



PRODUCT DISCLOSURE STATEMENT

BLOOM CLIMATE IMPACT FUND

DATED: 07 March 2022

Bloom Climate Impact Fund (**Fund**)

ARSN: 656 971 881

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 **1800 958 102**

RESPONSIBLE ENTITY

Melbourne Securities Corporation Limited

ACN 160 326 545

AFSL 428 289

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MANAGER AND ADMINISTRATOR

Cache Investment Management Pty Ltd

ACN 624 306 430

AFSL 514 360

2 / 6 James Street,

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BLOOM

Bloom Impact Investment Services Pty Ltd

ACN 651 965 098

AR 001294778

23 Halford St,

Newstead QLD 4006

1800 958 102

IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS**) is a summary of significant information about the Fund and is issued by Melbourne Securities Corporation Limited (ACN 160 326 545, AFSL 428289) (**MSC, Trustee or we**) as the trustee and responsible entity of the Fund. It refers to important information in the Additional Information Document (**AID**) and Investment Options List (both available at www.bloom-impact.com/terms), which both form part of this PDS.

You should consider the information in this PDS (including the AID and the Investment Options List) and obtain financial advice tailored to your personal circumstances before making a decision about the Fund. The information in this PDS is general information only, is not financial product advice and does not take account of your personal financial situation or needs.

The Fund is a fully digital investment product. By making an application, you agree to receive communications in digital

form only (including via email or the Bloom Impact Investing Mobile App (**App**) with a copy of, or hyperlink to, the relevant communication). The App is not incorporated by reference into, and otherwise does not form part of, this PDS.

This offer is only open to retail and wholesale investors who are Australian residents for income tax purposes, who have received this PDS in Australia and who have an Australian residential address.

Information in this PDS may change from time to time. Where a change is not materially adverse to investors, it may be updated via a notification at bloom-impact.com. You can ask Bloom to provide a digital copy of any updated information, free of charge, at info@bloom-impact.com.

MSC is not a bank and an investment in the Fund is not a bank account. Neither MSC, Bloom, Cache nor any other person guarantees the performance of the Fund, the repayment of capital from the Fund or any particular rate of return.

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1. ABOUT MELBOURNE SECURITIES CORPORATION LIMITED

The Trustee has appointed Cache Investment Management Pty Ltd as the investment manager and administrator of the Fund, and in these roles it is responsible for managing the assets of the Fund and the Fund's administration.

MANAGER AND ADMINISTRATOR

Cache Investment Management Pty Ltd (ACN 624 306 430 AFSL 514 360) (**Cache**) has been appointed by MSC as investment manager and administrator of the Fund to undertake certain services including the establishment of the Fund, day-to-day management of the Fund, management of the Fund portfolio, operation of the Fund's unit registry and accounting services in respect of the Fund.

SUB-INVESTMENT MANAGER AND PROMOTER

Bloom Impact Investment Services Pty Ltd (ACN 651 965 098 AR 001294778) (**Bloom**) is the promoter and sub-investment manager of the Fund and will assist investors to engage with their investment in the Fund by operating the App. Bloom is appointed by Cache directly to provide sub-investment management services. These sub-investment management services include reviewing and advising Cache on the investment strategy, ethical screening and portfolio construction of the Fund.

Although Bloom may advise Cache in respect of these matters, all decisions regarding the Fund's investment strategy and portfolio will be made by Cache. Bloom has been appointed as Cache's authorised representative under Cache's Australian financial services licence (AFSL No. 514360).

RESPONSIBLE ENTITY

Melbourne Securities Corporation Limited (ACN 160 326 545 AFSL 428289) (**MSC, Trustee, or we**) is the responsible entity of the Fund and the issuer of units in the Fund. MSC is responsible for operating the Fund and the Fund's compliance with the Fund's constitution (**Constitution**), the *Corporations Act 2001* (Cth) (**Corporations Act**) and other relevant laws.

CUSTODIANS

- Sandhurst Trustees Limited (ACN 004 030 737 AFSL 237 906) has been appointed by MSC to hold domestic Fund assets as custodian, and may also provide other services (including services relating to trade and transaction settlement, corporate action reporting and administration, proxy voting, income and distribution processing and cash management).
- Phillip Capital Limited (ACN 002 918 247 AFSL 246 827) has been appointed by MSC to hold international Fund assets as custodian, and may also provide other services (including services relating to trade and transaction settlement, corporate action reporting and administration, proxy voting, income and distribution processing and cash management).

