Plant the seed.
Watch it grow.

Blossom

Product Disclosure Statement

Blossom Fund

ARSN 645 889 998

Issued by: Gleneagle Asset Management Limited
ABN 29 103 162 278, AFSL Licence 226 199

PRODUCT DISCLOSURE STATEMENT

Gleneagle Asset Management Limited ABN 29 103 162 278 AFS Licence No. 226 199 (**Gleneagle**, **Responsible Entity**, **RE, we** or **us**) is the Responsible Entity of Blossom Fund (Fund) and issuer of this PDS. This PDS has not been lodged with the Australian Securities and Investments Commission (**ASIC**) and is not required to be so lodged. ASIC takes no responsibility for the contents of this PDS.

The latest current copy of this PDS is available to be downloaded from the App or the website www.blossomapp.com. If you make this PDS available to another person, you must give them the entire PDS, including the application form.

This PDS is not an offer or invitation in relation to the Fund in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. All references to $ or amounts are to Australian dollars.

This PDS is current as at 14 May 2021. Information in this PDS is subject to change from time to time. To the extent that the change is not materially adverse to investors, it may be updated by a notice of the change on the Fund's website at www.blossomapp.com. If the change is materially adverse to investors, Gleneagle will notify affected investors and supplement or replace this PDS. A paper copy of any updated information will be provided free of charge on request.

No party guarantees or promises the Intended Return of the Fund, or that the amount of capital invested will gain or retain its value. No company other than Gleneagle and the Liquidity Manager makes any statement or representation in this PDS.

This PDS has been prepared without taking into account your objectives, financial situation or needs. You should consider the appropriateness of the Fund having regard to your own objectives, financial situation and needs. You should read the entire PDS, and speak to a financial adviser, before proceeding to acquire or dispose of units in the Fund.

Dated: 14 May 2021

Issued by: Gleneagle Asset Management Limited
ABN 29 103 162 278
AFSL Licence 226 199

SERVICE PROVIDERS

Responsible Entity
Gleneagle Asset Management Limited ABN 29 103 162 278
Level 27, 25 Bligh Street
Sydney NSW 2000

Liquidity Manager
Fortlake Asset Management Pty Limited ABN 30 643 640 939
Level 5, 66 Clarence Street
Sydney NSW 2000

Threshold Manager
BlossomApp Pty Limited ABN 74 644 216 151
Level 27, 25 Bligh Street
Sydney NSW 2000

Underwriter & Custodian
Gleneagle Securities (Aust) Pty Ltd ABN 58 136 930 526
Level 27, 25 Bligh Street
Sydney NSW 2000

Administrator
Apex Fund Services (Australia) Pty Ltd ACN 149 408 702
Level 13, 459 Little Collins Street
Melbourne VIC 3000

Prime Broker & Custodian
J.P. Morgan Securities LLC ABN 37 109 293 610
277 Park Avenue
New York, NY 10172

Legal Advisers
Ernst & Young ABN 75 288 172 749
200 George Street
Sydney NSW 2000

Auditor
Ernst & Young ABN 75 288 172 749
200 George Street
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WHAT'S IN THIS PDS?

We hope you find this PDS easy to use. We encourage you to read it all before you make any investment decision.

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FUND SNAPSHOT

FEATURE	SUMMARY
FUND NAME	Blossom Fund
LIQUIDITY MANAGER	Fortlake Asset Management Pty Ltd ABN 30 643 640 939 CAR #001283388 CAR #001284204
RESPONSIBLE ENTITY OF THE FUND	Gleneagle Asset Management Limited ABN 29 103 162 278 (AFSL 226 199)
ADMINISTRATOR	Apex Fund Services (Australia) Pty Ltd ACN 149 408 702
PRIME BROKER & CUSTODIAN[1]	J.P. Morgan Securities LLC ABN 37 109 293 610
THRESHOLD MANAGER	BlossomApp Pty Limited ABN 74 644 216 151 CAR #1284228
INVESTMENT OBJECTIVE	The Fund's investment objective is to deliver consistent income of 3% calculated on the Principal[2] per annum (i.e. net of fees and expenses) (**Intended Return**). However, while this is the stated investment objective there is no guarantee that the Intended Return will be achieved.[3]

[1] J.P. Morgan Securities LLC is custodian of certain assets that it holds on behalf of the Fund, including cash. The Responsible Entity may itself hold certain derivative positions on behalf of the Fund.

[2] "Principal" means any amounts paid by Unitholders of the Fund for the acquisition of units in the Fund, referable to the relevant class, which have not subsequently been redeemed and includes any amount of Return of the Fund that the Responsible Entity determines each quarter to be attributable to the relevant class of units. For the avoidance of doubt, any units acquired by way of reinvestment of distributions would be considered amounts paid by the Unitholders of the Fund for the acquisition of units. "Return" means the value of the assets of the Fund referable to a class of units in the Fund above the Principal.

[3] The Threshold Manager is responsible for seeking to achieve the Intended Return and where the return is below the Intended Return, either: (i) pay the amount of shortfall to the Fund so that the Fund is achieving the Intended Return; or (ii) where there are insufficient funds, request that the Underwriter pay the shortfall to it pursuant to the terms of the Intended Return Facility (as set out in Threshold Management and Underwriting Deed) so it can make the relevant payment to the Fund in respect of the shortfall. There is no guarantee that investors will receive the Intended Return.

KEY RISKS	Some of the key risks in relation to an investment in the Fund are summarised below. Please refer to the “What are the significant risks?” section for a more comprehensive summary of potential risks. Key risks specific to an investment in the Fund include: **Credit Risk.** The Fund may be required to rely on the Intended Return Facility and Redemption Facility provided by the Underwriter under the Threshold Management and Underwriting Deed to: • facilitate the Fund in meeting the Intended Return when the Fund underperforms; • provide that the NAV of the Fund equals the Principal; • satisfy investor redemptions from the Fund; and • the amounts received by the Underwriter may be insufficient to deliver the Intended Return, prevent capital loss or there may be a delay in paying redemption proceeds. **Liquidity Risk.** The Fund invests in high-grade bonds, government or government related bonds and may invest opportunistically in short-term investment-grade bonds. Investments in bonds may suffer from a lack of liquidity during the term of the bond, or if there is a thin market for the particular bonds. This may result in a delay in paying redemption proceeds.
FUND INCEPTION	13 November 2020
ENTRY FEES	Nil
EXIT FEES	Nil
LIQUIDITY MANAGEMENT FEE[4]	0.5% p.a. of Principal (excl. GST)
THRESHOLD MANAGEMENT FEE	A fee equivalent to any amount remaining of the amount of Return above the Intended Return after payment of fees, expenses and costs, but not exceeding the amount which the Responsible Entity is entitled to pay to the Threshold Manager under the constitution for the Fund (**Constitution**). Refer to the Fees and Other Costs section of this PDS for more information.

[4] The Liquidity Management Fee will only be paid to the Liquidity Manager where the Fund achieves the Intended Return and has not been waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees.

BUY / SELL SPREAD	Nil
MINIMUM INITIAL INVESTMENT	Nil
MINIMUM ADDITIONAL INVESTMENT	Nil
MINIMUM WITHDRAWAL	$0.01
MINIMUM BALANCE	Nil
UNIT PRICING FREQUENCY	Daily, each business day
APPLICATION PROCESSING	Daily, each business day, 4pm Sydney time
REDEMPTION PROCESSING	Withdrawal requests are required to be received by 4pm, Sydney time on a business day.
INCOME DISTRIBUTION FREQUENCY	Any income distributions (if available) will be made following the end of each financial year and will be reinvested in full unless an investor elects to receive cash distributions. Please refer to “Distributions” for more information.

DISCLOSURE PRINCIPALS

DISCLOSURE PRINCIPLE 1

THE INVESTMENT STRATEGY

The investment strategy

The strategy of the Blossom Fund is quantitative led and seeks to generate returns from the more liquid parts of the fixed income market using specialised techniques only available to institutional grade fixed income managers. The Liquidity Manager seeks to target areas of the fixed income market that have a lower probability of default. The Liquidity Manager only invests in areas where it deems it has a competitive advantage to other fixed income managers.

The strategy seeks to ensure consistent and smoother annual returns through the Threshold Manager's management utilisation of the Intended Return Facility provided by the Underwriter (as set out in Threshold Management and Underwriting Deed).

The investment strategy explained

The focus of the Fund is making (direct or indirect) investments in fixed income investments and derivatives to achieve synthetic interest investments. The Fund's investment style utilises a variety of institutional techniques, including a combination of inflation hedges, overlays, arbitrage strategies and to opportunistically allocate to selective opportunities or to apply a distortions-based investment approach with the objective to generate a meaningful return above the RBA cash rate. The strategy is also highly tax aware and employs a variety of techniques which seek to deliver tax efficiency to investors. The focus and style of the Liquidity Manager is to seek out lower probability of default opportunities in fixed income markets relative to risk and then use specialised techniques with the objective of delivering stable returns to investors using a variety of return sources that have well understood correlations.

The Fund's investment strategy may change from time to time. The Responsible Entity will notify investors of any material changes to the investment strategy on the Fund's website at www.blossomapp.com.

Investment universe

The investment universe is comprised mainly of direct and indirect investments (see below) in investment grade corporate bonds, asset backed securities inflation derivatives, interest rate derivatives, bank bills and negotiable certificates of deposit issued by larger Australian banks and other derivatives. The Liquidity Manager's remit is to seek out the best opportunities irrespective of geography across rates, credit and inflation markets. As a result, the investment universe is a function of return versus probability of default and risk. Consequently, the investment universe is statistically based due to the filters that are used and will be dynamic and based on changes in the investment environment. The Liquidity Manager aims to hedge any foreign currency exposure back to the Australian dollar.

The indirect investments will be by investing in other funds managed by the Liquidity Manager which have the same investment strategy and investment universe. This reflects the objective of the Fund to access the Liquidity Manager's skills and provide a cost effective way of doing that until it is assessed that it is more cost effective for the Fund to make the investments directly.

Key dependencies or assumptions

The Fund relies heavily on the effectiveness of the methodology described in the "Fortlake's investment process" section to deliver positive capital growth. If the methodology does not work as anticipated, the Fund could underperform or incur losses on capital.

The Fund relies on the discretionary credit facilities provided by the Underwriter for its Intended Return. If the Underwriter does not make a payment under the Threshold Management and Underwriting Deed, the Fund could receive a lower return than the Intended Return.

For further information regarding the risks associated with the Fund's investment strategy, refer to 'What are the significant risks?'.

Diversification and position limits

The Fund's portfolio will typically contain by direct investments and indirect investments by investing in other Funds managed by the Liquidity Manager of 20 to 70 positions. The portfolio will typically contain derivative positions, particularly where use of the derivative enhances the theme or strategy of the portfolio.

The Fund will generally have the following asset allocations (direct or indirectly held):

- Weighted average credit weighting of the bond portfolio within the Fund no lower than BBB+ rated
- Global government and corporate bond exposure of 0% - 15% of net asset value of the Fund
- Australian corporate bonds of 0% - 100% of net asset value of the Fund
- Australian government bonds of 0% - 10% of net asset value of the Fund
- The Fund may use derivatives (exchange-traded and over the counter derivatives) of 0% - 100%, to gain access to the above investment exposures including global government and corporate bonds and these derivatives may reference sub-investment grade issuers.

