



The Herbalist

AU-R-000924

This entity qualifies for the Gold level tier of
the Social Equity All-Star Program



HERBALIST

SOCIAL EQUITY PLAN

SOCIAL EQUITY PLAN

SBP Greenfield, LLC - DBA The Herbalist is deeply committed to championing social equity within the framework of the Michigan Regulation and Taxation of Marihuana Act (MRTMA). Section 8 of the MRTMA mandates the Cannabis Regulatory Agency (CRA) to devise a plan aimed at promoting and encouraging participation in the marihuana industry by individuals from communities disproportionately affected by marihuana prohibition. In compliance with this statutory requirement, the company has meticulously formulated an expansive Social Equity Plan, underscoring its unwavering commitment to addressing potential social equity issues comprehensively.

A Holistic Approach to Community Integration:

Understanding the integral role businesses play in the broader community, SBP Greenfield, LLC - DBA The Herbalist places a strong emphasis on active community participation. The company envisions seamless integration into the diverse business landscape within the State of Michigan. Beyond the specific focus on disproportionately impacted communities, the Social Equity Plan encompasses a broader commitment to community involvement. This includes making annual contributions to community organizations, implementing localized hiring practices, targeting individuals previously considered low income for higher-paying positions, and fostering a dynamic promote-from-within culture.

Inclusive Collaboration with Community Organizations:

Central to the company's approach is a collaborative engagement model with local organizations. Recognizing that true community impact is achieved through collaboration rather than a top-down approach, the company actively collaborates with local entities to identify and address genuine needs. This collaborative effort ensures that the company's initiatives align with the nuanced requirements of the communities it serves.

Diverse Workforce Development and Social Equity Hiring Initiatives:

SBP Greenfield, LLC - DBA The Herbalist sets an ambitious goal of hiring at least 25% of its workforce from communities disproportionately impacted by marijuana prohibition. This commitment is manifested through targeted recruitment efforts, including seminars and job fairs in these specific areas to facilitate easy access to company applications. Moreover, the company actively communicates its capacity to hire individuals with backgrounds that qualify for social equity, providing meaningful opportunities to those with marijuana-related misdemeanors or felonies.

Championing Equal Employment Opportunities:

The company is resolute in its commitment to providing a workplace characterized by diversity and non-discrimination. In alignment with policies from the Michigan Department of Health and Human Services (MDHHS) and the Michigan Occupational Safety and Health Administration (MIOSHA), SBP Greenfield, LLC - DBA The Herbalist endeavors to cultivate a culture of equal

opportunity. To uphold these standards, the company outlines a series of initiatives, including regular performance evaluations, comprehensive discrimination and harassment reporting protocols, anonymous reporting systems through Human Resources, and a commitment to promoting and training current employees.

Sustained Initiatives for Diversity and Inclusion:

The enumerated initiatives serve as an illustrative example rather than an exhaustive list of the comprehensive policies and procedures SBP Greenfield, LLC - DBA The Herbalist aims to implement. These include ongoing evaluations, detailed reporting systems, affirmative actions to ensure minority representation, active cooperation with investigations into equal employment opportunity complaints, and robust engagement with social equity communities through appearances at job fairs, expos, and networking events.

In essence, SBP Greenfield, LLC - DBA The Herbalist's Social Equity Plan represents a multifaceted commitment to fostering diversity, inclusion, and positive social impact within the marihuana industry and the broader communities it serves. The company recognizes the imperative of extending beyond mere legal compliance, actively contributing to the well-being, advancement, and equitable participation of all individuals involved.



HERBALIST

CORPORATE SPEND PLAN

COMPREHENSIVE CORPORATE COMMUNITY IMPACT AND DIVERSITY ENDEAVOR

In the pursuit of community empowerment, our Corporate Spend Plan stands as a strategic manifesto, shaping the way we contribute to the growth and well-being of the communities in which we operate. This extended plan signifies our dedication to creating a transformative impact that resonates not only within our organizational walls but throughout the intricate fabric of our community in the West Warren/Warrendale community.

