

**Consolidated Audit Trail, LLC**  
**2022 Financial and Operating Budget**

**Cash Basis Budget <sup>(2)</sup>**

Cash Inflows	Actual				Total <sup>(1)</sup>
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Promissory Notes	\$ 37,079,323	\$ 52,401,677	\$ 38,747,459	\$ 49,885,399	\$ 178,113,857
<b>Total Inflows</b>	<b>\$ 37,079,323</b>	<b>\$ 52,401,677</b>	<b>\$ 38,747,459</b>	<b>\$ 49,885,399</b>	<b>\$ 178,113,857</b>
<b>Operating Costs and Expenditures</b>					
<i>Technology Costs:</i>	Actual				Total
Cloud hosting services	\$ 30,360,705	\$ 33,124,368	\$ 31,637,688	\$ 34,505,014	\$ 129,627,775
Operating fees	6,252,995	6,357,210	6,390,168	6,365,508	25,365,882
CAIS operating fees	1,966,439	1,907,526	2,581,428	2,775,641	9,231,034
Change request fees	-	72,000	36,000	-	108,000
<b>Total Technology Costs</b>	<b>\$ 38,580,138</b>	<b>\$ 41,461,104</b>	<b>\$ 40,645,285</b>	<b>\$ 43,646,163</b>	<b>\$ 164,332,691</b>
<i>General and Administrative:</i>					
Legal	\$ 1,680,483	\$ 1,468,218	\$ 1,724,909	\$ 876,765	\$ 5,750,375
Consulting	441,097	417,844	422,187	391,678	1,672,805
Insurance	-	-	1,898,827	-	1,898,827
Professional and administration	209,956	188,851	77,061	201,636	677,504
Public relations	23,100	23,100	23,100	23,100	92,400
<b>Total General and Administrative</b>	<b>\$ 2,354,637</b>	<b>\$ 2,098,013</b>	<b>\$ 4,146,084</b>	<b>\$ 1,493,179</b>	<b>\$ 10,091,913</b>
<b>Total Operating Costs</b>	<b>\$ 40,934,775</b>	<b>\$ 43,559,117</b>	<b>\$ 44,791,369</b>	<b>\$ 45,139,342</b>	<b>\$ 174,424,603</b>
<i>Capitalized Developed Technology Costs</i>	\$ 3,864,516	\$ 2,358,963	\$ 681,440	\$ 931,333	\$ 7,836,251
<b>Total Expenditures</b>	<b>\$ 44,799,291</b>	<b>\$ 45,918,080</b>	<b>\$ 45,472,808</b>	<b>\$ 46,070,675</b>	<b>\$ 182,260,854</b>

(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.

**Budget vs Actual  
Quarter 4**

	<u>Q4 Budget</u>	<u>Q4 Actual</u>	<u>Over/(Under) Budget</u>	<u>Variance %</u>
<i>Technology Costs:</i>				
Cloud hosting services	\$ 28,778,941	\$ 34,505,014	\$ 5,726,073	
Operating fees	6,563,223	6,365,508	(197,714)	
CAIS operating fees	2,748,462	2,775,641	27,179	
Change request fees	1,645,500	-	(1,645,500)	
<b>Total Technology Costs</b>	<b>\$ 39,736,125</b>	<b>\$ 43,646,163</b>	<b>\$ 3,910,038</b>	<b>9.8%</b>
<i>General and Administrative:</i>				
Legal	\$ 1,938,471	\$ 876,765	\$ (1,061,706)	
Consulting	618,872	391,678	(227,194)	
Professional and administration	208,807	201,636	(7,171)	
Public relations	23,100	23,100	-	
<b>Total General and Administrative</b>	<b>\$ 2,789,250</b>	<b>\$ 1,493,179</b>	<b>\$ (1,296,071)</b>	<b>-46.5%</b>
<b>Total Operating Costs</b>	<b>\$ 42,525,375</b>	<b>\$ 45,139,342</b>	<b>\$ 2,613,967</b>	<b>6.1%</b>
<i>Capitalized Developed Technology Costs</i>	\$ 200,000	\$ 931,333	\$ 731,333	<b>365.7%</b>
<b>Total Expenditures</b>	<b>\$ 42,725,375</b>	<b>\$ 46,070,675</b>	<b>\$ 3,345,300</b>	<b>7.8%</b>