. In the next available row, click once in the **Clients** field.
6. Type the **name** of the client, and select its name.
7. Enter the **Designation** for the client.

 Note: Each group can have only one Primary client.

8. Click **Save**.

You can associate a portfolio with a group, rather than a client, but if a portfolio is saved to a client, and the client is saved to a group, you do not need to also save the portfolio to the group; it will be automatically linked to the group via the client.

For example, if you are using the Portfolio Report Builder tool to generate reports for a group, all portfolios associated with clients in the group will appear when you search for the group's name.

If you are creating the portfolio, you can save it to a group by doing the following:

1. At the top of the Quick Portfolio window, click **Save**. The Save dialog box opens.
2. In the Save dialog box, type the **name** of the group in the **To Group** field.
3. Click once to select the **group** when its name appears.
4. Click **OK**. The portfolio is now saved to the group.

If you already created a portfolio (this could also be a model portfolio), and later want to associate it with a group, do the following:

1. Go to the **Portfolios** (or **Model Portfolios**) page in the Clients & Portfolios module.
2. Check the **box** next to the portfolio you want to associate to a group.
3. Click the **Open/Edit** icon above the spreadsheet area. The Quick Portfolio window opens.
4. At the top of the window, click **Save As**. The Save As dialog box opens.
5. In the To Group field, type in the **name** of the group you want to associate the portfolio with.
6. Click once to select the **group** when its name appears.
7. Click **OK**. The portfolio is now saved to the group, in addition to either the client or as a model portfolio (depending on how it was first saved).

How do I add clients to a group?

How do I associate a portfolio with a group?

Creating Portfolios in Advisor Workstation

Overview

This section explains the following:

- ▶ what kind of information you can capture in a portfolio
- ▶ the number of portfolios each user can create
- ▶ the number of holdings allowed in a portfolio
- ▶ the difference between creating a client vs. a model portfolio, and
- ▶ how to create a portfolio.

What are the differences between building portfolios in Principia compared to Advisor Workstation?

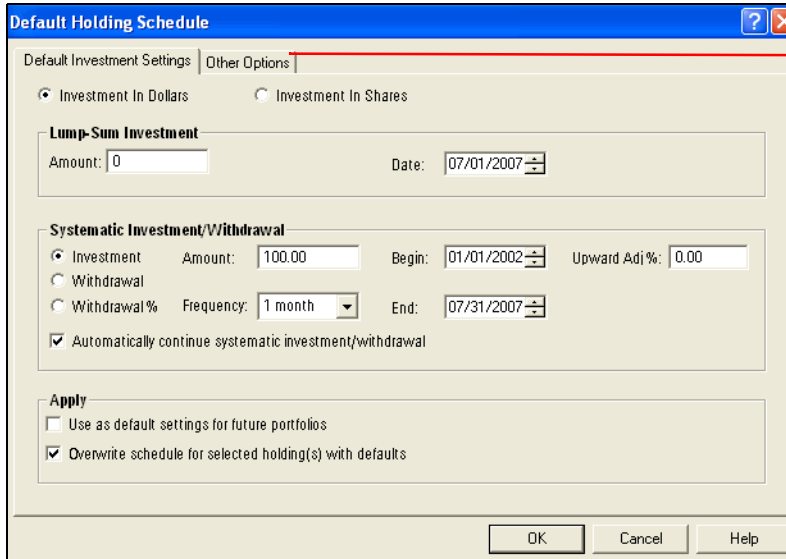
Advisor Workstation allows you to create what is known as a Quick Portfolio, where you enter dollars, shares, or percentages for the holdings in the portfolio. In Principia, you could create an **Unscheduled Portfolio** to allocate dollars, percentages, or shares into a portfolio.

Holding name	Type	\$ Value	# of Shares	% of Assets
Total Allocation		128,775.00		100.00
Procter & Gamble	Stock	6,119.00	100.00	4.75
General Electric	Stock	7,656.00	200.00	5.95
Selected American S	MF	30,000.00	632.64	23.30
White Oak Select Growth	MF	25,000.00	687.38	19.41
Dreyfus Midcap Value	MF	20,000.00	589.10	15.53
Amer Funds Bond Fund A	MF	40,000.00	3046.46	31.06

Note the options for entering a portfolio's allocation in Principia

You could also create a **Scheduled Portfolio** which allowed you to account for each holding in a portfolio, complete with tax rates, loads, and systematic investments and withdrawals.

☞ Although Advisor Workstation does not have this window, its Hypothetical tool is a close substitute.



Use the **Other Options** tab to enter tax, fees and reinvestment assumptions

Although both applications allow you to enter positions (securities and values) for a portfolio, Advisor Workstation provides the option to label the portfolio as being a 401(K), IRA, etc., and indicate any fees associated with the portfolio.

Advisor Workstation also allows you to indicate whether it is an actual or proposed portfolio, and whether the value of the portfolio should be included in the totals for a client.

Both systems provide similar tracking methods for portfolios, however, they are labeled differently in each program.

In Principia, you could do one of the following:

- ▶ Keep shares static, but update dollars. The equivalent option in Advisor Workstation is a Floating portfolio, where the value changes with the market value of the portfolio’s holdings.
- ▶ Keep dollars static, but update shares. The equivalent option in Advisor Workstation is a Fixed portfolio, where the number of shares are adjusted to reflect the price of the securities in the portfolio. This is most often used with Model Portfolios.

What kind of portfolio information can Advisor Workstation capture compared to Principia?

How does portfolio tracking in Advisor Workstation compare to Principia?

How many portfolios can I create in Advisor Workstation?

Each user can create a total of 150,000 portfolios. This includes both portfolios for clients, groups and model portfolios. Principia could store 250 portfolios.

How many portfolio holdings can Principia store compared to Advisor Workstation?

Principia could store up to 500 holdings per portfolio, while Advisor Workstation can handle 250 holdings per portfolio.

In Principia, you could create a portfolio from the **New** icon, or by selecting **File...New** from the menu bar. After you selected the portfolio type, you added holdings and then allocated them accordingly. Another option was to first save a **Client** file, and then select **Yes** when asked whether you wanted to create a portfolio for the client.

How does creating a portfolio in Principia compare with creating a portfolio in Advisor Workstation?

When you are working in Advisor Workstation a portfolio is created using the Quick Portfolio window. It can be launched several ways, and contains five tabs:

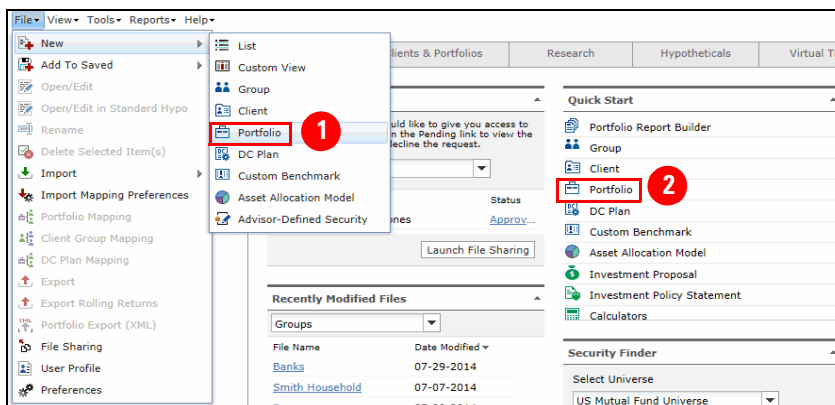
- ▶ Investments
- ▶ Allocate
- ▶ Annual Fees
- ▶ Attributes, and
- ▶ Report Options.

