

• **Financial Statements**

• **Primary Financial**  
• **Company LLC**

• December 31, 2025 and 2024



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To the Board of Directors  
Primary Financial Company LLC  
Dublin, Ohio

## **Independent Auditor's Report**

### ***Opinion***

We have audited the financial statements of Primary Financial Company LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Primary Financial Company LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Primary Financial Company LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Primary Financial Company LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Primary Financial Company LLC's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Primary Financial Company LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*GBQ Partners LLC*

Columbus, Ohio  
February 18, 2026

# PRIMARY FINANCIAL COMPANY LLC

## Balance Sheets

December 31, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
<b>Assets</b>		
Cash and cash equivalents	\$ 16,708,067	\$ 14,482,303
Investments - held-to maturity	-	746,000
Investments - other	4,519,000	4,196,000
Gross spreads receivable	9,038,490	10,118,771
Net fixed assets	1,682,848	1,596,549
Goodwill	5,430,543	5,430,543
Deferred issuer incentive expense	687,973	770,586
Other assets	399,853	217,540
<b>TOTAL ASSETS</b>	<b>\$ 38,466,774</b>	<b>\$ 37,558,292</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Deferred spreads	\$ 4,945,643	\$ 4,722,924
Co-broker spreads payable	6,878,957	7,291,020
Amounts due to customers	8,857,978	7,994,324
Accounts payable and accrued expenses	545,648	428,054
Total liabilities	21,228,226	20,436,322
<b>Stockholders' Equity</b>	<b>17,238,548</b>	<b>17,121,970</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 38,466,774</b>	<b>\$ 37,558,292</b>

The accompanying notes are an integral part of the Financial Statements.

# PRIMARY FINANCIAL COMPANY LLC

## Statements of Income December 31, 2025 and 2024

	2025	2024
<b>Revenue</b>		
Spread income:		
Gross spread income	\$ 11,350,706	\$ 10,783,429
Co-broker spread and incentives	(8,004,432)	(7,567,102)
Net spread income	3,346,274	3,216,327
Interest and other income	593,920	639,995
<b>Total Revenue</b>	<b>3,940,194</b>	<b>3,856,322</b>
<b>Expenses</b>		
Salaries and benefits	2,607,462	2,637,922
Office operations and occupancy	588,718	559,531
Settlement processing	108,040	98,022
Professional and other outside services	127,512	68,292
Advertising and promotion	263,750	279,250
Other	128,134	113,105
<b>Total Expenses</b>	<b>3,823,616</b>	<b>3,756,122</b>
<b>Net Income</b>	<b>\$ 116,578</b>	<b>\$ 100,200</b>

The accompanying notes are an integral part of the Financial Statements.

**PRIMARY FINANCIAL COMPANY LLC**  
**Statements of Changes in Stockholders' Equity**  
**For the Years Ended December 31, 2025 and 2024**

	<b>Units Outstanding</b>	<b>Total Stockholders' Equity</b>
Balance at December 31, 2023	75	\$ 17,021,770
Net income		100,200
Balance at December 31, 2024	75	17,121,970
Net income		116,578
<b>Balance at December 31, 2025</b>	<b>75</b>	<b>\$ 17,238,548</b>

*The accompanying notes are an integral part of the Financial Statements.*

# PRIMARY FINANCIAL COMPANY LLC

## Statements of Cash Flows December 31, 2025 and 2024

	2025	2024
<b>Cash Flows from Operating Activities</b>		
Net income	\$ 116,578	\$ 100,200
Adjustments to reconcile net income to net cash and cash equivalents used in operating activities:		
Depreciation	221,870	220,703
Net change in:		
Gross spreads receivable	1,080,281	531,991
Deferred spreads	222,719	(29,168)
Co-broker spreads payable	(412,063)	(556,073)
Amounts due to customers	863,654	4,149,126
Deferred issuer incentive expense	82,613	52,470
Accounts payable and accrued expenses	117,594	(222,002)
Other assets	(182,313)	11,180
Net cash and cash equivalents provided by operating activities	<b>2,110,933</b>	4,258,427
<b>Cash Flows from Investing Activities</b>		
Maturity of investments - held-to-maturity	746,000	500,000
Purchase of investments - other	(3,021,000)	(2,196,000)
Maturity of investments - other	2,698,000	1,500,000
Purchase of property and equipment	(308,169)	(89,042)
Net cash and cash equivalents provided by (used in) investing activities	<b>114,831</b>	(285,042)
Net increase in cash	<b>2,225,764</b>	3,973,385
<b>Cash at Beginning of Year</b>	<b>14,482,303</b>	10,508,918
<b>Cash at End of Year</b>	<b>\$ 16,708,067</b>	\$ 14,482,303

