

Quality Roots Kalamazoo

AU-R-001381

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



SOCIAL EQUITY PLAN

At QR 10 LLC, operating as "Quality Roots Kalamazoo", we recognize the negative impact that marijuana prohibition and enforcement has on the lives of many Michigan residents and their families. In order to help "level the playing field" it is our goal to support and encourage these fellow citizens to reap the personal and economic benefits cannabis entrepreneurship can provide. Specifically, it is our plan to assist eligible Social Equity Applicants seeking to open licensed marijuana businesses by offering financial assistance towards the cost of application fees.

As of January, 2025, there are 184 Michigan communities that have been identified by the Cannabis Regulatory Agency as qualifying for the Michigan Social Equity Program. These communities are named on the attached list and shown below:



On the following page is a graphic from the CRA's website detailing the program criteria:



While the program offers application fee reduction, the fees are still robust and this donation should be beneficial, particularly considering the remaining significant startup costs as these companies embark on their new ventures.

QR 10 LLC's plan to participate in the Social Equity Program will begin (1) month after the commencement of Kalamazoo retail operations. QR 10 LLC will sponsor four (4) qualified individual applicants per year by paying their State of Michigan CRA prequalification application fee. We will review and choose eligible applicants from the qualifying regions in Michigan. The group(s) of our choice will receive the contribution directly from QR 10 LLC.

As we settle into the community and business normalizes, we are excited to review this Plan for potential expansion of our social equity-focused initiatives. We intend to connect with the Kalamazoo Social Equity Cannabis Chamber to explore partnership/membership opportunities and to contribute to the future of Kalamazoo and its residents.

CORPORATE SPEND PLAN

In addition to supporting new Social Equity Applicants, we focus on supporting businesses that qualify as diverse suppliers per the CRA's definition. We intend to maximize our spending with diverse suppliers, and we aim to dedicate at least 5% of our annual spending to these businesses. We will continue to prioritize partnerships and spending with businesses owned & operated by minorities, women, veterans, tribal, LGBTQ, people with disabilities, and people from communities that have been disproportionately impacted by marijuana prohibition and enforcement. When possible, we will continue to generally focus on the procurement of goods & services from local businesses in Kalamazoo, which is a disproportionately impacted area recognized by the CRA's Social Equity Program.

We primarily work with diverse suppliers to source our retail product inventory, but this spending extends to other business needs - insurance brokerage, facility repairs & maintenance, etc. Examples of diverse suppliers that we have previously supported, or currently support, include:

D&K Ventures Growing Pains Wyld
Redbud Roots Hytek Cultivation Camino
True North HOG Cannabis Kiva
Wanna STIIIZY RKive

Exclusive Brands Packwoods Crude Boys
The 8th/White Boy Rick Common Citizen Choice Labs
Primitiv Glorious Platinum Vape

Mitten Extracts KIG Insurance

We intend to continue our support of these businesses, and we plan to further expand our network of diverse suppliers.

MICHIGAN COMMUNITIES THAT MEET CRITERIA FOR SOCIAL EQUITY PROGRAM

January 22, 2025

Allegan: Fennville, Lee Township

Arenac: Alger, Sterling

Barry: Nashville

Bay: Bay City, Midland, Pinconning

Berrien: Benton Harbor, Berrien Spring, Coloma, Eau Claire, Niles, Oronoko Township, Sodus

Township, Watervliet

Branch: Bronson, Butler Township, Coldwater, Gilead Township, Quincy, Sherwood, Sherwood

Township, Union City

Calhoun: Albion, Battle Creek, Springfield, Tekonsha, Tekonsha Township, Union City

Cass: Cassopolis, Dowagiac, Edwardsburg, Lagrange Township, Marcellus, Vandalia

Eaton: Charlotte, Vermontville

Emmet: McKinley Township, Wawatam Township

Genesee: Clio, Flint, Flint Township, Mt. Morris, Mt. Morris Township

Gratiot: Alma, Bethany Township, Breckenridge, Fulton Township, Perrinton, Seville Township,

Wheeler Township

Hillsdale: Montgomery

Ingham: East Lansing, Lansing

Ionia: Ionia, Muir, Orleans Township, Ronald Township

Isabella: Coldwater Township, Fremont Township, Mt. Pleasant, Shepherd

Jackson: Hanover, Jackson, Springport

Kalamazoo: Galesburg, Kalamazoo

Kent: Cedar Springs, Grand Rapids

Lapeer: Clifford, Columbiaville, Imlay City, Lapeer

Lenawee: Adrian, Morenci

Macomb: Center Line, Mt. Clemens

Mecosta: Aetna Township, Barryton, Big Rapids, Deerfield Township, Fork Township, Mecosta, Millbrook Township, Morley, Sheridan Township, Stanwood, Wheatland Township

Monroe: Luna Pier

Montcalm: Carson City, Crystal Township, Edmore, Greenville, Home Township, Howard City, Lakeview, McBride, Pierson, Stanton

Muskegon: Holton Township, Muskegon, Muskegon Heights, Twin Lake

Newaygo: Beaver Township, Big Prairie Township, Bridgeton Township, Denver Township, Fremont, Grant, Hesperia, Lilley Township, Merrill Township, Newaygo, Troy Township, White Cloud, Wilcox Township

Oakland: Hazel Park, Pontiac, Royal Oak Township

Ogemaw: Horton Township, Prescott, Richland Township, Rose City, West Branch

Ottawa: Allendale Township

Roscommon: Higgins Township, Richfield Township, Roscommon, Roscommon Township, St. Helen

Saginaw: Bridgeport Township, Carrollton Township, Chapin Township, Chesaning, Kochville Township, Marion Township, Saginaw, Spaulding Township

Shiawassee: Owosso

St. Clair: Port Huron

St. Joseph: Sturgis, Sturgis Township, Three Rivers, White Pigeon Township Tuscola: Akron, Caro, Dayton Township, Gagetown, Gilford Township, Kingston, Koylton Township, Mayville, Vassar, Vassar Township

Van Buren: Arlington Township, Bangor Township, Bloomingdale, Breedsville, Columbia Township, Covert Township, Decatur, Decatur Township, Hartford, Keeler Township, Lawrence, Mattawan, Paw Paw, South Haven

Washtenaw: Ann Arbor, Ypsilanti

Wayne: Dearborn, Detroit, Ecorse, Hamtramck, Highland Park, Inkster, Melvindale, River Rouge, Wayne

Wexford: Antioch Township, Cadillac, Colfax Township, Mesick, Slagle Township