You do not need to enter information on every tab each time you create a portfolio. For instance, you can skip the Report Options tab altogether if you intend only to create a portfolio record (and do not need to immediately generate any reports for it).

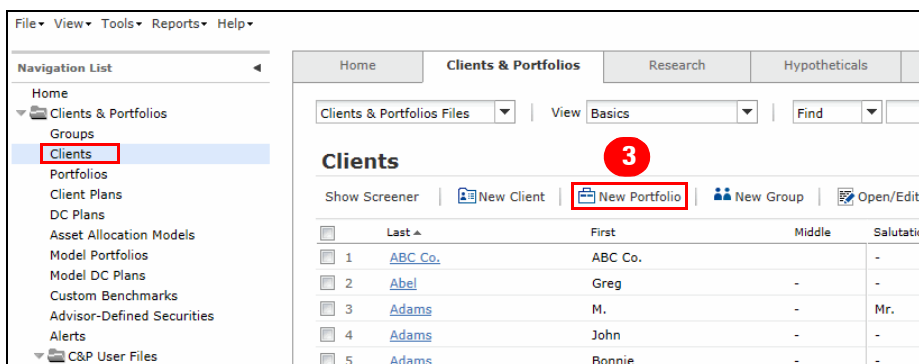
Only the Investments tab is required when creating a portfolio; all other tabs have default information entered on them.

To launch the Quick Portfolio window, do one of the following:

- ▶ From the universal menu bar at the top of the screen (by selecting **File...New...Portfolio**)
- ▶ From the Quick Start widget on the **Home** page, click the **Portfolio** link, or
- ▶ Above the Groups, Clients, Portfolios or Model Portfolios spreadsheet areas, click the **New Portfolio** icon.

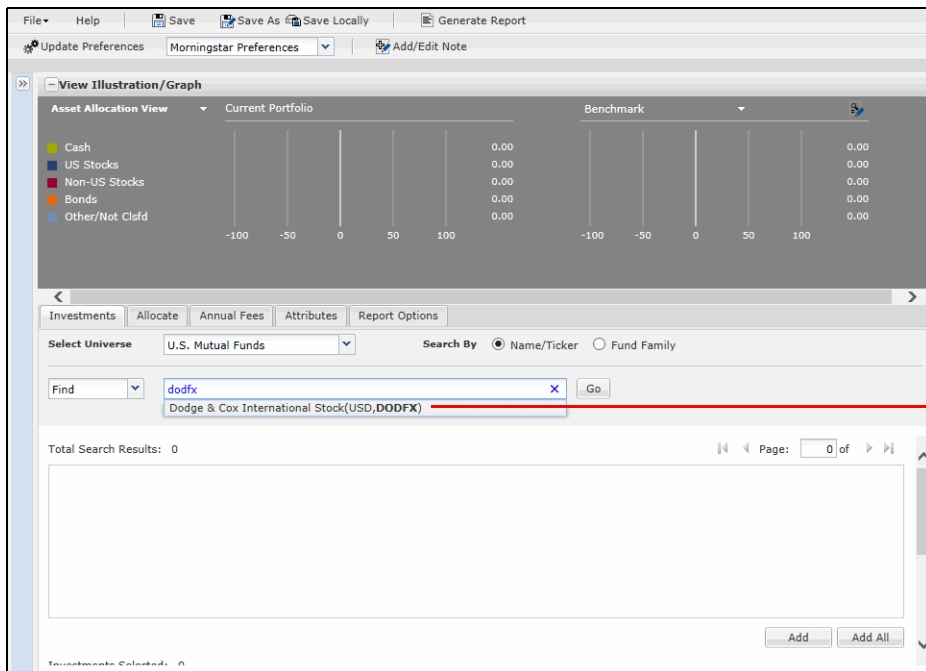


You have multiple options for creating portfolios



Once the Quick Portfolio window is open, do the following:

1. On the Investments tab, select the securities to include in the portfolio. Note the following points when using the Investments tab:
 - ▶ Use the **Select Universe** drop-down field to change the type of investment you're searching for.
 - ▶ In the **Find** field, you can look for most security types by either name or ticker symbol. The system automatically tries to find a match for your search string.
 - ▶ If the security you are searching for appears as you are typing its name or ticker, you can **click once** on its name to include it in the portfolio.



When the name of the security you are looking for appears, click once on its name to select it

2. Once all of the investment you want to include are selected, select the **Allocate** tab.

- On the Allocate tab, you can decide how to enter the amount for each security. A default value is automatically entered for each holding. As you update the allocation, the Asset Allocation View at the top of the screen updates automatically. You can also switch to seeing an Investment Style View, with the Morningstar Equity and Fixed-Income style boxes.

Note the following points about using the Allocate tab:

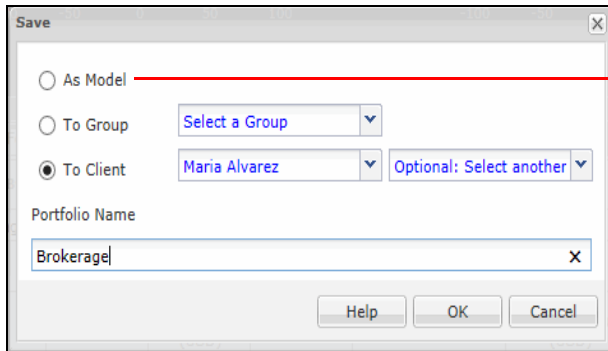
- ▶ You can allocate values by **currency** (dollars), **Percentage** or **Shares**. If you elect to allocate by Percentage, be sure to fill in the **Total Value** field with the full value of the portfolio.
- ▶ For the price of each security, you can elect to use the most **Recent month-end** price, or the **Most recent** price.
- ▶ You can change the order in which the securities appear by clicking on a column's header. For instance, click once on the **Name** column header to sort the securities in alphabetical order. You can also use the far-left List Order column to set the order of the securities. Simply type the **number** of the row you would like an item to appear in, then click anywhere else on the screen, and the item will move. This can be an important consideration, because certain security-level reports you generate will accommodate only the first 10 securities.
- ▶ You can also indicate whether a position is a **Long** or **Short** position in a portfolio, or whether it was bought on **Margin**. Note that short positions affect the amount invested or the percentage allocated.

The screenshot shows the 'Allocate' tab in the Advisor Workstation. At the top, there are two bar charts comparing 'Current Portfolio' and 'Benchmark' asset allocations. Below the charts are tabs for 'Investments', 'Allocate', 'Annual Fees', 'Attributes', and 'Report Options'. The 'Allocate' tab is active, showing a 'Currency' dropdown set to 'USD', an 'Allocate By' dropdown set to 'Percentage', a 'Total Value' field containing '250,000', and a 'Price' dropdown set to 'Most recent'. Below these controls is a table with the following columns: Li..., Name, Shares, Amount (USD), %, Position, Margin Amount (USD), Price, and Price Date. The table contains 8 rows of data for various stocks and funds. A red arrow points from a text box on the right to the 'Price' dropdown menu in the table header.