Refer to disclosure principles 6 (leverage) and 7 (derivatives) below.

Risks

Please refer to "What are the significant risks?" for details about risks of investing in the Fund.

Is my capital protected?

Returns of capital are not guaranteed.

Risk management strategy

The Liquidity Manager continually monitors risk across four key dimensions: (i) Portfolio Exposures; (ii) Structure; (iii) Operations; and (iv) Commercial.

(i) Portfolio Exposures relates to the individual and aggregate investment and currency exposures contained in the Fund's long portfolio, short portfolio and the resulting net exposures.

(ii) Structure relates to the Fund's counterparties for foreign exchange forward transactions and prime broking services; as well as the oversight of the legal entities relating to the Fund and the Liquidity Manager.

(iii) Operations relates to the Liquidity Manager's research, trading and accounting systems, the oversight of the Fund's service providers and other matters of regulation and compliance.

(iv) Commercial relates to the internal workings of the Liquidity Manager, including research, finance, human resources and communications functions.

The Liquidity Manager conducts a formal risk review of these dimensions on a quarterly basis.

For what type of investor is the Blossom Fund suitable?

The Fund is suited to those investors who are seeking a consistent return above general inflation rates and a regular source of income. However, there are no guarantees that the Intended Return will be achieved and there are risks associated with investing in the Fund (please refer to “What are the significant risks?” for details about risks of investing in the Fund) and therefore the Fund is suited to those investors who are willing to accept those risks in seeking the desired Intended Return.

DISCLOSURE PRINCIPLE 2

LIQUIDUTY MANAGER AND THRESHOLD MANAGER

Liquidity Manager

Fortlake Asset Management Pty Ltd ABN 30 643 640 939 is the Liquidity Manager for the Fund and is appointed by Gleneagle to manage a portfolio of assets of the Fund. Fortlake is an Australian incorporated company. Other liquidity managers may also be appointed from time to time to manage different portfolios of assets within the Fund.

Gleneagle and Fortlake have signed a liquidity management agreement, which is substantially in an industry standard format and provides for termination of the Liquidity Manager in a number of circumstances including insolvency, breach of an obligation, representation, warranty or undertaking under the agreement or if Gleneagle is required to terminate to comply with relevant law. There are no penalty pay outs in the event the liquidity management agreement is terminated. There are no unusual or onerous (from an investor’s perspective) terms in the liquidity management agreement. There have been no adverse regulatory findings against Fortlake or its personnel.

There are several key investment personnel who have day to day responsibility for the running of the portfolio on behalf of Fortlake.

The key persons, including their relevant qualifications and commercial experience, are:

Dr Christian Baylis, Founder, Chief Investment Officer

Christian is a highly regarded Australian-based manager with broad experience across global fixed income and derivatives strategies, having worked previously at UBS Asset Management and the Reserve Bank of Australia (**RBA**).

Christian managed in excess of $8 billion AUM and was the lead Portfolio Manager in the UBS Australian Fixed Income team for the UBS Cash Plus Fund, the Insurance and ALM book of business and ran a complex suite of overlay strategies for large cross-border liability clients. Christian was also a member of the Global Multi Strategy Committee and was appointed as the Australian representative for the Global Dynamic Fund, the core global unconstrained Fixed Income offering for UBS Asset Management.

Christian was the Head of Derivative Strategy, Inflation Linked Assets and Credit Trading across the Australian Fixed Income business, managing in excess of $26 billion. This role incorporated oversight of Sector Strategy - incorporating Semi-government and Sovereign Supra National Agencies (**SSA**s) and the development of the associated environmental, social or ethical considerations framework for these assets. As a member of the Global Multi Strategy

Committee Christian was actively involved in the macro analysis and research of fixed income markets for the global Fixed Income business.

Christian joined UBS Asset Management in March 2011. Whilst managing the UBS Cash-Plus Fund from March 2011 to May 2020, Christian obtained the only 'Highly Recommended' rating from Zenith for consecutive years 2017 – 2020 for the Short-Term Credit category.

Prior to this, he was a Senior Analyst at the RBA, managing the Bank's investment portfolio, liquidity and liability profile. Prior to his role at the RBA, Christian worked for Standard and Poor's, as a Rating Specialist conducting rating assessments and research.

Christian has a PhD in Econometrics from Monash University and was a recipient of the distinguished Exceed First Class Honours award, receiving a perfect GPA. Christian won the Australian Postgraduate Scholar Award at both University of New South Wales (**UNSW**) and the University of Sydney (**USYD**) for his work in the Econometrics field and was a visiting scholar at Monash University in the Econometrics faculty. Christian was also the recipient of the prestigious Capital Markets CRC PhD Scholarship where his work focused on alternative methods of inflation modelling, probability density functions and option implied distributions.

Christian will spend approximately 90% of the time executing the investment strategy.

Dr Kylie-Anne Richards, Executive Director

Kylie-Anne joined UTS in January 2019 after completing her PhD (Mathematics) on Limit Order Book Dynamics at the University of NSW. She was awarded the QRSLab Boronia Managed Funds PhD Scholarship in 2011. Kylie-Anne also holds a Master's degree in Finance from the University of Hong Kong. Her research and teaching interests are in financial markets, sustainable finance, green finance, ESG, high frequency finance, market microstructure, statistics and econometrics. Kylie-Anne has had extensive industry experience both domestically and overseas. She began her career as a Quantitative Analyst at Investment Technology Group. Kylie-Anne was Head of Financial Engineering for Asia Pacific at Macquarie Group in Hong Kong and subsequently, Head of Indexation and Quantitative Trading Research at CLSA in Sydney. Most recently she held the position of Director, Portfolio Manager at QTR Capital, a proprietary trading business.

Dr Richards will spend approximately 90% of the time executing the investment strategy.

Dr Nalin Prasad, Member of the Investment Team

Dr Prasad previously worked at the RBA as an Analyst across the Bank's investment portfolio where he conducted research on behalf of the investment committee. He was most recently a visiting Fellow at the USYD Business School where his research focus specialised on volatility spillovers and the impact of macroeconomic news in financial markets.

Dr Prasad is CFA Charter Holder, a Certified FRM Holder and a CPA. He completed his Bachelor Degree in Business (Accounting) from University of Western Sydney (**UWS**) with First Class Honours, was awarded the University Medal and was a recipient of the Australian Postgraduate Award (USYD). He also holds a Master of Engineering Studies degree where he majored in Software and Information Systems engineering and a Bachelor Degree in Computer Engineering.

Dr Prasad will spend approximately 90% of the time executing the investment strategy.

Dr Hoang Lan Do, Member of the Investment Team

Dr Do was most recently an academic scholar at UNSW where her research and lecturing specialisation was on the topic of Capital Structures in Corporate Finance. Her lecturing career extended across Banking Capital, Financial Markets and Financial Econometrics. Prior to this, Dr Do was the Financials Analyst at Vietnamese Investment Group (VIG) and has also been founding partner in variety of Fintech start up opportunities.

Dr Do was awarded the University Medal at the University of Technology Sydney (UTS) for her work in the field of Finance and was awarded the KPMG scholarship award for all round academic excellence.

Dr Do will spend approximately 90% of the time executing the investment strategy.

Hang Nguyen PhD, Risk and Actuarial – Member of the Investment Team

Hang was most recently an Actuarial Executive for Bao Viet Life Insurance (BVL), one of the largest life insurers in the Asia Pacific region. BVL is co-owned by HSBC and State Capital Investment Corporation (SCIC) and will soon incorporate Sumitomo Life. Hang was also a machine learning engineer and a Mathematician for a large slot gaming corporation. Prior to this Hang was a Data Scientist for Verizon Corporation.

Hang is a Capital Markets CRC PhD scholar at UNSW and visiting scholar at the Rozetta Institute where her work was focused on market microstructure and machine learning on annuity products. Hang has recently worked at the school of Risk and Actuarial Science at UNSW and is considered a leading authority in the Mathematics field based on peer review. Hang holds a Masters in Applied Mathematics and Statistics from Stony Brook University, New York and has a B.A. in Mathematics and Economics.

Hang will spend approximately 90% of the time executing the investment strategy.

Threshold Manager

BlossomApp Pty Limited ABN 74 644 216 151 is the Threshold Manager for the Fund and is appointed by Gleneagle:

- To seek to obtain the Intended Return for the Fund;
- where the Return is above the Intended Return, to determine the amounts payable as fees and expenses as described the PDS current for the relevant period and to instruct the Responsible Entity to accrue such payments daily;
- where the Return is below the Intended Return, at its sole discretion, to make payments to the Fund to meet the Intended Return when the Fund underperforms;
- at its sole discretion, to make payments to the Responsible Entity to assist in satisfying withdrawals where necessary; and
- at its sole discretion, to make payments to the Responsible Entity at any time to ensure that the NAV of the Fund equals the Principal.

The Threshold Manager is an Australian incorporated company owned 50% by Gleneagle Securities (Aust) Pty Ltd (i.e. the Underwriter). The Underwriter makes available the Intended Return Facility and the Redemption Facility to the Threshold Manager under the Threshold Management and Underwriting Deed, by which the Underwriter may make certain payments to the Threshold Manager. See section “Threshold Management and Underwriting Deed” below.

Gleneagle, the Threshold Manager and the Underwriter have signed a threshold management and underwriting deed (**Threshold Management and Underwriting Deed**), which contains arm's length commercial terms and provides for termination of the Threshold Manager in a number of circumstances including insolvency, breach of an obligation, representation, warranty or undertaking under the agreement or if Gleneagle is required to terminate to comply with relevant law. There are no penalty pay outs in the event the Threshold Management and Underwriting Deed is terminated. There have been no adverse regulatory findings against the Threshold Manager or its personnel.

Gleneagle has the right to appoint more than one investment manager (including the Liquidity Manager) in respect of the Fund. Where more than one investment manager is appointed, each investment manager will be appointed in respect of a portfolio. When determining the fees payable to each relevant investment manager as a management fee, the calculation of the fees will be undertaken on a portfolio basis; where the Intended Return and Return are calculated in respect of each individual portfolio.

DISCLOSURE PRINCIPLE 3

FUND STRUCTURE

The Fund is structured as a registered managed investment scheme and a unit trust. Interests in the trust are divided into "units".

The Responsible Entity of the Fund is Gleneagle.

The Liquidity Manager currently managing a portfolio of the Fund is Fortlake Asset Management Pty Ltd (**Fortlake**).

The Threshold Manager of the Fund is BlossomApp Pty Limited (**BlossomApp**).

Gleneagle Securities (Aust) Pty Limited (**Gleneagle Securities**) is the Underwriter of the Fund and the Custodian for indirect investments (by way of holding units in other funds managed by the Liquidity Manager).

Other key service providers include Apex Fund Services (Australia) Pty Ltd, the Administrator of the Fund, J.P. Morgan Securities LLC, the Prime Broker and Custodian of the Fund for direct investments in fixed income investments and Ernst & Young, the auditors of the Fund.

All key service providers of the Fund are appointed on arm's length commercial terms. Service providers are largely based in Australia.

Gleneagle ensures compliance of its service providers with their obligations under the relevant service agreements and laws by monitoring performance, and by conducting reviews in accordance with its service provider monitoring program.

There are risks of holding assets through third party service providers such as the Prime Broker. These risks are outlined in the section "What are the significant risks?" and "Counterparty risk".