The accompanying notes are an integral part of the Financial Statements.

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements December 31, 2025 and 2024



### Nature and Scope of Business

Primary Financial Company LLC (the Company) is a multiple-member limited liability company and is a corporate credit union service organization (CUSO) owned by its ten corporate credit union members. The Company was established in accordance with the regulations of the National Credit Union Administration (NCUA) and the Ohio Revised Code. Because of its structure, the Company is not subject to federal or state income tax.

The Company is registered with the State of Ohio as a licensed securities dealer. The Company brokers certificates of deposit through a turnkey program called SimpliCD, which enables its customers to invest in federally insured certificates of deposit. As part of this service, the Company places certificates and collects principal and interest on behalf of its customers. The Company earns a spread over the term of the certificates for performing the services of the SimpliCD program.

The Company sells SimpliCD via its co-broker network. The co-brokers, most of which are the corporate credit unions that are also the owners, earn a portion of the spread for certificates of deposit they sell. Certain co-brokers also earn an incentive for referring institutions that issue certificates through the SimpliCD program. These incentives are recognized over the respective term of the certificate as a part of the co-broker spread and incentives as an adjustment to the spread.

### Summary of Significant Accounting Policies

#### Use of Estimates

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

#### Cash and Cash Equivalents

Cash and cash equivalents include demand deposits with Corporate One Federal Credit Union (Corporate One) and other financial institutions and short-term certificates of deposit, which may at times exceed federally insured limits of \$250,000 per depositor at each financial institution. The balance of cash and cash equivalents in excess of federally insured limits was approximately \$16.2 million and \$14 million, at December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, deposits held in interest bearing accounts at Corporate One totaled approximately \$16.5 million and \$14.3 million, respectively.

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements

December 31, 2025 and 2024

### Summary of Significant Accounting Policies (continued)

#### Investments

The Company's investments are classified and accounted for as follows:

*Held-to-Maturity:* Negotiable certificates of deposit are classified held-to-maturity when the Company has the positive intent and the ability to hold to maturity, are reported at cost, adjusted for amortization of premiums and accretion of discounts which are recognized in interest income using the interest method over the period to maturity.

*Other:* Non-negotiable certificates are carried at cost.

Allowance for credit losses – the allowance for credit losses represents expected credit losses over the remaining expected life of HTM securities. The Company's investments consist of federally insured certificates of deposit. The value of these securities are generally driven by the changes in interest rates rather than changes in their credit profile given the federal insurance provided for these, and therefore, there is no allowance for expected credit losses at December 31, 2025 and 2024. The income statement effect for the change in the allowance for credit losses on HTM obligations is recognized in the provision for credit losses.

Market changes in interest rates and market changes in credit spreads will cause normal fluctuations in the market price of investments and the possibility of temporary unrealized losses.

#### Gross Spreads Receivable and Deferred Spreads

Gross spreads receivable represents the total amount of spread the Company expects to receive from the placement of certificates of deposit over the term of the certificates, less the amount of spread received. This receivable is recorded upon placement of the certificates, along with the corresponding deferred spreads and co-broker spreads payable and the receivable is reduced as the spreads are received. Deferred spreads are recognized as revenue over the term of the certificates. Outstanding certificates of deposit placed by the Company on behalf of customers totaled \$8,569,338,943 and \$8,111,631,743 at December 31, 2025 and 2024, respectively.

