

# Safe Harbor Moves from Cannabis Lending to Fintech

## Terry Mendez Implements Sweeping Changes to Transform Safe Harbor Financial

Safe Harbor Financial's newly appointed CEO, Terry Mendez, is spearheading a significant transformation of the company to diversify its core business and strengthen its position as a publicly traded entity. Mendez, who took over in February following the retirement of Sundie Seefried, aims to expand Safe Harbor's financial services beyond cannabis lending and into new sectors.

### Expanding Services Beyond Cannabis Lending

Mendez is looking to leverage Safe Harbor's expertise in handling over \$25 billion in cannabis-related funds through partner banks. His strategic plan focuses on utilizing data from the company's extensive network of clients, lenders, and marijuana operators to identify new financial opportunities. Key industries under consideration include cryptocurrency, gaming, and ancillary cannabis businesses. By broadening its reach, Safe Harbor seeks to serve other debanked industries in need of financial solutions.

### Strengthening Financial Flexibility and Shareholder Confidence

To facilitate this shift and provide greater financial flexibility, Safe Harbor recently restructured its debt with Partner Colorado Credit Union, securing \$6 million in cash reserves. The company also undertook a reverse stock split to meet the Nasdaq exchange's \$1 minimum share price requirement. Safe Harbor's board overwhelmingly approved the move to maintain compliance with listing regulations and sustain investor confidence.

Mendez issued a letter to shareholders on March 11, outlining his vision for enhancing financial services within the cannabis industry, fortifying Safe Harbor's balance sheet, and driving long-term shareholder value. His leadership marks a pivotal shift in the company's strategy, prioritizing financial stability and sustainable growth.

### Immediate Priorities for Operational Efficiency

Mendez has taken swift action to streamline operations and unlock capital. His team renegotiated financial terms with Partner Colorado Credit Union, deferring principal payments and reallocating resources to enhance operational flexibility. Internally, Safe Harbor conducted a structural reassessment, identifying cost-saving measures that freed up additional funds for future growth.

Additionally, Mendez is revamping the company's sales and marketing approach to broaden its reach. Recognizing gaps in marketing efficiency, he is refining Safe Harbor's salesforce strategy to attract new

financial institutions and expand its core business offerings.

## **Challenges and Evolving Cannabis Lending Landscape**

The cannabis lending space has become increasingly challenging, requiring borrowers to provide more extensive financial documentation and maintain consistent reporting. Higher inflation and rising interest rates have led to stricter risk assessments, making it difficult for smaller operators to secure funding. Safe Harbor is adjusting to these new industry dynamics by implementing higher lending standards and exploring alternative revenue streams.

## **Navigating the Public Market and Future Outlook**

Safe Harbor remains committed to maintaining its status as a publicly traded company. While Mendez has considered alternative listing options, such as over-the-counter markets or privatization, he believes the current strategy will provide better access to equity and long-term financial opportunities. Maintaining a Nasdaq listing ensures liquidity for investors and keeps the company positioned for potential institutional investments.

Despite the challenges of operating in the public market, Safe Harbor holds a portion of its stock within Vanguard funds, reinforcing the importance of remaining listed on a major exchange. Mendez remains focused on executing his strategic vision, positioning Safe Harbor as a leading financial services provider for cannabis businesses and other underserved industries.

As Safe Harbor Financial moves forward under Mendez's leadership, the company is poised for a transformative shift, embracing fintech innovations and expanding its financial service offerings to create lasting value for shareholders and clients alike.

Email: [info@cannabisriskmanager.com](mailto:info@cannabisriskmanager.com) | Phone: +415-226-4060

© Copyright 2025 Cannabis Risk Manager. All Rights Reserved