R-4

SAMPLE ENTRIES FROM ANONYMIZED ENGAGEMENTS

RARTA Framework — Illustrative Case Studies Across Three Organization Types

Framework Tab:	RARTA — Board-Level Governance	**Version:**	1.0
Document Class:	Illustrative Case Studies	**Audience:**	CFO, Board, External Advisor
Prerequisites:	R-2 (Calibration Guide) recommended before reviewing these cases	**Pages:**	8

How to Use These Case Studies

This document presents three fictional organizations that have implemented the Treasury v2 framework. Each case study shows: (1) the organization profile and dominant calibration factors; (2) the resulting RARTA threshold bands; (3) a 12-month event timeline showing how the framework responded to actual market conditions; and (4) governance lessons learned. Organizations, names, figures, and events are entirely fictional. They are designed to illustrate calibration logic, not to represent any actual engagement outcome.

INDEX OF CASE STUDIES		
Case A	Meridian Software Holdings	Series B SaaS company, U.S. GAAP, conservative calibration dominated by burn rate constraint
Case B	Crestwood Capital Advisors	SEC-registered RIA, regulatory and client sensitivity as dominant factors, extremely tight bands
Case C	Dunmore Precision Manufacturing	IFRS industrial manufacturer, family-owned, high conviction — widest bands, IFRS impairment integration

CASE A

MERIDIAN SOFTWARE HOLDINGS

Series B SaaS Company | U.S. GAAP | Conservative Calibration

Organization Profile

Entity:	Meridian Software Holdings, Inc.	**Type:**	Delaware C-Corp, Series B ($22M raised)
Annual Revenue:	$3.1M ARR (growing 85% YoY)	**Monthly Burn:**	$410,000 / month
Treasury Assets:	$14.2M (Series B proceeds)	**Non-BTC Runway:**	28 months at burn rate
Accounting:	FASB ASU 2023-08 (U.S. GAAP)	**Custody:**	Coinbase Prime (qualified custodian)
BTC Holdings:	8.0 BTC — adopted via Board resolution	**Avg Cost Basis:**	$71,500 / BTC
Alloc. Limit:	5% Board-approved maximum	**Regulatory:**	Standard C-Corp; no digital asset license

Engagement Context

Meridian engaged Satoshi Institute during its Series B post-close treasury review. The CFO had independently identified Bitcoin as a potential treasury reserve asset but lacked a governance framework to present to the board. The board was receptive but risk-conscious — two directors had previously opposed digital asset exposure entirely. The engagement objective was to establish a framework that could be adopted unanimously, with clear exit ramps if the position grew beyond the board's comfort level.

The engagement began six weeks before the initial BTC purchase. Key early work included mapping Meridian's existing Investment Policy Statement, confirming FASB ASU 2023-08 applicability with the external auditor, and establishing the custodian relationship with Coinbase Prime. The board resolution (R-3) was adopted at the Q3 board meeting with all seven directors voting in favor.

Calibration Factors and Band Derivation

Dominant factors: F1 (Liquidity, Conservative) and F5 (Operating Runway, Neutral-Conservative). At 28 months runway, Meridian was adequately funded but pre-profitability. Two director concerns drove the 5% allocation limit (F2, Conservative). Stakeholder sensitivity was moderate — VC investors and the two initially-opposed directors created F4 Conservative pressure.

Band	Name	Price Range (BTC/USD)	Authorized Action	Authority
A	Accumulation	Below $72,000	Execute DCA: 0.25 BTC/week per B-2 schedule	CFO; Board monthly report
B	Hold	$72,000 – $91,000	Maintain 8 BTC; BEOL active; no new purchases	CFO discretion
C	Rebalance Review	$91,000 – $118,000	CFO prepares rebalancing memo; may sell up to 1 BTC	CFO + Audit Committee
D	Strategic Review	Above $118,000	Full Board review; no new BTC activity without vote	Full Board vote required

Band A upper ($72K) = price at which 8 BTC = $576K = 4.1% of treasury, approaching the 5% limit. Band D lower ($118K) = price at which 8 BTC = $944K = 6.6% of treasury, triggering concentration review. Band C width of $27K gave the CFO *approximately 3–4 weeks of lead time to prepare board materials before mandatory escalation.*

