

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

Target Market Summary

This product is likely to be appropriate for a consumer seeking Income Distributions as part of a Satellite or Minor Allocation in a diversified portfolio where the consumer has a Medium, Long or Very Long investment timeframes, and Medium, High or Very High risk / return profile and needs no more than quarterly access to capital.

Fund and Issuer Identifiers

| | |
|-------------------|------------------------------------|
| Issuer | Australian Secure Capital Fund Ltd |
| Issuer ABN | 38 613 497 635 |
| Issuer AFSL | 491201 |
| Fund | ASCF Premium Capital Fund |
| ARSN | 637 973 409 |
| APIR Code | ASE0660AU |
| Date TMD approved | 25 September 2025 |
| TMD Version | 6.0 |
| TMD Status | Current |

Legal Disclaimer

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001 (Cth) (the Act)*. It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Australian Secure Capital Fund Ltd's design and distribution arrangements for the product.

This document is **not** a product disclosure statement and is **not** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (**PDS**) for the ASCF Premium Capital Fund before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained at ascf.com.au or by calling 07 3506 3690.

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

Description of Target Market

TMD Indicator Key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

| | | |
|------------------|---------------------------|---------------------------------|
| In target market | See Issuer's Description* | Not considered in target market |
|------------------|---------------------------|---------------------------------|

*Please see the "Product description including Key Attributes" column in the tables below for the relevant "Issuer's Description".

Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Investment Products and Diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of *satellite or minor allocation*). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite allocation to growth assets. In this case, it may be likely that a product with a *High or Very High* risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is *Low or Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

| Consumer Attributes | TMD Indicator | Product Description Including Key Attributes |
|--|---------------------------------|--|
| Consumer's investment objective | | |
| Income Distribution | In target market | The Fund is designed to provide investors with monthly Income Distributions by investing in a portfolio of loans to small to medium sized businesses or individuals for business or investment purposes, secured by first ranking mortgages over real property. |
| Capital Preservation | See Issuer's Description | While the aim is for the unit price of the Fund to remain stable at \$1.00 per unit, capital losses can occur in circumstances where borrower/s were to default. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. Therefore, while an investment in the Fund could experience capital loss and is higher risk than bank deposits, cash investments or some fixed income securities, the Fund is expected to exhibit lower volatility than direct property, listed REITs and listed equities in a market downturn. |
| Capital Guaranteed | Not considered in target market | |
| Capital Growth | Not considered in target market | Accordingly, the Fund may be suitable for an investor who seeks to preserve their capital but who accepts there is a risk they may lose some or all of their money. They Fund is not suitable for an investor who cannot accept any loss of capital. |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

| Consumer Attributes | TMD Indicator | Product Description Including Key Attributes |
|--|---------------------------------|---|
| Consumer's intended product use (% of Investable Assets) | | |
| Satellite Allocation (<10%) | In target market | <p>The Fund is designed to provide investors with monthly Income Distributions by investing directly in a portfolio of short-term first mortgages secured by a well-diversified portfolio of real estate asset classes (i.e. residential, commercial, industrial), broad exposure within asset classes (i.e., houses, units, land) and a broad exposure by geographic region (noting a preferred bias to Australian capital cities and larger population centres). Accordingly, the Funds' diversification is Medium (see diversification definitions below).</p> <p>Investors should use the Fund as a Satellite or Minor Allocation to reduce investment risk through diversification across an appropriate portfolio of investments. Investors should apply prudent diversification principles and seek professional advice, to spread the risks of investing in the Fund across a broad portfolio of other investments.</p> |
| Minor Allocation (10-25%) | In target market | |
| Core Component (25-50%) | Not considered in target market | |
| Major Allocation (50-75%) | Not considered in target market | |
| Solution / Standalone (75-100%) | Not considered in target market | |
| Consumer's investment timeframe | | |
| Very Short (0 - 3 months) | Not considered in target market | <p>The Fund is managed with the intention of generating monthly Income Distributions and is suitable for investors who wish to invest over a Medium to Very Long investment timeframe, and may also suit investors seeking a Short investment timeframe if their investment is less than \$250,000. Investors wishing to invest more than \$250,000 for three months or less are not considered within the target market.</p> <p>Investment Terms are automatically rolled over for the same term unless the prescribed period of notice (i.e., between one month and three months depending on the Investment Term) to withdraw is given to the Issuer. Please see '<i>Consumer's need to access capital</i>' below for more information.</p> |
| Short (3 – 6 months) | See Issuer's Description | |
| Medium (6 – 24 months) | In target market | |
| Long (2 - 5 years) | In target market | |
| Very Long (> 5 years) | In target market | |
| Consumer's Risk (ability to bear loss) and Return profile | | |
| Low | Not considered in target market | <p>The Fund seeks to deliver monthly Income Distributions for each Investment Term (as published at ascf.com.au), while maintaining a unit price of \$1.00 per unit in a diversified and pooled loan portfolio.</p> <p>However, returns from the Fund are not guaranteed and there are risks involved in the Fund, which may include the following:</p> <ul style="list-style-type: none"> • If a number of borrowers were to default this may cause a decrease in distributions. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. • Interest rate changes may impact the customer market for the Fund's loans, affecting the Fund's ability to pay Income Distributions. <p>The Fund is suitable for investors with a Medium, High and Very High risk and return profile.</p> |
| Medium | In target market | |
| High | In target market | |
| Very High | In target market | |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