Beginning in 2024, the carrying amount of gross spreads receivable is reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical experience, current conditions and, as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. Based on their assessment, management determined that the risk of credit loss was not material; therefore, there was no valuation allowance recorded as of December 31, 2025 and 2024.

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements

### December 31, 2025 and 2024

#### Summary of Significant Accounting Policies (continued)

##### Advances to Customers

The Company generally receives the proceeds of its customers' maturing certificates of deposit from the certificate issuer and remits the proceeds to the customer on the maturity date. Occasionally, there is a slight delay in the receipt of principal from the issuer. In those instances, as a service to its customers, the Company advances the principal to its customers on the maturity date and reports these as Other Assets. There were no advances as of December 31, 2025 and 2024.

Beginning in 2024, the carrying amount of advances to customers is reduced by a valuation allowance for expected credit losses that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration historical experience, current conditions and, as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Amounts to be collected are charged against the allowance when management deems them to be uncollectible. Since there were no advances to customers, management determined that there was no valuation allowance needed at December 31, 2025 and 2024.

##### Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the related asset. Equipment under construction is capitalized, however depreciation does not begin until the asset is placed in service. Maintenance and repairs are expensed as incurred. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized. The lives of assets range from three to twenty years.

##### Goodwill

Goodwill relates to the 2003 purchase of the Company from Corporate One. Management has elected to not amortize Goodwill, but instead complete a qualitative evaluation for impairment of goodwill. If this evaluation determines that goodwill is more likely than not impaired, then a quantitative impairment test is performed. This test, if necessary, involves comparing the fair value of the Company to its carrying amount. If the fair value exceeds the carrying amount, goodwill is considered not to be impaired. The fair value of the Company is an estimate, as no ready market exists for the ownership interests of the Company. Such estimate of fair value is calculated based upon the present value of estimated future cash flows. There were no qualitative factors present that indicated that Goodwill was more likely than not impaired. As such, management concluded there was no impairment and a qualitative test was not required in 2025 and 2024.

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements

### December 31, 2025 and 2024

#### Summary of Significant Accounting Policies (continued)

##### Valuation of Long-Lived Assets

Long-lived assets and certain identifiable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management reviews all material assets annually for possible impairment. If such assets are considered to be impaired, the impairment recognized is measured as the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. During the years ended December 31, 2025 and 2024, management determined there was no impairment to the assets.

##### Leases

Pursuant to GAAP, a contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in Other Assets as an operating lease right-of-use (ROU) asset and within Liabilities as lease liabilities in the Company's accompanying statements of financial condition.

ROU assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when it is readily determinable. If the Company's leases do not provide an implicit rate, the Company elected the practical expedient to utilize the risk-free rate to determine the present value of lease payments. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option.

The Company has lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices. The non-lease components consist of common area maintenance and real estate taxes.

##### Other Assets

Included in other assets are advances due to customers, accounts receivable and prepaid accounts.

##### Co-broker Spreads Payable

Co-broker spreads payable represents the amount of spread, including issuer referral incentives, the Company expects the co-brokers will earn over the life of the certificates.

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements December 31, 2025 and 2024

### Summary of Significant Accounting Policies (continued)

#### Amounts Due to Customers

Amounts due to customers represents interest that the Company has received on behalf of its customers, but has not yet remitted to its customers.

#### Loss Contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. Management does not believe there currently are such matters that will have a material effect on the financial statements.

### Investments

The amortized cost of investments at December 31, were:

	2025	2024
<b>Held to Maturity Investments</b>	<b>Amortized Cost</b>	<b>Amortized Cost</b>
<b>Certificates of deposits - negotiable</b>	<b>\$ -</b>	<b>\$ 746,000</b>
<b>Other Investments</b>	<b>2025</b>	<b>2024</b>
	<b>Amortized Cost</b>	<b>Amortized Cost</b>
<b>Certificates of deposits - non-negotiable</b>	<b>\$ 4,519,000</b>	<b>\$ 4,196,000</b>

