Consolidated Audit Trail, LLC 2025 Financial and Operating Budget

Accrual Basis Budget (1)

	Actual					Estimated				
Revenue Recognized		Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total (2)
Projected Fees From Industry Members (2/3)	\$	57,138,614	\$	65,924,351	\$	24,626,338	\$	13,494,758	\$	161,184,062
Projected Fees From SROs (1/3)		28,569,307		32,962,176		12,298,796		6,747,379		80,577,657
Total Revenue Recognized		85,707,921		98,886,527		36,925,134		20,242,137		241,761,719
Estimated Incurred Expenses										
Technology Costs:		Acti	ıal			Estimate	ed (3)			Total
Cloud hosting services (5)		36,357,017		28,516,109		24,066,633		33,145,052		122,084,811
Operating fees		7,196,026		7,116,791		7,165,010		7,226,375		28,704,202
CAIS operating fees		5,187,462		5,187,462		5,187,462		5,187,462		20,749,848
Cyber Insurance Premium Adjustment		440,748		311,574		212,196		263,281		1,227,799
Placeholder for possible change requests				-				325,000		325,000
Total Technology Costs		49,181,253		41,131,936		36,631,301		46,147,170		173,091,660
General and Administrative:										
Legal		1,922,990		1,848,463		1,606,291		1,934,803		7,312,547
Consulting		423,861		399,829		467,905		458,405		1,750,000
Insurance		369,776		369,776		323,910		305,289		1,368,750
Professional and administration		313,066		320,414		596,785		162,414		1,392,679
Public relations		6,575		-		-		-		6,575
Interest income		(341,262)		(829,502)		(1,339,459)				(2,510,223)
Total General and Administrative		2,695,006		2,108,980		1,655,432		2,860,910		9,320,328
Total Estimated Incurred Expenses		51,876,259		43,240,916	_	38,286,733		49,008,080		182,411,988
Capitalized Developed Technology Costs		1,150,000		100,000		124,960		_		1,374,960
Software License Fee - 2025		3,721,962		50,301		16,767		-		3,789,031
Total Expenses		56,748,221		43,391,217		38,428,460		49,008,080		187,575,979
Liquidity Reserve Adjustment (25%) Based on Total Expenses		(6,012,150)		(6,012,150)		(6,012,150)		(6,012,150)		(24,048,600)
Total Funding Requirement		50,736,071		37,379,067		32,416,310		42,995,930		163,527,379
Liquidity Reserve Balance as of Beginning of Year		70,942,596				_				70,942,596
Excess/(Deficiency) of Revenue Over/(Under) Total Expenses		28,959,700		55,495,310		(1,503,327)		(28,765,943)		54,185,741
Excess/(Deficiency) of Revenue Over/(Onder) Total Expenses		28,939,700		33,493,310		(1,303,327)		(28,703,943)		34,163,741
Estimated Liquidity Reserve Balance	\$	99,902,296	\$	155,397,606	\$	153,894,279	\$	125,128,336	\$	125,128,336
Estimated Inflows (Outflows) from Historical Costs: (4)										
Fee collection - Historical Costs (\$212,039,879) - Cash Basis	\$	32,171,732	\$	37,976,249	\$	33,897,340	\$	7,140,071	\$	111,185,392
Repayment of Promissory Notes/Contributions - Cash Basis		(29,199,297)		(35,471,565)		(40,267,951)		(14,280,142)		(119,218,955)

Consolidated Audit Trail, LLC 2025 Financial and Operating Budget

- (1) This accrual basis budget reflects revenues when earned and expenditures when incurred pursuant to US GAAP.
- (2) Revenues of \$241,761,719 are equal to Total Expenses Incurred (\$187,575,979) plus the excess of Revenues over Total Expenses during the period January through December 2025 (\$54,185,741).
- (3) The estimated expenses for this accrual basis budget are based on currently anticipated costs. Actual results may differ from these budgeted amounts.
- (4) Represents the billings and collections of historical costs incurred through December 31, 2021 (through FAM 3). Monthly billings commenced in November 2024 and were expected to run through October 2026 (a 24-month period). However, no invoices related to such historical costs will be sent after the December 2025 invoices (which are calculated based on November trades through November 28, 2025) unless there is an extension of the Court's stay and/or approval of a new funding model.
- (5) Cloud Hosting Services decrease of \$37M due to a) updating February September with actuals and b) reforecasting October through December. Early results of Cost Savings Amendment and other optimizations exceed prior estimates. Estimates do not include impact of additional Cost Savings proposals currently under review.