For information on fees and costs associated with an investment in the Fund, please refer to "Fees and other costs".

DISCLOSURE PRINCIPLE 4

VALUATION, LOCATION AND CUSTODY OF ASSETS

Below is a table summarising the Fund's proposed assets, location of assets and custody arrangements.

Assets	Location of Assets	Prime Broker & Custodian
Direct investments in: Commonwealth Government Bonds, Semi-Government Bonds, inflation derivatives, interest rate derivatives, bank bills and Negotiable Certificates of Deposit (NCDs) issued by larger Australian banks and other derivatives.	Australia, North America, UK/EMEA, Asia Pacific	J.P. Morgan Securities LLC
Indirect investments in: Commonwealth Government Bonds, Semi-Government Bonds, inflation derivatives, interest rate derivatives, bank bills and Negotiable Certificates of Deposit (NCDs) issued by larger Australian banks and other derivatives.	Australia (other funds managed by Liquidity Manager which are domiciled in Australia)	Gleneagle Securities

Interests in the Fund are proposed to be valued daily each business day and the net asset value is determined in accordance with the Constitution and industry standards.

Please refer to the "The Fund's Investment Process" section for information on the geographical exposures of the Fund's investments.

J.P. Morgan Securities LLC is custodian of certain assets that it holds on behalf of the Fund, including cash and direct investments. Gleneagle Securities is custodian of the financial assets which are the investments in other funds managed by the Liquidity Manager. The Responsible Entity may itself hold certain derivative positions on behalf of the Fund.

DISCLOSURE PRINCIPLE 5

LIQUIDITY

The Fund generally permits redemptions daily each business day. Withdrawal requests are required to be received by 4pm Sydney time on a business day (i.e. the day of redemption), for processing using the unit price effective for the day of redemption.

It is expected that the Fund will be able to meet redemptions in normal market conditions. In a rapidly moving market, investors could experience a deferral or scaling back to a partial payment of their redemption amount plus a deferral of the outstanding amount.

The Underwriter may (in its discretion) assist to fund redemptions under the Threshold Management and Underwriting Deed, by way of making payments to the Threshold Manager for the Threshold Manager to make corresponding payments to the Responsible Entity, to enable the Fund to satisfy redemptions without having to defer redemptions.

The Constitution of the Fund and the Corporations Act permit deferral of redemptions in certain circumstances. Please refer to the section "Withdrawing your investment" for further information. The Responsible Entity is also permitted to defer redemptions if it receives an individual redemption request that represents more than 5% (for an individual member) or redemptions received over a period of 5 consecutive business days for more than 10% (in aggregate) of the number of units in issue. This is commonly referred to as 'gating'. The Responsible Entity also has the discretion to waive these 'gating' rights.

Please refer to the section "What are the significant risks?" and "Liquidity risk" for more information on liquidity.

DISCLOSURE PRINCIPLE 6

LEVERAGE

The Liquidity Manager may leverage the Fund's capital because it believes that the use of leverage may enable the Fund to achieve a higher rate of return. Accordingly, the Responsible Entity may pledge the Fund's securities in order to borrow additional funds for investment purposes. The Fund may also leverage its investment return with derivatives and short sales. The amount of borrowings which the Fund may have outstanding at any time may be substantial in relation to its capital. Leverage can magnify both the gains and losses and Unitholders may experience increased volatility in the value of their investments.

Leverage is employed via the prime broking relationship with J.P. Morgan Securities LLC, or other trading counterparties who impose a strict set of leverage limits, asset class criteria restrictions as well as concentration risk calculations on the Fund.

The Prime Broker or other counterparties may enter into leveraged transactions (e.g. short selling or derivatives) and may hold some assets of the Fund as collateral for those transactions.

Please refer to the sections "What are the significant risks?" and "The Prime Broker" for more information on leverage.

Worked example of impact of leverage on investment returns and losses

The following table provides examples of two different scenarios of the Fund's performance and their theoretical outcome if the Fund was at its maximum gross market exposure (2.5x) with no protection through short selling. At the Fund's maximum gross market exposure, this means that for every $1 of the Fund's net asset value, the Fund is leveraged $2.50. Note that this example does not take into account borrowing or trading costs. The examples use an investment of $50,000 and the maximum anticipated and allowed leverage of 2.5x:

RETURN ON INVESTMENTS	TOTAL GROSS PORTFOLIO EXPOSURE	TOTAL PORTFOLIO GAIN/(LOSS)	TOTAL PORTFOLIO VALUE
Portfolio return +10%	$125,000	$12,500	$62,500
Portfolio return -10%	$125,000	($12,500)	$37,500

DISCLOSURE PRINCIPLE 7

DERIVATIVES

While the Fund primarily invests directly and indirectly by investing in other funds managed by the Liquidity Manager, the Liquidity Manager may, in its discretion, invest in derivatives and/or exchange traded funds to gain an intended exposure or manage a particular risk.

Derivatives (both exchange traded and over the counter) may be used in the management of the Fund for purposes including the following:

- managing investment risk and volatility of a security or market;
- managing actual and anticipated interest rate risk and credit exposure;
- managing currency risk and adjusting currency exposure;
- achieving asset exposures without buying or selling the underlying securities;
- creating short exposure to a security or market where permitted;
- generating additional income;
- adding to the gearing levels of the Fund’s portfolio;
- managing tax outcomes for the Fund;
- managing strategic and tactical asset allocation strategies; or
- taking advantage of price differences (known as arbitrage).

The primary over the counter derivative counterparty used is J.P. Morgan Securities LLC, who is the Fund’s Prime Broker.

Please refer to the sections “What are the significant risks?” and “The Prime Broker” for more information on the use of derivatives.

DISCLOSURE PRINCIPLE 8

SHORT SELLING

Short selling may be undertaken by the Fund as part of the investment strategy. The Fund may engage in short selling by borrowing bonds through the Prime Broker or other brokers and providing the required collateral.

Liquidity Manager will engage in short-selling in accordance with the rules of the particular market on which it is trading (for example, it will comply with relevant reporting requirements and, where “naked” short selling is prohibited, Liquidity Manager will not engage in such practice).

The risks of short selling are set out in the section “What are the significant risks?”. Short selling risk is managed by Liquidity Manager through size and by the use of the Prime Broker.

DISCLOSURE PRINCIPLE 9

WITHDRAWALS

The Fund aim to process withdrawals on a daily basis each business day. Withdrawal requests are required to be received by 4pm Sydney time on a business day, for processing using the unit price effective for the day of redemption.

The process for making withdrawals and limitations in relation to withdrawals are set out in the section "Withdrawing your investment". In some circumstances, such as when the Fund is illiquid, investors will not be able to withdraw from the Fund. If the withdrawal requirements are altered, you will be notified in writing. Please also refer to the section "What are the significant risks?" and "Liquidity risk" for more information on liquidity.

Redemption Facility

The Underwriter has made available a credit facility to the Threshold Manager under the Threshold Management and Underwriting Deed to assist the Responsible Entity in satisfying withdrawals from the Fund. The facility is only made available where the Fund does not have the liquidity required to satisfy the withdrawals for any given day in the Underwriter's discretion. The facility is intended to bridge the time delay from receiving the receipts from realising assets (where necessary) to satisfy the daily withdrawals each business day.

DISCLOSURE BENCHMARKS

This PDS addresses the following two disclosure benchmarks:

BENCHMARK 1

VALUATION OF ASSETS

This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider.

MET OR NOT MET?

The Fund meets the valuation of assets benchmark. Any non-exchange traded assets (such as over the counter derivatives) are valued by the Prime Broker or Administrator who are unrelated to the Fund.

BENCHMARK 2

PERIODIC REPORTING

This benchmark addresses whether we provide periodic disclosure to our investors of certain key Fund information on an annual and monthly basis.

MET OR NOT MET?

The Fund meets this benchmark.

The following information will be made available to unit holders in the Fund on a monthly basis:

- net asset value and price of units; and
- net returns after fees, costs and relevant taxes.

We will advise unit holders should there be any changes to the following:

- any changes to key service providers including any change in related party status in respect of the Fund more generally;
- any material changes to the risk profile and strategy of the Fund more generally; and
- any material changes related to the primary investment personnel responsible for the Fund more generally.

The following information will be provided to unit holders in the Fund on an annual basis:

- asset allocation to each asset type;
- liquidity profile at the end of the relevant period;
- maturity profile of liabilities at the end of the relevant period;
- the gross exposure as a measure of the leverage ratio at the end of the relevant period;
- information about derivative counterparties engaged; and
- monthly returns and annual investment returns.

WHAT ARE THE BENEFITS OF INVESTING IN THE FUND?

Benefits of investing in the Fund

Some of the Blossom Fund's key benefits include the following:

- easily accessible investment through the Blossom Fund app or web app providing for daily applications and redemptions each business day;
- greater flexibility with no minimum account balance, no minimum applications and minimum withdrawals of $0.01;
- credit facilities provided by the Underwriter:
    - to pay, at its discretion, to the Threshold Manager the amount required to make up any shortfall of the Return to the Intended Return (and for the Threshold Manager to make the corresponding payment to the Fund); and
    - to make advances, at its sole discretion, to provide liquidity to the Threshold Manager to pay investors redemptions within the timeframes as set out in this PDS (and for the Threshold Manager to make the corresponding payment to the Fund).
- transparent and daily up-to-date information available in the Blossom App or Web App about your investment;
- the Liquidity Manager is highly specialised, with deep knowledge and experience in fixed income investments;
- investors have access to Liquidity Manager's investment methodology which is designed to produce returns and protect investors against inflation risk;
- investors have access to a highly diversified portfolio of investment grade fixed income investments.

THRESHOLD MANAGEMENT AND UNDERWRITING DEED

Under the Threshold Management and Underwriting Deed, the Threshold Manager at its sole discretion, has the ability to pay the amount of shortfall to the Fund so that the Fund is achieving the Intended Return each financial year. Where the Fund underperforms and the Return is below the Intended Return, the Threshold Manager may at its discretion, either (i) pay the amount of shortfall to the Fund so that the Fund is achieving the Intended Return; or (ii) where there are insufficient funds, request the Underwriter to pay the amount of shortfall under the relevant credit facility (which may be made in the Underwriter's discretion) to it so that it can make the relevant payment in respect of the shortfall to the Fund. When the Fund outperforms and the Return is above the Intended Return, the Threshold Manager determines the amounts of fees and expenses payable as set out in the PDS current for the relevant period and instructs the Responsible Entity to accrue such payments daily. These fee amounts include the excess funds (net of all other fees and expenses) above the Intended Return of the Fund paid to the Threshold Manager via the Threshold Management Fee.

Under the Threshold Management and Underwriting Deed, the Underwriter provides the:

1. Intended Return Facility: the Underwriter agrees under the threshold management and underwriting deed to pay, at its discretion, to the Threshold Manager the amount required to make up any shortfall of the Fund's return on Return to the Intended Return.
2. Redemption Facility: the Underwriter agrees under the threshold management and underwriting deed to make advances, at its sole discretion, to provide liquidity to the Threshold Manager to pay investors redemptions within the timeframes required as set out in the PDS current for the relevant period.

BLOSSOM APP OR WEB APP

Blossom Fund app (the **App**) or Blossom Fund web app (the **Web App**) are the platforms through which investors may make applications to the Fund, redeem their investment or check the value of their investments. Refer to sections 'How to invest' for more information on how to apply to the Fund and 'Withdrawing your investment' for more information on how to redeem your investment through the App or Web App.

