

# Target Market Determination: Block Earner Personal Loan

This target market determination (**TMD**) is prepared for the Block Earner Fixed Term Personal Loan Product (**Product**)

This TMD outlines the class of consumers for whom the Product is designed (having regard to their likely objectives, financial situation and needs) and other matters relating to the Product’s distribution conditions, review triggers, and reporting obligations.

The TMD does not contain full information about the Product’s terms and conditions and does not take into account any person’s individual objectives, financial situation or needs, and does not constitute any form of advice (financial or otherwise).

Consumers should refer to the Product terms and other information made available to them, and consider obtaining independent advice prior to acquiring the Products to ensure that it is appropriate for their particular needs, objectives and financial situation.

<b>Product</b>	Personal Loan				
<b>Issuer</b>	Web3 Loans Pty Ltd ACN 668 516 952				
<b>Servicer</b>	Web3 Ventures Pty Ltd t/as Block Earner ACN 655 090 869, Australian Credit Licence 542689				
<b>Date of TMD</b>	19 May 2026				
<b>Target Market</b>	<p><b>Overview</b></p> <p>The Issuer and the Servicer (<b>we, us, our</b>) have assessed that the Key Attributes of the Product are consistent with the likely needs and objectives of the Target Market set out below.</p> <p>The Product has been designed for consumers in the Target Market who own certain types of digital assets specified by us from time to time (<b>Eligible Digital Asset</b>) and wish to borrow funds from us by pledging the Eligible Digital Asset as security (<b>Security</b>).</p> <p>Due to the volatile nature of digital assets, we will restrict the digital assets that we classify as Eligible Digital Assets and accept as Security to digital assets that we determine, in our discretion, to be appropriate for the Product. These Eligible Digital Assets are selected on factors such as liquidity, market depth, and risk characteristics, and may change from time to time.</p> <p>Eligible Digital Assets may include, at our discretion, BTC, WBTC, ETH, XRP, USDT and USDC.</p> <p>Inclusion of an asset as an Eligible Digital Asset does not imply that the asset is low-risk or suitable for all consumers.</p> <p><b>Key Attributes of the Product</b></p> <table border="1"> <thead> <tr> <th>Attribute</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td><b>Loan amount</b></td> <td>Minimum: \$3,000 Maximum: \$5,000,000</td> </tr> </tbody> </table>	Attribute	Details	<b>Loan amount</b>	Minimum: \$3,000 Maximum: \$5,000,000
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	<b>Loan term</b>	<p>Minimum: 3 years</p> <p>Maximum: 5 years.</p>
	<b>Repayments</b>	<ol style="list-style-type: none"> <li>1. As a general rule, consumers will be required to make the repayments in fiat currency; however consumers may choose to make repayments using the Security.</li> <li>2. Consumers will be required to maintain a loan to value ratio (<b>LVR</b>) below a specific level: <ol style="list-style-type: none"> <li>a. the LVR will be calculated by reference to the outstanding loan balance against the value of the Security at a given point in time;</li> <li>b. depending on the type of Eligible Digital Asset pledged as Security, different LVR requirements may apply. The requirement will be to maintain a LVR below a prescribed level;</li> <li>c. this means consumers may be required to make <i>additional</i> repayments or liquidate some or all of the Security to maintain the required level of LVR (on top of making regular repayments on the terms of the relevant loan agreement).</li> </ol> </li> <li>3. Provided the LVR is below the agreed level for the loan, consumers may have the option of releasing unused Security, up to the agreed level of LVR.</li> <li>4. We will not seek to recover any amount from consumers over and above the Security.</li> <li>5. Subject to any additional repayments required due to LVR requirements, consumers will be required to make regular repayments.</li> </ol>
	<b>Fees</b>	<p>Fees may include:</p> <ol style="list-style-type: none"> <li>1. Origination fee.</li> <li>2. Crypto swap fee upon repayment using Security.</li> <li>3. Redraw fee.</li> <li>4. Default fee.</li> </ol>
	<b>Interest</b>	<ol style="list-style-type: none"> <li>1. Interest is accrued monthly on the outstanding balance .</li> <li>2. Default interest may apply on the terms of the loan agreement.</li> </ol>

