

TARGET MARKET DETERMINATION

PRODUCT 2: SECURED BUSINESS LOANS (\$5,000 - \$200,000)

Issuer	MIRACLE CAR FINANCE PTY LTD ABN (“ MCF ”)
Issuer ABN	73 121 367 226
Issuer ACL	389307
Product 2	Secured Business Loans (“ the Product ”)
Date initial TMD approved	5 October 2021
TMD Version	Version 2, updated 16 March 2026
TMD Status	Current

Purpose of this Document

The purpose of this Target Market Determination (“**TMD**”) is to supplement the requirements of the Design and Distribution Obligations incorporated under Chapter 7 of the *Corporations Act 2001* (“**the Act**”) by the *Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019*.

The TMD aims to provide consumers and distributors with information about the class of consumers that comprises the target market for the Product, taking into account its objectives, financial situation and needs. It also specifies any Product distribution conditions and restrictions and deals with reviews of the TMD as well as distributor arrangements.

This descriptive document aims to avoid a perception that MCF only offers secured personal loans and to provide consumers with a clear distinction between the two products offered by MCF, namely Secured Personal Loans and Secured Business Loans.

Legal Disclaimer

This document is not a credit disclosure document and does not include all relevant terms and conditions associated with this Product. It does not take into account any person’s individual objectives, financial situation or needs. Individuals interested in making use of this Product should carefully read MCF’s Credit Guide and any other disclosure documents before making a decision whether to use this Product.

Description of Target Market

This section is required under section 994B(5)(b) of the Act.

Target Market Summary

This Product is likely to be appropriate for an individual, a sole proprietor or small businesses in Australia who is seeking an amount of credit from \$5,000 - \$200,000, repayable over a period of 12 – 84 months, for the primary purpose of business use, secured by a personal property asset.

The target market has been established by assessing the Product (including its key attributes detailed below) and the consumer objectives, financial situation and needs for which the Product is likely to be appropriate. The class of consumers who fall within the target market for the Product is described below, based on the objectives, financial situation and needs of the consumer and the key attributes of the Product.

The Key and Product attributes of MCF's Secured Business Loans are:

Loan Terms: 12 - 84 Months

Credit available (subject to meeting eligibility requirements): From \$5,000 - \$200,000

Establishment Fee: \$995-\$1,195

Brokerage (if applicable): 10% of loan value (max \$5,000)

Interest: 10.98%-28.98%

Monthly Administration Fee: \$10

Early Termination Fee: Nil

Security required: Acceptable security assets typically include, but are not limited to, motor vehicles, motorcycles, trucks, etc.

Description of Consumer Objectives, Financial situation and Needs

This Product is suitable for persons who:

- are aged 18 years or older.
- who are Australian citizens, permanent residents, lawful visa holders or Australian small businesses.
- wish to borrow from \$5,000 - \$200,000 for a primarily business purpose and are able to provide security.
- wish to repay the secured loan within 12 - 84 months.
- have an going income source to support the agreed repayment and are not expecting their financial situation to change in the immediate future where it may impact their ability to pay.
- derive benefit from the purchase for a suitable business purpose.

- are able to service the loan, establishment fee and monthly fees as they accrue.
- hold an Australian bank account.

Excluded Classes of Consumers

This Product is unsuitable for persons:

- for whom the Product will not meet their requirements or needs.
- under 18 years of age, temporary residents with an unsuitable visa or visa with insufficient time remaining, or foreign owned or operated businesses or foreign business owners.
- who are currently bankrupt, or subject to Part 10 arrangements or disqualification, or unlicensed drivers relevant to the item being financed that may indicate the Product is unlikely to meet the consumer class objectives.
- Who require less than \$5,000, or who cannot provide the requisite security.
- who require funds primarily for a personal purpose.
- whose financial situation and needs cannot be substantiated.
- who do not hold an Australian bank account.

Description of Product and Key Attributes

The key attributes of this Product are:

- secured business loans from \$5,000 - \$200,000.
- a loan period of between 12 - 84 months.
- suitable for qualifying persons who have the financial capacity to pay the fees and principal repayments as they fall due.
- the ability to make additional and early payments on the loan with no early repayment fees or early termination fees.
- fees, costs and interest are payable in respect of the Product and include an Establishment Fee of \$995-\$1,195, interest of 10.98%-28.98% and a Monthly Administration Fee of \$10.

