

SOCIAL EQUITY PLAN

The Releaf Center LLC

November 1, 2019

Social Equity Policy Goals: The company's goal is to positively impact communities that have been disproportionately impacted by prohibition, generally and by municipalities identified specifically by the State of Michigan:

1. Those who have been a resident of one of the 19 selected disproportionately impacted communities for the past five years.
2. Those have a marijuana-related conviction, except a person with a conviction which involves trafficking marijuana to children is eligible for employment as restricted by law.
3. Those were registered as primary Caregivers for at least two years between 2008 and 2017.

In conjunction with this initiative, the Marijuana Regulatory Agency has provided a license application fee discount program for qualifying companies and individuals. MRA has also requested that potential Adult use license applicants submit their own Social Equity Plans in furtherance of the objective to positively impact communities that have been disproportionately impacted by prohibition.

Implementation of Social Equity Policy Plan: The company will develop implementation of goals, assessments, and best practices for this Social Equity Plan over the next year through employee training, community outreach and advertising employment and business opportunities, and developing hiring policies, community projects, and procedures that implement this Social equity Plan detailing how the applicant will positively impact communities that have been disproportionately impact by prohibition, such as:

1. Jobs and job training for people from the 3 identified impacted communities, except a person with a conviction which involves trafficking marijuana to children is not eligible for employment as restricted by Michigan law.
2. Career advancement opportunities, business development assistance, and special training for identified impacted communities like people who were registered as primary Caregivers for at least two years between 2008 and 2017 or are impacted by a past marijuana conviction not involving children. This includes mentoring by professionals, industry specific training, management training, peer support groups, and introductions to potential sources of capital.
3. Generate 10% excise taxes that will partially go to local government programs and law enforcement in challenged communities, shared tax revenue which benefits people in the identified municipalities and the counties in which they are located, where applicable.
4. Generate 6% Sales taxes which support schools that represent the community's future and roads that are critical infrastructure for all identified impacted communities.
5. Establish public and internal educational resources and programs to remove business barriers for members of the affected communities, and help eliminate the stigma that marijuana users experience due to 100 year history of class driven and ethnically inappropriate marijuana prohibition laws in America, and internal training materials and an ombudsman program to make employees experts and empower them to act as responsible and effective citizen ambassadors for cannabis normalization. These will address, among other things:

- a. Healthy living resources, the benefits of MJ testing requirements, and the dangers of vaping and substance abuse generally, especially around children or pregnant women without adequate healthcare resources.
 - b. The strict legal limitations on lawful use and possession of cannabis such 70 gram limits outside the home and 12 plant limit at a person's residence, laws against smoking in public places, and laws against any adult taking money or anything of value for giving another adult up to a 70 gram gift of marijuana.
 - c. How to use the significant discounts Social Equity identified individuals who own a majority interest in a company, and how to apply for a state marijuana establishment license.
 - d. Distribute forms and resources to people who seek to have their prior marijuana records expunged but do not know how to take advantage of Michigan's expungement law, and to help users make smart health and legal decisions.
 - e. Resources and education in Urban Farming, both indoors and outdoors, and safe and legal pesticide free, energy efficient indoor cannabis horticulture practices using LED lights.
 - f. Mediation and conflict avoidance education programs and resources to promote civility.
6. Initiating and Supporting Community Outreach programs designed to improve the ability to work and function in the community. Programs may include Appointment of Community Involvement Manager, Informational Mailings, Sponsorship of Neighborhood Open Houses, Participation in School Awareness Programs, Development and Disbursement of Educational Materials, Collaboration with Local Government and Law Enforcement, Development of an In-House Education Curriculum, Active and Information Social Media Platforms, and Discounted Medicine Programs.
 7. Establishing relationships with specific organizations that are diversity-focused for the purposes of:
 - a. Networking with their constituencies for employment purposes;
 - b. Providing information on employment opportunities;
 - c. Providing trainings or informational sessions for individuals falling into identified demographics on the marijuana industry.
 8. Providing assistance to non-profits/charities whose missions includes improving the conditions of individuals and organizations located in Chesaning and/or Saginaw County. Targeted non-profits/charities may include:
 - a. Chesaning Chamber of Commerce-overall community support
 - b. Chesaning Area Emergency Relief Fund- In response to the existing needs of the Chesaning area, and motivated by Christ's example and teaching regarding love for neighbor, the Christian churches of the Chesaning area have established an organization called Chesaning Area Emergency Relief which creates and administers an emergency fund for food, clothing and referral services.
 - c. A Child is Missing- ACIM technicians use computer mapping technology to identify areas where the individuals were last seen. A satellite imagery program is also used to increase the map - tracking accuracy and to help visualize "hot spots" that may harbor a missing child.
 - d. Project Lifesaver- Project Lifesaver is a collaborative effort sponsored by the Saginaw County.