1. Operating Expenses - Cultivating a Diverse Workforce and Local Partnerships (83%):

- a. *Personnel (52%)*: Our commitment to fostering diversity starts with our workforce. Allocating a significant portion of our budget to fair employment practices ensures not just jobs but opportunities for individuals from local and underserved communities. We strive to build a workforce that mirrors the cultural richness of our community, fostering an environment of inclusivity and equal opportunities.

- b. *Facilities (13%)*: Collaboration with local businesses for facility services is not just a financial transaction but a strategic investment. This approach actively contributes to the economic growth and

sustainability of our community. Additionally, it benefits the business by allowing for ease of access in times of urgent need.

- c. *Marketing (8%)*: The heartbeat of our outreach efforts lies in supporting local marketing agencies. This allocation ensures our marketing strategies are representative of the community.

- d. *Technology (4%)*: Tech based expenditures will be focused on streamlined compliance. The goal is to utilize local compliance and accounting technology companies to ensure the reports generated in the business are accurate and up to date. Utilizing local

tech companies will allow us to contribute to one of the fastest growing industries in the community.

- e. *Miscellaneous (6%)*: The unforeseen needs fund is more than a financial safety net; it's a dynamic resource pool allowing us to proactively address emerging challenges. This embodies our commitment to community support in the face of uncertainties, showcasing agility and responsiveness.

2. Diverse Supplier Products - Nurturing Local

Economies (8%):

a. Actively seeking partnerships with local suppliers is a deliberate effort to create a diverse, inclusive, and locally-driven supply chain. This strategic choice not only optimizes our operations but uplifts local businesses, contributing to the economic development of our immediate surroundings.

b. Promoting fair trade practices is a holistic approach to supplier relationships. We view our connections with suppliers as enduring partnerships that not only benefit our operations but also foster economic sustainability and empowerment in the communities we serve.

3. Community Support - A Holistic Investment (0.5%):

a. Establishing a dedicated fund for community initiatives signifies our commitment to holistic development. From education programs to skill development and local infrastructure projects, this fund is a testament to our mission of community empowerment.

b. Active participation in local events, charities, and social enterprises is ingrained in our organizational culture. We don't just write checks; we actively engage

with the vibrancy and well-being of our community,
creating lasting relationships and impact.

In conclusion, our Extended Corporate Spend Plan is not a mere financial strategy; it is a strategic narrative that envisions a symbiotic relationship between our organization and the community we serve. SBP Greenfield, LLC - DBA The Herbalist stands as a catalyst for positive change, weaving a tapestry of empowerment, diversity, and community engagement that transcends monetary transactions and resonates with lasting impact.

LIST OF DIVERSE SUPPLIERS

1. DETROIT FLOWER GROVE INC – FEMALE OWNED – OPERATING IN THE CITY OF DETROIT
2. DF MICHIGAN ONE, LLC – JEETER
3. 3843 EUCLID, LLC – CHILL – HYMAN BRANDS – LOCALLY OWNED
4. RWB MICHIGAN, LLC – PLATINUM VAPES
5. IVP HOLDING, LLC – PRESSUIRE PACK
6. NORTH WEST CONFECTIONS MICHIGAN LLC – WYLD
7. EPS I, LLC – MITTEN EXTRACTS
8. ZEN REPUBLIC, LLC
9. 2GROW IT, LLC
10. EXCLUSIVE BRANDS, LLC
11. VIOLA
12. AEY CAPITAL, LLC - GAGE
13. VB CHESANING, LLC - WANA

GOOD NEIGHBOR PLAN

SBP Greenfield, LLC – D/B/A The Herbalist (the Company) has been an active member of the community since prior to opening its doors as a medical marijuana provisioning center. The Company prides itself on being integrated into the community. This plan has been crafted to do the following:

- Demonstrate the Company’s involvement in the community
- Explain the annual commitments made by the Company
- Provide a Community Outreach Plan; and
- Detail the Community Outreach Report and activities done by the Company

COMMUNITY INVOLVEMENT – LAST 5 YEARS

The Company has been an active participant of the community surrounding the property at 15514 W Warren Ave. The Company has conducted significant outreach in the community prior to the establishment of the facility. All conducted outreach and involvement have been to the direct support of the community directly around the facility. The Company collected numerous signatures in its door to door campaign in support of the facility and the proposed location.