Li...	Name	Shares	Amount (USD)	%	Position	Margin Amount (USD)	Price	Price Date
1	Dodge & Cox International Stock...	545.852	25,000.00	10.0000	Long	0.0000	45.8000	08/13/2014
2	Dodge & Cox Stock(USD,DODGX)	211.733	37,500.00	15.0000	Long	0.0000	177.1100	08/13/2014
3	Jensen Quality Growth J(USD,JE...	986.323	37,500.00	15.0000	Long	0.0000	38.0200	08/13/2014
4	Litman Gregory Masters Smir Co...	1,175.917	25,000.00	10.0000	Long	0.0000	21.2600	08/13/2014
5	Matthews Asian Growth & Inc In...	619.118	12,500.00	5.0000	Long	0.0000	20.1900	08/13/2014
6	Metropolitan West Total Return...	4,604.052	50,000.00	20.0000	Long	0.0000	10.8600	08/13/2014
7	T. Rowe Price Equity Income(US...	1,482.800	50,000.00	20.0000	Long	0.0000	33.7200	08/13/2014
8	Realty Income Corp(USD,O)	280.521	12,500.00	5.0000	Long	0.0000	44.5600	08/13/2014

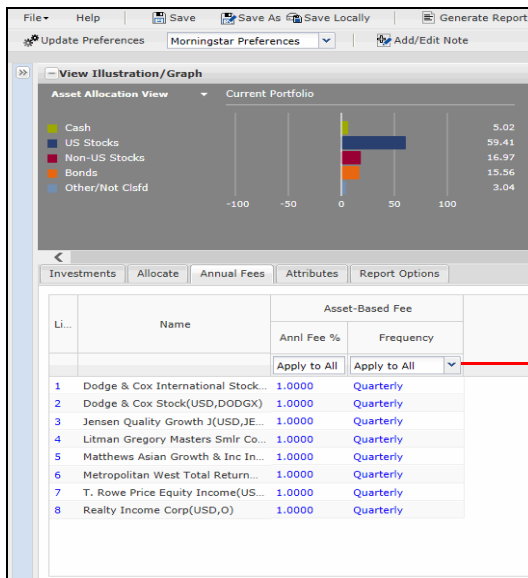
Click here to choose whether to use the most recent price or the most recent month-end price for the securities in the portfolio

4. It's never too soon to save a portfolio; you can do this at any point while creating a portfolio. Now that the investments have been selected and the allocation set, it's a good idea to save the work that's been done. At the top of the window, click **Save**. The Save dialog box opens.
5. Decide whether to assign the portfolio to a **Client** or **Group**, or save it as a **Model Portfolio**. You can select the option button for the method you want, or you can simply click in the field to the right of To Group or To Client and start typing the name of a group or client; the option button will be selected automatically.
6. Type a **name** for the portfolio.
7. Click **OK**, then close the Save dialog box. You can now continue adding detail to the portfolio.



If you want to save a portfolio as a model, be sure to select this option button

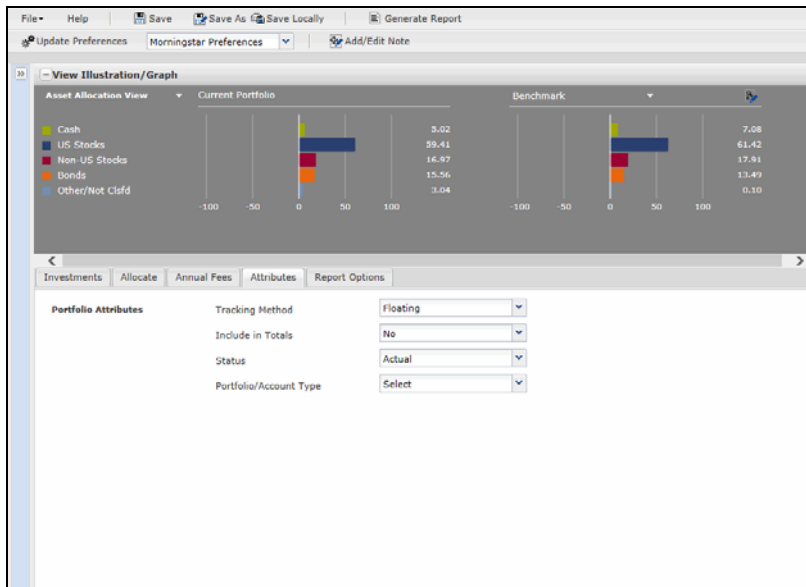
8. Click once on the **Annual Fees** tab. The Annual Fees tab is optional, but it allows you to enter a fee and determine how frequently the fee will be assessed throughout the year. The impact of the fee appears on the Portfolio Snapshot report; the ending value of the portfolio will be the same, but you can demonstrate the historical impact of the fee to a client.



Use the Apply to All row if you are using the same fee and frequency for all holdings

9. Click once on the **Attributes** tab. The table below explains the options here.

Field	Options
Tracking Method	You can set a portfolio's value to be either Fixed or Floating. If it is Fixed, the dollar value will remain the same, but the number of shares owned will update. If it is Floating, the market value of the portfolio is updated regularly rather than remaining static.
Include in Totals	The options here are either Yes or No. If you do not want the value of this portfolio to count toward the total for a client, select No.
Status	The options here are: <ul style="list-style-type: none"> ▶ Actual ▶ Historical ▶ Proposed For a Proposed or Historical portfolio, you might also want to set the Include in Totals field to No.
Portfolio Type	This field allows you to identify what type of portfolio you are creating. This allows you to create lists and searches for certain types of accounts, and can be particularly useful if you have the Investment Proposal tool with Wealth Forecasting. In the latter case, portfolios you identify as being 401(k) can be updated with matching contributions from a client's employer.



If you want to include the value of the portfolio in the client's or group's total value, be sure to set this field to Yes

10. Click once on the **Report Options** tab. If you do not intend to generate reports at this time, you can skip the rest of the steps, but you should click **Save** again before closing the Quick Portfolio window.
11. At the top, you can choose what to use for the portfolio's benchmark. You can use a single index, or a composite benchmark comprised of several indexes. Selecting the Custom Benchmark option button allows you to create a blended benchmark using one of the following:
 - ▶ a benchmark you created in the Clients & Portfolios Module
 - ▶ an automatic benchmark the system creates based either on the asset allocation of the holdings, or the Morningstar Category they belong to, or
 - ▶ a benchmark you create by selecting the **Independent Custom Benchmark** option button, then clicking the **view/edit** link.