THE FUND'S INVESTMENT PROCESS

Fortlake's investment process

Investors in the Fund have the benefit of accessing Liquidity Manager's distinctive investment process. The Liquidity Manager utilises a Trade Meritocracy Framework (**TMF**) to build its portfolio, which includes the following stages:

- Stage 1 – Universe and Opportunity Set

The Liquidity Manager identifies a shortlist of potential investments (the investment universe) which fit the Fund's investment parameters. This process involves analysing a range of investment instruments and forming a view as to their relative merits (including any discount to their intrinsic value), based on their risks and potential return, commensurate with the Fund's target return of the Intended Return. Once the Liquidity Manager has completed this analysis, it uses this data to optimise capital allocation and weight the portfolio.

- Stage 2 – Factor Audit

Once the investment universe is defined, each of the potential investments is subject to further analysis and modelling through repeated simulation. This stage involves scrutinising the performance of the potential investments across a range of factors. Such factors may include macroeconomic factors or investment specific factors like volatility or momentum. Potential investments are ranked across each factor with a view of identifying superior opportunities and areas for further optimisation. The factors used in this stage may change over time and themselves are evaluated regularly by the Liquidity Manager to ensure effectiveness.

- Stage 3 – Implementation Review

Once the investments and allocations have been confirmed, the Liquidity Manager considers the most effective means of implementing the investment. For example, in some circumstances, the Liquidity Manager may elect to trade in a bond directly, and in others, it may elect to instead trade via a derivative. In determining this, the Liquidity Manager will have regard to the potential merits and risks associated with each approach.

- Stage 4 – Execution Review

Once the most appropriate means of implementation has been identified, the Liquidity Manager determines the optimal means of executing the trade. This includes an evaluation of the potential trading counterparties, informed by the Liquidity Manager's previous knowledge and experience with the counterparties.

- Stage 5 – Post Execution Review

When the Liquidity Manager executes a trade (and thereafter), it analyses how the market responds to its trade. The Liquidity Manager uses this data to develop a profile on counterparty firms and the market, which it uses to better inform trading strategy and counterparty selection in the future.

- Stage 6 – Live Monitor

The portfolio is then subject to ongoing monitoring and evaluation. The data collected at this stage is used to evaluate the sufficiency of the model and identify further areas of optimisation.

Labour and environmental, social or ethical considerations

The responsible investment principles of Fortlake are applied to the Blossom Fund. As an applicant of the Principles for Responsible Investment, Fortlake ensures the organisation publicly demonstrates its commitment to including environmental, social and governance (ESG) factors which are integral to the core of the investment decision making and ownership. Effectively pricing ESG factors is vital to the management of risks and identifying investment opportunities in corporate and sovereign bonds and their derivatives.

Carrying out stewardship responsibilities is also central in Fortlake's investment process, with some products and business practices being detrimental to society and the environment and therefore incompatible with sustainable investment practices. Certain exclusion criteria are applied to the investment universe, for example controversial weapons, within a tiered, scenario based framework which also incorporates breach reporting in the extreme. For investment management mandates, Fortlake offers various other exclusion criteria to suit clients' needs.

The Chair of ESG is a member of the Investment Committee and Board of Directors for Fortlake Asset Management. In addition, Fortlake has external ESG academic affiliations and as such, is actively involved in academic research. This brings both a level of rigour and independence to the investment process, whilst contributing practical expertise to the academic community.

The Fund's Geographic exposure

The Fund may invest (directly or indirectly) in corporate bonds or other debt instruments issued by foreign corporations. The Fund will typically have geographical exposures of:

GEOGRAPHIC LOCATION	GROSS EXPOSURE RANGE
North America	0-7.5%
UK/EMEA	0-7.5%
Asia Pacific (predominantly Australia)	85-100%

We note that these geographical allocations are guidelines only and may be varied at the discretion of the Liquidity Manager having regard to the best interests of Unitholders as a whole and the investment strategy of the Fund.

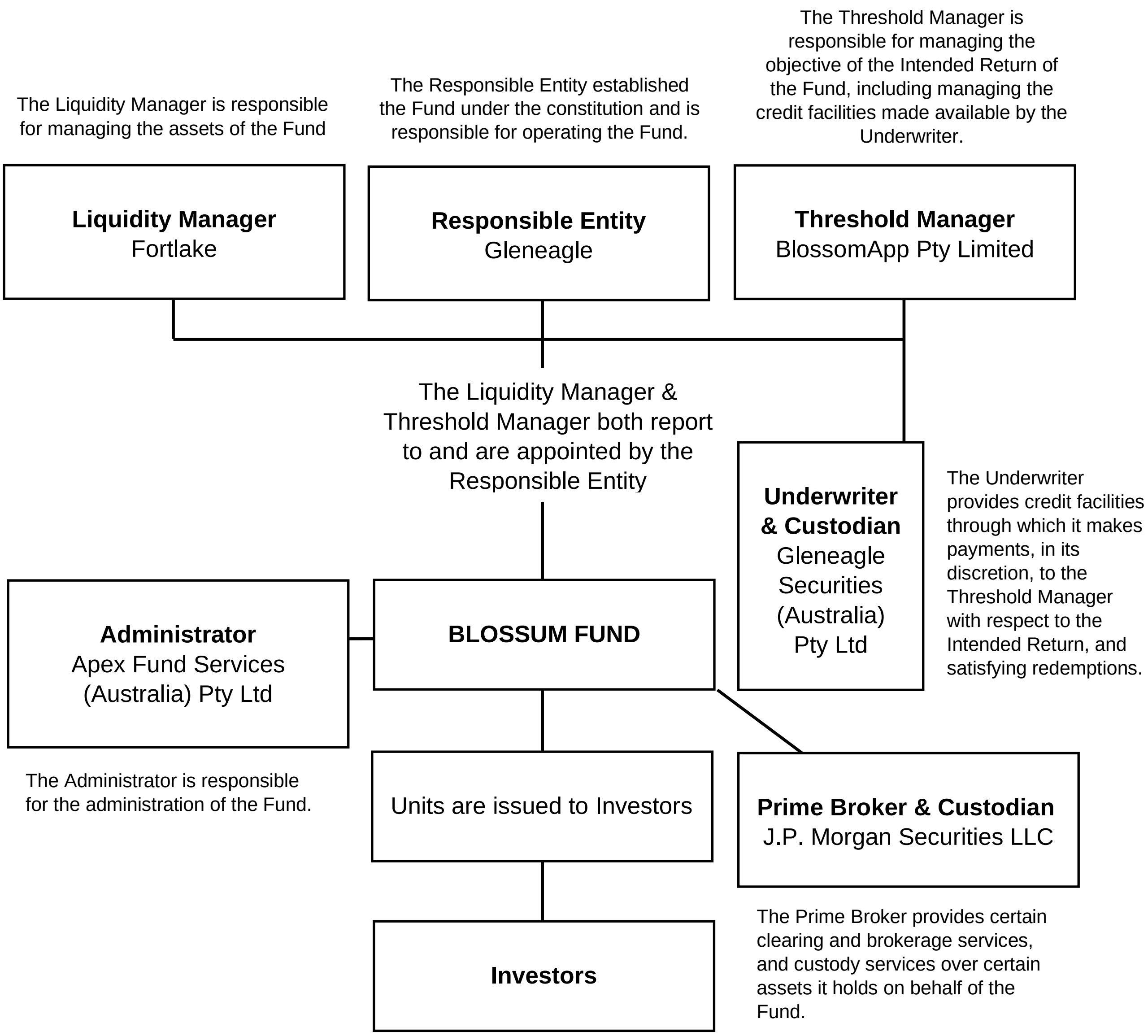
What corporate governance processes are in place to manage my investment?

Under the *Corporations Act 2001* (Cth) and the Fund documents, investors are provided with several layers of oversight providing a robust and appropriate corporate governance structure. The structure provides additional investor safeguards through the separation of duties, specialisation of expertise, clear lines of responsibility and layered approval processes.

The Fund is operated by a responsible entity who holds an appropriate Australian financial services licence. The Responsible Entity for the Fund is Gleneagle. Gleneagle has appointed Fortlake as Liquidity Manager, BlossomApp as Threshold Manager, Gleneagle Securities as Underwriter and Custodian, Apex Fund Services (Australia) Pty Ltd as Administrator, and J.P. Morgan Securities LLC as the Prime Broker and Custodian (of direct fixed income investments and cash).

Like most Australian managed investment schemes, the Fund is a unit trust. In exchange for your invested money you are issued units. Certain rights (such as a right to any income and a right to vote) attach to your units. You may also have obligations in respect of your units.

The following diagram summarises the management and governance structure of the Fund:



Need help?

If you need advice about investing generally, then speak to a financial adviser. ASIC can help you check if they're licensed.

ASIC's website can be found at http://www.asic.gov.au.

If you have questions about the Fund, contact us by email at blossom@blossomapp.com

WHAT ARE THE SIGNIFICANT RISKS?

Investing in the Fund involves various risks. Registered holders of units in the Fund (**Unitholders**) may lose capital, or the Fund may underperform in respect of its investments, resulting in the Intended Return not being achieved. Unitholders should expect that the Fund's unit prices, and total returns, may materially fluctuate over time.

About risk and return

Unitholders should be aware that there is no guarantee that the implementation of the investment objective or process will not result in losses to Unitholders. The Intended Return to the Fund and the return of capital is not guaranteed by any person or organisation, including the Liquidity Manager, Threshold Manager, the Underwriter, the Responsible Entity, the Prime Broker or the Custodian. Therefore, each investor should carefully consider the risks of investing and, where necessary, seek professional advice as to the suitability of investing in the Fund. Some risks of investing in the Fund include, but are not limited to:

Manager Skill

The Fund relies heavily on the methodology designed by the Liquidity Manager to outperform other investment options. If the Liquidity Manager makes the wrong decisions, the Fund can have negative returns.

Liquidity Manager can be wound up or liquidated, they can cease to manage the relevant fund and be replaced, their investment methodology can change, they can poorly manage operational risks and their funds can perform poorly.

If any of these events occurred in respect of any Liquidity Manager, Gleneagle would do all things reasonably practicable to seek a new Liquidity Manager, with a similar investment profile if thought appropriate or look to wind up the Fund.

Key Person Risk

Only a small number of investment professionals are responsible for managing the Fund and their personal circumstances can change. From time to time, there may be changes to the personnel of the Liquidity Manager or of the Threshold Manager. Such changes may include key personnel and may have an impact on investment returns of the Fund.

Credit Risk

The return on the investment may be required to rely on the Intended Return Facility and Redemption Facility provided by the Underwriter under the Threshold Management and Underwriting Deed to:

- facilitate the Fund in meeting the Intended Return when the Fund underperforms;
- ensure the NAV of the Fund equals the Principal; and
- satisfy investor redemptions from the Fund,

and the amounts received by the Underwriter may be insufficient to deliver the Intended Return, prevent capital loss and there may be a delay in paying redemption proceeds.

Liquidity

The Liquidity Manager invests in high-grade bonds, government or government related bonds and may invest opportunistically in short-term investment-grade bonds. Investments in bonds may suffer from a lack of liquidity during the term of the bond, or if there is a thin market for the particular bonds. The Underwriter has provided a credit facility to assist with liquidity in funding redemptions, however, there is a risk that the Underwriter does not make payments under its discretion in the Threshold Management and Underwriting Deed with respect to funding the facility (e.g. where the Underwriter does not have sufficient liquid funds to do so). which may result in delay in paying redemption proceeds or redemption amounts not being fully met.