### Description of target market

This product has been assessed as meeting the likely needs, objectives, and financial situation of consumers who:

- meet our eligibility criteria including, among others, those who:
  - o are 18 years and older;
  - o are temporary or permanent resident or citizen of Australia with an Australian residential address;
  - o own Eligible Digital Assets;

#### *Needs and objectives*

- are currently employed, or otherwise have a verifiable and stable source of income (subject to our assessment);
- require a loan which permits using the Eligible Digital Asset as security;
- require a fixed interest rate loan for an acceptable personal purpose including, without limitation:
  - o household purchases including home improvements;
  - o motor vehicle purchases;
  - o debt consolidation;
  - o education;
  - o holidays; and
  - o weddings.

#### *Financial situation*

- currently own sufficient Eligible Digital Assets or access to such other assets to be able to maintain a prescribed loan to value ratio (**LVR**). Depending on the type of Eligible Digital Asset pledged as Security, we may prescribe a specific level of LVR to be maintained as part of the loan contract (subject to future updates, this will generally be between 25% to 50%). This means consumers may be required to make *additional* repayments or sell some or all of the Security to maintain the required level of LVR (on top of making regular repayments);
- understand that digital assets can change in value very quickly and significantly, and have sufficient liquidity or access to other funds to avoid serious financial difficulty if the value of Eligible Digital Assets and/or Security fall substantially; and
- meet our credit assessment and other eligibility criteria.

We have assessed that the product is likely to meet the likely objectives, financial situation and needs of consumers in the Target Market.

### Classes of consumers for whom the Product may be unsuitable

This Product may not be suitable for consumers who:

- **Have a low risk tolerance:** The Product requires consumers to pledge Eligible Digital Assets as Security. Digital assets are highly volatile and can experience significant and rapid changes in value. Consumers who are uncomfortable with this level of volatility or who cannot afford potential losses in the value of their Security should not acquire this Product.
- **Do not own or have access to sufficient Eligible Digital Assets:** Consumers must own sufficient Eligible Digital Assets to pledge as Security and maintain the required LVR throughout the loan term. Consumers who do not own such assets or cannot access additional assets if needed are not in the Target Market.

	<ul style="list-style-type: none"> <li>● <b>Have insufficient liquidity or access to funds:</b> Due to LVR requirements, consumers may need to make additional repayments or provide additional Security on short notice if the value of their Security decreases. Consumers who lack sufficient liquidity or access to other funds to meet these potential obligations may face serious financial difficulty and should not acquire this Product.</li> <li>● <b>Cannot afford to make regular repayments:</b> Consumers who cannot afford to make regular repayments as required under the Product, in addition to any LVR-related repayments, should not acquire this Product.</li> <li>● <b>Require access to their digital assets:</b> Consumers who need immediate or ongoing access to their digital assets for other purposes should not acquire this Product, as the Eligible Digital Assets will be pledged as Security and will not be released until the loan (including all accrued interest) is fully repaid.</li> <li>● <b>Do not meet our eligibility criteria:</b> This includes consumers who are under 18 years of age, are not Australian residents or citizens, do not have an Australian residential address, do not have a verifiable and stable source of income, or do not meet our credit assessment criteria.</li> <li>● <b>Require a loan for an unacceptable purpose:</b> Consumers seeking loans for purposes other than acceptable personal purposes (such as household purchases, debt consolidation, or education) are not in the Target Market.</li> </ul>
<p><b>Distribution Conditions</b></p>	<p><b>Direct Distribution</b></p> <p>The Product will be distributed directly by us to consumers through our website and digital platforms. Our staff have the necessary skills and training to understand the features of the Product and to identify whether an applicant is within the Target Market.</p> <p>All of our staff involved in working on the Products have been trained on the responsible lending guidelines, have read and understood this TMD, and are based in Australia. If any application for credit is uncertain, the application is referred to senior management to review before a credit decision is made.</p> <p><b>Distribution through corporate partnerships</b></p> <p>We may also distribute the Product through partnerships with other corporate partners (which may include DCEs) whereby the partners may be authorised to refer consumers to us who are interested in the Product.</p> <p>We anticipate the vast majority (if not all) of the referrals will be made online via respective online platform owned or operated by the respective partners. We may provide assistance and input in the initial stages of establishing and setting up of such platforms.</p> <p>All partnership arrangements will be subject to adequate due diligence, senior management approval, and distribution conditions including, among others:</p> <ul style="list-style-type: none"> <li>● a partner be an Australian credit licensee, or an authorised credit representative of one with authorisations appropriate to the partnership arrangement (unless an exemption applies);</li> </ul>

