Target Market Determination (TMD)

# Car and Caravan Loan

Issued by Firstmac Limited ("Firstmac")
ABN 59 094 145 963 and Australian Financial Services and Australian Credit Licence 290600

**Effective Date: 03 July 2026**

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.

TMDs 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.

## 1. Product

Car and Caravan Loan – a secured asset loan with variable or fixed interest rate option and principal and interest repayments.

## 2. Target Market

This product is likely to be consistent with the needs, objectives and financial situation of customers in the target market who want to borrow money to:

- Purchase a new or used car or caravan;
- Purchase a new or used 'green' car; or
- Refinance an existing loan secured by a car or caravan.

The asset being purchased or refinanced must be for predominantly personal use, and aged up to 12 years for cars and 7 years for caravans.

### Key Product Attributes

The following are the key attributes of this Product:

- Maximum loan amount of A$150,000 and minimum loan amount of A$10,000.
- Minimum loan term of 3 years and maximum loan term of 7 years.
- The asset being financed must be for predominantly personal use.
- The asset being financed must be offered as security for the loan.
- The asset may be purchased through either a dealer or private sale arrangement.
- The option of either a variable or fixed interest rate.

- Principal and interest repayments, made either weekly, fortnightly or monthly via direct debit.
- Fees and charges include:
  - Application Fee
  - Monthly Service Fee
  - Other fees and charges may apply, as set out in the loan contract.

## Additional Product Attributes – Variable Interest Rate Option

This interest rate option is likely to be appropriate for consumers within the target market who:

- Want a car or caravan loan where the interest rate and associated repayment amount can change at any time during the loan term.
- Want flexibility to make unlimited additional payments.
- Want the ability to redraw extra payments made over the minimum amount, where redraw is limited to a maximum of $5,000 per day.

## Additional Product Attributes – Fixed Interest Rate Option

This interest rate option is likely to be appropriate for consumers within the target market who:

- Want a car or caravan loan where the interest rate and associated repayment is fixed and does not change during the term of the loan.
- Understand that additional repayments cannot be withdrawn during the term of the loan.
- Understand that an Early Termination Fee may apply if the loan is repaid early.

## Key Eligibility

The key eligibility criteria of this Product are:

- Individuals 18 years or older at the time of application.
- Applicants who:
  - Are Australian or New Zealand citizens who are living & working in Australia, or
  - living and working in Australia and have permanent residency status.
- For applications in joint names, both applicants must reside at the same address.
- For caravan loans, applicants must be a home owner.
- Have an acceptable credit rating, ongoing and stable employment and meet our credit and eligibility criteria including the ability to demonstrate their capacity to repay the loan over a period of time.

### Consumers for whom this product may not be appropriate

This product is unlikely to meet the needs, objectives and financial situation of consumers who:

- Are not an Australian or New Zealand citizen or Australian resident.
- Require a loan for a car or caravan that is for predominantly business use.
- Require a loan for an asset they already own.
- Require a loan for a car that is over 12 years old or a caravan that is over 7 years old.
- Do not wish to make payments via direct debit.
- 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 $150,000 or a loan term greater than 7 years.
- Require a loan with a balloon payment option.

## 3. Distribution Conditions

This product is designed to be distributed to consumers through the following channels:

- Firstmac accredited and licensed brokers (Direct Brokers),
- Accredited and licensed brokers through Firstmac accredited Aggregators (Broker Channel); and
- Firstmac internal sales staff (Direct Retail Channel).

The distribution channels and conditions are appropriate because:

- Internal sales staff are appropriately trained and have the necessary skills and knowledge to distribute the Product in accordance with this TMD and appropriate monitoring programs are in place, such as call sampling and quality assurance reviews;
- Accredited brokers undertake appropriate training as part of the accreditation and onboarding process prior to being authorised to distribute this product;
- Accredited brokers must demonstrate adequate skills and knowledge to distribute the product in order to meet our accreditation requirements; and
- Accredited brokers are appropriately licenced and are subject to a professional duty to ensure that the Product meets the requirements and objectives of the particular consumer.

Prior to application, the distributor must confirm that the consumer:

- Meets the key eligibility listed above,
- Is seeking a car or caravan loan for predominantly personal use, and has requested a loan size, term and interest rate type that are within the specified product attributes.

# 4. Review of the Target Market Determination

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| **Initial Review** | 12 months from the Effective Date detailed above |
| **Periodic Reviews** | Every 12 months from the Initial Review date. |
| **Review Triggers** | Events that may suggest that the TMD is no longer appropriate, that may result in an earlier review of the TMD include:<br>• Significant changes in metrics that are significantly inconsistent with the intended product performance including:<br>- Material number of requests post settlement for loan features that are not available under this product;<br>- Significant increase in complaints;<br>- Significant or unexpected declined applications or customers in default or hardship when measured against internal metrics.<br>• Material changes to the product such as changes to:<br>- Key attributes or features;<br>- The terms and conditions;<br>- Credit criteria;<br>- Changes to the fees.<br>• Material changes from regulatory requirements;<br>• External events such as media coverage or regulatory feedback that suggest that the target market for the product might not be appropriate;<br>• Significant dealing of the product to consumers outside the target market occurs;<br>• A change in distribution channels or distribution conditions.<br>• 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.

# 5. Reporting

## Distribution Information Reporting Requirements

Distributors must provide Firstmac with the following information:

- The details of any complaint received, as well as the number of complaints received in each quarter ending March, June, September and December.
- The details of any breach or incident relating to these distribution conditions received in each quarter ending March, June, September and December.
- Any dealing 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 of the dealing.

Reporting should be directed to customercare@firstmac.com.au