| Consumer Attributes | TMD Indicator | | | | Product description including key attributes |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--|
| Consumer's need to access capital | | | | | |
| | 3-month Term | 6-month Term | 12-month Term | 24-month Term | |
| Biennially (every other year) | In target market | In target market | In target market | In target market | <p>Investors have no right to withdraw from the Fund until the end of the Investment Term applicable to the class of units they hold. Investors seeking to withdraw must provide the required notice or the investment will automatically roll over for a further investment term of the same duration, and the investor will not have another opportunity to withdraw until the expiration of the additional Investment Term. The Investment Terms and notice periods for the different classes are as follows:</p> <p>Investment term: 3 months (A6 Units)</p> <ul style="list-style-type: none"> • Notice: 1 month prior to maturity <p>Investment term: 6 months (A5 Units)</p> <ul style="list-style-type: none"> • Notice: 2 months prior to maturity <p>Investment term: 12 months (A4 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>Investment term: 24 months (A3 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>The Issuer may consider (but is not obliged to grant) Early Withdrawal Requests, including requests to withdraw on maturity after the notice period has passed.</p> <p>If an Early Withdrawal Request is approved, then the investor will be required to pay a fee of 1% of the withdrawal amount. Units can be transferred at any time provided that the transferee meets the Issuer's requirements as an investor and the transfer is approved by the Issuer.</p> |
| Annually | In target market | In target market | In target market | Not considered in target market | |
| Six Monthly | In target market | In target market | Not considered in target market | Not considered in target market | |
| Quarterly | In target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Monthly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Weekly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Daily | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| | | | | | |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the Product Description in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

The Issuer considers that the distribution conditions below will make it likely that the investors who acquire units in the Fund are in the target market because of the following:

- The Fund's advertisements and website content is directed towards consumers in the Fund's target market.
- All marketing, advertising or promotional material is subject to review and approval prior to being issued.
- The online and paper application form for the Fund include filtering questions and alerts.
- The distributors' past performance in relation to the distribution of financial products, about which the Issuer is aware.

Distribution conditions/restrictions

| Distribution Condition | Distribution Condition Rationale |
|--------------------------|---|
| Direct to Consumer | <p>Investors may apply by:</p> <ul style="list-style-type: none">• Completing an online Application Form, which can be accessed via a link on either the Issuer's website at ascf.com.au, or via a link administered through the third-party online application support service provider, Olivia 123 Pty Ltd: Olivia123.com.au; or• Downloading and completing an Application Form via the Issuer's website and either scanning and emailing or posting to the Issuer. <p>The online or paper application forms include filtering questions relating to the TMD. The Issuer will review the information provided in response to the filtering questions, assess the answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application.</p> <p>Direct investors who are wholesale or sophisticated investors (including institutions and non-profits) can invest in this product.</p> |
| Third Party Distribution | <p>The Fund may be distributed through third party financial advisers and referrers.</p> <p>Distributors must enter into a distribution agreement with the Issuer requiring compliance with the Issuer's distribution conditions, including:</p> <ul style="list-style-type: none">• Financial advisors being required to hold an Australian Financial Services Licence or authorised by an Australian Financial Services Licensee acceptable to the Issuer;• Confirm they have reviewed and considered the TMD in providing personal or general advice to the investor;• The Issuer may restrict or stop distribution in the event of a breach of the distribution agreement or the Act;• Only use marketing, advertising or promotional materials issued or approved by the Issuer. |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

| Review triggers |
|---|
| Material change to investment strategy, objectives or key attributes or fees. |
| Material deviation from published distribution rates for a unit class over a sustained period. |
| Key attributes have not performed as disclosed by a material degree and for a material period. |
| Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product. |
| Inability to meet withdrawal requests over a sustained period. |
| The use of Product Intervention Powers, regulator orders or directions that affects the product. |
| Determination by the issuer of an ASIC reportable Significant Dealing. |
| A high number of Investors in the Fund are identified as falling outside of the TMD |

| Mandatory review periods | |
|--------------------------|---|
| Review period | Maximum period for review |
| Initial review | Completed |
| Subsequent review | At least one year and three months from date of last review of the TMD (for whatever reason). |

| Distributor reporting requirements | | |
|---|---|--|
| Reporting requirement | Reporting period | Which distributors this requirement applies to |
| Complaints (as defined in s994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all of the content of the complaint, having regard to privacy. | As soon as practicable but in any case, within 10 business days following end of calendar quarter. | All Distributors |
| Significant dealing outside of target market, under s994F(6) of the Act. See definitions below for further detail. | As soon as practicable but in any case, within 10 business days after distributor becomes aware of the significant dealing. | All Distributors |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

Definitions

| Term | Definition |
|---|---|
| Consumer's investment objective | |
| Capital Growth | The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate. |
| Capital Preservation | The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities). |
| Capital Guaranteed | The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products. |
| Income Distribution | The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments). |
| Consumer's intended product use (% of Investable Assets) | |
| Investable Assets | Those assets that the investor has available for investment, excluding the residential home. |
| Solution / Standalone (75-100%) | The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Major Allocation (50-75%) | The consumer intends to hold the investment up to 75% of their <i>investable assets</i> (see definitions above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Core Component (25-50%) | The consumer intends to hold the investment up to 50% of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least Medium <i>portfolio diversification</i> (see definitions below). |
| Minor Allocation (10-25%) | The consumer intends to hold the investment as a smaller part of their portfolio, up to 25% of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |
| Satellite (<10%) | The consumer intends to hold the investment as a small part of their total portfolio, as an indication it would be suitable for up to 10% of the total <i>investable assets</i> (see definition above). The consumer is likely to be comfortable with exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