The amortized cost of investment securities at December 31, 2025 by expected maturity are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Other Investments Amortized Cost
Due in 2026	\$ 3,221,000
Due between 2027 and 2030	1,298,000
<b>Total</b>	<b>\$ 4,519,000</b>

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements December 31, 2025 and 2024

### Fixed Assets

Fixed assets at December 31 consisted of the following:

	2025	2024
Under construction	\$ 388,347	\$ 144,707
Computer equipment	4,405,937	4,467,324
Furniture, fixtures, other	495,745	369,829
Total cost	5,290,029	4,981,860
Less: accumulated depreciation	(3,607,181)	(3,385,311)
Net fixed assets	\$ 1,682,848	\$ 1,596,549

### Leases

The Company has operating leases for its main office location in Dublin, Ohio and another office in Columbus, Indiana. The Company's main office has a remaining lease term of approximately 1.3 years and the Indiana office has a remaining lease term of 4.6 years.

The following summarizes the line items in the accompanying statements of financial condition which include amounts for the operating lease as of December 31, 2025 and 2024:

	2025	2024
<b>Operating Lease</b>		
Right-of-use asset - operating lease	\$ 258,453	\$ 107,529
Short term operating lease liability	85,971	45,728
Long-term operating lease liability	172,641	62,079
Total operating lease liability	\$ 258,612	\$ 107,807

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements December 31, 2025 and 2024

### Leases (continued)

The maturity of the lease liability as of December 31, 2025 was as follows:

	Operating Leases
2026	\$ 88,926
2027	57,648
2028	42,009
2029	42,009
2030	45,447
Total undiscounted cash flows	276,039
Less: present value discount	(17,427)
<b>Total lease liabilities</b>	<b>\$ 258,612</b>

The following summarizes the components of lease expense for the years ended December 31, 2025 and 2024:

	2025	2024
Operating lease expense	\$ 53,799	\$ 46,797
Variable lease expense	45,881	54,494
<b>Total lease expense</b>	<b>\$ 99,680</b>	<b>\$ 101,291</b>

The following summarizes additional information related to the lease for the years ended December 31, 2025 and 2024:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 50,417	\$ 46,282
ROU assets obtained in exchange for the operating lease liabilities	188,493	-
Weighted-average remaining lease term in years for operating leases	3.96	2.33
Weighted-average discount rate for operating leases	3.17%	1.37%

# PRIMARY FINANCIAL COMPANY LLC

## Notes to Financial Statements

December 31, 2025 and 2024



### Related Party Transactions

The Company maintains deposit accounts and conducts cash management activities through one of its owners, Corporate One Federal Credit Union (Corporate One). Expenses related to cash management activities totaled \$56,314 and \$50,570 for 2025 and 2024, respectively. The Company also maintains a line of credit with Corporate One. There were no expenses related to the line of credit in 2025 or 2024.

### Commitments and Contingencies

The Company and Corporate One have an agreement whereby Corporate One has extended an \$8 million line of credit to the Company to be used to facilitate the settlement of customer transactions. The credit line is secured by the assets of the Company. The interest rate on the credit line is equal to the rate Corporate One charges other borrowers under similar lending agreements. At December 31, 2025 and 2024, no advances were outstanding on the credit line.

### Net Capital Requirements

The Company, as a licensed securities dealer with the State of Ohio, is required to maintain net capital, as defined, of at least \$25,000. The Company was in compliance with this requirement at December 31, 2025 and 2024.

### Retirement Plans

The Company's employees participate in a defined contribution plan in which the Company contributed a total of 11.5 percent of the participant's eligible compensation to the participant's account in the plan. Employees can also contribute a portion of their compensation on a pre- or post-tax basis. Retirement expense was \$175,248 in 2025 and \$181,523 in 2024.

The Company has non-qualified deferred compensation agreements with certain employees. Under such agreements the Company pays the premiums on life insurance policies that are owned by the employees. Under the terms of the agreements, though the employees own the policies, they are not fully vested in the cash value of such policies until 2025 to 2034. Expenses associated with these agreements were \$178,847 in 2025 and \$165,929 in 2024.

### Date of Management's Review of Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date on which the financial statements were available to be issued.