2020 -21 Door to Door Campaign

The proposed location required Board of Zoning Appeals Approval in order to revive the original special land use approval. To demonstrate support for this location, the Company went door to door in the community and lobbied to gain the support of the community in development of the Company for use of the property as a marijuana facility. The Company gathered numerous signatures and widespread support from the community for the development of this property.

Local Community Garden

The Company has partnered with In Memory Community Gardens, a local Warrendale community garden focused on providing locally grown fruits, vegetables, and produce to the local community. In Memory Community Gardens is a non-profit organization in the City of Detroit. The Company has provided donations, support, and products to the organization. The Company has additionally agreed to a Benefits Agreement in accordance with the City of Detroit ordinance. Further, the Company has agreed to help the organization with the necessary work to help establish the planned greenhouses and hoop houses.

Warrendale Community Association

The Company has made significant strides within the community by associating itself with the Warrendale Community Association. This Association is the parent of the Local Community Garden described above. The Company has assisted the Association with all manner of outreach and support for ancillary events. The Company has been working with this organization for the

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last five years and will continue to work with them going forward through the Good Neighbor Plan commitments.

Local Employment for Ancillary Services

The Company believes in keeping business within the community. As an existing business, there are many services that need attending to. The Company has and will continue to hire Detroit businesses to provide those services. The Company is committed to the following:

- Landscaping and lot beautification;
- Parking lot resurfacing and striping;
- LED and Lighting Fixtures;
- Grass Cutting; and
- Window Cleaning

EMPLOYMENT, PURCHASING, & DONATION COMMITMENTS

The Company, in its current medical marijuana operation has already identified the majority of staff members that will work at the facility. The staff identified thus far are overwhelmingly from the City of Detroit. At this point, City of Detroit residents make up approximately 75% of the Company's staff. The Company has instituted a minimum entry level pay for all positions at \$15 per hour. The Company is committed to continuing this trend and ensuring at least 50% of the jobs at the facility are reserved for Detroit residents and pay shall remain at least \$15 per hour, unless the national minimum wage is increased higher than this point, in which case, the Company will raise the minimum entry level payment above \$15 per hour.

The Company is committed to ensuring those previously persecuted for the use of marijuana are welcomed into the recreational industry. The Company in selecting this staff has prioritized those Detroiters with a controlled substance record. Specifically, the Company has targeted employees with marijuana possession and non-violent marijuana distribution controlled substance charges as preferred employees. To that effect, at least 30% of the full-time employees identified are people who have a prior controlled substance record. These employees, like all Company employees will be paid at least \$15/hr.

As discussed earlier, the Company is committed to the development and proliferation of business in this community. The Company will be working with locally owned businesses to source necessary goods and services for the operation of the business. The Company is committed to purchasing at least 50% of necessary goods and services from local owned businesses. The Company will extend this commitment to include all marijuana product offerings, packages, security services, and the like. The Company already receives security services from a local company based out of the City. The Company already is contracted with local landscapers for landscaping and beautification services. The Company hopes its commitments to the community will result in a booming local economy that will support business and community affairs into the future.

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The Company is committed to reinvest of revenue in the local community. The Company is committed to the contribution of .25% of gross revenue to a Detroit based tax exempt charitable organization that operates within the community where the facility is located. The Company has attached to this Plan, an Agreement with In Memory of Community Garden to provide at least .25% of gross revenue to the organization for development and implementation of features and products necessary to ensure the community garden is able to serve all members of the Community. The Company is also willing to extend this contribution to a fund made by Detroit for Social Equity initiatives and substance use prevention programs.

COMMUNITY OUTREACH PLAN

As stated above, the Company is an active participant in the community. As recently as last week, the Company met with the In Memory Community Garden (Community Garden) members to address concerns and issues with City Required permits. The Community Garden is a non-profit based in Warrendale that consists of members of the community directly surrounding the facility. The Company has made commitments to the Community Garden to be an active participant in the community and continually inform them of changes and opportunities in the industry. The Community Garden, is associated with the Warrendale Community Association group, who is also associated with the Neighborhood Block Club. The connections to these Clubs and Associations has engrained the Company into the community. The Company is excited to share this news as it has a direct line into the community should the Company be in a position to assist with any matters.