Product and Target Market Consistency

The Product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market based on the following:

- The assessment that the Product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market is based on an analysis of

the attributes and characteristics of the Product and establishing that they are consistent with the likely requirements of consumers in the target market.

- The secured loan Product has been designed to suit a wide target market of sole traders and small businesses who require access to funds in excess of \$5,000 for the purchase of a motor vehicle, commercial vehicle, or other personal property for primarily business use.
- Consumers in this class typically require access to credit particularly to obtain transport to increase their employment opportunities, facilitate their business operations and/or enhance their business opportunities.

Distribution Conditions and Restrictions

This section is required under s994B(5)(c).

Distribution Methods

This Product is distributed through the following channels:

- Through MCF's accredited finance brokers within Australia.
- Through MCF's approved broker referral partners, appropriately licensed to provide credit assistance in relation to the Product.
- Direct applications via face-to-face and telephone contact at MCF's premises.
- Through email and MCF's website online at <https://miraclecarfinance.com.au/>.

MCF does not currently use external distributors.

Distribution Conditions

This Product is distributed subject to the following conditions and requirements:

- Providing specific content about the Product on MCF's website, including lending guidelines, targeting individuals and small businesses that have the appropriate borrowing capacity.
- Providing specific information about the key Product attributes and eligibility requirements directly through face-to-face contact or telephonically.
- Targeting customers who meet MCF's eligibility requirements and who have appropriate borrowing capacity.
- The Product can only be distributed by MCF or its authorised broker referral partners to persons who meet the eligibility criteria and are within the target market, and in compliance with relevant laws.

Factors Considered

In assessing the appropriateness of the distribution methods, conditions and restrictions, MCF has taken into account the following factors:

- The comparatively wide target market for the Product.
- MCF's ability to restrict distribution by providing sufficient lending guidelines and eligibility requirements to existing and prospective distributors.
- MCF's ability to manage the distribution channels.
- Ensuring that broker referral partners are appropriately licensed to provide credit assistance in relation to the Product.
- The capability of existing distribution methods to reach the intended target markets, based on past outcomes.
- The integrity of existing and prospective distribution methods.

Reviewing the TMD

MCF will review this TMD as follows:

Review Triggers

This part is required under section 994B(5)(d) of the Act.

If events or circumstances occur that would reasonably suggest that the TMD is no longer appropriate MCF will review the TMD. This may include:

- an event or circumstance that would materially change a factor taken into account in making the target market determination for the Product, e.g. an external event such as a change in regulation or a substantial change in government benefits schemes rules resulting in reduced consumer income.
- a material change to the design or distribution of the Product.
- a significant dealing in the Product that is not consistent with a Product's TMD.
- the nature and extent of any feedback received from distributors or users of the Product, e.g. significant changes in customer complaints or loan default rates.
- experiencing significant regulatory issues with industry bodies or government entities.

Mandatory Review Periods

This part is required under section 994B(5)(e) and (f) of the Act, where the Product falls under the Act. This is a Secured Business Loan Product which does not require regular TMD reviews; however MCF will review this TMD to provide updated information to be considered in conjunction with its other loan products.

Initial Review: This TMD will be reviewed within 1 year of the TMD approved date.

Periodic Reviews: This TMD will be reviewed at least every 1 year from the initial review date.

Distributors: Reporting & Required Information

This part is required under s994B(5)(g) & (h).

These requirements do not apply to this Secured Business Loan Product. However, MCF is aware of the applicable requirements for Secured Personal Products included under these provisions (covered in a separate TMD).

Appropriateness of the TMD

This section is required under s994B(5)(c) and s994B(8)(a) & (b).

MCF has reviewed the Product and its key attributes by considering its purpose, past outcomes and likely future outcomes, and has reasonably concluded that the Product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, when offered to the consumer in accordance with the distribution conditions listed above. The comparatively wide target market and limited distribution channels of MCF have been factors in assessing why the distribution conditions and restrictions will make it likely that consumers who purchase the Product are in the class of consumers for which it has been designed.

MCF considers that the distribution conditions make it likely that consumers who acquire the Product will be in the target market because:

- the Product can only be distributed by MCF to consumers who meet the eligibility criteria and are within the target market, and in compliance with relevant laws; and
- MCF has procedures and processes in place to ensure that applicants who do not meet the eligibility criteria and who do not fall within the target market will not be approved for the Product.