



Loyal

Loyal Public Transparency Report Q4 2025

Period: Oct 21, 2025 → Dec 31, 2025

Currency: USDC

Accounting view: Cash basis (expenses recognized when paid)

What happened during this reporting period (Oct 21–Dec 31)

- **Fundraise:** Loyal raised via MetaDAO on Oct 21; **2,500,000 USDC net received** (team accounting figure).
 - **Shipped:**
 - askloyal.com — private LLM with agentic skills
 - **Loyal Telegram app** — private AI for Telegram (summaries, spam filtering, etc.)
 - **Team buildout:** hired a **developer**, **UX/UI designer**, **two Discord moderators**, and a **community lead**.
 - **Governance executed:** **two** MetaDAO proposals passed during the period

Organizational status

- **Scope:** consolidated reporting for Loyal (no separate “company ops” vs “DAO ops” separation at this stage).
 - **Incorporation:** in progress in the **Marshall Islands** (documents submitted, KYC passed; awaiting certificate issuance).
 - **Legal provider:** MiDAO.

Expense details for Q3 2025:

Total operating expenses paid (Oct 21–Dec 31): **131,803.94 USDC**

Category	Oct 21–31	Nov	Dec	Total
Salaries	20,759.00	36,300.00	30,931.00	87,990.00
Marketing	355.07	6,309.64	14,694.61	21,359.32
Legal	5,000.00	1,848.00	2,800.00	9,648.00
Administrative	0.00	4,776.75	1,100.00	5,876.75
Travel	0.00	1,495.60	2,583.30	4,078.90
Software	248.00	346.12	2,256.85	2,850.97
Total	26,362.07	51,076.11	54,365.76	131,803.94

Note: This operating expense summary excludes governance-directed capital actions (e.g., buybacks and liquidity changes), which are disclosed separately and are inherently dynamic.

Statement of operations

Period: Oct 21, 2025 → Dec 31, 2025 • Currency: USDC • Accounting view: Cash basis

Line item	Amount (USDC)	% of operating expenses
Revenue	0.00	—
Total revenue	0.00	—
Operating expenses		
Salaries (including R&D)	87,990.00	66.76%
Marketing	21,359.32	16.21%
Legal	9,648.00	7.32%
Administrative	5,876.75	4.46%
Travel	4,078.90	3.09%
Software	2,850.97	2.16%
Total operating expenses	131,803.94	100.00%
Operating income (loss)	(131,803.94)	—
Other income (expenses)	0.00 (<i>not disclosed in report</i>)	—
Net income (loss)	(131,803.94)	—

- **Salaries (66.76%)** represent the majority of spending, consistent with a post-raise build phase (engineering, design, and community operations).
- **Marketing (16.21%)** increased materially in December relative to October/November, indicating intensified distribution and/or launch preparation activities.
- **Legal (7.32%)** reflects ongoing structuring and legal work during incorporation and operational setup.
- **Administrative + software (6.62% combined)** remain comparatively low as a share of total spend, indicating a lean tooling/overhead posture during this initial period.
- **Totals reconcile:** the sum of monthly totals equals the sum of category totals (**131,803.94 USDC**).

Balance Sheet (treasury & liquidity snapshot)

As of: Jan 13, 2026 (snapshot; outside the Oct 21–Dec 31 reporting window)

Assets (USDC-denominated)	
Asset	Amount (USDC)
USDC — Squads treasury	320,000
USDC — operating wallet	31,091
USDC — in Futarchy AMM LP	486,558
Total USDC assets (subtotal)	837,649
Tokens (unit balances; not valued in report)	
LOYAL — held in treasury	5,833,214
LOYAL — in Futarchy AMM LP	5,833,214
LOYAL — in Meteora LP position	2,055,257
Total LOYAL units (subtotal)	7,978,525

Published addresses

- **Squads treasury:** [AQyyTwCKemeeMu8ZPZFxrXMbVwAYTSbBhi1w4PBrhvYE](#)
- **Meteora LP:** [BGg7WsK98rhqtTp2uSKMa2yETqgwShFAjyf1RmYqCF7n](#)
- **Operating:** [92yGiPxBVG3E6voo1XyaKXaBR4Uvd7cntMsj3pL1fAYa](#)
- **LOYAL mint / CA:** [LYLikzBQtpa9ZgVrJsqYGQpR3cC1WMJrBHaXGrQmeta](#)
- **Futarchy AMM LP:** [GxpJkPEsPmuRCCTNnfZaDKg4X3gf4ZPgmqgFqtibaPtK](#)

Loyal's treasury is governed through MetaDAO proposals and executed transparently on-chain. In the early stage, treasury strategy has two parallel objectives: **(1) fund product development and operations**, and **(2) manage market structure responsibly** via governance-approved actions. During this period, the community authorized a **structured buyback program** (recurring buys with a maximum price) and approved a **liquidity adjustment** intended to reduce unnecessary selling pressure from a single-sided liquidity position by withdrawing and burning tokens while retaining withdrawn USDC in the treasury. Together, these actions aim to keep execution aligned with long-term development while allowing community members to verify outcomes directly through published addresses and proposal records.

Governance actions (MetaDAO proposals)

This section covers proposal-driven treasury decisions because they are core to how Loyal's capital actions are authorized and executed.

3.1 Proposal: Buyback LOYAL Up To NAV (passed)

The community approved a structured, time-distributed LOYAL buyback program, designed to buy tokens using treasury funds with a defined maximum price.

MetaDAO proposal page:

<https://www.metadao.fi/projects/loyal/proposal/2VjKHNQdkLfHtoH1GtPVseJv1kP3VUoLGcZLc29SttgS>

Key terms (from the proposal specification):

- **Allocation:** \$1.5M of treasury funds
- **Asset:** LOYAL token
- **Max price:** 0.238 per LOYAL
- **Mechanism:** recurring orders every 5 minutes over 30 days (8,640 orders)

3.2 Proposal: Liquidity Adjustment Proposal (passed)

The community approved a liquidity action intended to reduce unnecessary selling pressure from a single-sided liquidity position by withdrawing and burning a large portion of remaining tokens, while keeping withdrawn USDC in the treasury.

MetaDAO proposal page:

<https://www.metadao.fi/projects/loyal/proposal/GXdWao4Cy6EsvvS9atMb1kCPEAFwPXBe5kKCeLDtRJNm>

Key terms (from the proposal specification):

- **Action:** withdraw **90%** of tokens remaining in the **single-sided Meteora DAMM v2 pool** and burn half of this amount.
- **USDC:** withdrawn USDC remains in the project treasury
- **Pool address:** [BGg7WsK98rhqtTp2uSKMa2yETqgwShFAjyf1RmYqCF7n](#)
- **Referenced amount:** **809,995 LOYAL**