| Term | Definition | |
|--|--|--|
| Fund Diversification | | |
| Low | Single real estate asset class, single real estate asset exposure (e.g. contributory mortgage fund), single group borrower exposure, limited exposure across geographic regions. | |
| Medium | Multiple real estate asset classes (e.g. residential, commercial, industrial) broad exposure within real estate asset classes (e.g. houses, units, land), broad exposure by geographic region. | |
| High | Highly diversified across multiple real estate asset classes, highly diversified within real estate asset classes, high exposure by geographic region and country. | |
| Consumer's intended investment timeframe | | |
| Very Short (0 - 3 months) | The consumer has a very short investment timeframe and is not suitable as an investor in this fund. | |
| Short (3 – 6 months) | The consumer has a short investment timeframe and may wish to redeem within three to six months. | |
| Medium (6 months – 2 years) | The consumer has a medium investment timeframe and is unlikely to redeem within six months to two years. | |
| Long (2 - 5 years) | The consumer has a long investment timeframe and is unlikely to redeem within two to five years. | |
| Very Long (> 5 years) | The consumer has a very long investment timeframe and is unlikely to redeem within five years. | |
| Consumer's risk (ability to bear loss) and return profile | | |
| <p>The Issuer has adopted the Standard Risk Measure (SRM) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the <u>Standard Risk Measure Guidance Paper For Trustees</u> (note the bands in the SRM guidance differ from the bands used in this TMD). The assessment has been undertaken assuming likely returns after fees and costs but before taxes. SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. SRM is measured as the estimated number of negative annual returns over any 20-year period. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p> | | |
| Low | SRM 0.5 to 2 | The consumer is conservative or low risk in nature, seeks to minimise volatility and potential losses and is comfortable with a lower target return profile. Consumer typically prefers stable, defensive assets such as cash, fixed income and pooled investments. |
| Medium | SRM 3 to 5 | The consumer is moderate or medium risk in nature, seeking low volatility and potential losses and comfortable with a moderate target return profile. Consumer typically prefers a balance of defensive assets such as cash and fixed income and growth assets such as shares, property and alternative assets. |
| High | SRM 5 to 6 | The consumer is higher risk in nature and can accept higher volatility and potential losses in order to target a higher target return profile. Consumer typically prefers growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income. |
| Very High | SRM 6 + | The consumer has an aggressive or very high-risk appetite, seeks to maximise returns and can accept higher volatility and potential losses. Consumer typically prefers high growth assets such as high conviction portfolios, hedge funds and alternative assets. |

Target Market Determination

ASCF Premium Capital Fund – ARSN 637 973 409

| Term | Definition |
|--|--|
| Review triggers and Distributor reporting | |
| Significant Dealing | <p>Section 994F(6) of the Act requires distributors to notify the Issuer if they become aware of a significant dealing in the Fund that is not consistent with the TMD. Section 994G of the Act requires the Issuer to notify ASIC if it becomes aware of a significant dealing in the Fund that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors and the Issuer have discretion to apply its ordinary meaning. Whether or not a dealing is significant is a matter to be determined in the circumstances of each case and must be determined having regard to ASIC's policy in RG 274.</p> <p>The Issuer will rely on notifications of significant dealings to monitor and review the Fund, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.</p> <p>Dealings outside this TMD may be significant because they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer).</p> <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none">• the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes),• the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and• the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer). <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none">• the consumer's intended product use is <i>Solution / Standalone</i>, or <i>Major Allocation</i>; or• the consumer's intended product use is <i>Core component</i> and the consumer's risk (ability to bear loss) and return profile is <i>Low</i>. |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

Target Market Summary

This product is likely to be appropriate for a consumer seeking Income Distributions as part of a Satellite and Minor Allocation in a diversified portfolio where the consumer has a Medium, Long and Very Long investment timeframe, and Medium, High or Very High risk / return profile and needs no more than quarterly access to capital.

Fund and Issuer Identifiers

| | |
|-------------------|------------------------------------|
| Issuer | Australian Secure Capital Fund Ltd |
| Issuer ABN | 38 613 497 635 |
| Issuer AFSL | 491201 |
| Fund | ASCF Select Income Fund |
| ARSN | 616 367 410 |
| APIR Code | ASE3314AU |
| Date TMD approved | 25 September 2025 |
| TMD Version | 6.0 |
| TMD Status | Current |

Legal Disclaimer

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Australian Secure Capital Fund Ltd's design and distribution arrangements for the product.

This document is **not** a product disclosure statement and is **not** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (**PDS**) for the ASCF Select Income Fund before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained at ascf.com.au or by calling 07 3506 3690.

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

Description of Target Market

TMD Indicator Key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

| | | |
|------------------|---------------------------|---------------------------------|
| In target market | See Issuer's Description* | Not considered in target market |
|------------------|---------------------------|---------------------------------|

*Please see the “Product description including key attributes” column in the tables below for the relevant “Issuer's Description”.

Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Investment Products and Diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of *satellite or minor allocation*). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite allocation to growth assets. In this case, it may be likely that a product with a *High or Very High* risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is *Low or Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

| Consumer Attributes | TMD Indicator | Product description including key attributes |
|--|---------------------------------|--|
| Consumer's investment objective | | |
| Income Distribution | In target market | The Fund is designed to provide investors with monthly Income Distributions by investing in a portfolio of loans to small to medium sized businesses or individuals for business or investment purposes, secured by first ranking mortgages over real property. While the aim is for the unit price of the Fund to remain stable at \$1.00 per unit, capital losses can occur in circumstances where borrower/s were to default. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. Therefore, while an investment in the Fund could experience capital loss and is higher risk than bank deposits, cash investments or some fixed income securities, the Fund is expected to exhibit lower volatility than direct property, listed REITs and listed equities in a market downturn. Accordingly, the Fund may be suitable for an investor who seeks to preserve their capital but who accepts there is a risk they may lose some or all of their money. The Fund is not suitable for an investor who cannot accept any loss of their capital. |
| Capital Preservation | See Issuer's Description | |
| Capital Guaranteed | Not considered in target market | |
| Capital Growth | Not considered in target market | |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