	<ul style="list-style-type: none"> <li>• a partner will not be providing any financial service or financial advice that require an Australian financial services licence;</li> <li>• a partner must have read and understood any disclosure document relevant to the distribution (including this TMD) and only refer consumers who they reasonably believe may fall within the Target Market based on the information available to them. That said, a partner will not be responsible for making an assessment against our credit or other eligibility criteria;</li> <li>• a partner will be responsible for providing relevant training for its own staff (including contractors);</li> <li>• we will monitor referrals from the partners to identify any significant dealings outside the Target Market.</li> </ul>									
<b>Review Triggers</b>	<p>The occurrence of one or more of the following events will prompt us to review the TMD to ensure that the TMD remains appropriate:</p> <ul style="list-style-type: none"> <li>• There is a significant dealing in the product to consumers outside the target market;</li> <li>• We identify that the product has caused, or may be likely to cause, consumer harm;</li> <li>• The number of complaints we receive from consumers in a calendar month exceeds 5% of the number of current loans (or 10% more than the monthly average number of complaints);</li> <li>• We receive hardship applications from customers in relation to more than 5% of current loans;</li> <li>• More than 5% of current loans are in default;</li> <li>• There is a material change to the product or the terms and conditions;</li> <li>• There is a material change in the law or Regulator expectations;</li> <li>• We receive any notice from ASIC indicating that the Product or the Target Market require review;</li> <li>• Distribution of the Product substantially changes from the current distribution methods.</li> </ul>									
<b>Review Periods</b>	<p><b>Next review date: 19 November 2026</b></p> <p><b>Periodic reviews:</b> Annually thereafter</p>									
<b>Distribution Information Reporting Requirements</b>	<p>The following information must be provided to us by distributors who engage in retail product distribution conduct in relation to this Product:</p> <table border="1" data-bbox="580 1574 1453 2033"> <thead> <tr> <th data-bbox="580 1574 898 1637">Type of information</th> <th data-bbox="898 1574 1174 1637">Description</th> <th data-bbox="1174 1574 1453 1637">Reporting period</th> </tr> </thead> <tbody> <tr> <td data-bbox="580 1637 898 1749">Complaints</td> <td data-bbox="898 1637 1174 1749">Number of complaints</td> <td data-bbox="1174 1637 1453 1749">Monthly</td> </tr> <tr> <td data-bbox="580 1749 898 2033">Significant dealing(s)</td> <td data-bbox="898 1749 1174 2033">Date or date range of the significant dealing(s) and description of the significant dealing (eg why it is not consistent with the TMD)</td> <td data-bbox="1174 1749 1453 2033">As soon as practicable, and in any case within 10 business days after becoming aware (eg why it is not consistent with the TMD)</td> </tr> </tbody> </table>	Type of information	Description	Reporting period	Complaints	Number of complaints	Monthly	Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (eg why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware (eg why it is not consistent with the TMD)
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