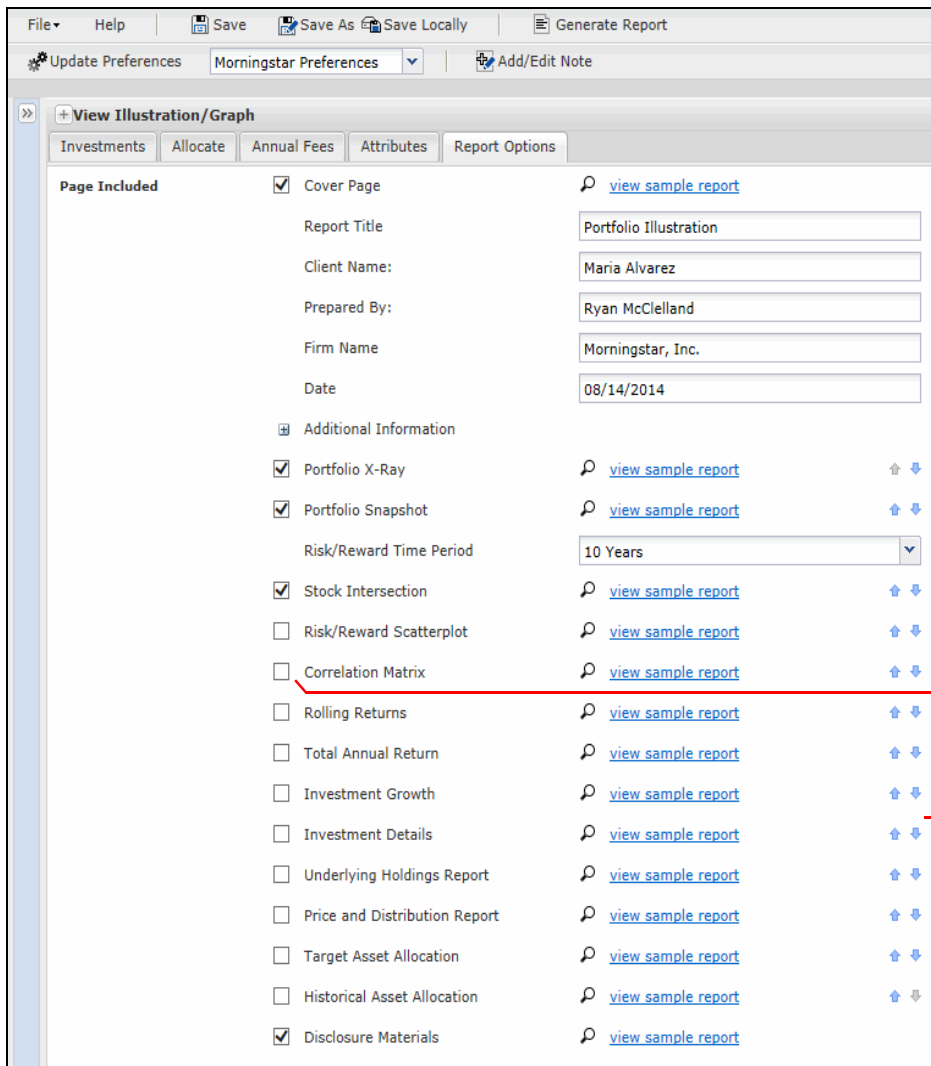
☞ If you use a custom benchmark, you can click the **View** link to see which indexes are being used, and how much is allocated to each.

Asset Class	Percentage
Cash	5.02
US Stocks	59.41
Non-US Stocks	16.97
Bonds	15.56
Other/Not Clsfd	3.04

Click here to see the indexes used in the Autobenchmark

12. The **Select Asset Allocation Model** drop-down field needs to be used only under the following two conditions:
 - ▶ You have created an asset allocation model you want to associate with the portfolio.
 - ▶ You intend to generate the Historical Asset Allocation and/or Target Asset Allocation reports.

13. Check the **box** next to the name of the reports you want to include in an output PDF.



Check the box next to a report you want to include

Use the blue arrows to set the order in which the reports will appear

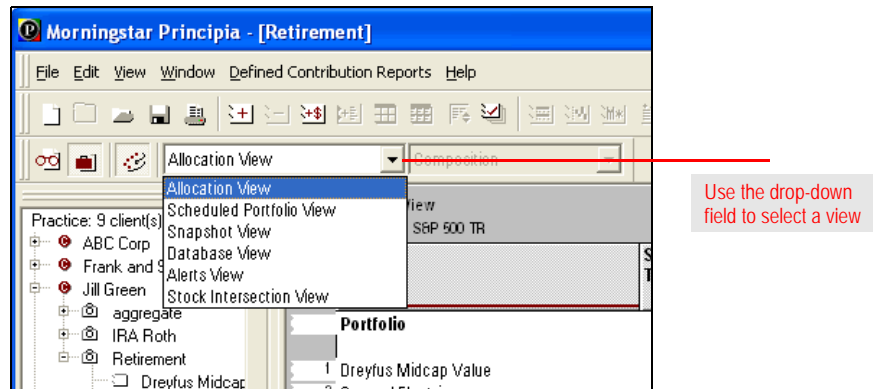
14. In the Settings area, you can set the **Font Size, Page Orientation** and the **order** of the security-level reports, such as the Investment Detail Reports. The default option is Alphabetical, but you can elect to have them appear by Market Value, or by Interface order.

Remember, from step 3 on page 21, you can set the List Order for items in the portfolio, to manipulate the Interface order.

15. When you are finished, click **Generate Report** at the top of the window.

How does analyzing a portfolio in Principia compare with analyzing a portfolio in Advisor Workstation?

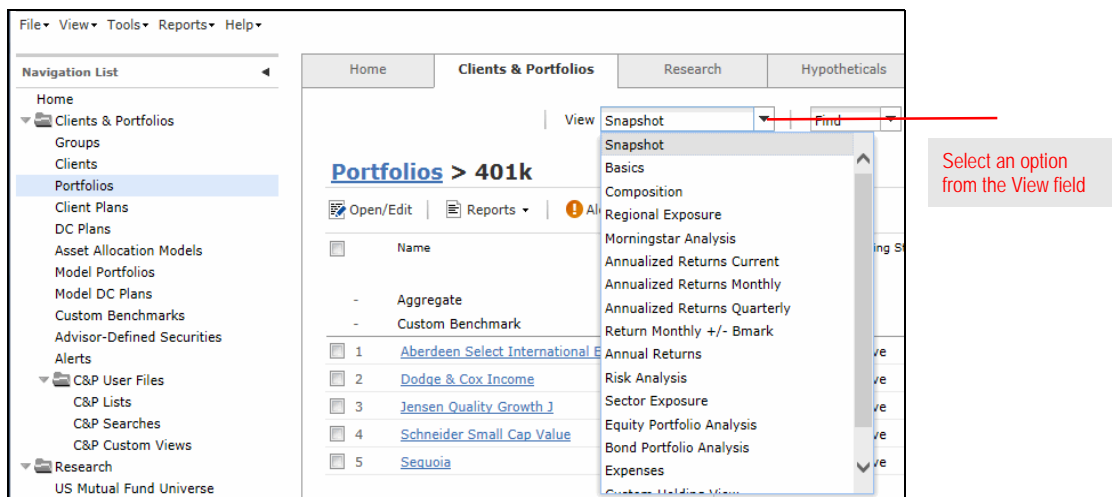
Principia had six different portfolio views, designed to give you six different ways to analyze your clients' portfolios. You could view Scheduled Portfolios in all of the views; you could not view Unscheduled Portfolios in the Scheduled Portfolio View.



The following table describes the options available from the View drop-down field in Principia:

This view....	Showed you...
Allocation	the dollar value, number of shares, and percentage allocations of your portfolio. In the Allocation View, you could create new Scheduled or Unscheduled Portfolios, add or remove holdings, set up new holding schedules, graph holdings, and view the Fund/Subaccount/Stock Detail report.
Scheduled	data relating to the portfolios investment history, including cost basis, taxes paid, capital gains and income distributions. You could not view Unscheduled Portfolios in the Scheduled Portfolio View.
Snapshot	allocations, weightings and composition of the current portfolio, compared to Standard and Poor's 500 index (the default benchmark). The Snapshot View included the following five subviews: <ul style="list-style-type: none"> ▶ Composition ▶ Style and Fundamentals ▶ Stock Classification ▶ Fixed-Income Style, and ▶ Performance Indicators.
Database	all of the data columns common to the investment universes available in your Principia subscription. You could add or remove data columns from the Database View using the Layout function.
Alerts	changes in your clients' portfolios. For example, you could keep track of the Morningstar ratings of every investment in your practice. Alerts were applied at the Client, Portfolio, and Holding Level.
Stock Intersection	by percent assets, the underlying equity holdings in a portfolio. It demonstrated security risk if a portfolio is heavily invested in one security, or if several funds bought the same security.