The Company will engage, educate, and apprise the community in the according to the following plan.

Employment and Social Equity Opportunities

In the event that the Company loses an employee, the replacement will be found from the community. The Company will utilize its resources and contacts in the community to place job opening notices. The Company will attend meetings for local organizations, utilize local job boards, and even host local job fairs at the facility if necessary. The Company will send out blast emails to those community members and organizations who have opted into the “Notice of Employment Opportunity” list. All pertinent job details including pay, benefits, expected responsibilities, and hours will be provided in any listings or publications utilized. For any potential job candidates that are not hired after the initial employment offerings are filled, the Company will save local community members’ applications for contact in the event of a future opening. Finally, the Company will also be looking for candidates at the education and training sessions described below.

The Company is a Social Equity Applicant and understands the importance of including local community members in the pursuit of equity in the marijuana industry. As such, the Company, in conjunction with its attorneys will provide social equity qualification training courses to the local community. Training courses will teach local community members how to:

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- Join the Joint Ventures Pathway Program;
- Apply for Social Equity Qualification;
- Apply for Social Equity Positions with the Cannabis Regulatory Agency; and
- Social Equity State Fund Applications

Training and Education Commitments

The Company will implement an all new Training and Education seminar. Seminars will be focused on providing world class education services from industry experts. The Company will focus different seminars on different employment opportunities. The goal will be to give community members the ability to get the training they need to apply for well paying jobs in the burgeoning recreational marijuana industry in Detroit. The Company will not limit Seminars to positions available in retail facilities, the Company will include aspects of employment and training for careers in marijuana cultivation and processing facilities as well. Giving Detroiters, especially community members the knowledge and training they need will allow them to succeed in this industry. The Company will be conducting at least three training seminars per year. This will allow the Company to maximize knowledge within the community. Training and education seminars will be free and offered in a location that allows for easy access for community members. The Company will allow all that attend the local training and education seminars to provide their resume for immediate consideration upon opening of an employment opportunity.

COMMUNITY OUTREACH REPORT

The Company has demonstrated throughout this attachment how it is involved with the local community. As an operational business, without any requirement to do so, the Company has complied with many of the categories that are scored under this application. The Company has already maintained a staff that is at least 50% from the City of Detroit. The Company has committed and maintained an employee compensation package that starts at \$15/hr for all employees. The Company has engaged with local non-profit organizations from within the City of Detroit, the local community, in communities directly surrounding Detroit, and local block clubs.

The Company will continue with this method of business and activity within the community. The Company's current practices have successfully entrenched it within the community and demonstrate a commitment to the uplifting and prosperous effect businesses can have on the locality. The Company has brought on a Social Equity partner to make this business a Joint Venture between the previous owner and the Social Equity owner. The Company is committed to honoring all pledged Employment, Purchasing, & Donation Commitments made above.

The Company has conducted local training and education seminars to ensure the local community is prepared to enter the marijuana industry workforce. The Company is committed to offering jobs to those trained and educated in those seminars by ensuring their information and resumes are stored for future job openings. Working with local organizations like Warrendale Community Association, In Memory Community Garden, and the Local Block Club, and the like will ensure

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that when opportunities in the Company are available all in the immediate surrounding neighborhood are apprised. The Company will hold Social Equity seminars with attorneys with almost a decade of marijuana industry experience. Social Equity seminars will allow those in our local community to fully take advantage of all benefits intended by the Social Equity Program.

The Company has already been working towards the goals of this “Report” since before this “Report” was a requirement. The Company has demonstrated a deep commitment to the Detroit community as a whole, and more specifically the community directly surrounding the facility. The Company has through this plan demonstrated substantial compliance with all requirements of this section and should be awarded the full points under this section.

GOOD NEIGHBOR PLAN

This Community Benefits Agreement (“**Agreement**”) is made this 28 day of September, 2022, (**Effective Date**), is between SBP Greenfield, LLC, (“**SBP**”) a proposed cannabis provisioning center/retailer facility located at 15514 W Warren Ave., Detroit, Michigan and In Memory Community Garden (“**Organization**”).

