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Target Market Determination (TMD)

Variable Rate Home Loans

This Target Market Determination **(TMD)** has been prepared in accordance with the Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019 (Cth) and associated Regulations.

TMD's are designed to assist issuers to ensure that the financial products they issue are likely to be consistent with the likely objectives, financial situation and needs of the consumers for whom they are intended (the target market) and to assist distributors to ensure that financial products are distributed to the target market.

This document does not provide a complete description of all product features, fees, or terms of the product. Consumers acquiring this product should carefully read the 'Loan Contract Terms and Conditions' before deciding whether to proceed with the product.

This TMD is general in nature and should not be construed as financial advice. Consumers should obtain independent advice prior to acquiring the product to ensure that it is appropriate for their particular objectives, financial situation and needs.

Product	**loans.com.au Variable Rate Home Loans**
Product Description	A variable rate home loan with no ongoing fees, for customers who are looking for a home or investment property.
Issuer	Firstmac Limited ABN 59 094 145 963 Australian Financial Services and Australian Credit Licence 290600
Effective date	21 November 2025
Target Market	
Needs and objectives	• the purchase, construction or renovation of a home to occupy; • the purchase, construction or renovation of a home to invest in; • the refinance of an existing home loan or investment home loan.
Key Product Attributes	• A variable rate home loan where the rate can change at any time during the loan term. • Available for owner occupied or investment purposes. • Minimum loan amount of $50,000. • Maximum loan amount of $2 million (or $1.5 million for construction purposes). • Principal and interest repayments or interest-only repayments (up to 5 years). • Weekly, fortnightly or monthly principal and interest repayment options (monthly for interest-only repayments). • Flexibility to make unlimited additional payments. • Ability to redraw extra payments made over the minimum amount. • Optional offset feature. • Optional progressive drawdown feature (for construction purposes only). • Maximum Loan to Value Ratio (LVR) of 90% (sub-limits apply). • A minimum term of 15 years. • A maximum term of 30 years. • Fees and charges include: - Settlement Fee; - Government Fees; - Discharge Fees; - Other fees and charges may apply as set out in the loan contract
Target Market for Offset Feature	• This loan feature is appropriate to the target market that may have additional funds who may wish to use this to reduce the interest on their loan whilst retaining access to these funds. • For consumers who want an optional 100% offset feature - offset sub-account and Visa debit card for an additional fee (refer to Visa Debit Card TMD). • The optional offset feature allows the balance in the sub-account to be offset against the amount owed on the home loan when calculating the interest.
Target Market for Progressive Drawdown Feature	• For a loan with a construction purpose, a progressive drawdown feature allows consumers to finance a new build or major renovation and only pay interest on the amount drawn until construction is completed.

Key Eligibility	• Individuals over 18 years or older at the time of application.
	• Applicants who are:
	  - Australian or New Zealand citizens who are living & working in Australia or New Zealand, or
	  - Living and working in Australia who are not Australian or New Zealand citizens, provided a permanent residency status is held, or
	  - Australian or New Zealand citizens living & working overseas.
	• Ongoing and stable employment.
	• An acceptable credit rating.
	• Meet credit and eligibility criteria including the ability to demonstrate their capacity to repay the loan over a period of time.
	• Predominantly for personal or investment use.
	• Own or purchasing an eligible property to use as security for the loan.
	• Pay Lenders Mortgage Insurance (LMI) or Lenders Risk Fee (LRF) for this loan where the loan to value ratio (LVR) is above 80%.

Classes of consumers for whom the product may not be suitable	This product is unlikely to meet the needs, objectives and financial situation of consumers who: • Require a fixed rate loan. • Require a loan wholly or predominantly for business purposes. • Do not meet our credit or eligibility criteria. • Cannot demonstrate their capacity to repay the loan over the proposed term. • Do not have ongoing income or employment. • Require a loan greater than $2 million. • Require a loan term greater than 30 years. • Require a loan with Loan to Value Ratio (LVR) greater than 90%.
Distribution Channels	This product is distributed via the following channels: • **Online Channels:** via the website; or • **Direct Channel:** over the phone with lending staff.
Restrictions on distribution	This product should not be distributed to consumers who do not meet the credit requirements for this loan.
TMD Reviews	
Initial Review	12 months from the initial effective date of the TMD.
Periodic Reviews	Every 12 months from the first review date.

Review triggers	The events that may suggest that the TMD is no longer appropriate, that may result in an earlier review of the TMD include:
	• Significant changes in metrics that are significantly inconsistent with the intended product performance including:
	  - Significant increase in Complaints;
	  - Significant or unexpected declined applications or customers in default or hardship when measured against internal metrics and Design and Distribution Policy;
	• Material changes to the product such as changes to:
	  - Key attributes or features;
	  - The terms and conditions;
	  - Changes to the fees.
	• Material changes from regulatory requirements;
	• External events such as media coverage or Regulatory feedback that suggest that the target market for the product might not be appropriate;
	• Significant dealing of the product to consumers outside the target market occurs;
	• Credit criteria;
	• Distribution channels; or
	• Distribution conditions deemed to be inadequate.
	• If a significant dealing of the product to consumers outside the target market occurs.
	• A notification from ASIC requiring the immediate stop of the product.
	
	Where a review trigger has occurred, this TMD will be reviewed within 10 business days
	Reporting should be directed to **customercare@loans.com.au**

Reporting	
Distribution information reporting requirements	Distributors must provide Firstmac Limited with the following information: • Complaints: the details of any complaint received, as well as the number of complaints received in each quarter. • Significant dealings: Any dealings in the product which is not consistent with the TMD. This information must be provided as soon as practicable, and in any case within 10 business days after becoming aware.
Appropriateness Statement	Firstmac has designed this product, including its key attributes so that it is likely to be consistent with the objectives, financial situation and needs of consumers in the target market.

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