

# Target Market Determination: Bitcoin-Backed Home Loan

**Issuer:** Web3 Loans Pty Ltd ACN 668 516 952

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**Date of TMD:** 07/07/2025

## Target Market

This product has been designed for consumers who own cryptocurrency assets and are seeking to borrow Australian dollars using those assets as security — specifically for the purpose of buying residential property or refinancing an existing home loan.

## Description of Product, Including Key Attributes

Attribute	Details
<b>Loan Purpose</b>	Purchase of residential property or refinance of existing home loan
<b>Loan Amount</b>	Minimum: \$10,000 Maximum: \$5,000,000
<b>Loan Term</b>	Fixed 48-month term
<b>Repayment Options</b>	Borrowers may repay using either AUD or crypto (Bitcoin) held in security. Repayments are required monthly and the borrower may choose between Principal and Interest or Interest Only.
<b>Mortgage Component</b>	Block Earner works with a mortgage broker to place the remaining credit required for the purchase of the property. This is done via a licensed mortgage broker and may include several options for the borrower.
<b>Interest</b>	Fixed rate for 48 months of 9.5%, compounded monthly. A comparison rate of 10.25% applies when factoring in fees.
<b>Fees</b>	Origination fee (3%), crypto exchange fee upon repayment in crypto (1%)
<b>Additional Features</b>	Option to redraw, top up, or repay early without penalty. Funds deposited directly into an Australian bank account.

## Description of Target Market

This product meets the likely objectives, financial situation, and needs of consumers who:

- Are 18 years or older
- Are Australian citizens, permanent or temporary residents
- Own an Australian bank account
- Have verifiable income to support loan servicing
- Own Bitcoin in the same name they wish to purchase a property in.
- Intend to buy residential property or refinance an existing home loan
- Are comfortable using digital assets as loan security
- Seek to maintain exposure to Bitcoin while accessing AUD liquidity
- Value fast approval (within 24 hours of crypto deposit)

- Prefer a fixed interest rate and transparent fee structure
- Understand the volatility risks associated with cryptocurrency

## Classes of Consumers for Whom the Product May Be Unsuitable

This product may not be suitable for consumers who:

- Have low risk tolerance and cannot accept potential crypto volatility
- Lack understanding of cryptocurrency and its risks
- Are financially vulnerable or overleveraged
- Have irregular income that may not support consistent repayments
- Need to actively trade or move their crypto (as it will be held as security)
- Are not seeking to purchase or refinance residential property
- Do not have a clear repayment plan or strategy

## Distribution Conditions

This product is distributed directly by Block Gainer. All staff are trained in responsible lending practices, product features, and crypto risk factors. Senior management reviews borderline or complex applications to ensure alignment with the target market.

## Review Triggers

A review of this TMD will occur if:

- There is a significant dealing outside the target market
- Customer harm or default rates exceed internal thresholds
- There is a spike in complaints or hardship applications
- Legal or regulatory changes impact product suitability
- ASIC requests a review or raises concerns

## Review Periods

**First review date:** 01/12/2025

**Periodic review:** Annually or sooner if review triggers are met

## Distributor Reporting Requirements

Type of Information	Description	Reporting Period
Complaints	Number and nature of complaints	Monthly
Significant Dealings	Dealings inconsistent with TMD	Within 10 business days of discovery