RECITALS

- A. Organization is a recognized non-profit based in the City of Detroit.
- B. SBP is a for-profit entity that is seeking to ensure that the operation of a legal cannabis provisioning/retailer facility benefits community and its residents.
- C. The purpose of this Agreement is to establish the respective rights and responsibilities for SBP and Organization to provide security, cleanup and blight abatement, support for community events/festivals, maintain environmental protections and safety, and support employment in the community.

NOW, THEREFORE, for valid consideration received, the parties agree as follows:

1. *Clean Up, Blight Abatement, and Operations.*

To establish a City of Detroit approved Cultivation facility that is environmentally safe and a betterment to the community, SBP shall:

- A. Maintain its property and adjacent alley in accordance with the City of Detroit and community standard of cleanliness.
- B. At all times comply with City of Detroit restrictions on noise and hours of operation.
- C. Maintain all landscaping on its property in accordance with the community standards established by the City of Detroit.
- D. Make best efforts to mitigate odors and noises that could disturb the quiet enjoyment of the community. *Best Efforts* means the efforts that a prudent person desirous of achieving a result would use in similar circumstances to ensure that such a result is achieved as expeditiously as possible.
- E. Provide adequate on-site parking for SBP employees.
- F. Provide security at all times that complies with any security plan submitted to local or state officials in connection with its operating license or permits.
- G. If applicable, extend from time to time, any vehicle patrols to the immediate neighborhood.
- H. Cooperate with local and state law enforcement and provide security camera footage upon request of law enforcement.

2. *Economic Development and Employment.*

To strengthen the community and support local economic vitality, SBP shall:

- A. Make best efforts to hire 60% of its employees from Detroit, with 30% of these from the zip codes of 48228 and 48209. Initial outOrganization and hiring will focus on zip codes 48228 and 48209, utilizing multiple methods of recruitment, including social media, hiring fairs, and flyers in both zip codes. In the event such efforts fail to produce sufficient employees, or if high turnover requires additional hiring, SBP, shall consult with the local community organizations, who may suggest additional candidates. Should additional hiring be required following such consultation, SBP may expand the recruitment and hiring area to other Detroit zip codes. The minimum starting wage of employees hired pursuant to this provision is \$15.00 per hour, with advancement through in-house training. ORGANIZATION will utilize its contacts within the community to assist SBP's efforts to inform the community residents of employment opportunities, assist in identifying potential applicants, and make best efforts to aid SBP in achieving the hiring goals set forth above.
- B. Hire a member of the community as a part-time paid community liaison within three (3) months of its opening.
- C. Hire at least 50% of employees from the surrounding community and specifically the City of Detroit
- D. Hire at least 30% of full time employees from members of the City of Detroit's population who have been charged with a controlled substance violation
- E. Ensure minimum hourly compensation for employees is at least \$15/hr
- F. Purchase at least 50% of necessary products and services from surrounding businesses in the City of Detroit.
- G. Contribute a minimum \$3,000 quarterly to ORGANIZATION or .25% gross annual revenue, effective beginning six months after the opening date of the facility upon adult use license, to support community initiatives, including, but not limited to job training, small building repairs, community events, community garden, tool library, holiday food boxes, summer programming, and a neighborhood watch. In the event this application is denied or the governing ordinance is changed, revoked, challenged, or otherwise made ineffective, all contributions shall immediately cease.

3. *Collaboration*

- A. ORGANIZATION shall support SBP's application for a cannabis facility license in the City of Detroit. However, nothing in this agreement precludes individual members of ORGANIZATION or community resident from contesting, commenting on or otherwise exercising their rights with regard to any SBP cannabis application.

- B. ORGANIZATION will assist SBP's efforts to inform the community residents of employment opportunities, assist in identifying potential applicants, and make best efforts to aid SBP in achieving the hiring goals set forth above.
- C. Implementation Committee. Designated representatives of the Parties shall meet at least four (4) times annually, at times and places mutually agreed to by the parties, to develop strategies for implementation of this Agreement and address disagreements regarding compliance.

