



# Target Market Determination (TMD) – Horizon Mortgages Loan (Specialist)

Product	Horizon Mortgages Loan (Specialist)
Issuer	<p>Lender: AHC Finance Company Pty Limited ACN 663 551 844</p> <p>Manager: AHC Finance Pty Limited ACN 161 006 846 Australian Credit Licence 448165</p> <p>The Manager has arranged for the Lender to make the loan, which will be managed by the Manager. Normally, you deal with the Manager. The Lender and the Manager are together and separately referred to as 'we/us/our'.</p>
Date of TMD	December 2025
Target Market	<p><b>Description of target market</b></p> <p>The Horizon Mortgages Loan (Specialist) is designed for customers who:</p> <ul style="list-style-type: none"><li>• want to purchase or refinance a home as either owner occupiers or investors;</li><li>• may want the flexibility to make additional repayments and redraw funds as required;</li><li>• would like to make principal and interest repayments and may also wish to have the option to make interest only repayments for a period;</li><li>• may want an offset facility;</li><li>• may want to consolidate up to a maximum of six debts (excluding any debt owed to us) (including ATO debts), with a total of \$300,000 to be used from the loan funds for this purpose;</li><li>• meet our eligibility requirements, being individuals who are:<ul style="list-style-type: none"><li>• 18 years of age or older;</li><li>• an Australian citizen permanent resident;</li><li>• work and reside in Australia;</li><li>• meet our credit assessment criteria; and</li><li>• meet verification of identity requirements.</li></ul></li></ul>



### Description of product, including key attributes

The Horizon Mortgages Loan has the following key attributes that have been taken into account when formulating the target market:

Feature	Description
Loan term	30 years
Minimum loan amount	\$250,000
Maximum loan amount	\$2,500,000
Repayment structure	Customers may make regular scheduled monthly principal and interest repayments to pay down the loan balance over the term, and may make additional repayments if they wish.  The customer may request to make interest only payments for a maximum period of 5 years.
Maximum loan to value ratio (LVR):	75%
Interest rate type	Variable
Offset	Yes
Redraw	Yes
Security	The Mortgages loan must be secured by residential property located in Australia and may supported by a guarantee.  The loan may be secured by residential vacant land if the LVR does not exceed 60%.
Fees	<ul style="list-style-type: none"><li>• Application fee</li><li>• Ongoing monthly account keeping fees</li><li>• Valuation consideration fee</li><li>• Document preparation costs and out-of-pocket expenses.</li></ul> Other fees and charges may apply.



### **Description of likely objectives, financial situation and needs of consumers in the target market**

This product is designed for customers who:

- are seeking a home loan with a variable interest rate;
- want the ability to make additional repayments from time to time and repay the loan early;
- may want to make use of an offset facility or redraw funds;
- need funds to refinance an existing home loan or to purchase residential property for owner occupier or investment purposes;
- want to make principal repayments to reduce the principal balance of the loan and increase equity in their home;
- meet our credit assessment and eligibility criteria, including customers who:
  - if a full time or part time employee, are able to demonstrate at least 3 months employment with their current employer;
  - if casually employed, are able to demonstrate a minimum of 6 months with the same employer and over 12 months of continuous employment in the same industry;
  - if self-employed, are able to demonstrate at least 6 months of ABN registration and 1 day registration for GST;
  - receive income (including PAYG income, rental income, bonuses and commissions);
  - may have entered arrears for a maximum period of 2 months under a home loan facility;
  - may have made one payment under a different credit facility (such as a personal loan or credit card facility);
  - may have been subject to credit defaults or court judgments;
  - may have been discharged from bankruptcy;
  - may be party to a personal insolvency agreement (Part X Agreement) or debt agreement (Part IX Agreement).

### **Classes of consumers for whom the product is likely to be unsuitable**

This product is unlikely to be suitable for customers who:

- do not meet our credit assessment eligibility requirements;
- are seeking the certainty of fixed interest and fixed repayments over the term of the loan;
- do not anticipate making extra repayments.

### **Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market**

The product is likely to be consistent with the financial situation, needs and objectives of customers in our target market based on the features of the product mentioned above. This is because it enables customers to:

- purchase an owner-occupied or investment residential property;
- make principal and interest repayments in order to reduce the principal balance of the loan and increase equity in their home; and
- make use of an offset facility or redraw funds.



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## Distribution Conditions

### Distribution conditions

The product may only be distributed through the following channels:

- by phone or by contacting us directly (via appropriately authorised employees);
- through accredited and licenced third party distributors (eg, mortgage brokers); and
- through accredited and licenced mortgage managers.

The distribution channels are appropriate because:

- the product has a wide target market;
- we conduct a full credit assessment on every loan application ensuring that the objectives, financial situation and needs of the consumer are met by the product;
- an assessment is made to determine whether the customer can service the loan and the product is not unsuitable for the customer;
- distribution channels consist of accredited third parties and authorised employees that ensure the product is in the best interest of the particular customer;
- we conduct adequate training for the distributors that covers features of the product; and
- we conduct upfront and ongoing due diligence and monitoring of distributors.

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## Review Triggers

The review triggers that would reasonably suggest that the TMD is no longer appropriate include:

- a significant dealing of the product to consumers outside the target market occurs;
- complaints are received from 3% of customers in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate;
- a material change to the product or the terms and conditions of the product occurs which would cause the TMD to no longer be appropriate;
- there is a material change in the way we distribute the product; or
- where 2% or more of our total customers (joint customers to be treated as a single customer) are in hardship at any one time.

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## Review Periods

**First review date:** Within the 12 months of the date of this TMD.

**Periodic reviews:** Every 12 months from the first review date and each subsequent review date.

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## Distribution Information Reporting Requirements

The following information must be provided to us by distributors who engage in retail product distribution conduct in relation to this product:

Type of information	Description	Reporting period
Complaints	<ul style="list-style-type: none"><li>• Number of complaints</li><li>• Substance of each complaint</li></ul>	Monthly
Significant dealing(s)	<ul style="list-style-type: none"><li>• Date or date range of the significant dealing(s) and description of the significant dealing (eg why it is not consistent with the TMD)</li><li>• What was the root cause of the significant dealing(s).</li><li>• Why the dealing(s) is significant (e.g. actual or potential harm to customer/class of customer).</li><li>• How the significant dealing(s) was identified.</li><li>• Steps taken/will be taken (if any) in relation to the significant dealing(s).</li></ul>	As soon as practicable, and in any case within 10 business days after becoming aware

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