2. HOW THE BLOOM CLIMATE IMPACT FUND WORKS

A unit trust and a managed investment scheme

The Fund is a managed investment scheme that is structured as an Australian unit trust and registered with the Australian Securities and Investments Commission under the Corporations Act. There may be one or more classes of units in the Fund (each, an **Investment Option**).

A unit represents an undivided beneficial share in the Fund's assets as a whole (but not a right to any Fund assets in particular), subject to the Fund's liabilities.

Each Investment Option has a unit price

Each Investment Option may have a different unit price. The unit price for an Investment Option is determined by dividing the Investment Option's net trust value by the number of units on issue in the Investment Option at that time.

The unit price for each Investment Option will vary as the market value of the Investment Option's underlying assets rise and fall.

For more information, please see the Unit Pricing Policy and Fair Value Pricing Policy for the Fund. You can ask the Trustee to provide a digital copy to you free of charge by contacting Bloom at info@bloom-impact.com.

How to increase or decrease your investment

To open your investment in the Fund, you will need to open an investment account via the App and deposit monies into your investment account.

Investors are required to nominate an Australian bank/credit union account held in the investor's name. Account fees will be debited from this linked bank/credit union account.

When you've successfully opened an investment account and your cleared funds have been accepted and received, you will be issued units in the relevant Investment Option at the applicable unit price (plus any applicable buy spread).

You may increase the size of your investment by providing the Trustee with an investment instruction via the App, coupled with depositing additional funds into your investment account. These monies, once cleared, will be applied towards acquiring units in the chosen Investment Option.

You may decrease the size of your investment by making a withdrawal request using the App. Withdrawal amounts will usually be paid to you within 5 - 7 days after the Trustee receives and accepts your withdrawal request (less any applicable sell spread and any amounts you owe in relation to your investment).

Should there be more than one Investment Option available, you may then request to switch money from one Investment Option to another, and the Trustee will deem that to constitute both a request to withdraw from one Investment Option and an application to invest in another. Where the Trustee accepts that kind of request, units in the first Investment Option will be redeemed at their applicable unit price (less any applicable sell price) and then the proceeds will be applied towards an application for units in the second Investment Option at their applicable unit price (plus any applicable buy spread). You may hold units in more than one Investment Option at a time.

You will usually be able to increase and decrease the size of your investment in this way 24 hours per day, 7 days per week. Fees apply – see section 6 'Fees and Costs' of this PDS.

Regular investment plan

You can also make ongoing investments under a regular investment plan. A regular investment plan allows you to make regular investments via direct debit on a fortnightly or monthly basis. The minimum investment under a regular investment plan is \$20 per period (however the Trustee may accept lesser amounts or reject any application in part or in whole at its discretion).

Transfers of units

Transfers of units are not permitted without the Trustee's consent.

Limitations

In some circumstances, such as when there is a freeze on withdrawals or the App is unavailable, investors may not be able to withdraw from the Fund within the usual period upon request.

MSC may accept or reject any investment or withdrawal request at any time at its discretion, without providing a reason for its decision.

Minimum amounts

The initial minimum investment amount is **\$500** for individual investors and **\$5,000** for companies or trusts. There is no minimum withdrawal amount, however a minimum balance of \$500 is required. For subsequent investments or regular investment plans, the minimum investment is \$20.

Distributions

The Fund does not pay distributions to you. Any income received by the Fund in respect of units allocated to you will be automatically re-invested into the Fund and will increase the value of your investment. You can withdraw the amount of any income that has been automatically re-invested by making a withdrawal request using the approved Withdrawal Form or via the App.

You should read the important information about acquiring and disposing of units before making a decision. Go to section 1 of the AID. The material relating to acquisitions and disposals of units may change between the time when you read this PDS and the day when you acquire the product.

3. BENEFITS OF INVESTING IN THE BLOOM CLIMATE IMPACT FUND

The key features and benefits of an investment in the Fund include:

Access to investments with a positive climate impact

Bloom provides access to the Fund which is designed to help you start investing and potentially build wealth in the long term, through an easy-to-use App. The Fund provides investors with the opportunity to align their investments with positive climate goals via a multi-asset portfolio including listed and unlisted shares, exchange traded funds (ETFs), fixed income securities and debt instruments.

Transparency of holdings

Bloom provides transparency in respect of holdings in the Fund, which you can view through the App and at bloom-impact.com.

Easy-to-use investment app

You can access the Fund through Bloom's easy to use App.

Communications in one place

Communications related to your investment, including tax and periodic statements are easy to receive and store via the App.

