

LESOTHO EMPLOYERS UMBRELLA
PROVIDENT FUND (**MEMBER INVESTMENT
CHOICE INSTRUCTION**)



Scheme Details	
Employer Name	
Commencement Date Of Investment Selection	DD-MM-YYYY
Member Details	
Employee Name & Surname	
ID Number	
Email address	
Contact Number	

Notes: You can change your investment choice in **April every year** by completing and signing this form and handing it to **HR Department**.

You will receive confirmation once your investment choice has been processed. Please note that if you do not receive such confirmation by the end of the month, it is possible that your investment choice has not been received by the administrator of the Fund and it remains your responsibility to follow-up with the administrator at : rpalime@alliance.co.ls or at (+266) 222 15615 to ensure the processing of your investment choices.

Please note the detail of the investment choice on the attached Investment mandate and consult your financial advisor before making your investment decision.

NB: If you are choosing from the individual risk profiles:
Do not choose more than 1 risk profile. Place "100%" next to your chosen risk profile.

NB: If you are choosing the Default Option:
Place a cross in the box that says "100%" next to "Default Option" below.

I hereby request that my Fund Credit and ongoing contributions to the Lesotho Employers Umbrella Provident Fund, administered by Alliance, be invested in the manner indicated below.

RISK PROFILE CHOICE (Choose only one of the following 4 risk profiles and allocate 100% to your chosen risk profile)

Aggressive (see risk profile construction on the back of this form)	
Moderate Aggressive(see risk profile construction on the back of this form)	
Moderate (see risk profile construction on the back of this form)	
Conservative (see risk profile construction on the back of this form)	

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Or

DEFAULT OPTION

Default Option

100%

By signing this form you are accepting the following:

- The investment performance of the different portfolios underlying the various risk profiles and the default option cannot be and is not guaranteed. The historical performance of the underlying portfolios is not guaranteed, nor a prediction of future performance. Depending on general investment markets and the performance of the underlying portfolios, negative returns are possible from time to time.
- It will not always be to your benefit to move out of a risk profile when the investment portfolios underlying that risk profile have not performed according to your expectations.
- You declare that you consulted your financial advisor and that you understand the composition and associated investment risks of the available investment choices mentioned above. You further declare that you take full responsibility for the implications of your investment choices.
- You understand that should this form be incomplete or inaccurately completed, the switching instruction may not be actioned.

Signature

Date

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Members who want to exercise individual investment choice can choose between one of three risk profiles.

The risk profiles are as follows:

1. Aggressive:




This risk profile has a greater exposure to local and global shares than the Stable risk profile, typically between 55% and 75%. The investment returns are likely to fluctuate over short periods of time and may be negative over periods of as long as a year. This risk profile will target returns of CPI (inflation) + 5% over the long term but could fall short of this target from time to time over the short to medium term (three to five years).

There are two investment portfolios underlying the Aggressive Risk Profile, split as follows:

1.	
2.	
3.	

2. Moderate Aggressive:

Moderately aggressive model portfolios are often referred to as balanced portfolios because the asset composition is divided almost equally between fixed-income securities and equities. The balance is between growth and income. Because moderately aggressive portfolios have a higher level of risk than conservative portfolios, this strategy is best for investors with a longer time horizon (generally more than five years) and a medium level of risk tolerance. There are two investment portfolios underlying the Aggressive Risk Profile, split as follows:

1.	
2.	
3.	

3. Moderate:

This risk profile has some exposure to local and global shares, typically between 27.5% and 37.5%. The investment returns are likely to fluctuate less than those of the Aggressive risk profile from month to month and, although returns may be negative over periods of up to a year, negative returns for extended periods will occur less frequently than in the Aggressive risk profile. This risk profile will target returns of CPI (inflation) + 3% over the medium term but could fall short of this target from time to time over the short term (up to three years).

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There are two investment portfolios underlying the Stable Risk Profile, split as follows:

1.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
2.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
3.	<input type="text" value=""/>
	<input type="text" value=""/>

4. Conservative:

This risk profile has no exposure to local or global shares and is invested only in money market instruments. The investment returns are unlikely to fluctuate over short periods of time and there is only a small chance that returns may be negative over periods of as long as a year. This portfolio will target returns of CPI (inflation) + 1% over the long term but could fall short of this target from time to time over the short term (one to three years).

There is one investment portfolio underlying the Conservative Risk Profile, split as follows:

1.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
2.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
3.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>

5. Default Option

The default Option is designed for members who do **not wish to exercise a choice** or who prefer to leave their investments in the hands of the professionals.

1.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
2.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>
3.	<input type="text" value=""/>
% Allocation	<input type="text" value=""/>

Notes

1. NRA means Normal Retirement Age
2. The minimum 30% allocation locally, whether in Risk Profile Choice or the Default Option is to ensure compliance with the Central Bank of Lesotho regulations, which state as follows in this regard:
"PART II . INVESTMENT OF PENSION FUND
Diversification requirements
5. A pension fund shall invest its assets in a manner that complies with the Pension Funds Regulations,
6. **A pension fund shall, at a minimum, invest 30 per cent of its assets in Lesotho.**"