Leverage

The Liquidity Manager may leverage the Fund's capital because it believes that the use of leverage may enable the Fund to achieve a higher rate of return. Accordingly, the Responsible Entity may pledge the Fund's investments in order to borrow additional funds for investment purposes. The Fund may also leverage its investment return with derivatives. The amount of borrowings which the Fund may have outstanding at any time may be substantial in relation to its capital. Leverage can magnify both the gains and losses and Unitholders may experience increased volatility in the value of their investments.

Diversification

The Liquidity Manager intends to seek to diversify the Fund's investments as it deems appropriate and consistent with the Fund's investment objective. If the Fund's investment portfolio is concentrated in a small number of investments, the portfolio will be subject to a greater level of volatility.

Derivatives Risk

Derivatives, such as options, futures and swaps, may be used by the Liquidity Manager for hedging and non-hedging purposes, such as:

- To manage particular risks (e.g. currency risks);
- When it is more efficient to execute a particular thematic via the derivative; or
- To reduce risk or gain exposure to other types of investments when appropriate.

The risks of using derivatives might include: the value of the derivative failing to move in line with the underlying asset, potential illiquidity of the derivative, the possibility that the derivative position is difficult or costly to reverse, the derivative not performing as expected, and counterparty risk.

Short Selling Risk

The Liquidity Manager may engage in short selling. Selling fixed income securities short creates the risk of losing an amount greater than the initial investment and can also involve borrowing and other costs which may reduce profits or create losses.

Counterparty Risk

Counterparty risk is the risk of loss caused by another party defaulting on its financial obligations either because they become insolvent or cannot otherwise meet their obligations to the Fund. A party defaulting on its obligations could subject the Fund to substantial losses because the Fund will still be required to fulfil its obligations on any transactions which were to have substantially offset other contracts.

Currency Risk

At the date of this PDS, it is intended that the functional currency of the Fund's principal trading account will be Australian dollars, although the Responsible Entity retains the discretion to change this. The Fund will have exposure to investments which are denominated in currencies other than the functional currency. If the value of foreign currencies changes relative to the functional currency, the value of the investments of the Fund may change. There is a risk that the value of investments of the Fund will change due to movements in the exchange rate between a relevant foreign currency and the Australian dollar. The Liquidity Manager intends to mitigate this risk by hedging back to Australian dollar.

Interest Rate Risk

Interest rates and bond prices have an inverse relationship. Changes in interest rates can have a direct impact on bond prices and the returns available on the investments of the Fund. They can also have an indirect positive or negative impact on the relative attractiveness of fixed income instruments to other asset classes, or on the capacity to service any borrowings by the Fund.

Foreign Taxation

The Fund may invest in markets located in many jurisdictions around the world with different tax regimes, some of which may subject the Fund to withholding or other taxation, which may impact the Fund's returns.

Investments in other funds managed by Liquidity Manager

The investment strategy and investment universe allow investments (in units) in other funds which are managed by the Liquidity Manager so long as the investment strategies and investment universes of those other funds are aligned with those of the Fund.

This is to seek cost efficiencies for the Fund, especially since direct investments in fixed income investments often require substantial minimum amounts (which could be more than the Fund could commit to within its portfolio allocations until the size of the Fund is sufficiently large for that to occur directly. Until the it is both possible and cost efficient for the Fund to make direct investments across the intended portfolio allocation, it will be more cost efficient for the Fund to invest in units in funds managed by the Liquidity Manager which are aligned with the Fund's investment strategy. This way the Fund accesses the same investment strategy and skills of the Liquidity Manager.

It is expected that these direct investments will be used for some period from inception of the Fund. The progression to direct investments cannot be predicted or committed in advance, since it depends on the Fund size, underlying investments and assessments of the best outcome for the Fund.

While the Fund is not intended to be or remain a “fund of funds”, there are some risks arising from such indirect investments even for an initial period:

- There is a risk of the investment strategies of the other funds diverging materially from the investment strategy for the Fund or, even if aligned, not being implemented in alignment with the investment strategy. This is managed by the mandate to the Liquidity Manager for the Fund and by Gleneagle monitoring the investment strategy and reports on the composition of the investments in the other funds in which the Fund is invested.

- There is a risk that the investments in the other funds will be illiquid, since they are subject to the rights, powers and discretions of the responsible entity of those other funds (not the Liquidity Manager) and those other funds’ respective constitutions from time to time and the same underlying investments might become illiquid sufficient to trigger the rights to suspend redemptions of those investments held for the Fund. This risk is considered to be relatively low, since the underlying assets will be the same and the diversification within those other funds should facilitate redemptions of units in those other funds.

- There is a risk that the Liquidity Manager will cease being the investment manager for those other funds or that the investment strategy of those other funds will change (from being aligned with the Fund’s investment strategy). While this is possible, it is considered unlikely. If this were to occur, Gleneagle would assess at the time the outcomes and risks for the Fund and, if appropriate, withdraw all or some of the investments in the other funds.

- There is a potential risk that the indirect investments would cause there to be higher expenses for that Fund, due to the fees, charges and costs of the other funds. There is a potential risk of the Liquidity Manager having conflicts of interest and duties, by way of being investment manager for two or more funds and receiving fees two or more funds. The purpose of this approach in an initial period of the Fund is to access the Liquidity Manager’s skills and the same investment strategy. Also, for so long as such indirect investments are held for the Fund, the Liquidity Manager has waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees. The Responsible Entity also has policies and procedures with respect to conflicts of interest.

Fund Risk

Common risks associated with most managed funds include the risk that the Fund may be terminated; the fees and expenses could change; or the Responsible Entity or the Liquidity Manager could change. Further, the Responsible Entity has the discretion to compulsorily redeem units. In addition, the results of investing in the Fund may lead to different results compared with investing directly in securities because of income or capital gains accrued in the Fund and the consequences of other investors investing in, or withdrawing from, the Fund.

Service Provider Risk

The Fund relies on external service providers in connection with its operations. Services include prime brokerage/custody, fund administration and middle office. There is a risk that these service providers may not meet their contractual obligations or seek to terminate their services to the Fund. In this situation, the Fund may be required to replace a service provider, and this may lead to a disruption to the activities of the Fund.

Related Party Risk

Each of the Responsible Entity and Threshold Manager has significant roles and responsibilities in relation to the Fund. They are both related parties of Gleneagle Securities (Aust) Pty Ltd (i.e. the Underwriter and Custodian). There is a risk that decision-making between the entities may not be impartial and may adversely affect the viability of the Fund. This risk is mitigated as the Responsible Entity has duty to the Unitholders and must always act in the best interests of the Unitholders as a whole and all arrangements with respect to the Fund are entered into on an arm’s length basis. The Underwriter is not entitled to a fee from the Fund. The Responsible Entity also has policies and procedures with respect to conflicts of interest.

Legal, Regulatory & Tax Risk

Legal, regulatory and tax changes could occur during the term of the Fund, which may adversely affect the Fund and its underlying investments. The value or tax treatment of an investment, or the effectiveness of the Fund's trading or investment strategy may be adversely affected by changes in government (including taxation) policies, regulations and laws, or changes in generally accepted accounting policies or valuation methods.

Withdrawal Risk

If market events reduce the liquidity of the Fund’s investments, the generally applicable timeframe for meeting withdrawal requests may not be met. In addition, if an investor or a group of investors seek to make large withdrawals, then selling assets to meet those withdrawals may result in a detrimental impact on the price received by the Fund for those assets. In certain circumstances, it may be necessary to suspend withdrawals to allow sufficient time for liquidation of assets to meet withdrawals (see above ‘Liquidity Risk’). It may also be necessary to distribute capital of the Fund by way of an in-specie distribution of the underlying assets to investors. This risk is mitigated by the Underwriter making available a credit facility to the Threshold Manager under the Threshold Management and Underwriting Deed to assist satisfying withdrawals from the Fund, in the Underwriter’s discretion.

FEES AND OTHER 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 financial 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 investment fee calculator to help you check out different fee options.

FEES AND OTHER COSTS THAT YOU MAY BE CHARGED

These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Information about taxes is set out in another part of this document. You should read all the information about fees and costs, because it is important to understand their impact on your investment.

BLOSSOM FUND		
Type of fee or cost^	**Amount**	**How and when paid**
Ongoing annual fees and costs		
Management fees and costs* The fees and costs for managing your investment	1% p.a. of Principal	Accrued daily, calculated on the last business day of each calendar quarter, and paid quarterly in arrears
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
Transaction Costs The costs incurred by the scheme when buying or selling assets	0.1% p.a. of Principal	Accrued daily and paid monthly in arrears

Member activity related fees and costs *(fees for services or when your money moves in or out of the scheme*		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

^All fees are expressed as a percentage of Principal. All fees are exclusive of GST and exclusive of any RITC.

*As the Fund is a new product, this is Gleneagle's reasonable estimate at the time of this PDS for the current financial year and assumes: (i) no abnormal expenses are incurred; and (ii) 0.5% p.a. of Principal Threshold Management Fee has been waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees. It also assumes that the Fund earns 1.1% above the Intended Return.

EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the fees and costs for the Fund can affect your investment over a one-year period. You should use this table to compare the Fund with other managed investment products. It is important to read the assumptions and notes below the table.

EXAMPLE **Blossom Fund**		**BALANCE OF $50,000 WITH A CONTRIBUTION OF $5,000 DURING THE YEAR**
CONTRIBUTION FEES	Nil	For every additional $5,000 you put in, you will be charged $0.
PLUS MANAGEMENT FEES AND COSTS	1% p.a. of Principal	**And**, for every $50,000 you have in the Blossom Fund you will be charged or have deducted from your investment $500 each year.
PLUS PERFORMANCE FEES	0	**And,** you will be charged or have deducted from your investment $0 in performance fees each year.
PLUS TRANSACTION COSTS	0.1% of Principal	**And,** you will be charged or have deducted from your investment $50 in transaction costs.
EQUALS COST OF THE FUND^	1.1%	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 and costs of up to $550 each year.

^As the Fund is newly established, the figure reflects Gleneagle's reasonable estimate, based on information available as at the date of this PDS and calculated on the Principal, that will apply for the current financial year (adjusted to reflect a 12-month period). Please refer to 'additional explanation of fees and costs' section for more information.

The Corporations Act requires that when calculating management costs in this table we must assume that the value of your investment remains at $50,000 and the Fund's unit price does not fluctuate. Management costs actually incurred will depend on the market value of your investment and the timing of your contributions (including any reinvestment of distributions) during any 12-month period. The example assumes no abnormal expenses are incurred, 0.5% p.a. of Principal Threshold Management Fee has been waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees and no additional service fees are incurred by you and that fees are not individually negotiated with us. Totals may vary from the expected number due to rounding.

ADDITIONAL EXPLANATION OF FEES AND COSTS

About management costs

Management costs comprise the additional fees or costs that investors incur by investing in the Fund, rather than investing directly in the underlying assets. These include investment management fees, BlossomApp's threshold management fees, Fortlake's liquidity management fees, indirect costs, audit costs, legal costs, and administration and custody fees. Management costs do not include transactional and operational costs. On any given day, the amounts payable to fee recipients is to be calculated and accrued daily, until the amount of Return above the Intended Return is exhausted, in the following order:

(i) Liquidity Management Fee. The Liquidity Manager has waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees;
(ii) Indirect Costs; and
(iii) Threshold Management Fee.