Regular investment plan

The App allows you to set up regular contributions to your investment account under a regular investment plan so you can steadily increase the size of your investment over time. You can stop or resume your regular investment plan via the App at any time. Your distributions will also be automatically reinvested back into the Fund to grow the value of your investment.

All investment options carry risk

Risks may result in loss of income, loss of principal invested and possible delays in repayment. You could receive back less than you invested and there is no guarantee that you will receive any income. Also remember that past performance is not a reliable indicator of future performance.

You should read the important information about the key features and benefits of investing in the Fund before making a decision. Go to section 2 of the AID. The material relating to the key features and benefits of investing in the Fund may change between the time when you read this PDS and the day when you acquire the product.

4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Returns in the Fund are not guaranteed. The value of investments will vary, as will investment returns. Future returns may differ from past returns and investors may lose some or all of their money.

The appropriate level of risk for each investor will vary depending on a range of factors including age, investment timeframe, risk tolerance and where other parts of the investor's wealth are invested.

The significant risks of investing in the Fund include but are not limited to:

- (a) **(Performance risk):** the risk that your investment in the Fund does not perform as you expect or meet your financial requirements. There is no guarantee that any investment strategy will be managed successfully.
- (b) **(Market risk):** the risk of investment losses resulting from poor market conditions or changes to the market price of assets held by the Fund. This includes the risk that a market outside Australia experiences poor market conditions.
- (c) **(Liquidity risk):** the risk that the Fund has insufficient liquid assets to pay a withdrawal request in a timely manner.
- (d) **(Interest rate risk):** the risk that the capital value or income of a security may be adversely affected when interest rates rise or fall.
- (e) **(Credit risk):** the risk that the credit quality of a bond may decrease (for example, because of a reduction in the creditworthiness of the bond issuer) and adversely impact the value of the bond.
- (f) **(Fund risk):** the risk that the Fund terminates, its fees or other terms change or MSC, Cache, Bloom or another service provider changes.
- (g) **(Underlying fund risk):** the risk that any underlying fund or ETF terminates, its fees or other terms change or its manager or other service provider changes.
- (h) **(Concentration risk):** the risks associated with investing in a limited number of shares, ETFs or investment classes.
- (i) **(Authorisation risk):** the risk that your investment is accessed by another person that pretends to be you (for example, by using your mobile device or password).
- (j) **(Operational risk):** the risk that MSC's, Cache's, Bloom's or a service provider's (such as the custodians') operational processes and procedures malfunction or fail.
- (k) **(Foreign exchange risk):** the risk that the value of the currency in which investments are held falls.
- (l) **(Data security risk):** the risk that information systems fail, are infiltrated or corrupted.
- (m) **(Regulatory risk):** the risk that the laws or regulations that impact the Fund (or its assets) change in Australia or overseas, including environmental or climate-related laws.

You should read the important information about the risks of investing in the Fund before making a decision. Go to section 3 of the AID. The material relating to the risks of investing in the Fund may change between the time when you read this PDS and the day when you acquire the product.

5. HOW WE INVEST YOUR MONEY

There is currently a single Investment Option that gives exposure to a multi-asset portfolio of listed and unlisted shares, ETFs, listed and unlisted fixed income securities and debt instruments that offer positive climate solutions. These securities will either be listed on major global exchanges or will be unlisted securities domiciled in Australia, New Zealand, United States of America or Europe. Cash will also be held for liquidity. More Investment Options may be added in future.

Detailed information on the Investment Options available under this PDS is set out in the Investment Options List.

You should consider the likely investment return, risk and your investment timeframe when choosing to invest in an Investment Option.

Detailed information about the 'Bloom Climate Impact Fund' Investment Option is set out below.

INVESTMENT RETURN OBJECTIVE – BLOOM CLIMATE IMPACT FUND

To provide returns in excess of the composite benchmark based on the underlying strategic asset allocation (SAA) before fees, expenses and taxes. Actual returns and volatility of the Investment Option may differ from expectations and may deviate from return objectives over short periods of time. As such, performance will be measured over longer investment cycles.