From the Portfolios page in Advisor Workstation, the View drop-down field allows you to select options to analyze a client’s portfolio when you drill down on it.



The table below describes the View options in Advisor Workstation:

View	Description
Snapshot	The Snapshot section is similar to Allocation View in Principia. It displays Holding Status, Market Value, Portfolio Weight, and key data fields relating to the client’s portfolio.
Basics	This area is equivalent to the Database View in Principia. It presents information data fields common to Advisor Workstation’s mutual fund, ETF, and closed-end investment universes.
Composition	Information is displayed on two panes. The top panel, similar to the Snapshot-Composition area in Principia, reflects Cash, U.S. Stock, Bonds and ‘Other’ weightings. In the graph and table section, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions.
Regional Exposure	Use this area to break down the percentage of the portfolio’s assets invested in the United States and Canada, Europe, Japan, the Pacific Rim, Latin America, and other regions.
Morningstar Analysis	This section shows you columns related to key Morningstar proprietary data such as the Morningstar Rating, Rating Momentum, Analyst Rating, Morningstar Risk, Morningstar Return, and more.
Annualized Returns Current	Two graphs are displayed here. The Annual Returns graph calculates total returns based on a calendar year basis, while the Investment Activity graph visually displays the market value for a portfolio, based on the allocations made into the portfolio. The “as of” date is the most recent performance date available for the investment.

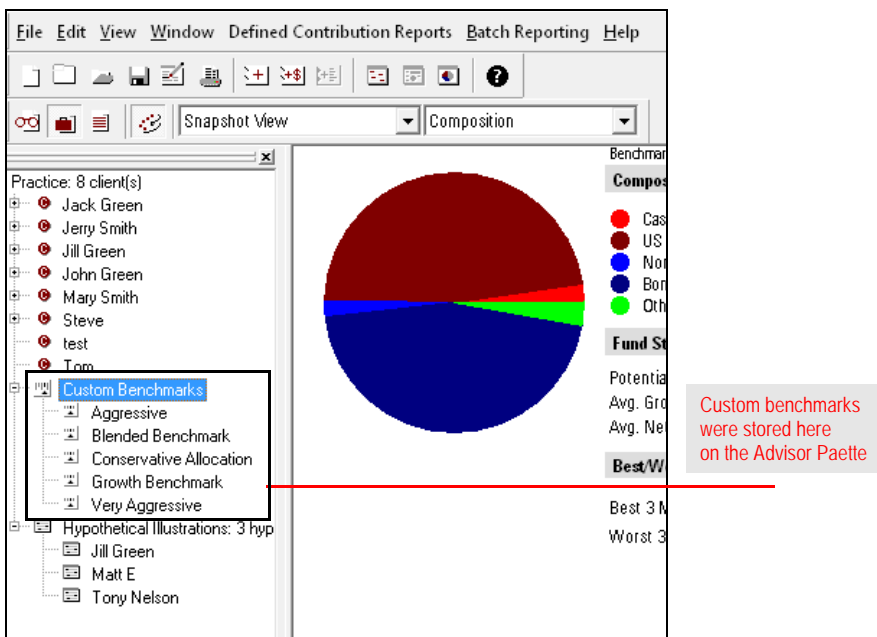
View	Description
Annualized Returns Monthly	Two graphs are displayed here. The Annual Returns graph calculates total returns based on a calendar year basis, while the Investment Activity graph visually displays the market value for a portfolio, based on the allocations made into the portfolio. The “as of” date is the most recent month-end performance date available for the investment.
Return Monthly +/- Bmark.	This area displays return information related to the primary and category benchmarks assigned to the holdings in the portfolio.
Annual Returns	The graph in this area shows total returns calculated on a calendar-year and year-to-date basis. Total return includes both capital appreciation and dividends. The year-to-date return is updated daily. The section below the graph provides NAV Return and Market Return for holdings in the portfolio.
Risk Analysis	This view displays data relating to MPT statistics, capture ratio, batting average and Sharpe Ratio, among other data fields.
Sector Exposure	This view displays the percentage of stocks in the portfolio that are invested in each sector. It shows the percentage of the fund's net assets invested in each of the 11 major industry classifications and how this weighting compares with the current benchmark.
Equity Portfolio Analysis	This view combines the style of the stocks in the portfolio with the style of the underlying holdings of the funds in the portfolio.
Bond Portfolio Analysis	This view displays the portfolio's underlying holdings effective duration and credit quality. It provides an overall representation of risk, given the length and quality of bonds in its portfolio. As with equity funds, nine possible combinations exist, ranging from short duration/high quality for the safest funds to long duration/low quality for the riskiest.
Expenses	Working in this area allows you to examine costs related to the underlying holding in the client's portfolio. You view expense ratio information as well as applicable loads, redemption fees, and 12b-1 charges.

Working with Custom Benchmarks

This section shows you how to work with custom benchmarks in Advisor Workstation. You will learn the following:

- ▶ how to create a custom benchmark, and
- ▶ the steps to assign a custom benchmark to a portfolio.

In Principia, custom benchmarks were used to blend indexes, proxies and category averages into a composite benchmark. To create the custom benchmark, you right-clicked **Custom Benchmarks** in the Advisor Palette.



Overview

How does creating a custom benchmark in Principia compare with creating a custom benchmark in Advisor Workstation?

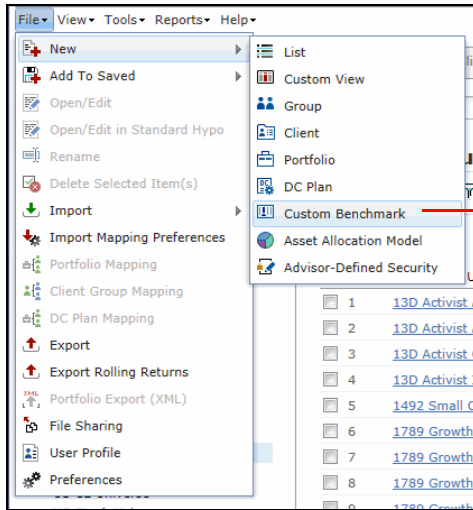
Advisor Workstation provides a simple workflow for selecting indexes and allocating weightings to them. In contrast to working in Principia, you can create a custom benchmark from the **File** menu of any area of the system.

 Note: You need not be in the Clients & Portfolios Module to create a custom benchmark.

How do I create a custom benchmark in Advisor Workstation?