| Consumer Attributes | TMD Indicator | Product description including key attributes |
|--|---------------------------------|---|
| Consumer's intended product use (% of Investable Assets) | | |
| Satellite Allocation (<10%) | In target market | <p>The Fund is designed to provide investors with monthly Income Distributions by investing directly in a portfolio of short-term first mortgages secured by a well-diversified portfolio of real estate asset classes (i.e. residential, commercial, industrial), broad exposure within asset classes (i.e., houses, units, land) and a broad exposure by geographic region (noting a preferred bias to Australian capital cities and larger population centres). Accordingly, the Funds diversification is Medium (see diversification definitions below).</p> <p>Investors should use the Funds as a Satellite or Minor Allocation to reduce investment risk through diversification across an appropriate portfolio of investments.</p> <p>Investors should apply prudent diversification principles and seek professional advice, to spread the risks of investing in the Fund across a broad portfolio of other investments.</p> |
| Minor Allocation (10-25%) | In target market | |
| Core Component (25-50%) | Not considered in target market | |
| Major Allocation (50-75%) | Not considered in target market | |
| Solution / Standalone (75-100%) | Not considered in target market | |
| Consumer's investment timeframe | | |
| Very Short (0 - 3 months) | Not considered in target market | <p>The Fund is managed with the intention of generating monthly Income Distributions and is suitable for investors who wish to invest over a Medium to Very Long investment timeframe, and may also suit investors seeking a Short investment timeframe if their investment is less than \$250,000. Investors wishing to invest more than \$250,000 for three months or less are not considered within the target market.</p> <p>Investment Terms are automatically rolled over for the same term unless the prescribed period of notice (i.e., between one month and three months depending on the Investment Term) to withdraw is given to the Issuer. Please see '<i>Consumer's need to access capital</i>' below for more information.</p> |
| Short (3 – 6 months) | See Issuer's Description | |
| Medium (6 months – 2years) | In target market | |
| Long (2 - 5 years) | In target market | |
| Very Long (> 5 years) | In target market | |
| Consumer's Risk (ability to bear loss) and Return profile | | |
| Low | Not considered in target market | <p>The Fund seeks to deliver monthly Income Distributions for each Investment Term (as published at ascf.com.au), while maintaining a unit price of \$1.00 per unit in a diversified and pooled loan portfolio.</p> <p>However, returns from the Fund are not guaranteed and there are risks involved in the Fund, which may include the following:</p> <ul style="list-style-type: none"> • If a number of borrowers were to default this may cause a decrease in distributions. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. • Interest rate changes may impact the customer market for the Fund's loans, affecting the Fund's ability to pay Income Distributions. <p>The Fund is suitable for investors with a Medium, High or Very High risk and return profile.</p> |
| Medium | In target market | |
| High | In target market | |
| Very High | In target market | |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

| Consumer Attributes | TMD Indicator | | | | Product description including key attributes |
|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--|
| Consumer's need to access capital | | | | | |
| | 3-month Term | 6-month Term | 12-month Term | 24-month Term | |
| Biennially (every other year) | In target market | In target market | In target market | In target market | <p>Investors have no right to withdraw from the Fund until the end of the Investment Term applicable to the class of units they hold. Investors seeking to withdraw must provide the required notice or the investment will automatically roll over for a further investment term of the same duration, and the investor will not have another opportunity to withdraw until the expiration of the additional Investment Term. The Investment Terms and notice periods for the different classes are as follows:</p> <p>Investment term: 3 months (A6 Units)</p> <ul style="list-style-type: none"> • Notice: 1 month prior to maturity <p>Investment term: 6 months (A5 Units)</p> <ul style="list-style-type: none"> • Notice: 2 months prior to maturity <p>Investment term: 12 months (A4 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>Investment term: 24 months (A3 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>The Issuer may consider (but is not obliged to grant) Early Withdrawal Requests, including requests to withdraw on maturity after the notice period has passed.</p> <p>If an Early Withdrawal Request is approved, then the investor will be required to pay a fee of 1% of the withdrawal amount. Units can be transferred at any time provided that the transferee meets the Issuer's requirements as an investor and the transfer is approved by the Issuer.</p> |
| Annually | In target market | In target market | In target market | Not considered in target market | |
| Six Monthly | In target market | In target market | Not considered in target market | Not considered in target market | |
| Quarterly | In target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Monthly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Weekly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Daily | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| | | | | | |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the Product Description in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

The Issuer considers that the distribution conditions below will make it likely that the investors who acquire units in the Fund are in the target market because of the following:

- The Fund's advertisements and website content is directed towards consumers in the Fund's target market.
- All marketing, advertising or promotional material is subject to review and approval prior to being issued.
- The online and paper application forms for the Fund include filtering questions and alerts.
- The distributors' past performance in relation to the distribution of financial products, about which the Issuer is aware.