4. *Default, Remedies and Enforcement.*

- A. Default. Failure by any party to perform or comply with any term or provision of this Agreement, if not cured as set forth below shall constitute a default under this Agreement.
- B. Ninety-Day Right to Cure. If either party believes that the other party is in breach of any obligation under this Agreement, the non-breaching party shall provide written notice to the party in breach and the parties shall confer in good-faith to resolve the issue. Except in instances where a delay is likely to cause personal injury or lasting harm to the neighborhood, the party in breach has ninety (90) days to cure the alleged breach, commencing at the time of the notice. Any notice given pursuant to this provision shall specify the nature of the alleged default, and, where appropriate, the manner in which the alleged default may be cured.
- C. Remedies. In the event that a party is alleged in default under this Agreement, the party alleging default may elect, in its sole and absolute discretion, to waive the default or to pursue legal proceedings to enforce this Agreement or seek other legal or equitable relief.
- D. Non-Exclusivity of Remedies. No right or remedy conferred on or reserved to a party is exclusive of any other right or remedy, whether provided or permitted by law or equity, but each shall be cumulative of every other right or remedy.
- E. Implementation Meetings and Mediation. Before and during the 90-day right-to-cure period described above, the parties may attempt to resolve any alleged default at the regularly-scheduled Implementation Committee meetings, or in mediation requested by either party.

5. *Term.*

This Agreement shall become effective upon grant of state operating license for adult use, and shall be reevaluated every year for three (3) years from such date, at which point it shall be subject to collective bargaining, or until SBP ceases to operate at this location, whichever is sooner. All commitments of the Parties described herein are effective upon the Effective Date of this Agreement, unless otherwise specified. As well as limitations instituted in section 2(C) of this Agreement.

4. *Miscellaneous.*

- A. Any payments to ORGANIZATION required or permitted under this agreement shall be made by check to the fiduciary "ORGANIZATION Youth Programs Inc". Payments may be made by check and mailed to _____.
- B. **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
- C. **Severability.** If any term, provision, covenant or condition of this Agreement, or portion thereof, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall continue in full force and effect.
- D. **Construction.** Each of the Parties has had the opportunity to be advised by counsel with regard to this Agreement. Accordingly, this Agreement shall not be strictly construed against any party, and any rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Agreement.
- E. **Entire Agreement.** This Agreement contains the entire agreement between the parties.
- F. **Amendment.** This Agreement may not be altered, amended or modified except by an instrument in writing signed by the parties.
- G. **Force Majeure.** If either party is prevented or delayed in the performance of any of its obligations under this Agreement due to Force Majeure (defined below), that party will provide written notice to the other party specifying the nature and expected duration of the Force Majeure. The performance of the party invoking Force Majeure with respect to any obligation will be excused and the time for performance extended, but only for the period of delay or inability to perform due to Force Majeure. If the total of any period of delay or inability to perform due to Force Majeure asserted by either party during the Term equals or exceeds 30 consecutive days, the other party will have the right, at its option, to either terminate this Agreement by written notice or to continue to excuse the first party's performance for the period of any delay or inability to perform due to Force Majeure. As used in this Agreement, "Force Majeure" shall mean any act of God, pandemic, fire, casualty, flood, war, strike, lockout, labor trouble, or any other circumstances beyond the reasonable control of the party asserting it that prevents or delays the performance of any of its obligations under this Agreement.
- H. **Correspondence.** All correspondence shall be in writing and shall be addressed to the affected parties set forth below. A party may change its contact person or address by giving notice in compliance with this Article.
- I. **Authority of Signatories.** The individuals executing this Agreement represent and warrant that they have the authority to sign on behalf of their respective parties.

- J. Further Assurances. ORGANIZATION agrees to work with SBP, in good faith, to try to resolve issues raised by governmental regulatory agencies related to this Agreement in a manner that is consistent with the spirit of the provisions of this Agreement. If SBP and ORGANIZATION agree on changes to the terms of this Agreement, the parties shall amend this Agreement in accordance hereto.

The Parties have executed this Agreement as of the Effective Date.

Intentionally Blank - Signatures Follow

SBP, LLC

By: _____

Its Member

ORGANIZATION

By: Barbara Matney - Barbara Matney

Its: President