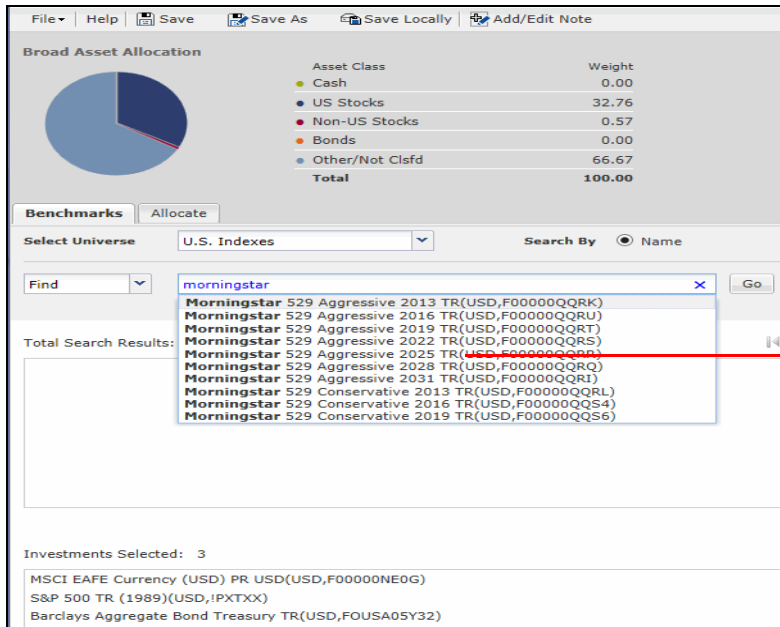
To create a custom benchmark in Advisor Workstation, do the following:

1. From the **File** menu, click **New...Custom Benchmark**. The Custom Benchmark window opens.



Select this option from the File...New menu to create a custom benchmark from scratch

2. From the Benchmarks tab, click the **Select Universe** drop-down field and select the universe in which you want to search.
3. In the Find field, enter a **search term**.
4. Click **Find**. Results appear in the Total Search Results box.



As you type, items appear in the drop-down field

5. To select an item, click once to highlight it, then click **Add**.

Note: You can also select an item by double-clicking its name in the Total Search Results area.

6. Once you have all the desired items, click the **Allocate** tab.
7. Click in the **%** column and enter a **percentage amount** for each item. (All items must add up to 100%.)

Broad Asset Allocation

Asset Class	Weight
Cash	25.00
US Stocks	24.57
Non-US Stocks	0.43
Bonds	0.00
Other/Not Clsfd	50.00
Total	100.00

Benchmarks **Allocate**

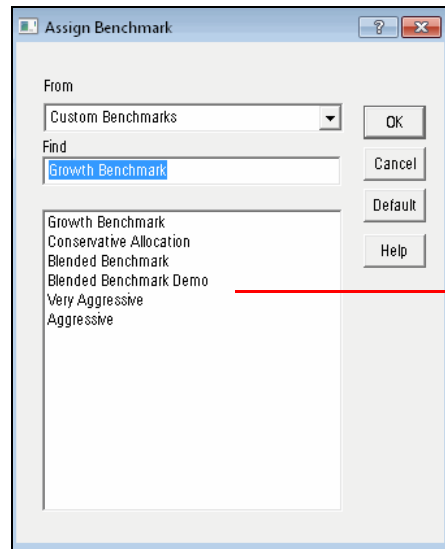
List Order	Name	%	Ret Date (mo-end)
Total % Allocated		100.0000	
		Apply to All	
1	MSCI EAFE Currency (USD) PR USD(USD,F00000NE0G)	25.0000	09/30/2014
2	S&P 500 TR (1989)(USD,IPXTXX)	50	09/30/2014
3	Barclays Aggregate Bond Treasury TR(USD,FOUSA05Y32)	25.0000	09/30/2014
4	Morningstar Cash TR(USD,FOUSA06JN9)	25.0000	09/30/2014

Use this field to apply the same input for all values in the % column

8. When you are done, click **Save**. To save an existing custom benchmark as a separate file with a different name, click **Save As**.
9. Click the **X** icon to close the dialog box.

How does assigning a custom benchmark in Principia compare to Advisor Workstation?

In Principia, to assign a custom to a portfolio, you right-clicked an open portfolio file from the Advisor Palette and selected **Assign Custom Benchmark**. The Benchmark Preference dialog box appeared, and, from the **From** drop-down field, you selected **Custom Benchmarks** to view the benchmarks you created.



In Principia, you selected a custom benchmark you created from this dialog box

In Advisor Workstation, you can select from a list of standard benchmarks, assign a custom benchmark, or have the system create a custom benchmark for you (via the AutoBench feature) on the Report Options tab of the following windows:

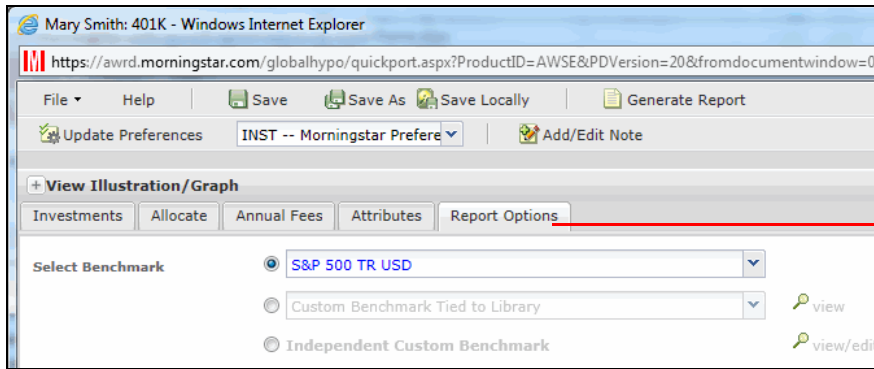
- ▶ Quick Portfolio
- ▶ Portfolio Report Builder, and
- ▶ Hypothetical Illustration.

The AutoBench tool was not available in Principia. In Advisor Workstation, this feature automatically creates a custom benchmark for a group of securities, based on the asset allocation of the portfolio, or the Morningstar Categories of the investments.

To assign a benchmark to a portfolio, do the following:

1. From your list of portfolios, select the **portfolio** to which you want to assign a benchmark.
2. Click the **Open/Edit** icon on the toolbar above the spreadsheet area. (You can also right-click on a portfolio and select **Open/Edit** from the menu that appears.) The Quick Portfolio window opens.
3. Click the **Report Options** tab.

How do I assign a custom benchmark to a portfolio in Advisor Workstation?



After opening a portfolio, be sure to select this tab in order to choose a benchmark

4. In the Select Benchmark section, you have three options, as described in the following table:

Option	Selecting this option means you can...
Standard Benchmarks	select from a list of commonly-used indexes.
Custom Benchmark Tied to Library	click the drop-down field and select one of the following options: <ul style="list-style-type: none"> ▶ AutoBench by Asset Allocation ▶ AutoBench by Category, or ▶ one of your saved custom benchmarks. Click the View icon to see the underlying securities of a custom benchmark or an AutoBench.
Independent Custom Benchmark	create a custom benchmark on the fly by selecting this option button, then clicking view/edit icon to launch the Custom Benchmarks tool.

5. Click **Save** and close the portfolio window.

Generating Portfolio Reports in Advisor Workstation

Overview

This section explains how to create portfolio reports in Advisor Workstation. Note that in Advisor Workstation, you do not need to be in the Clients & Portfolios Module to create reports for portfolios; you can use the Portfolio Report Builder (available from the Reports menu at the top of the window, or the Quick Start widget on the Home tab) at any time.

Principia's Portfolio mode allowed you to create the FINRA-reviewed Portfolio Snapshot Report. The report could be generated electronically, or printed to a hard copy.

Principia Advanced module users not only could generate the Portfolio Snapshot Report, but also the Portfolio Comparison Report and Client Position Reports. Advanced module users were also provide access to the Batch Reports tool, allowing for multiple portfolio reports to be generated at one time.