12-Month Event Timeline

Date / Period	Event	Band	Action Taken	Framework Response
Oct 2024	Board resolution adopted; initial 4 BTC purchased at $68,200	*Band A*	Executed DCA tranche 1; Lot-001 through Lot-004 established in R-1	Framework operating as designed. Auditor notified; FASB fair value entries begun.
Nov 2024	BTC price rises to $78,500 — Band B entered	*Band B*	DCA halted per Band B config; BEOL optimization activated	CFO emailed board that DCA was paused; no action required. Two directors expressed satisfaction.
Dec 2024	BTC price peaks at $105,000 — Band C entered	*Band C*	CFO prepared rebalancing memo within 5 days; recommended holding, no sale	Audit Committee reviewed memo. Decided not to sell — BTC = $840K = 5.9% of treasury, slightly above limit but within C range.
Jan 2025	BTC drops to $89,000 — Band B re-entered	*Band B*	Hold continued; unrealized gain still positive; BEOL active	After-Action review of Band C period: framework performed correctly. CFO noted Band C was triggered faster than expected.
Feb 2025	BTC drops to $68,000 — Band A re-entered	*Band A*	DCA reactivated; purchased 0.25 BTC/week for 6 weeks	Additional 1.5 BTC acquired at avg $69,200. Position now 9.5 BTC. Board notified monthly.
Apr 2025	Annual recalibration review (Q4 filing)	*Band B*	CFO presented updated calibration; bands affirmed at current levels	Band A upper raised from $72K to $82K reflecting updated treasury of $15.1M. Board approved amendment.

Governance Lessons from This Engagement

■ **Framework provided board confidence during December volatility**

When BTC hit $105K, the two initially-skeptical directors did not call an emergency meeting. The framework had already defined what would happen at that price — Band C protocol was executing. Pre-commitment removed the political pressure from a live market event.

■ **Band C was triggered faster than expected; width calibration should be revisited**

The CFO's memo after the Band C period noted that a $27K-wide Band C gave only 18 days of lead time in practice. The annual recalibration widened Band C by 15% for the next period.

■ **DCA pause in Band B created positive stakeholder signaling**

The automatic halt of purchases in Band B was unintentionally beneficial: it demonstrated to VC investors that the framework had built-in discipline and was not simply "always accumulating."

CASE B

CRESTWOOD CAPITAL ADVISORS LLC

SEC-Registered Investment Advisor | U.S. GAAP | Regulatory-Dominant Calibration

Organization Profile

Entity:	Crestwood Capital Advisors LLC	**Type:**	SEC-registered RIA, $380M AUM
Annual Revenue:	$3.8M (management fees)	**Monthly Burn:**	$155,000 / month
Treasury Assets:	$38M (retained earnings + reserves)	**Non-BTC Runway:**	20+ years (highly profitable)
Accounting:	FASB ASU 2023-08 (U.S. GAAP)	**Custody:**	Fidelity Digital Assets (qualified)
BTC Holdings:	12.0 BTC — strategic treasury position	**Avg Cost Basis:**	$52,000 / BTC
Alloc. Limit:	2.5% Board-approved maximum	**Regulatory:**	SEC-registered; staff examined; ongoing compliance requirements

Engagement Context

Crestwood's engagement was the most regulatory-intensive of the three cases. The firm's CCO had flagged that SEC examination staff had begun asking about digital asset holdings during routine examinations of other RIAs. Crestwood needed a governance framework that would satisfy examination scrutiny — not just serve as an internal governance tool.

The engagement required close coordination with outside counsel throughout. Key outputs beyond the standard framework artifacts included: a compliance memo addressing Form ADV disclosure implications, a client communication template for disclosing the firm's own treasury exposure, and a protocol for responding to SEC examination inquiries about the BTC position. The RARTA board resolution language was reviewed and modified by outside counsel before adoption.

Calibration Factors and Band Derivation

Dominant factors: F3 (Regulatory, Very Conservative) and F4 (Stakeholder Sensitivity, Very Conservative). Crestwood's 2.5% allocation limit reflected the board's view that a larger Bitcoin position would create a perception problem with institutional clients, regardless of the financial merit. The firm's exceptional financial position (F1, F5 both Aggressive) could not overcome the regulatory and client sensitivity constraints.