Distribution conditions/restrictions

| Distribution Condition | Distribution Condition Rationale |
|--------------------------|--|
| Direct to Consumer | <p>Investors may apply by:</p> <ul style="list-style-type: none">• Completing an online Application Form, accessible via a link on either the Issuer's website at ascf.com.au, or via a link administered through the third-party online application support service provider, Olivia 123 Pty Ltd: Olivia123.com.au; or• Downloading and completing an Application Form via the Issuer's website and either scanning and emailing or posting to the Issuer. <p>The online or paper application forms include filtering questions relating to the TMD. The Issuer will review the information provided in response to the filtering questions, assess the answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application.</p> <p>Direct investors who are wholesale or sophisticated investors (including institutions and non-profits) can invest in this product.</p> |
| Third Party Distribution | <p>The Fund may be distributed through third party financial advisers and referrers.</p> <p>Distributors must enter into a distribution agreement with the Issuer requiring compliance with the Issuer's distribution conditions, including:</p> <ul style="list-style-type: none">• Financial advisors being required to hold an Australian Financial Services Licence or authorised by an Australian Financial Services Licensee acceptable to the Issuer;• Confirm they have reviewed and considered the TMD in providing personal or general advice to the investor;• The Issuer may restrict or stop distribution in the event of a breach of the distribution agreement or the Act;• Only use marketing, advertising or promotional materials issued or approved by the Issuer. |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

| Review triggers |
|---|
| Material change to investment strategy, objectives or key attributes or fees. |
| Material deviation from published distribution rates for a unit class over a sustained period. |
| Key attributes have not performed as disclosed by a material degree and for a material period. |
| Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product. |
| Inability to meet withdrawal requests over a sustained period. |
| The use of Product Intervention Powers, regulator orders or directions that affects the product. |
| Determination by the issuer of an ASIC reportable Significant Dealing. |
| A high number of Investors in the Fund are identified as falling outside of the TMD |

| Mandatory review periods | |
|---------------------------------|---|
| Review period | Maximum period for review |
| Initial review | Complete |
| Subsequent review | At least every year and three months from date of last review of the TMD (for whatever reason). |

| Distributor reporting requirements | | |
|---|---|---|
| Reporting requirement | Reporting period | Which distributors this requirement applies to |
| Complaints (as defined in s994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all of the content of the complaint, having regard to privacy. | As soon as practicable but in any case, within 10 business days following end of calendar quarter. | All Distributors |
| Significant dealing outside of target market, under s994F(6) of the Act. See definitions below for further detail. | As soon as practicable but in any case, within 10 business days after distributor becomes aware of the significant dealing. | All Distributors |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

Definitions

| Term | Definition |
|---|---|
| Consumer's investment objective | |
| Capital Growth | The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate. |
| Capital Preservation | The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities). |
| Capital Guaranteed | The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products. |
| Income Distribution | The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments). |
| Consumer's intended product use (% of Investable Assets) | |
| Investable Assets | Those assets that the investor has available for investment, excluding the residential home. |
| Solution/Standalone (75-100%) | The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Major Allocation (50-75%) | The consumer intends to hold up to 75% of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Core Component (25-50%) | The consumer intends to hold the investment, up to 50%, of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least Medium <i>portfolio diversification</i> (see definitions below). |
| Minor (10-25%) | The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition above). The consumer is likely to be comfortable with exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |
| Satellite (<10%) | The consumer intends to hold the investment as a small part of their total portfolio, as an indication it would be suitable for up to 10% of the total <i>investable assets</i> (see definition above). The consumer is likely to be comfortable with exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

| Term | Definition | |
|--|--|--|
| Portfolio diversification (for completing the key product attribute section of consumer's intended product use) | | |
| Low | Single real estate asset class, single real estate asset exposure (e.g. contributory mortgage fund), single group borrower exposure, limited exposure across geographic regions. | |
| Medium | Multiple real estate asset classes (e.g. residential, commercial, industrial) broad exposure within real estate asset classes (e.g. houses, units, land), broad exposure by geographic region. | |
| High | Highly diversified across multiple real estate asset classes, highly diversified within real estate asset classes, high exposure by geographic region and country. | |
| Consumer's intended investment timeframe | | |
| Very Short (0 - 3 months) | The consumer has a very short investment timeframe and is not suitable as an investor in this fund. | |
| Short (3 – 6 months) | The consumer has a short investment timeframe and may wish to redeem within three to six months. | |
| Medium (6 months – 2 years) | The consumer has a medium investment timeframe and is unlikely to redeem within six months to two years. | |
| Long (2 - 5 years) | The consumer has a long investment timeframe and is unlikely to redeem within two to five years. | |
| Very Long (> 5 years) | The consumer has a very long investment timeframe and is unlikely to redeem within five years. | |
| Consumer's risk (ability to bear loss) and return profile | | |
| <p>The Issuer has adopted the Standard Risk Measure (SRM) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the <u>Standard Risk Measure Guidance Paper For Trustees</u> (note the bands in the SRM guidance differ from the bands used in this TMD). The assessment has been undertaken assuming likely returns after fees and costs but before taxes. SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. SRM is measured as the estimated number of negative annual returns over any 20-year period. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p> | | |
| Low | SRM 0.5 to 2 | The consumer is conservative or low risk in nature, seeks to minimise volatility and potential losses and is comfortable with a lower target return profile. Consumer typically prefers stable, defensive assets such as cash, fixed income and pooled investments. |
| Medium | SRM 3 to 5 | The consumer is moderate or medium risk in nature, seeking low volatility and potential losses and comfortable with a moderate target return profile. Consumer typically prefers a balance of defensive assets such as cash and fixed income and growth assets such as shares, property and alternative assets. |
| High | SRM 5 to 6 | The consumer is higher risk in nature and can accept higher volatility and potential losses in order to target a higher target return profile. Consumer typically prefers growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income. |
| Very High | SRM 6 + | The consumer has an aggressive or very high-risk appetite, seeks to maximise returns and can accept higher volatility and potential losses. Consumer typically prefers high growth assets such as high conviction portfolios, hedge funds and alternative assets. |