If the Return is not sufficient to allow for the payment of all fees and costs to the fee recipients then the fees will be waived or reduced in the order of priority as listed above.

Management fees

The Liquidity Manager is entitled to a management fee of 0.5% per annum of the Principal (exclusive of GST) accrued daily, calculated on the last business day of each calendar quarter and payable quarterly in arrears. The management fee is charged for acting as Liquidity Manager of the Fund, managing its investments and overseeing the Fund's operations. The Liquidity Manager has waived to the extent of and in proportion to the amount of the Principal invested in any other fund for which Liquidity Manager is entitled to fees.

Gleneagle has the right to appoint more than one investment manager (including the Liquidity Manager) in respect of the Fund. Where more than one investment manager is appointed, each investment manager will be appointed in respect of a portfolio. When determining the fees payable to each relevant investment manager as a management fee, the calculation of the fees will be undertaken on a portfolio basis; where the Intended Return and Return are calculated in respect of each individual portfolio.

Threshold Management Fee

The Threshold Manager is entitled to a Threshold Management Fee of:

(i) any amount of the Return that is above the Intended Return; less
(ii) all management fees; less
(iii) all fund expenses paid or incurred in the proper performance of the Responsible Entity's duties for which the Responsible Entity is indemnified (see below "Indirect costs"), and

not exceeding the amount which the Responsible Entity is entitled to pay to the Threshold Manager under the Constitution.

The Threshold Management Fee is accrued daily, calculated on the last business day of each calendar quarter and payable quarterly in arrears. The Threshold Management Fee is charged for the provision of the threshold management services to the Fund under the Threshold Management and Underwriting Deed.

Performance Fee

The Fund does not charge a performance fee.

Indirect costs

Indirect costs are costs incurred in managing the Fund which directly or indirectly reduce the return on a product. Gleneagle is entitled under the constitution to be reimbursed out of the Fund's assets for the expenses incurred in the proper performance of its duties as the responsible entity of the Fund. Indirect costs include the fee charged by the Administrator and Auditor. Gleneagle will be reimbursed indirect costs of up to 0.5% per annum, of the Principal (exclusive of GST) accrued daily, calculated on the last business day of each calendar quarter and payable from the Fund quarterly in arrears. Abnormal expenses are expected to occur infrequently and may include (without limitation) costs of litigation to protect investors' rights, costs to defend claims in relation to the Fund, investor meetings and termination and wind up costs.

About Transactional and operational costs

Transactional and operational costs include brokerage, settlement costs, bid-offer spreads on investments and currency transactions, borrowing costs, clearing and stamp duty costs, and the costs of derivatives used for hedging purposes. When you invest in the Fund, the Liquidity Manager may incur expenses in buying and selling investments (for example, brokerage and custody costs). The Liquidity Manager may also incur costs resulting from trading certain derivative products for hedging purposes. The Liquidity Manager will also incur costs in selling investments to meet withdrawal requests. A buy-sell is an adjustment to the unit price reflecting our estimate of the transaction costs that may be incurred as a result of the purchase/sale of assets arising from the issue/withdrawal of units. This adjustment ensures that the existing investors do not pay costs associated with other investors acquiring/withdrawing units from the Fund. The buy-sell spread is typically reflected in the issue/withdrawal price. There is no buy-sell spread for the Blossom Fund.

The Liquidity Manager's estimates of the transactional and operational costs for the Fund are:

Total transactional and operational costs (% p.a. of Principal)	Recovery through buy-sell spread (% p.a. of Principal)	Net transactional and operational costs (% p.a. of Principal)	For every $50,000 you have in the Fund you will likely incur approximately
0.1%	Nil	0.1%	$50

While the Fund is a new product, and hence such costs are unable to be calculated based on the costs charged in the past 12 months, this information reflects the Liquidity Manager's reasonable estimate of the transaction and operational costs for the Fund. We have also assumed that application monies received are fully invested. In practice, your investment balance, the Fund's volume of trading and the number and value of applications and withdrawals processed will vary from year to year, which will impact the transactional and operational costs of the Fund.

Transactional and operational costs such as brokerage, borrowing costs, transactional taxes, and settlement costs are incurred when the Fund acquires or disposes of assets. The amount of these costs for the Fund will vary from year to year depending of the volume and value of trades undertaken for the Fund.

Transactional and operational costs for the Fund are paid out of the assets of the Fund and are not fees paid to the Liquidity Manager.

Can the fees change or be updated?

Yes, all fees can change. Reasons might include changing economic conditions and changes in regulation. However, we will give you 30 days' written notice of any increase to fees where practicable. The Constitution for the Fund sets the maximum amount we can charge for all fees. If we wished to raise fees above the amounts allowed for in the Constitution, we would need the approval of investors.

Please refer to our website for any updates on our estimates of any fees and costs (including indirect costs and transactional and operational costs). Past performance is not an indicator of future performance and fees or costs may change in future years.

Adviser remuneration

No commissions will be paid by us to financial advisers. Additional fees may be paid by you to your financial adviser if one is consulted. You should refer to the Statement of Advice they give you in which details of the fees are set out.

Can fees be different for different investors?

The law allows us to negotiate fees with "wholesale" investors or otherwise in accordance with legal requirements. The size of the investment and other relevant factors may be taken into account. We generally don't negotiate fees. However, we may negotiate fees with very large wholesale clients only. The terms of these arrangements are at our discretion.

Government charges and taxation

Government taxes such as GST are applied to your account as appropriate. In addition to the fees and costs described in this section, standard government fees, duties and bank charges may also apply such as stamp duties. Some of these charges may include additional GST and will apply to your investments and withdrawals as appropriate. Please refer to the 'What about Tax?' section of the PDS.

HOW TO INVEST

You may invest in the Fund by downloading the App or via the Web App and creating an investor account. Within the App or via the Web App, you may complete the electronic application process to our satisfaction (including providing any identification documentation) and pay your application funds. There is no minimum investment amount.

Application requests will generally be processed daily using the unit price effective for the day. If your application request is received before 4pm Sydney time on a business day, it will be processed using the unit price effective for the end of the day. If an application request is received after this time, it is treated as having been received the following day.

Application requests are valid when the initial identification verification has been passed and cleared funds are received. Any of your payments which remain subject to being dishonoured or clawed back will be shown as "pending" and so additional units might not be issued until your payment has cleared. Although generally units will be issued following payment in cleared funds as described above, if for any reason Gleneagle holds application moneys prior to full credit for payment, Gleneagle will retain the interest (if any) earned on the application monies.

You can make additional investments at any time through your investor account in the App or via the Web App. No minimum amount applies to additional investments. Units will be issued to you in the same manner as initial application funds as stated above.

WITHDRAWING YOUR INVESTMENT

When you wish to withdraw

There is generally a minimum withdrawal amount of $0.01 and a minimum balance of nil applies to the Fund.

You can ask to withdraw all or part of your investment in the Fund at any time by making a request to withdraw a specified amount through your investor account on the App or via the Web App. This is called a redemption or withdrawal request. The Fund generally processes redemptions on a daily basis each business day. Daily redemption requests are required to be received by 4pm Sydney time on a business day for processing using the unit price effective for the day of redemption. Once we decide you can withdraw your money, redemption requests received by 4pm Sydney time on the day of redemption will be processed on the day of redemption, redemption requests received after 4pm Sydney time on the day of redemption will be processed the business day after the day of redemption. We will generally pay the funds to your account on the following business day after the day your redemption request is processed.

You will be notified of any material changes to your withdrawal rights through the Fund website where there is a material change to your withdrawal rights.

Please note that units in the Fund are not listed on any stock exchange like the ASX, so you can't sell your units through a stockbroker.

Some detail about withdrawals and how much we pay

How much money you receive for each nit depends on the withdrawal price.

Firstly, we calculate the value of the investments of the Fund and take away the value of the liabilities as defined in the Fund's Constitution. Secondly, we divide the result of this by the number of units we have on issue to obtain a unit mid-price.

These steps produce a per unit price.

We have a documented policy in relation to the guidelines and relevant factors taken into account when calculating unit prices. We call this our unit pricing policy. We keep records of any decisions which are outside the scope of the unit pricing policy, or inconsistent with it. A copy of the unit pricing policy and of the records are available free on request from the Responsible Entity.

We can withhold from amounts we pay you, any amount you owe us, or we owe someone else relating to you (for example, the tax office).

We generally pay all withdrawal proceeds in cash, (cleared funds, not physical money), directly to your bank account but we are permitted under the Constitution for the Fund to pay redemption proceeds in kind (i.e. in- specie asset transfer).

Payments can be delayed

In certain circumstances, such as a freeze on withdrawals or where the Fund is illiquid (as defined in the Corporations Act), you may have to wait a longer period of time before you can redeem your investment.

If the Fund is not sufficiently liquid, then you will only be permitted to withdraw if we make a withdrawal offer to all investors in accordance with the Fund's constitution and Corporations Act.

We can delay withdrawal of your money for 21 days or such period as considered appropriate in our view in all the circumstances if:

- there are not enough investments which we can easily turn into cash (the law dictates this). We don't anticipate the Fund would become illiquid but if it did, the law says we can (if we wish) make some money available, and requires us to allocate it on a pro rata basis amongst those wanting to exit; or

- we receive a quantity of withdrawal requests representing more than 10 per cent of the value of the investments of the Fund. In this case we can stagger withdrawal payments.

In certain circumstances we can also delay withdrawal of your money for so long as the relevant event continues. The Constitution sets out the full range of circumstances in which we can delay withdrawal of your money and these include (among others) if:

- something outside our control affects our ability to properly or fairly calculate the unit price (for example, if the investments are subject to restrictions or if there is material market uncertainty like a stock market crash); or

- an emergency or similar state of affairs occurs which, in our reasonable opinion, makes it impractical to redeem units or which might be prejudicial to the remaining investors; or

- there is a closure or material restriction on trading on the major global stock exchanges or realisation of the assets cannot be affected at prices which would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market; or

- we otherwise consider it is in the best interests of Unitholders as a whole to delay withdrawal of units.

The Responsible Entity may also gate redemptions in either of the following two scenarios:

(i) where a redemption request by a single investor represents more than 5% of the number of units in issue, Gleneagle may in its discretion treat that investor's redemption request as 5 separate redemption requests for 1/5 of the amount of the original redemption request which will be deemed to have been received on the 5 successive Business Days; or

(ii) where the redemption requests made by investors (including the single investor described in (a)) during any 5 business day period in aggregate represent more than 10% of the number of units in issue, Gleneagle may in its discretion reduce each of the redemption requests pro-rata so that only 10% in total of the units are redeemed. The unredeemed portion of the relevant redemption requests are carried forward to the fifth business day after the original redemption request was received. The scaling back may apply again if redemptions comprising more than 10% of units in issue are received.

The Responsible Entity also has the discretion to waive these 'gating' rights.

We can give you back your invested money

In certain circumstances we can, or may be required to, also redeem some or all of your units without you asking. These circumstances include:

- If you breach your obligations to us (for example, you provide misleading information in your application);

- where we suspect that law prohibits you from legally being an investor; or

- such other circumstance as we determine in our absolute discretion (but we must always act in the best interests of Unitholders as a whole when deciding to do this).