Band	Name	Price Range (BTC/USD)	Authorized Action	Authority
A	Accumulation	Below $52,000	Execute DCA: 0.1 BTC/week; concurrent compliance review	CFO + CCO sign-off
B	Hold	$52,000 – $68,000	Maintain 12 BTC; no new purchases; BEOL active	CFO discretion; quarterly CCO review
C	Rebalance Review	$68,000 – $79,000	CFO and CCO jointly prepare rebalancing recommendation for Investment Committee	CFO + CCO + Investment Committee
D	Strategic Review	Above $79,000	Full Board + Compliance review; Form ADV implications assessed; consider full exit	Full Board + Outside Counsel

Note the unusually narrow band structure: the entire range from Band A to Band D spans only $27,000 (from $52K to $79K). This reflects F3/F4 dominance — at $79K, 12 BTC = $948K = 2.5% of $38M treasury, already at the Board-approved limit. Band D triggers at the allocation limit itself, not beyond it, because the regulatory and client perception risk of exceeding the limit even temporarily was judged unacceptable.

12-Month Event Timeline

Date / Period	Event	Band	Action Taken	Framework Response
Jan 2025	Initial BTC position: 8 BTC purchased at $52,000 avg	*Band B*	DCA initiated; CCO sign-off obtained; Form ADV updated	SEC examination disclosures prepared proactively. Outside counsel reviewed R-3 language.
Mar 2025	BTC reaches $74,000 — Band C triggered	*Band C*	CFO + CCO prepared rebalancing recommendation within 7 days	Investment Committee reviewed: recommendation was to sell 2 BTC to reduce to 2.0% of treasury. Committee approved.
Mar 2025	Executed partial sale: 2 BTC sold at $74,500 (net gain $22,500/BTC)	*Band C*	2 BTC sold via Fidelity Digital; realized gain recognized per FASB; R-1 updated	Position reduced to 10 BTC = $740K = 1.95% of treasury. Back inside Band B at $74K.
May 2025	SEC routine examination — digital asset inquiry received	*Band B*	R-1 Decision Log, R-3 resolution, and compliance memo provided to examiners	Examination staff noted "robust governance framework." No further inquiry. CCO flagged this as validation of approach.
Jun 2025	BTC falls to $48,000 — Band A entered	*Band A*	DCA reactivated; purchased 0.1 BTC/week for 8 weeks, total 0.8 BTC added	CCO sign-off on each weekly purchase per Band A protocol. Position now 10.8 BTC.
Aug 2025	Annual recalibration: bands adjusted for updated treasury of $41M	*Band B*	Alloc. limit maintained at 2.5%; Band C lower raised to $71K	Outside counsel reviewed amended R-3 resolution language. Bands v1.1 adopted by unanimous board vote.

Governance Lessons from This Engagement

■ **Regulatory validation was the highest-value outcome of the engagement**

The SEC examination result — examiners noting the "robust governance framework" — provided Crestwood's board with direct external validation of the implementation investment. The CCO subsequently used R-1 and R-3 as templates for advising other RIA clients.

■ **Tight Band C created an intentional forcing function for proactive rebalancing**

The $11,000-wide Band C (from $68K to $79K) meant that any significant price movement toward the allocation limit triggered rebalancing preparation. The CCO observed that this prevented the firm from ever being "caught" above its stated limit — a critical regulatory risk management outcome.

CCO co-authorization in Band A added friction that proved valuable

Requiring CCO sign-off for each DCA purchase in Band A added a compliance checkpoint that was initially viewed as operationally burdensome. During the SEC examination, it proved that every BTC purchase had independent compliance review — a fact the examiners found notable.

CASE C

DUNMORE PRECISION MANUFACTURING GROUP

IFRS Industrial Manufacturer | Family-Owned | High-Conviction / IFRS-Integrated Calibration

Organization Profile

Entity:	Dunmore Precision Manufacturing Group	**Type:**	Private industrial co., 280 employees
Annual Revenue:	$44M (industrial components)	**Monthly Burn:**	$780,000 / month (ops + capex)
Treasury Assets:	$31M (retained earnings)	**Non-BTC Runway:**	24 months at current burn
Accounting:	IFRS IAS 38 (cost model — UK subsidiary structure)	**Custody:**	Cold storage (in-house) + BitGo institutional backup
BTC Holdings:	15.0 BTC — strategic generational asset	**Avg Cost Basis:**	$58,000 / BTC
Alloc. Limit:	10% Board-approved maximum	**Ownership:**	Dunmore family (3 generations); no outside investors

Engagement Context

Dunmore was referred by the family's private wealth advisor, who had encountered the Treasury v2 framework at an industry conference. The patriarch (third-generation owner, Chairman) had personally purchased BTC in 2021 and transferred it to the company treasury in 2023 via a board resolution he had drafted without external guidance. That resolution contained no governance triggers, no impairment framework, and no escalation protocols.

