



FINANCIAL UPDATE TO TNHAA MEMBERS

SEPTEMBER 2025

THE NUMBERS YOU NEED TO KNOW!

Where We Stand Today

August 31, 2025

- **Cash on Hand:** \$187,362
- **2025 Revenue (8 months):** \$536,007
- **2025 Expenses (8 months):** \$365,215
- **Monthly Cash Flow:** +\$21,349
(positive but insufficient)

What We Need

by December 31, 2025

- **TOTAL REQUIRED: \$586,500**
- **\$500,000** - TNRoots PAC for 2026 Legislative Session
- **\$86,500** - Operating Reserve to Ensure Stability

This means we need to raise more in 4 months than we've raised all year.

WHY THIS IS A CRISIS, NOT A CAMPAIGN

The 2026 Tennessee Legislative Session will determine whether our industry survives or dies. Opposition groups are already mobilizing with substantial funding to:

- Ban hemp products outright
- Impose crushing tax rates that would eliminate profitability
- Restrict sales to the point of market collapse
- Override local business rights

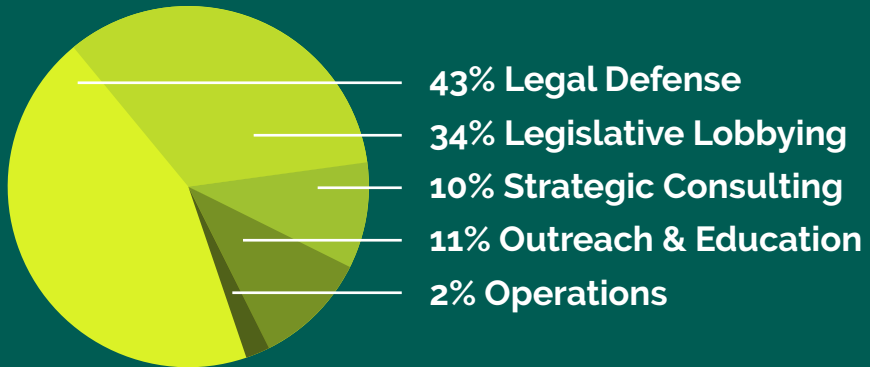
Our Current Reality:

- We've spent \$122,750 on lobbying in 2025 (through August)
- We need \$500,000 for 2026 to defend the industry adequately
- At current funding levels, we cannot mount an effective defense
- Without full funding, adverse legislation is highly probable

YOUR MONEY AT WORK - COMPLETE TRANSPARENCY

How Every Dollar is Spent (2025 YTD)

Expenses



We run lean with only 2% in Operations Expenses, which means 98% of everything you donate goes towards impactful spending.

Revenue Sources - The Vulnerability

- 83% from One-Time Donations (\$445,835)
- 16% from Recurring Donors (\$86,450)
- 1% from Round-Up Program (\$3,721)

The Problem: We're too dependent on unpredictable one-time gifts.
We need committed, recurring support.

THREE SCENARIOS - YOU CHOOSE OUR FUTURE

Scenario 1:

Full Funding Achieved (\$586,550)

- Mount an aggressive legislative defense
- Shape favorable regulations
- Protect market access
- **Industry could thrive for the foreseeable future.**

Scenario 2:

Partial Funding (\$300,000)

- Limited defensive capability only
- Cannot initiate favorable legislation
- Forced to accept compromise bills
- **Industry could survive, but is weakened**

Scenario 3:

Status Quo (No Additional Funding)

- Cannot adequately fund the 2026 session
- Opposition legislation likely passes
- Cash depleted by late 2026
- **Industry faces elimination**

Suggested Donation	
For Business Owners Minimum Suggested: \$10,000 • Consider: Your annual revenue from hemp products • Compare: Cost of losing your hemp business entirely • Payment plans available over 6 months	\$10k
For Industry Employees Suggested: \$1,000-\$5,000 • Your livelihood depends on this industry • Monthly payment options: \$100-\$500/month	\$1k-5k
For Hemp Consumers & Supporters Every Dollar Counts: \$100-\$1,000 • Become a monthly contributor • Join the "Hemp Defense Fund"	\$100-1k
From Our Board & Leadership Leading by Example: \$86,550 committed • 100% board participation. • Leadership gifts already pledged.	\$86,550 committed

DONATION MILESTONES - TRACKING OUR PROGRESS

We will report progress regularly to all members:

Deadline	Goal	Amount	Purpose
Oct 31	25%	\$150,000	Secure initial PAC funding
Nov 30	60%	\$350,000	Lock in legislative team
Dec 31	100%	\$586,550	Full combat readiness

Current as of September 1: \$0 of \$586,550 (Campaign Launching)

THE MATH IS SIMPLE - THE STAKES ARE ENORMOUS

Cost of Success: \$586,550 invested now.

Cost of Failure: Loss of Tennessee's entire hemp industry

Consider:

- The Tennessee hemp industry employs thousands
- Generates millions in economic activity
- Provides wellness options to countless consumers
- **All of this disappears without adequate legislative defense**

We have 120 days to raise 110% of our year-to-date revenue.

This is not sustainable through regular fundraising. This requires every member, every business, every supporter to step up NOW.

FINAL WORD FROM YOUR BOARD

This is not a drill. This is not an exaggeration. The 2026 legislative session will determine whether Tennessee's hemp industry exists in 2027.

We've operated efficiently, with only 2% overhead, ensuring that 98% of our revenue directly benefits protecting your interests. But efficiency alone won't win this fight. We need resources commensurate with the threat we face.

The opposition is funded and organized. We must be, too.

Every day we delay is a day our opponents gain ground. The legislative session begins in January. Positions are being staked out now.

Your investment today determines your industry tomorrow.

Time Remaining: 120 days

Amount Needed: \$586,550

Industry Jobs at Risk: Thousands

DONATE TODAY!

TOMORROW MAY BE TOO LATE!