DISTRIBUTIONS

Any income distributions (if available) will be made following the end of each financial year being 30 June each year or more frequently at the Responsible Entity's discretion. Any such distributions will be paid annually and generally within 30 business days after the distribution date.

Distributions are automatically reinvested unless a Unitholder elects for the distribution to be paid out in cash. A Unitholder can change their distribution option by notifying the Administrator via the 'update distribution preferences' feature in the App or via the Web App, or by notifying the Responsible Entity, at least twenty (20) business days prior to the relevant distribution date. Unitholders will still have to pay tax on a distribution, even if it is reinvested.

In certain circumstances, such as where investments are sold to meet a significant redemption, Gleneagle may choose to allocate undistributed income and any net realised capital gains to withdrawing Unitholders based on a pro-rata allocation with reference to the number of units being withdrawn. This would only be utilised to ensure a fair and reasonable allocation of any undistributed income and net realised capital gains amongst all Unitholders.

Gleneagle has absolute discretion, in performing its obligation as Responsible Entity, and may accept or reject a written direction from a Unitholder. Gleneagle may also in its discretion implement a minimum initial investment and minimum holding amount requirements.

Gleneagle also reserves the right to cancel distribution reinvestments. Unitholders will be notified if this occurs.

Distribution statements will be forwarded to all Unitholders annually.

As stated above, the default option is for distributions to be reinvested. Investors can elect instead to be paid in cash (cleared funds, not physical money) by completing the 'update distribution preferences' feature in the App or via the Web App or by notifying the Responsible Entity, at least twenty (20) Business Days prior to the relevant distribution date.

ENTITLEMENTS, EARNINGS AND SAVINGS

You become legally entitled to income (called "distributions") and withdrawal proceeds when paid. This is governed by the Fund's Constitution and law. This PDS describes when distributions are made and important features of withdrawals.

We want to keep you informed of your savings during your investment (i.e., before you become legally entitled to distributions and withdrawal payments). You can see in the App or via the Web App the total value of your savings and you investment's "earnings".

This is based on how much you have invested, less any withdrawals, plus increases (or decreases) in the value based on the Fund's earnings (as described in this PDS, including provisions for fees, charges and costs), the total number of units on issue and the number which you have.

The displayed total value of your savings (all of your net investment) is based on your number of units and the actual unit prices applicable for the same day used for applications and redemptions.

The displayed amount of your earnings (the indicative increase in value based on your net application moneys) is based on the prevailing net increase in the Fund's earnings.

For example, if you started saving with $100, your account starts by showing your savings of $100. You are entitled to withdraw that at any time as disclosed in this PDS. You are legally entitled to the $100 payment when your withdrawal application is processed.

If the Fund value which is used for calculating unit prices has increased, then your savings will be displayed as having increased by the same rate. The increase can be displayed both as a dollar value and as an annualised rate. For example, say sometime later the Fund has increased in value per unit. In this example, your savings might be shown as $101 and your earnings will be displayed as $1.00. Depending on when this example is in during the financial year, this $1 increase may be displayed as an annualised rate (in this brief example, 3.00% (p.a.)).

It is important to be aware that you are only legally entitled to the $100 and $1 when legally paid out of the Fund (as described in this PDS). Savings and earnings displayed in the App or via the Web App are based on valuations and assumptions for the valuation (set out in the unit pricing policy, described in this PDS) before you actually withdrawal or distributions are actually made. Actual performance is not guaranteed and displayed indicative values and rates may differ from actual proceeds paid on withdrawals.

Since we price units every business day, in the ordinary course the displayed savings and earnings will generally be identical with actual unit prices and withdrawal payments.

As described in this PDS, distributions on your units will be reinvested into more units (as the default, unless you instruct us otherwise). This will increase the number of units you have, but your total savings on all of your investment will remain the same. Of course, your withdrawals and your additional investments will adjust the displayed savings.

KEEPING YOU INFORMED

We will:

- confirm every transaction you make;
- send you Annual Tax Statements (around late August/ September);
- each year (around October) make the accounts of the Fund available to you on our website;
- send you Annual Periodic Statements;
- send you a final Exiting Period Statement; and
- notify you of any material changes to this PDS and any other significant event as required by law.

The Fund is relatively new. As at the date of this PDS the Fund has more than 100 investors. When the Fund has 100 investors or more, the Fund will be considered to be a “disclosing entity” for the purposes of the Corporations Act. This means the Fundis subject to regular reporting and disclosure obligations under the Corporations Act which apply to a ‘disclosing entity’. Copies of any documents required to be lodged with ASIC in relation to the Fund may be obtained from, or can be inspected at, an ASIC office. Investors will have a right to obtain a copy, free of charge, in respect of the Fund, of:

- the most recent annual financial report; and
- any half yearly financial report required to be lodged with ASIC after that most recent annual financial report but before the date of this PDS.

Any continuous disclosure obligations we may have will be met by following ASIC’s good practice guidance via website notices rather than lodging copies of these notices with ASIC. Accordingly, should Gleneagle, as Responsible Entity of the Fund, become aware of material information that would otherwise be required to be lodged with ASIC as part of any continuous disclosure obligations, we will ensure that such material information will be made available as soon as practicable on the website www.blossomapp.com.

WHAT ABOUT TAX?

Your tax liability ultimately depends on your circumstances, for example, whether you are an Australian resident. So, it’s important that you seek professional advice before you invest or deal with your investment.

The discussion below assumes that the Fund will be an Attribution Managed Investment trust (**AMIT**) and that the investor is an Australian resident for tax purposes who holds their units in the Fund directly on capital account. Non-resident investors should seek their own independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant double taxation agreement and/or multilateral instrument/ exchange of information agreement between Australia and their country of residence for taxation purposes.

You may need to pay tax in relation to your investment in the Fund. Whilst you may pay income tax you might be able to claim some tax credits or have the benefit of some concessions.

The Fund is an Australian resident trust for Australian tax purposes. It is required to determine its tax components for each year of income. These tax components may include assessable income, exempt income, non-assessable non-exempt income, tax offsets and credits of different characters. The trustee will attribute the tax components to investors on an annual basis such that investors should be treated as having derived their share of the tax components of the Fund directly on a flow through basis. In the case where a Fund makes a loss for tax purposes, that Fund cannot distribute (or attribute) the loss to investors. However, subject to the relevant Fund meeting certain conditions the Fund may be able to take into account the losses in subsequent years.

The Fund will generally attribute any income and realised gains (the timing of recognition of income may be impacted by the Taxation of Financial Arrangements (**TOFA**) provisions as noted below), if any, shortly after 30 June each year. investors will be required to include in their assessable income the taxable components attributed to them by the Fund. The Fund may attribute a number of different types of income which reflect the income derived by the Fund. These components could comprise of:

- interest;
- capital gains;
- foreign income and foreign income tax offsets;
- Australian sourced income;
- franked dividends/franking credits; and
- non-assessable amounts.

If the Fund's assets are $100 million or more it will be subject to TOFA provisions of the tax legislation which provide rules in relation to the method for calculating gains and losses from financial arrangements and the time at which these gains and losses are brought to account for tax purposes (the default recognition of gains and losses would be accruals or realisation method but there are certain elections that the Responsible Entity might make for alternative timing recognition).

An investor's share of the assessable tax components of the Fund for a year of income forms part of the investor's assessable income of that year.

Tax components of the Fund which are attributed to investors may include franked distributions. Subject to the application of anti-avoidance provisions at the Fund level (such as the dividend imputation holding period and related payment rules), such franked distributions generally entitle Australian resident investors to obtain a tax offset (the franking credit) that is available to offset against their income tax liability. Franked distributions and franking credits are included in a person's assessable income. If the franking credits exceed the tax payable on an investor's taxable income, the excess credits may be refundable to the investor if the investor is a resident individual or complying superannuation fund. Excess franking credits may generate tax losses if the investor is a corporate entity.

Tax components of the Fund which are attributed to investors may also include non-cash amounts, such as foreign income tax offsets (**FITOs**). Depending on the investor's circumstances, they may be able to claim a tax offset for these amounts against Australian income tax payable on foreign income. An investor's entitlement to FITOs may be limited to where the FITO does not relate to an amount included in assessable income, or where the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income. The excess FITOs cannot be carried forward to a future income year.

We will send you the information you need each year in the form of an AMIT Member Annual Tax (**AMMA**) Statement to help you to complete your tax return. This information will advise the investor of the share of the tax components of the Fund (if any) of any foreign income/foreign income tax offsets as well as any adjustments required to be made to the investor's cost base. This will assist the investor when preparing their income tax return.

The amount of the tax components of the Fund which the investor is required to include in their assessable income may be different to the cash distributions received by an investor in respect of their units. This is because the distributions received on the units is determined by reference to the returns received in respect of the Fund, whereas the tax components of the Fund are determined by reference to the overall tax position of the Fund. An investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost or cost base of their unit holdings. This occurs where during an income year there is a difference between:

(i) amounts distributed, whether in cash or property to the investor from the Fund and the tax offsets that are attributed to the investor in relation to the year; and

(ii) the tax components (grossed up for any capital gains tax (CGT) discount) attributed to the investor included in that investor's assessable income and any non-assessable non- exempt income.

If the amount in (a) exceeds the amount in (b), the cost base of the investor's units in the Fund should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the investor's units in the Fund. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included in the investor's taxable income. Conversely, where the amounts in (a) falls short of the amounts in (b) during an income year, the cost base of the investor's units in the Fund should be increased by the shortfall amount.

Additionally, Australian residents will generally realise a capital gain or capital loss when they redeem (or dispose of) units in the Fund.

Depending on the kind of taxpayer you are, and how long you have held your units, you may be entitled to a CGT discount which can reduce any capital gain (if any) by up to one half.

If you choose not to provide us with your tax file number (**TFN**) or Australian business number (**ABN**) and don't have an exemption, we must withhold tax at the highest personal rate, plus the Medicare levy, before passing on any distribution to you. The law is very strict on how we can use these details. If this withholding tax applies it is noted that it is merely a collection mechanism and an investor may claim a credit in their annual income tax return in respect of the tax withheld.

Investors should seek their own tax advice to ensure the Fund is appropriate for them.

Gleneagle does not provide any tax advice.

GLENEAGLE'S RESPONSIBILITIES TO YOU

The Constitution establishes the Fund and sets out certain rules which apply to the relationship between Gleneagle as Responsible Entity and each unitholder. Together with this PDS and the law from time to time, it governs your relationship with Gleneagle. It gives Gleneagle rights to be paid fees and expenses and be indemnified from the Fund.

It governs (amongst other things) Gleneagle's powers (which are very broad), investor meetings and unit issue, pricing and withdrawal, as well as what happens if the Fund terminates.

The Constitution limits Gleneagle's need to compensate you if things go wrong. Generally, Gleneagle is not liable in equity, contract, tort or otherwise to investors for any loss suffered in any way relating to the Fund.

The Constitution also contains a provision that it alone is the source of the relationship between you and Gleneagle and not any other laws (except, of course, those laws that can't be excluded).

Gleneagle must have investor approval to make changes to the Constitution which are adverse to the rights of investors.