How do the reports available for portfolios in Principia compare with those in Advisor Workstation?

The table below illustrates which reports were found only in Principia, which are found only in Advisor Workstation, and which are available in both applications.

Portfolio Report Name	Available in Principia?	Available in Advisor Workstation?
Cover Page	Yes	Yes
Portfolio Comparison	Yes	Yes
Portfolio X-Ray	No	Yes
Portfolio Snapshot	Yes	Yes
Portfolio Fact Sheet	Yes	No
Client Position by Portfolio	Yes	No
Client Position by Security	Yes	No
Client Level Snapshot	Yes	Yes (known as the Aggregated Portfolio Report)
Stock Intersection	No	Yes
Correlation Matrix	No	Yes
Investment Details	Yes	Yes
Underlying Holdings Report	No	Yes
Price and Distribution Report	No	Yes
Target Asset Allocation	No	Yes
Historical Asset Allocation	No	Yes

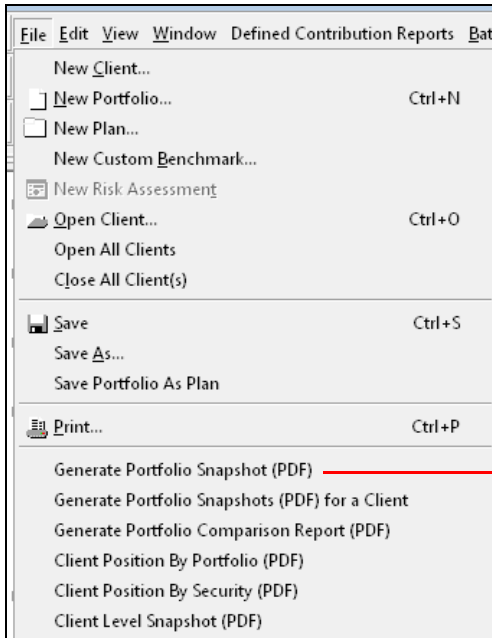
See the table below for information about each report.

Report	Comments
Cover Page	<p>By default, the Cover Page is selected. Clear this box if you do not want the cover page.</p> <p>Note the following points about the cover page:</p> <ul style="list-style-type: none"> ▶ Report Title: Can be up to 100 characters long. ▶ Client name: Can be up to 35 characters long. ▶ Prepared By: Can be up to 35 characters long. ▶ Prepared By Title: Can be up to 35 characters long. ▶ Firm Name: Can be up to 35 characters long. ▶ Date: By default, today’s date appears, but you can change it.
Portfolio Comparison	<p>A PDF report that has been reviewed by FINRA. Check both the report’s header, and with your compliance department before leaving this report with a client.</p> <p>This report reveals the differences between any two portfolios. The report breaks down the comparison into eight categories: Asset Allocation Comparison, Morningstar Style Box Analysis, U.S. Stock Sector Analysis, Regional Exposure, Historical Returns, Portfolio Statistics, Modern Portfolio Theory (MPT) Statistics, and Portfolio Holdings.</p>
Portfolio X-Ray	<p>A PDF report that has been reviewed by FINRA. Check both the report’s header, and with your compliance department before leaving this report with a client.</p> <p>The Portfolio X-Ray Report is the most straightforward way to communicate a portfolio’s overall investment strategy to your clients. It boils down vast amounts of investment information into a clear, concise summary that can be grasped at a glance.</p> <p>Note: The ending date for this report cannot be more than one year prior to the current date.</p>
Portfolio Snapshot Report	<p>A PDF report that has been reviewed by FINRA. Check both the report’s header, and with your compliance department before leaving this report with a client.</p> <p>Contains three pages of in-depth portfolio analysis, such as portfolio composition, investment style, sector weightings, regional exposure, performance numbers, market maturity, stock type weightings, and MPT statistics, and includes four graphs: Investment Summary, Investment Activity, Risk/Reward Scatterplot, and Performance History.</p> <ul style="list-style-type: none"> ▶ The ending date for this report cannot be more than one year prior to the current date. ▶ The time period for your Hypothetical Illustration must be at least 3 years for the Risk/Reward Scatterplot to generate on this report.
Stock Intersection	<p>This report shows the 25 largest individual stock holdings in the portfolio, clearly displaying overlap between the same holdings in multiple funds.</p> <p>Note: The ending date for this report cannot be more than one year prior to the current date.</p>

Report	Comments
Correlation Matrix	<p>The Correlation Matrix displays how closely related selected funds and stocks are to one another.</p> <p>Note: In Principia, you could generate the Correlation Matrix graph while working in Portfolio Mode.</p>
Investment Detail	<p>This is the same report as you generated from Principia. This report contains the following main sections:</p> <ul style="list-style-type: none"> ▶ Performance ▶ Portfolio Analysis ▶ Fees and Expenses ▶ Risk and Return Profile, and ▶ Operations.
Underlying Holding Report	<p>This report provides the underlying holdings of managed products. In evaluating a managed product, it can be instructive to consider the holdings of that product.</p> <p>The report contains the following main sections:</p> <ul style="list-style-type: none"> ▶ Holdings Summary, and ▶ Holdings Detail.
Price and Distribution	<p>This report contains the following main sections for holdings in the portfolio:</p> <ul style="list-style-type: none"> ▶ Historical change in NAV, and ▶ Historical income and capital gain data. <p>This report can be used to show how an equity fund's value has steadily climbed over the years, or how a fixed-income fund has provided reliable, growing dividends.</p>
Target Asset Allocation	<p>This report illustrates the proposed allocation for your portfolio at a broad asset class level and a detailed, sub-asset class level.</p>
Historical Asset Allocation	<p>This report demonstrates how money invested in the asset allocation shown in the Target Asset Allocation Report would have performed over a long investing horizon and during two shorter-term periods of generally poor market performance.</p>

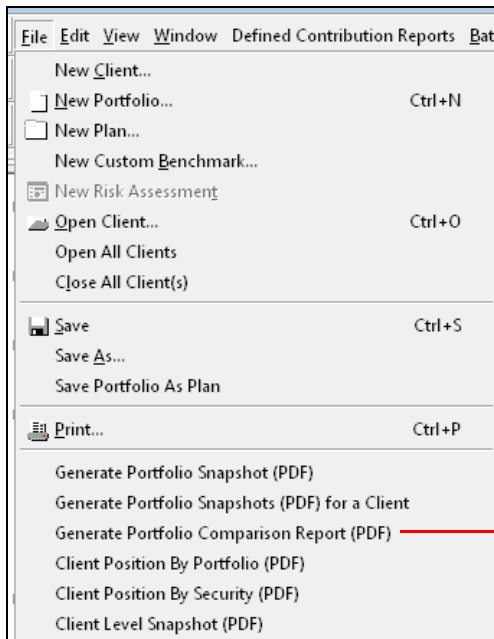
Principia reports were generated from the Snapshot View of Portfolio Mode. You double-clicked a **portfolio** and from the File menu selected **Generate Portfolio Snapshot (PDF)**. You could also click the **Print** icon from the toolbar to generate a hard copy.

How does generating the Portfolio Snapshot report in Principia compare with opening the same report in Advisor Workstation?



Select this option to open the Portfolio Snapshot Report (PDF)

To generate the Portfolio Comparison Report (PDF) in Principia, you highlighted two client files in the Advisor Palette, then from the **File** menu clicked **Portfolio Comparison Report (PDF)**.