ASSET CLASS	BENCHMARK	STRATEGIC ASSET ALLOCATION (of the gross value of the investment option)	
Australian equities	S&P/ASX 300 Total Return Index	14%	[9 – 19%]
International equities	MSCI World ex-Australia Total Return Index in AUD (Unhedged)	54%	[49 – 59%]
Infrastructure	MSCI Australia Infrastructure Index	5%	[0 – 10%]
Alternative	25% MSCI World ex-Australia Total Return Index in AUD (hedged) + 25% MSCI World ex-Australia Total Return Index in AUD (Unhedged) + 50% Bloomberg Global Aggregate TR Hedged AUD	7%	[0 – 12%]
Fixed income	Bloomberg Ausbond Composite 0+ Years Total Returns Index	18%	[10 – 25%]
Cash or cash equivalent	Bloomberg Ausbond Bank Bill Index	2%	[0 – 10%]

Investment strategy – Bloom Climate Impact Fund

The Investment Option will seek to promote positive climate solutions, by investing in companies and projects that Bloom considers to help reduce the emission of greenhouse gas levels in the atmosphere (including but not limited to CO₂) and reach net-zero emissions. The investment strategy is underpinned by a rules-based approach, driven by the SAA, which in turn is supported by a tactical asset allocation (TAA). The SAA provides a framework around how securities in the Investment Option will be allocated, whilst the TAA seeks to take advantage of specific opportunities in the market. The Investment Option will, in line with the investment strategy, be made up of growth and defensive securities which comprise listed and unlisted securities, single shares, ETFs, fixed income instruments (bonds, debt or loan securities) and cash and cash-like investments.

Labour standards and environmental, social and ethical considerations

As sub-investment manager Bloom takes into consideration environmental considerations, specifically whether companies or projects are engaged in scientifically-proven ways of combating climate change and reducing greenhouse gases to determine the investable universe of securities for the Fund (positive

screens). Once the investable universe has been determined, Bloom then considers labour standards, environmental, social and ethical considerations (in the form of negative screens) to determine whether any of the preselected securities should be excluded or not. For a list of the screens and further details on this methodology refer to section 1 of the IOL.

Although Cache will take into account the advice received from Bloom in its role as sub-investment manager, Cache is not required to take into account labour standards, environmental, social and ethical considerations when selecting, retaining or realising investments.

The Trustee does not take into account labour standards or environmental, social and ethical considerations when selecting, retaining or realising investments.

Investment profile – Bloom Climate Impact Fund

The Investment Option may suit an investor seeking investments aligned with positive climate solution goals which achieve a total return through various combinations of capital growth and income over the long term by gaining exposure to a multi-asset portfolio.

This Investment Option is considered to be high risk. The minimum suggested investment timeframe for this Investment Option is 7 years.

BLOOM CLIMATE IMPACT FUND – ASSET ALLOCATION (of the gross value of the Investment Option)

Australian shares	14%	[9 – 19%]
International shares	54%	[49 – 59%]
Infrastructure	5%	[0 – 10%]
Alternative	7%	[0 – 12%]
Fixed income	18%	[10 – 25%]
Cash or cash equivalent	2%	[0% – 10%]

This table sets out the strategic asset allocations. In practice, the actual asset allocation may vary from the target asset allocation (within the range specified). The Fund's investment objective and strategy can be changed without notice in some cases. Investors will be informed of any material change to the Fund as required by law.

You should read the important information about how the Trustee invests your money before making a decision. Go to section 4 of the AID and to the Investment Options List. The material relating to how the Trustee invests your money may change between the time when you read this PDS and the day when you acquire the product.

6. FEES AND COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Fee table

The table below shows fees and other costs that you may be charged in the **Bloom Climate Impact Fund Investment Option** and can be used to compare costs between different simple managed investment schemes.

Fees and costs may be paid directly from your investment account or deducted from investment returns.

TYPE OF FEE OR COST	AMOUNT
Fees when your money moves in or out of the fund	
<i>Establishment fee</i>	Nil
<i>Contribution fee</i>	Nil
<i>Withdrawal fee</i>	Nil
<i>Exit fee</i>	Nil
Management costs¹ The fees and costs for managing your investment	Account fee per month of \$4.50 ² plus investment management fee of 1.17 % p.a. of the net trust value of the Fund, comprising: <ul style="list-style-type: none">• management fee: 0.80% p.a.; and• indirect costs: 0.37% p.a.

¹ These figures reflect the fees and costs that the Trustee reasonably estimates, as at the date of this PDS, will apply for the current financial year (adjusted to reflect a 12-month period) as a percentage of the net trust value of the Fund. Certain additional fees and costs may apply, such as transactional and operational costs.

² Account fees are calculated and payable in arrears on the last business day of each month and are paid from your linked bank/credit union account. For more information, or for the fees and costs for other Investment Options, please see section 5 of the AID and sections 1 and 2 of the Investment Options List.