- e. Commission on Aging and the Saginaw County Sheriff's Office offered to the Saginaw County residents, age sixty (60) years or older, who are affected by severe forms of dementia related illnesses.
 - f. Cops N Kids- county-wide organization that gives books to police officers to be distributed on duty to children. The program both promotes literacy and fosters trust.
 - g. Saginaw ISD Early Head Start(EHS)- provides high quality 0-5 early childhood programs, developing school readiness skills and family engagement by working in partnership with parents and the community.
 - h. Saginaw Community Foundation- improve the quality of life in Saginaw County by linking donor interests
 - i. Wolverine Human Resources- assists those in need to overcome social and economic barriers, to capitalize on their personal strengths, and to contribute to their own healing.
 - j. SVRC Industries, Inc.- provides quality vocational rehabilitation services in Saginaw County and the surrounding community. By working together as a collaborating partner with local Intermediate School District, Local Community Mental Health Agencies, the State of Michigan, Source America, other Human Service Agencies, local Universities and Michigan businesses they have been able to provide quality outcomes for persons with disabilities and other barriers to employment.
9. Initiating and Supporting Community Outreach programs designed to improve the ability to work and function in the community. Programs may include:
- a. Appointment of Community Involvement Manager
 - b. Informational Mailings
 - c. Sponsorship of Neighborhood Open Houses
 - d. Participation in School Awareness Programs
 - e. Development and Disbursement of Educational Materials
 - f. Collaboration with Local Government and Law Enforcement
 - g. Development of an In-House Education Curriculum
 - h. Active and Information Social Media Platforms
 - i. Discounted Medicine Programs
10. Community “clean-up” initiatives focusing on the disproportionately impacted.
11. Providing recruitment meetings or participating in job fairs with a focus on attracting individuals falling into identified demographics; and

Impacted Communities: Municipalities

19 communities were selected for Michigan’s social equity program, and residents of such cities will be afforded enhanced employment opportunities. The identified impacted communities are as follows:

1. Albion
2. Benton Harbor
3. Detroit
4. East Lansing
5. Ecorse
6. Flint
7. Highland Park
8. Hamtramck
9. Inkster

10. Kalamazoo
11. Mt. Morris
12. Mt. Pleasant
13. Muskegon
14. Muskegon Heights
15. Niles
16. Pontiac
17. River Rouge
18. Saginaw
19. Ypsilanti

Impacted Individuals: Persons with past MJ Convictions

Those have a marijuana-related conviction, except a person with a conviction which involves trafficking marijuana to children is eligible for employment as restricted by law. Such persons have experienced undue burdens for past convictions based on conduct that the People of Michigan by voter initiative have twice declared to be legal as of 2008, and again in 2018. Such persons often lose job and social opportunities. They may need job training, PTSD counseling, and a team that welcomes and encourages them and does not judge them for past malum prohibitum criminal convictions, where those convictions did not involve children. The application process for getting a criminal record sealed from public view in Michigan can be daunting. Impacted people who are eligible can do their own expungement for a little more than \$100. People with one felony or two misdemeanor offenses can apply for expungement five years after they've completed their sentence or probation/parole. Expungement statistically leads to higher earnings and low recidivism rates, which benefits the impacted community, and resources like the included court forms will help people help themselves. Further, the included documentation on how to take advantage of the discounted application opportunities afforded by the state to impacted individuals from identified communities will positively encourage those impacted persons and communities.

Impacted Individuals: Caregiver Growers

Those were registered as primary Caregivers for at least two years between 2008 and 2017 have been identified as individuals who may be disparately impacted by prohibition laws. Such persons were effectively excluded from participating the industry by the original appointed licensing panel, prior to the executive order which quickly corrected the mistakes of the past. Instead of shunning caregiver growers, the company will be actively seeking individuals with at least two years' experience as caregiver growers and retaining such employees in long term, well-paying jobs that feed their passion for cannabis horticulture. Research and development projects, and interactive training and team building, will help encourage caregiver growers to engage in the industry as respected professionals with bright futures.

Other impacted Individuals: The company has considered the state identifications and has made an evaluation of the identified communities and whether there are other communities that have not been identified but who deserve recognition and help as this policy evolves. Specifically, the company identified Black and Hispanic persons in general due to demonstrated enforcement and punishment rates being much higher than those of the white persons, Veterans, Persons with disabilities, and residents of Chesaning Village and Saginaw County.

Continued Improvement of Policy: Experiential Development

The implementation will be a continually evolving process and will be based on education, training, contracts, bonuses, promotions, and tolerance for past transgressions and a commitment to social justice.

This development will take place as companies share ideas and programs to promote social equity and positively impact communities that have been disproportionately impacted by prohibition. Feedback and critical reflection on the policy best practices will be embraced by the entire company, and employee involvement will be the key to improving this policy by engaging in a company attitude of inclusion, and team meetings that focus on exploring ways to better serve the impacted communities and individuals. The company intends to use both qualitative and quantitative measures that demonstrate the progress or success of the plan. Metrics will have an identified data source and method for tracking that data.

Examples of metrics that will be used include the following:

1. Number of businesses that obtained training or assistance from the programs;
2. Number and types of jobs created in the adult-use cannabis industry in geographic areas
3. of disproportionate impact.
4. Number of employees hired, retained, or promoted that come from disproportionately impacted areas.
5. Number and subject matter of trainings offered and performed, and to whom;
6. Specific financial data and/or employee hours showing donations to or investments in specific causes.