You can obtain a copy of the Constitution by emailing BlossomApp at blossom@blossomapp.com

ENQUIRIES AND COMPLAINTS

Gleneagle has established procedures for dealing with complaints. If an investor has a complaint, they can contact Gleneagle. Gleneagle will use reasonable endeavours to deal with and resolve the complaint within a reasonable time but in any case no later than 45 days after receipt of the complaint.

If you are a direct investor and have notified Gleneagle of a complaint in writing and you are not satisfied with how the complaint has been handled, you can refer your complaint to the Australian Financial Complaints Authority (AFCA). Gleneagle is a member of AFCA (member number 11357) which is an external dispute complaints resolution scheme approved by ASIC.

Mail:

Australian Financial Complaints Authority
GPO Box 3 Melbourne
VIC 3001

Phone:	1300 56 55 62
Email:	info@afca.org.au
Website:	www.afca.org.au

AFCA's services are generally only available to 'retail clients' (as defined in the Corporations Act).

Indirect investors may contact their IDPS operator if they wish to make a complaint or if they are unsatisfied with how a complaint has been handled. However, Gleneagle's complaints process is also available to indirect investors.

COOLING OFF

If you are a retail investor (as defined in the Corporations Act), who invests directly in the Fund, you are entitled to a 14-day cooling-off period during which you may change your mind about your investment. During that time, you may exercise your cooling-off rights by requesting your money be returned.

The cooling-off period begins when your transaction confirmation is received by you or, if earlier, 5 business days after your units are issued. Gleneagle is allowed to (and generally does) make adjustments for market movements up or down, as well as any tax and reasonable transaction and administration costs. This may result in you receiving back less than you originally invested.

You may have capital gain/loss tax implications if you happen to receive more or less back than you originally invested.

If you wish to cancel your investment during the cooling-off period, you need to inform Gleneagle in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in the Fund).

PRIVACY

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold;
- how we collect and hold personal information;
- the purposes for which we collect, hold, use and disclose personal information;
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);

- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint;
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at ww.blossomapp.com or you can obtain a copy free of charge by contacting us.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

AML ACT

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to Gleneagle (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC). In order to comply with the AML Requirements, Gleneagle is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you and verify your identity if we consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation for 7 years.

Gleneagle and the Administrator reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, Gleneagle may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary, to comply with AML Requirements applicable to them. Neither Gleneagle nor their delegates shall be liable to you for any loss suffered by you as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

Each of Gleneagle and the Administrator has implemented a number of measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring investors. As a result of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where Gleneagle or the Administrator has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements; and

- where transactions are delayed, blocked, frozen or refused the Gleneagle (and each service provider to the Fund) are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Fund.

Gleneagle and the Administrator may from time to time require additional information from you to assist it in this process.

Each of Gleneagle and the Administrator may have certain reporting obligations under the AML Requirements and may be prevented by law from informing you that any such reporting has taken place. Where required by law, Gleneagle or the Administrator may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. Gleneagle and the Administrator (and each service provider to the Fund) are not liable for any loss you may suffer as a result of their compliance with the AML Requirements.

FATCA

US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act

The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Broadly, the rules may require the Fund to report details of all US persons and suspected US persons in the Fund to the US tax authorities, to prevent a 30% FATCA withholding tax on certain income and proceeds of the Fund. The Australian Government has entered into an agreement with the United States of America to implement the FATCA regime in Australia (Intergovernmental Agreement). Gleneagle or the Administrator may therefore request that you provide certain information in order to comply with FATCA requirements.

COMMON REPORTING STANDARD

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) requires certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is a ‘Financial Institution’ under the CRS and complies with its CRS obligations by obtaining and reporting information on relevant accounts (which may include the units in the Fund) to the Australian Tax Office (**ATO**).

In order for the Fund to comply with its obligations under CRS and FATCA, Gleneagle requests (and the Administrator may also request) the investors to provide certain information and certifications to Gleneagle for the Fund’s compliance with FATCA and the CRS. Gleneagle (and the Administrator) may determine whether the Fund is required to report the investors’ details to the ATO based on Gleneagle’s (and/or the Administrator’s) assessment of the relevant information received. The ATO may provide this information to the IRS (in the case of the FATCA regime) where applicable and to other jurisdictions’ tax regulators (in the case of the CRS regime) that have signed the “CRS Competent Authority Agreement”, the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the *Taxation Administration Act 1953* to give effect to the CRS and to implement FATCA (in accordance with the Intergovernmental Agreement).

KEY SERVICE PROVIDERS

The Responsible Entity

The Responsible Entity is Gleneagle Asset Management Limited which is a wholly owned subsidiary of Gleneagle Securities (Aus) Pty Ltd (i.e. the Underwriter and Custodian). Gleneagle is able to offer asset management and related services to retail investors and fund managers.

The Liquidity Manager

Fortlake is the Liquidity Manager currently managing a portfolio of the Fund. Fortlake blends its talented and experienced team of individuals with a combination of global business insights and investment philosophy.

The Responsible Entity may appoint other investment managers to the Fund in its discretion. Each investment manager is responsible for managing a relevant portfolio in accordance with the relevant management agreement and is contractually required to act in the best interests of Unitholders in performing its duties under the terms of such management agreement.

The Threshold Manager

The Threshold Manager is BlossomApp Pty Limited (also referred to as **BlossomApp**). Gleneagle as the Responsible Entity of the Fund has signed a Threshold Management and Underwriting Deed with the Threshold Manager and the Underwriter. The deed contains general commercial terms in a standard format and provides for the termination of the Threshold Manager in a number of circumstances including insolvency, breach of an obligation, representation, warranty or undertaking under the agreement or if Gleneagle is required to terminate to comply with relevant law.

BlossomApp is responsible for seeking to facilitate the Intended Return. For further information on the Threshold Manager and how it will seek to facilitate the Intended Return, refer to the section above 'Threshold Management and Underwriting Deed'.

The Underwriter and Custodian

The Underwriter and Custodian is Gleneagle Securities (Aust) Pty Ltd (**Gleneagle Securities**). Gleneagle as the Responsible Entity of the Fund has signed a Threshold Management and Underwriting Deed with the Threshold Manager and the Underwriter. The deed contains general terms in a standard format and provides for the termination of the Threshold Manager in a number of circumstances including insolvency, adverse regulatory findings and breach of duty of care.

Pursuant to the Threshold Management and Underwriting Deed, Gleneagle Securities may, in its discretion, provide funds to the Threshold Manager which may be used to fund the Intended Return on the investments in the Fund in the event that BlossomApp does not have sufficient funds. For further information on the Underwriter and these arrangements, refer to the section above 'Threshold Management and Underwriting Deed'.

Gleneagle Securities acts as Custodian in respect of the Fund’s investments in other funds, primarily expected to be the other funds for which Liquidity Manager is their investment manager and their investment strategies are aligned with those of the Fund.

The Administrator

The Responsible Entity has entered into an accounting service agreement (**Administration Agreement**) with Apex Fund Services (Australia) Pty Ltd (**Administrator**). Under the Administration Agreement, the Administrator agrees to perform administration services for the Fund.

The Administrator has not been involved in the preparation of any part of this PDS. They have not authorised or caused the issue of, and expressly disclaims and take no responsibility for any part of this PDS.

The Prime Broker and Custodian

J.P. Morgan Securities LLC (**JPMS**) and certain of its affiliates (each such affiliate, a **JP Morgan Entity**, and collectively, **JP Morgan**) may provide certain clearing (including prime brokerage), margin financing and stock lending services with respect to the Fund’s securities and cash carried on the books of a JP Morgan Entity. Such services and facilities will be provided pursuant to a series of agreements (the **Customer Documents**) and may include an Institutional Account Agreement with JP Morgan in compliance with the laws, rules and regulations of the United States Securities and Exchange Commission and other exchanges and dealer associations by which certain of the JP Morgan Entities are regulated (collectively, the **US Rules**). The Fund may also enter into principal transactions with one or more JP Morgan Entities.

Fund assets that are held by JPMS as prime broker will be carried in the name of the Fund and shall be subject to a lien to secure the Fund’s obligations to JP Morgan. To the extent permitted under US Rules, with respect to JPMS or any other JP Morgan Entity subject to the US Rules, the Fund’s assets that are not required by US Rules to be segregated may be borrowed, lent, pledged, repledged, sold, hypothecated, rehypothecated, transferred or otherwise used by such JP Morgan Entities as may hold such assets for their own purposes. Cash held with a JP Morgan Entity subject to the US Rules may be used by such JP Morgan Entity in the course of its business to the extent permitted by the US Rules.

Neither JPMS nor any other JP Morgan Entity will be liable for any loss to the Fund resulting from any act or omission in relation to the services provided under the terms of the Customer Documents unless such loss results directly from the gross negligence, bad faith or wilful misfeasance of JPMS or any other JP Morgan Entity, nor shall JPMS or any other JP Morgan Entity be liable for consequential or other types of special damages, or losses to the Fund caused by the insolvency or acts or omissions of any sub-custodian or other third party by whom or in whose control any of the Fund’s investments or cash may be held. The Fund has agreed to indemnify JPMS and the other JP Morgan Entities against any loss suffered by, and any claims made against, them to the extent set forth in the Customer Documents.

Neither JPMS nor any other JP Morgan Entity will have any involvement in the management of the Fund or any decision-making discretion relating to the Fund’s investments. Neither JPMS nor any other JP Morgan Entity has any responsibility for monitoring whether investments by any investment manager or advisor are in compliance with any internal policies, investment goals or limitations of the Fund, and neither JPMS nor any other JP Morgan Entity will be responsible for any losses suffered by the Fund.

JPMS and each other JP Morgan Entity reserve the right not to clear transactions and not to provide any of the services. JP Morgan and each other JP Morgan Entity reserve the right to terminate the arrangements in accordance with the provisions of the Customer Documents.

JPMS and the other JP Morgan Entities are service providers and are not responsible for the preparation of this document or the activities of the Fund and therefore accept no responsibility for the accuracy of any information contained in this document.

CONSENTS

Fortlake consents and, as at the date of this PDS, has not withdrawn its consent to the statements (in the form and context in which they are included) about it in this PDS. Fortlake has not otherwise issued or caused the issue of this PDS.

BlossomApp Pty Limited consents to being named in the PDS and, as at the date of this PDS, has not withdrawn its consent to the statements (in the form and context in which they are included) about it in this PDS. BlossomApp Pty Limited has not otherwise issued or caused the issue of this PDS.

Gleneagle Securities (Aust) Pty Ltd consents to being named in the PDS and, as at the date of this PDS, has not withdrawn its consent to the statements (in the form and context in which they are included) about it. Gleneagle Securities (Aust) Pty Ltd has not otherwise issued or caused the issue of this PDS.

Apex Fund Services (Australia) Pty Ltd each consent to being named in the PDS and, as at the date of this PDS, have not withdrawn their consent to the statements (in the form and context in which they are included) about them in this PDS. Apex Fund Services (Australia) Pty Ltd has not otherwise issued or caused the issue of this PDS.

J.P. Morgan Securities LLC consents to being named in the PDS and, as at the date of this PDS, has not withdrawn its consent to the statements (in the form and context in which they are included) about it in this PDS. J.P. Morgan Securities LLC has not otherwise issued or caused the issue of this PDS.

Ernst & Young consents to being named in the PDS and, as at the date of this PDS, has not withdrawn its consent to the statements (in the form and context in which they are included) about it in this PDS. Ernst & Young has not otherwise issued or caused the issue of this PDS.