Example of annual fees and costs

This table gives an example of how the fees and costs for the **Bloom Climate Impact Fund Investment Option** can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – BLOOM CLIMATE IMPACT FUND ³	BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR	
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	\$639	And , for every \$50,000 you have in the Bloom Climate Impact Fund Investment Option you will be charged \$639 each year.
EQUALS Cost of Bloom Climate Impact Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$639 What it costs you will depend on the investment option you choose and the fees you negotiate.

³ Additional costs may apply, namely transactional and operational costs. This example assumes a constant investment of \$50,000 throughout the year and the \$5,000 investment occurs at the end of the year (and that you are only invested in one Investment Option).

There is a calculator provided by ASIC on its Moneysmart website (www.moneysmart.gov.au) that you can use to calculate the effect of fees and costs on your balance.

Additional explanation of fees and costs

In respect of the Fund, no transaction fees will be charged when you invest money, withdraw money, or move money from one Investment Option to another.

Account fees will be deducted monthly from your linked bank/credit union account and paid directly to Cache, who will pass on some or all that fee to the Trustee or Bloom (depending on the scale of the Fund). If there are insufficient funds in your linked bank/credit union account, your investment account may be closed and the value of the outstanding account fees may be deducted from your investment.

All monetary amounts are in Australian dollars. Unless otherwise indicated, fees are inclusive of Goods and Services Tax (**GST**), any applicable stamp duty and take into account the expected entitlement to a full tax credit or a reduced input tax credits in respect of the GST component of the fee.

MSC can change its fee structure without your consent, subject to the maximum fees described in the Constitution. Fees may vary over time due to changes to the Fund, changing economic conditions or changes in regulation. You will be given notice of any changes to fees in accordance with the Corporations Act (for example, where there is a material increase in fees or charges and the fund is not a disclosing entity, you'll be notified at least 30 days before the increase takes effect).

If you have a financial adviser, additional fees may be payable to the adviser. Refer to the Statement of Advice provided by your adviser.

You should read the important information about the fees and costs of the Fund before making a decision. Go to section 5 of the AID and sections 1 and 2 of the Investment Options List. The material relating to the fees and costs of the Fund may change between the time when you read this PDS and the day when you acquire the product.

7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice.

Registered managed investment schemes generally do not pay tax on behalf of investors. However, the Trustee may be required to withhold tax from each distribution at the

relevant withholding tax rates under certain circumstances. Investors are assessed for tax on any income and capital gains generated by the registered investment scheme.

The Trustee will provide an annual summary of distributions made to you during each financial year, as well as the relevant information required to complete your Australian tax return.

You should read the important information about how managed investment schemes are taxed before making a decision. Go to section 6 of the AID. The material relating to how managed investment schemes are taxed may change between the time when you read this PDS and the day when you acquire the product.

8. HOW TO APPLY

How to invest

Before you choose to invest, please carefully read and consider this PDS (including the AID and the Investment Options List).

To invest, you will need to download the App and then complete and submit an application through the App.

At the moment, applications will only be accepted from Australian resident individuals of at least 18 years of age.

Cooling off

Where your application to invest in the Fund has been accepted, you can request the return of your investment within a 14-day cooling-off period. Please contact the Trustee directly if you would like to exercise this right. If you cool-off, the Trustee will return your money to you and no fees will apply. However, the amount you receive will reflect any movement (whether up or down) in the unit price of the Fund and any related expenses. As a result, there may be tax, profit or loss implications for you. The cooling-off period commences on the earlier of the end of the fifth business day after your units are issued or the day you receive confirmation of your investment.

ENQUIRIES OR COMPLAINTS

If you are dissatisfied or have a complaint about your investment in the Fund, please contact Bloom at:

Bloom Impact Investment Services Pty Limited
23 Halford St,
Newstead QLD 4006
info@bloom-impact.com • 1800 958 102

Bloom will confirm receipt of any complaint by email within 1 business day, investigate the matter (in conjunction with Cache) and get back to you with a response with the aim of resolving your complaint within 30 days.

If an issue has not been resolved to your satisfaction, you can request that the complaint be escalated to MSC for review. You can also lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
afca.org.au • info@afca.org.au • 1800 931 678 (freecall)

9. ADDITIONAL INFORMATION

You should read the important additional information about how to request further information about the Fund, notifying changes in your details, transaction confirmations and reporting, privacy, requirements relating to your foreign tax residency status, information required from you, and when your investment account may be suspended or transaction request rejected, the Constitution, and how the Trustee meets its obligations in respect of the Fund (i.e. its compliance plan).

The AID also contains information about your rights and liability under the Constitution and investor meetings, your liability, financial information about the Fund and what happens if the Fund terminates and changes to the Fund. **Go to section 7 of the AID.**