Target Market Determination

ASCF Select Income Fund – ARSN 616 367 410

| Term | Definition |
|--|--|
| Review triggers and Distributor reporting | |
| Significant Dealing | <p>Section 994F(6) of the Act requires distributors to notify the Issuer if they become aware of a significant dealing in the Fund that is not consistent with the TMD. Section 994G of the Act requires the Issuer to notify ASIC if it becomes aware of a significant dealing in the Fund that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is ‘significant’ and distributors and the Issuer have discretion to apply its ordinary meaning. Whether or not a dealing is significant is a matter to be determined in the circumstances of each case and must be determined having regard to ASIC’s policy in RG 274.</p> <p>The Issuer will rely on notifications of significant dealings to monitor and review the Fund, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.</p> <p>Dealings outside this TMD may be significant because they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer).</p> <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> • the nature and risk profile of the product (which may be indicated by the product’s risk rating or withdrawal timeframes), • the actual or potential harm to a consumer (which may be indicated by the value of the consumer’s investment, their intended product use or their ability to bear loss), and • the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer). <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none"> • the consumer’s intended product use is <i>Solution / Standalone</i> or <i>Major Allocation</i>; or • the consumer’s intended product use is <i>Core component</i> and the consumer’s risk (ability to bear loss) and return profile is <i>Low</i>. |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

Target Market Summary

This product is likely to be appropriate for a consumer seeking Income Distributions as part of a Satellite and Minor Allocation in a diversified portfolio where the consumer has a Medium, Long or Very Long investment timeframe, Medium, High and Very High risk / return profile and needs no more than Quarterly access to capital.

Fund and Issuer Identifiers

| | |
|-------------------|------------------------------------|
| Issuer | Australian Secure Capital Fund Ltd |
| Issuer ABN | 38 613 497 635 |
| Issuer AFSL | 491201 |
| Fund | ASCF High Yield Fund |
| ARSN | 616 367 330 |
| APIR Code | ASE8386AU |
| Date TMD approved | 25 September 2025 |
| TMD Version | 6.0 |
| TMD Status | Current |

Legal Disclaimer

This Target Market Determination (TMD) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Australian Secure Capital Fund Ltd's design and distribution arrangements for the product.

This document is **not** a product disclosure statement and is **not** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (**PDS**) for the ASCF High Yield Fund before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained at ascf.com.au or by calling 07 3506 3690.

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

Description of Target Market

TMD Indicator Key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

| | | |
|------------------|---------------------------|---------------------------------|
| In target market | See Issuer's Description* | Not considered in target market |
|------------------|---------------------------|---------------------------------|

*Please see the “Product description including key attributes” column in the tables below for the relevant “Issuer's Description”.

Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Investment Products and Diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of *satellite or minor allocation*). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite allocation to growth assets. In this case, it may be likely that a product with a *High* or *Very High* risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is *Low* or *Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

| Consumer Attributes | TMD Indicator | Product description including key attributes |
|--|---------------------------------|---|
| Consumer's investment objective | | |
| Income Distribution | In target market | The Fund is designed to provide investors with monthly Income Distributions by investing in a portfolio of loans to small to medium sized businesses or individuals for business or investment purposes, secured by first and second ranking mortgages over real property. While the aim is for the unit price of the Fund to remain stable at \$1.00 per unit, capital losses can occur in circumstances where borrower/s were to default. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. Therefore, while an investment in the Fund could experience capital loss and is higher risk than bank deposits, cash investments or some fixed income securities, the Fund is expected to exhibit lower volatility than direct property, listed REITs and listed equities in a market downturn. Accordingly, the Fund may be suitable for an investor who seeks to preserve their capital but who accepts there is a risk they may lose some or all of their money. The Fund is not suitable for an investor who cannot accept any loss of their capital. |
| Capital Preservation | See Issuer's Description* | |
| Capital Guaranteed | Not considered in target market | |
| Capital Growth | Not considered in target market | |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

| Consumer Attributes | TMD Indicator | Product description including key attributes |
|--|---------------------------------|---|
| Consumer's intended product use (% of Investable Assets) | | |
| Satellite Allocation (<10%) | In target market | The Fund is designed to provide investors with monthly Income Distributions by investing directly in a portfolio of short-term first and second mortgages secured by a well-diversified portfolio of real estate asset classes (i.e. residential, commercial, industrial), broad exposure within asset classes (i.e., houses, units, land) and a broad exposure by geographic region (noting a preferred bias to Australian capital cities and larger population centres). Accordingly, the Fund's diversification is Medium (see diversification definitions below). Investors should use the Fund as Satellite Allocation to reduce investment risk through diversification across an appropriate portfolio of investments. Investors should apply prudent diversification principles and seek professional advice, to spread the risks of investing in the Fund across a broad portfolio of other investments. |
| Minor Allocation (10-25%) | In target market | |
| Core Component (25-50%) | Not considered in target market | |
| Major Allocation (50-75%) | Not considered in target market | |
| Solution/Standalone (75-100%) | Not considered in target market | |
| Consumer's investment timeframe | | |
| Very Short (0 - 3 months) | Not considered in target market | The Fund is managed with the intention of generating monthly Income Distributions and is suitable for investors who wish to invest over a Medium to Very Long investment timeframe, and may also suit investors seeking a Short investment timeframe if their investment is less than \$250,000. Investors wishing to invest more than \$250,000 for three months or less are not considered in the target market. Investment Terms are automatically rolled over for the same term unless the prescribed period of notice (i.e., between one month and three months depending on the Investment Term) to withdraw is given to the Issuer. Please see ' <i>Consumer's need to access capital</i> ' below for more information. |
| Short (3 – 6 months) | See Issuer's Description* | |
| Medium (6 months – 2 years) | In target market | |
| Long (2 - 5 years) | In target market | |
| Very Long (> 5 years) | In target market | |
| Consumer's Risk (ability to bear loss) and Return profile | | |
| Low | Not considered in target market | The Fund seeks to deliver monthly Income Distributions for each Investment Term (as published at ascf.com.au), while maintaining a unit price of \$1.00 per unit in a diversified and pooled loan portfolio. However, returns from the Fund are not guaranteed and there are risks involved in the Fund, which may include the following: <ul style="list-style-type: none"> If a number of borrowers were to default this may cause a decrease in distributions. Furthermore, if the value of secured property/s was not sufficient to recover outstanding principal, unpaid interest and recovery costs, and such losses were not able to be absorbed by the Fund itself, then the unit price may decrease and investors may suffer a capital loss. Interest rate changes may impact the customer market for the Fund's loans, affecting the Fund's ability to pay Income Distributions. <p>The Fund is suitable for investors with a Medium, High or Very High risk and return profile. This Fund carries a higher level of risk, relative to funds comprised solely of first-ranking securities, as the portfolio includes securities secured by second-ranking mortgages.</p> |
| Medium | In target market | |
| High | In target market | |
| Very High | In target market | |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