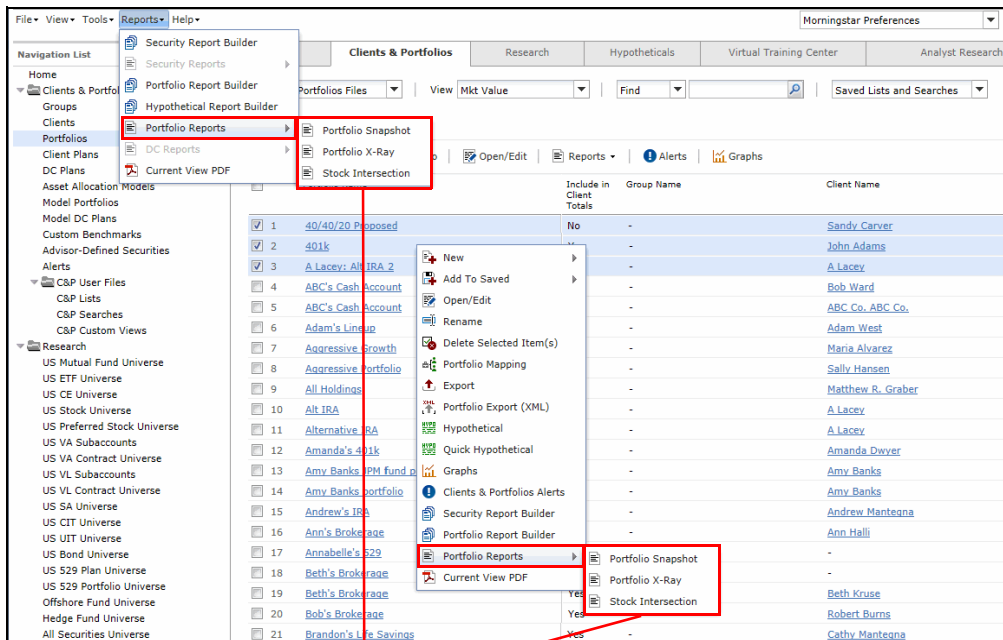
Select this option to generate the Portfolio Comparison Report

Principia Advanced Module users were provided access to the following reports, available from the File menu:

- ▶ Portfolio Comparison Report (PDF)
- ▶ Client Position by Portfolio (PDF)
- ▶ Client Position by Security (PDF), and
- ▶ Client Level Snapshot (PDF).

In Advisor Workstation, you have three ways to generate reports for portfolios:

- ▶ Use the Portfolio Report Builder (available from the **Reports** menu at the top of the window, or from the right-click menu), which allows you to create multiple reports for multiple portfolios at once.
- ▶ From the menu bar at the top of the screen, select **Reports...Portfolio Reports** to select the report you want to see.
- ▶ Right-click on a highlighted portfolio and select the **name** of a report from the right-click menu.



You can generate reports from the menu bar, or by right-clicking on a selected row.

Other Differences Between Advisor Workstation and Principia

This section reviews portfolio-related features you have access to in Advisor Workstation, but were not available or shown in Principia, and features you had access to in Principia, but are not available in Advisor Workstation.

In Advisor Workstation, you have access to the following features, which either were not found in Principia, or work differently:

- ▶ Unless you were a Principia Asset Module subscriber, you would not have access to Asset Allocation related tools and their reports. Asset Allocation tools and reports are provided by default in Advisor Workstation.
- ▶ Unless you were a Principia Hypothetical Module subscriber, you would not have access to Hypothetical Illustration reports. The Hypothetical Module is included by default in Advisor Workstation.
- ▶ Principia did not have the Stock Intersection Report, but it did have the Stock Intersection View, available from the drop-down field in Portfolio Mode.

The following features were available in Principia, but are not available in Advisor Workstation:

- ▶ Advisor Workstation does not have a Scheduled Portfolio feature. No transactional data can be entered in Advisor Workstation; only current client positions can be entered.
- ▶ The Batch Reporting tool is not available in Advisor Workstation. You can, however, use the Portfolio Report Builder tool to generate multiple reports for multiple portfolios at once.

Overview

What features are found in Advisor Workstation that were not available in Principia?


What features were found in Principia that are not available in Advisor Workstation?

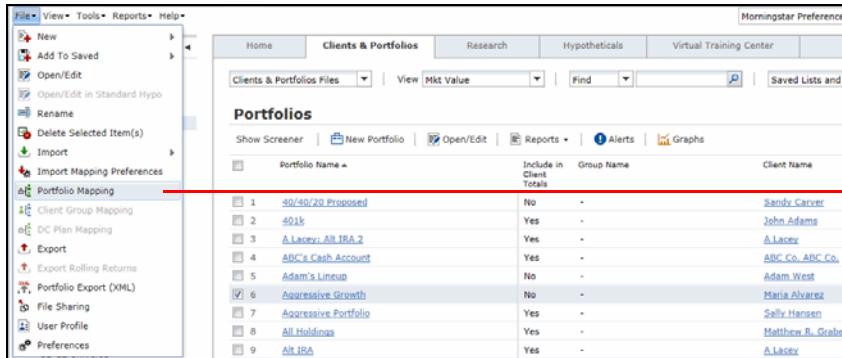
How do I use the Portfolio Mapping tool?

You can use the Portfolio Mapping tool to reassign a portfolio or portfolios to a new client, group, or model.

To map one or more portfolios, do the following from the Portfolios page in the Clients & Portfolios module:

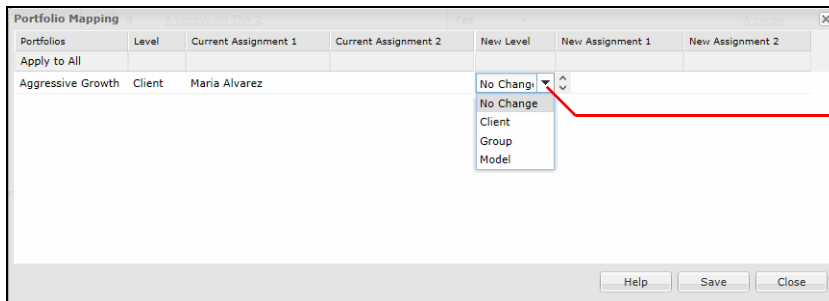
1. To select a single portfolio, **click** to highlight the portfolio, then **right-click** and select **Portfolio Mapping** (or use the menu bar at the top of the Advisor Workstation window to select **File...Portfolio Mapping**). The Portfolio Mapping dialog box opens.

 To select multiple portfolios, use <SHIFT>+click to select a range of portfolios. To select multiple non-consecutive portfolios, use <CTRL>+click.



Select this option from the File menu

2. In the Portfolio Mapping dialog box, the Current Assignment 1 column displays the current mapping for the portfolio(s). The Level column indicates whether this assignment is to a client, group, or model. The Current Assignment 2 column indicates the secondary client assignment for the portfolio(s), if applicable. To change a portfolio's mapping, click in the **New Level** column in the row for that portfolio and select **Client**, **Group**, or **Model**.



This portfolio is currently mapped to a group, but you can use this field to assign it to a client

3. In the New Assignment 1 column, begin typing the **name** of the client, group, or model to which you want to map the portfolio. Suggestions appear below your entry. Click on the desired **name**.
4. If you selected Client in the New Level field, you can assign the portfolio to a secondary client in the New Assignment 2 column.
5. Once you have made your changes, click **Save**.
6. To close the dialog box, click **Close**.