

Consolidated Audit Trail, LLC
2022 Financial and Operating Budget

Cash Basis Budget ⁽²⁾

Cash Inflows	Actual		Estimated		Total ⁽¹⁾
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Promissory Notes	\$ 37,079,323	\$ 52,401,677	\$ 38,747,459	\$ 41,900,638	\$ 170,129,096
Total Inflows	\$ 37,079,323	\$ 52,401,677	\$ 38,747,459	\$ 41,900,638	\$ 170,129,096
Operating Costs and Expenditures					
<i>Technology Costs:</i>	Actual		Estimated ⁽³⁾		Total
Cloud hosting services	\$ 30,360,705	\$ 33,124,368	\$ 27,644,365	\$ 27,598,041	\$ 118,727,479
Operating fees	6,252,995	6,357,210	6,587,851	6,563,238	25,761,294
CAIS operating fees	4,116,439	1,990,859	2,962,003	3,002,272	12,071,574
Change request fees	172,363	1,597,000	824,000	1,782,500	4,375,863
Total Technology Costs	\$ 40,902,501	\$ 43,069,437	\$ 38,018,219	\$ 38,946,052	\$ 160,936,209
<i>General and Administrative (4):</i>					
Legal	\$ 1,680,483	\$ 1,439,885	\$ 2,020,858	\$ 2,020,858	\$ 7,162,084
Consulting	441,097	382,194	288,355	288,355	1,400,000
Insurance	-	-	1,820,122	-	1,820,122
Professional and administration	209,956	188,851	141,934	141,934	682,675
Public relations	23,100	23,100	23,100	23,100	92,400
Total General and Administrative	\$ 2,354,637	\$ 2,034,029	\$ 4,294,368	\$ 2,474,246	\$ 11,157,280
Total Operating Costs	\$ 43,257,138	\$ 45,103,466	\$ 42,312,587	\$ 41,420,298	\$ 172,093,490
<i>Capitalized Developed Technology Costs</i>	\$ 1,542,153	\$ 750,630	\$ 115,675	\$ 264,924	\$ 2,673,382
Total Expenditures	\$ 44,799,291	\$ 45,854,096	\$ 42,428,262	\$ 41,685,222	\$ 174,766,871

(1) Amounts will not reconcile to audited financial statements as the above costs are on a cash basis, while the audited financial statements are on an accrual GAAP basis of accounting.

Additionally, a portion of the above FINRA CAT costs have been capitalized.

(2) This cash basis budget reflects expenditures when paid; versus accrual GAAP basis amounts which would reflect expenditures when incurred.

(3) The estimated expenditures for this cash basis budget are based on currently-anticipated costs. Actual results may differ from these budgeted amounts.

(4) Quarter 2 actual costs include certain estimates, as final invoices have not yet been rendered to Consolidated Audit Trail, LLC.

**Budget vs Actual
Quarter 2**

	Q2 Budget	Q2 Actual	Over/(Under) Budget	Variance %
<i>Technology Costs:</i>				
Cloud hosting services	\$ 29,916,037	\$ 33,124,368	\$ 3,208,331	
Operating fees	6,553,084	6,357,210	(195,874)	
CAIS operating fees	2,359,278	1,990,859	(368,419)	
Change request fees	1,775,400	1,597,000	(178,400)	
Total Technology Costs	\$ 40,603,799	\$ 43,069,437	\$ 2,465,638	6.1%
<i>General and Administrative:</i>				
Legal	\$ 1,608,766	\$ 1,439,885	\$ (168,881)	
Consulting	330,168	382,194	52,026	
Professional and administration	234,618	188,851	(45,767)	
Public relations	23,100	23,100	-	
Total General and Administrative	\$ 2,196,652	\$ 2,034,029	\$ (162,623)	-7.4%
Total Operating Costs	\$ 42,800,451	\$ 45,103,466	\$ 2,303,015	5.4%
<i>Capitalized Developed Technology Costs</i>	\$ 650,001	\$ 750,630	\$ 100,629	15.5%
Total Expenditures	\$ 43,450,452	\$ 45,854,096	\$ 2,403,644	5.5%