The engagement objective was to retrofit the existing BTC position into a proper governance framework and address a significant gap: Dunmore's UK subsidiary structure required IFRS accounting, but the original purchase had been recorded without applying IAS 38 impairment methodology. A historic impairment assessment was required as part of the engagement — a task coordinated with Dunmore's external auditors. This engagement illustrates the importance of B-1 (Impairment Decision Tree) integration for IFRS entities operating below their average cost basis.

Calibration Factors and Band Derivation

Dominant factors: F2 (Allocation Limit, Aggressive at 10%), F4 (Stakeholder Sensitivity, Aggressive — family ownership means owners are the stakeholders), and F6 (BTC Conviction, Very Aggressive). F7 (Accounting, Conservative) was the primary moderating factor: IFRS IAS 38 created an impairment trigger structure that had to be integrated into Band A operations.

Band	Name	Price Range (BTC/USD)	Authorized Action	Authority
A	Accumulation	Below $58,000	Execute DCA per B-2; NOTE: run B-1 impairment tree concurrently — price below cost basis	CFO; IFRS impairment monitoring required
B	Hold	$58,000 – $165,000	Maintain 15 BTC; BEOL active; no new purchases; very wide range reflects family conviction	CFO discretion

C	Rebalance Review	$165,000 – $310,000	Evaluate partial rebalancing; 15 BTC approaching 10% allocation limit at $207K	CFO + Family Board Committee
D	Strategic Review	Above $310,000	Family Board session required; 15 BTC = ~15% of treasury; generational strategy discussion	Full Family Board session

The $107,000-wide Band B (from $58K to $165K) is the widest hold range in these three case studies, reflecting the family ownership structure's tolerance for volatility and their long-term conviction. Band A below the cost basis is operationally active but requires simultaneous IFRS impairment monitoring — DCA is authorized, but every purchase below $58K requires the B-1 Impairment Decision Tree to be run concurrently by the accounting team.

IFRS Impairment Integration: The Retroactive Assessment

At the time of engagement, BTC was trading at approximately $61,000 — above Dunmore's $58,000 average cost basis. However, the historic assessment identified two periods (Q2 2022 and Q4 2022) when BTC had traded sustainably below cost basis. Under IFRS IAS 38, these periods required impairment assessment.

Historic Impairment Finding

Q2 2022: BTC traded at $28,000–$32,000 for 11 consecutive weeks. This sustained decline below cost basis ($58K) constituted an impairment indicator. Under IFRS IAS 38 cost model, impairment is recognized as the difference between carrying amount and recoverable amount. Working with Dunmore's auditors, the engagement team determined that a prior-period impairment adjustment of approximately $390,000 was required. The IAS 38 reversal provisions were applied when BTC subsequently recovered. This finding validated the critical importance of the B-1 Decision Tree for IFRS entities — it would have prevented this retroactive correction had it been in place from inception.

12-Month Event Timeline

Date / Period	Event	Band	Action Taken	Framework Response
Sep 2024	Framework adopted; retroactive IFRS impairment assessment completed	*Band B*	Bands established; prior-period impairment of $390K adjusted; auditors signed off	B-1 Decision Tree integrated into accounting procedures. R-1 established with all 15 BTC lots.
Nov 2024	BTC rises to $96,000 — comfortably in Band B	*Band B*	Maintain position; BEOL active; no action required	Quarterly board report showed unrealized gain of $570K. Family Chairman expressed satisfaction with framework.
Dec 2024	BTC reaches $108,000 — still Band B (limit $165K)	*Band B*	Hold; BEOL tax-lot optimization review; no impairment concerns	Year-end IFRS fair value note prepared. Carrying value at cost basis; no fair value adjustment under cost model.
Jan 2025	BTC drops to $52,000 — Band A triggered	*Band A*	DCA reactivated; B-1 Impairment Decision Tree run — no impairment required (temporary decline)	B-1 assessment: decline not sustained; no impairment recognized. DCA purchased 0.5 BTC/week for 4 weeks.
Mar 2025	BTC recovers to $88,000 — back in Band B	*Band B*	DCA halted; 2.0 BTC added at avg $53,500 during Band A period	Position now 17 BTC at avg cost basis $57,100. IFRS impairment indicators cleared.