| Consumer Attributes | TMD Indicator | | | | Product description including key attributes |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--|
| Consumer's need to access capital | | | | | |
| | 3-month Term | 6-month Term | 12-month Term | 24-month Term | |
| Biennially (every other year) | In target market | In target market | In target market | In target market | <p>Investors have no right to withdraw from the Fund until the end of the Investment Term applicable to the class of units they hold. Investors seeking to withdraw must provide the required notice or the investment will automatically roll over for a further investment term of the same duration, and the investor will not have another opportunity to withdraw until the expiration of the additional Investment Term. The Investment Terms and notice periods for the different classes are as follows:</p> <p>Investment term: 3 months (A6 Units)</p> <ul style="list-style-type: none"> • Notice: 1 month prior to maturity <p>Investment term: 6 months (A5 Units)</p> <ul style="list-style-type: none"> • Notice: 2 months prior to maturity <p>Investment term: 12 months (A4 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>Investment term: 24 months (A3 Units)</p> <ul style="list-style-type: none"> • Notice: 3 months prior to maturity <p>The Issuer may consider (but is not obliged to grant) Early Withdrawal Requests, including requests to withdraw on maturity after the notice period has passed.</p> <p>If an Early Withdrawal Request is approved, then the investor will be required to pay a fee of 1% of the withdrawal amount. Units can be transferred at any time provided that the transferee meets the Issuer's requirements as an investor and the transfer is approved by the Issuer.</p> |
| Annually | In target market | In target market | In target market | Not considered in target market | |
| Six Monthly | In target market | In target market | Not considered in target market | Not considered in target market | |
| Quarterly | In target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Monthly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Weekly | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| Daily | Not considered in target market | Not considered in target market | Not considered in target market | Not considered in target market | |
| | | | | | |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the Product Description in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

The Issuer considers that the distribution conditions below will make it likely that the investors who acquire units in the Fund are in the target market because of the following:

- The Fund's advertisements and website content is directed towards consumers in the Fund's target market.
- All marketing, advertising or promotional material is subject to review and approval prior to being issued.
- The online and paper application forms for the Fund include filtering questions and alerts.
- The distributors' past performance in relation to the distribution of financial products, about which the Issuer is aware.

Distribution Conditions/Restrictions

| Distribution Condition | Distribution Condition Rationale |
|--------------------------|--|
| Direct to Consumer | <p>Investors may apply by:</p> <ul style="list-style-type: none">• Completing an online Application Form, accessible via a link on either the Issuer's website at ascf.com.au, or via a link administered by the third-party online application support service provider, Olivia 123 Pty Ltd: Olivia123.com.au; or• Downloading and completing an Application Form via the Issuer's website and either scanning and emailing or posting to ASCF. <p>The online and paper application forms include filtering questions relating to the TMD. The Issuer will review the information provided in response to the filtering questions, assess the answers against the Fund's key attributes (set out above). Where the Issuer concludes the investor is not likely to be within the target market, the Issuer may reject the application.</p> <p>Direct investors who are wholesale or sophisticated investors (including institutions and non-profits) can invest in this product.</p> |
| Third Party Distribution | <p>The Fund may be distributed through third party financial advisers and referrers.</p> <p>Distributors must enter into a distribution agreement with the Issuer requiring compliance with the Issuer's distribution conditions, including:</p> <ul style="list-style-type: none">• Financial advisors being required to hold an Australian Financial Services Licence or are authorised by an Australian Financial Services Licensee acceptable to the Issuer;• Confirm they have reviewed and considered the TMD in providing personal or general advice to the investor;• The Issuer may restrict or stop distribution in the event of a breach of the distribution agreement or the Act;• Only use marketing, advertising or promotional materials issued or approved by the Issuer. |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

| Review triggers |
|---|
| Material change to investment strategy, objectives or key attributes or fees. |
| Material deviation from published distribution rates for a unit class over a sustained period. |
| Key attributes have not performed as disclosed by a material degree and for a material period. |
| Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product. |
| Inability to meet withdrawal requests over a sustained period. |
| The use of Product Intervention Powers, regulator orders or directions that affects the product. |
| Determination by the issuer of an ASIC reportable Significant Dealing. |
| A high number of Investors in the Fund are identified as falling outside of the TMD |

| Mandatory review periods | |
|---------------------------------|---|
| Review period | Maximum period for review |
| Initial review | Complete |
| Subsequent review | At least every year and three months from date of last review of the TMD (for whatever reason). |

| Distributor reporting requirements | | |
|---|---|---|
| Reporting requirement | Reporting period | Which distributors this requirement applies to |
| Complaints (as defined in s994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all of the content of the complaint, having regard to privacy. | As soon as practicable but in any case, within 10 business days following end of calendar quarter. | All Distributors |
| Significant dealing outside of target market, under s994F(6) of the Act. See definitions below for further detail. | As soon as practicable but in any case, within 10 business days after distributor becomes aware of the significant dealing. | All Distributors |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