Jun 2025	Annual recalibration: treasury updated to $33M; bands slightly widened	*Band B*	Band B upper raised from $165K to $176K; Band D raised from $310K to $330K	Family Board approved updated bands. Chairman requested Band C width increase for additional "preparation time."

Governance Lessons from This Engagement

IFRS entities must integrate B-1 before adopting Band A operations

The retroactive impairment finding cost Dunmore significant accounting remediation effort. An organization that adopts Band A DCA operations without B-1 integration is creating a governance gap: purchases are authorized but the concurrent impairment accounting requirement is unaddressed. The B-1 Decision Tree must be operationally embedded in Band A execution procedures for all IFRS entities.

Wide Band B enabled long-term conviction without governance noise

The $107K Band B range meant that even during significant price swings (from $52K to $108K over 12 months), the position never left Band B except for one brief Band A dip. This was intentional: the family did not want frequent governance escalations. The wide band produced exactly the "hold through volatility" behavior the ownership intended.

Self-custody component required additional custody protocol documentation

Dunmore's cold storage component (approximately 40% of the position) required supplemental custody governance documentation beyond the standard framework artifacts. Key-person protocols, seed phrase custody procedures, and emergency access documentation were developed as addenda. This work is not captured in the standard 30-artifact framework and represents a common scope extension.

CROSS-CASE ANALYSIS — PATTERNS AND PRINCIPLES ACROSS ALL THREE ENGAGEMENTS

Comparative Band Structure Summary

	Case A Meridian Software	Case B Crestwood RIA	Case C Dunmore Manufacturing
Band A Upper	$72,000	$52,000	$58,000
Band B Range	$72K – $91K ($19K wide)	$52K – $68K ($16K wide)	$58K – $165K ($107K wide)
Band C Range	$91K – $118K ($27K wide)	$68K – $79K ($11K wide)	$165K – $310K ($145K wide)
Band D Lower	$118,000	$79,000	$310,000
Total A-to-D Range	$46,000	$27,000	$252,000
Dominant Factors	F1, F2, F5 (Liquidity/Runway)	F3, F4 (Regulatory/Client)	F2, F4, F6 (Conviction/Ownership)
BTC Alloc. Limit	5%	2.5%	10%
Accounting	FASB ASU 2023-08	FASB ASU 2023-08	IFRS IAS 38
Special Protocols	None beyond standard	CCO co-sign on Band A; outside counsel for D	B-1 tree required in Band A; cold storage addendum

Five Cross-Case Observations

Observation 1: Financial strength does not determine band width.

Case B (Crestwood) was by far the most financially robust organization — 20+ years of runway, highly profitable, no capital constraints — yet it had the narrowest bands of the three cases. Financial position was entirely overridden by regulatory and client sensitivity factors. Calibration advisors must resist the intuition that "financially strong organizations can have wider bands." Band width is determined by governance constraints, not financial capacity.

Observation 2: The temporal inversion principle was validated in every case.

In all three engagements, the most stressful market events (Meridian's December $105K spike, Crestwood's Band C trigger, Dunmore's Band A dip to $52K) were handled without emergency board meetings, reactive decisions, or governance breakdowns. In each case, the response was already defined. The boards reviewed the framework's execution after the fact, not during it.

Observation 3: IFRS integration is not optional — it is a distinct framework layer.

The Dunmore engagement revealed that IFRS entities cannot simply overlay the RARTA bands on their BTC position without addressing IAS 38 impairment integration. The B-1 Impairment Decision Tree must be operationally embedded in Band A procedures. The retroactive impairment correction at Dunmore was an expensive lesson that would have been avoided with proper initial setup.

Observation 4: Regulatory and legal review should be scoped into every engagement.

Case B required significant outside counsel involvement beyond the standard artifact set. Even Case A required auditor coordination for FASB accounting entries. The standard 30-artifact framework provides governance infrastructure — it does not replace jurisdiction-specific legal, accounting, and compliance review. Every engagement should include a legal/compliance scoping call as part of the Tier 1 diagnostic.

Observation 5: Annual recalibration is not administrative — it generates real governance value.

All three organizations conducted meaningful band amendments at their first annual review. In two cases, treasury growth had changed the numerical band boundaries materially. In one case (Crestwood), the engagement scope expanded as the CCO began applying the framework to client advisory contexts. Annual recalibration is when the framework proves its dynamic value — static bands are incomplete governance.