Definitions

| Term | Definition |
|---|---|
| Consumer's investment objective | |
| Capital Growth | The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate. |
| Capital Preservation | The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities). |
| Capital Guaranteed | The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products. |
| Income Distribution | The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments). |
| Consumer's intended product use (% of Investable Assets) | |
| Investable Assets | Those assets that the investor has available for investment, excluding the residential home. |
| Solution/Standalone (75-100%) | The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Major Allocation (50-75%) | The consumer intends to hold the investment up to 75% of their total <i>investable assets</i> (see definitions above). The consumer typically prefers exposure to a product with at least High <i>portfolio diversification</i> (see definitions below). |
| Core Component (25-50%) | The consumer intends to hold the investment up to 50%, of their total <i>investable assets</i> (see definition above). The consumer typically prefers exposure to a product with at least Medium <i>portfolio diversification</i> (see definitions below). |
| Minor (10-25%) | The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition above). The consumer is likely to be comfortable with exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |
| Satellite (<10%) | The consumer intends to hold the investment as a small part of their total portfolio, as an indication it would be suitable for up to 10% of the total <i>investable assets</i> (see definition above). The consumer is likely to be comfortable with exposure to a product with at least Low <i>portfolio diversification</i> (see definitions below). |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

| Term | Definition |
|--|--|
| Portfolio diversification (for completing the key product attribute section of consumer's intended product use) | |
| Low | Single real estate asset class, single real estate asset exposure (e.g. contributory mortgage fund), single group borrower exposure, limited exposure across geographic regions. |
| Medium | Multiple real estate asset classes (e.g. residential, commercial, industrial) broad exposure within real estate asset classes (e.g. houses, units, land), broad exposure by geographic region. |
| High | Highly diversified across multiple real estate asset classes, highly diversified within real estate asset classes, high exposure by geographic region and country. |
| Consumer's intended investment timeframe | |
| Very Short (0 - 3 months) | The consumer has a very short investment timeframe and is not suitable as an investor in this fund. |
| Short (3 – 6 months) | The consumer has a short investment timeframe and may wish to redeem within three to six months. |
| Medium (6 months – 2 years) | The consumer has a medium investment timeframe and is unlikely to redeem within six months to two years. |
| Long (2 - 5 years) | The consumer has a long investment timeframe and is unlikely to redeem within two to five years. |
| Very Long (> 5 years) | The consumer has a very long investment timeframe and is unlikely to redeem within five years. |
| Consumer's risk (ability to bear loss) and return profile | |
| <p>The Issuer has adopted the Standard Risk Measure (SRM) to estimate the likely number of negative annual returns for this product over a 20 year period, using the guidance and methodology outlined in the <u>Standard Risk Measure Guidance Paper For Trustees</u> (note the bands in the SRM guidance differ from the bands used in this TMD). The assessment has been undertaken assuming likely returns after fees and costs but before taxes. SRM is not a complete assessment of risk and potential loss. For example, it does not detail important issues such as the potential size of a negative return or that a positive return could still be less than a consumer requires to meet their investment objectives/needs. SRM is measured as the estimated number of negative annual returns over any 20-year period. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.</p> | |
| Low | SRM 0.5 to 2 The consumer is conservative or low risk in nature, seeks to minimise volatility and potential losses and is comfortable with a lower target return profile. Consumer typically prefers stable, defensive assets such as cash, fixed income and pooled investments. |
| Medium | SRM 3 to 5 The consumer is moderate or medium risk in nature, seeking low volatility and potential losses and comfortable with a moderate target return profile. Consumer typically prefers a balance of defensive assets such as cash and fixed income and growth assets such as shares, property and alternative assets. |
| High | SRM 5 to 6 The consumer is higher risk in nature and can accept higher volatility and potential losses in order to target a higher target return profile. Consumer typically prefers growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income. |
| Very High | SRM 6+ The consumer has an aggressive or very high-risk appetite, seeks to maximise returns and can accept higher volatility and potential losses. Consumer typically prefers high growth assets such as high conviction portfolios, hedge funds and alternative assets. |

Target Market Determination

ASCF High Yield Fund – ARSN 616 367 330

| Term | Definition |
|--|---|
| Review triggers and Distributor reporting | |
| Significant Dealing | <p>Section 994F(6) of the Act requires distributors to notify the Issuer if they become aware of a significant dealing in the Fund that is not consistent with the TMD. Section 994G of the Act requires the Issuer to notify ASIC if it becomes aware of a significant dealing in the Fund that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is ‘significant’ and distributors and the Issuer have discretion to apply its ordinary meaning. Whether or not a dealing is significant is a matter to be determined in the circumstances of each case and must be determined having regard to ASIC’s policy in RG 274.</p> <p>The Issuer will rely on notifications of significant dealings to monitor and review the Fund, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.</p> <p>Dealings outside this TMD may be significant because they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer).</p> <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none">• the nature and risk profile of the product (which may be indicated by the product’s risk rating or withdrawal timeframes),• the actual or potential harm to a consumer (which may be indicated by the value of the consumer’s investment, their intended product use or their ability to bear loss), and• the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer). <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none">• the consumer’s intended product use is <i>Solution / Standalone, Major Allocation or Core Component</i>; or• the consumer’s intended product use is <i>Satellite</i> and the consumer’s risk (ability to bear loss) and return profile is <i>Low</i>. |