

TRC LAPEER LLC

-SOCIAL EQUITY PLAN 2020 -

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 184 selected municipalities determined to be 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 above, 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 clean-slate 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 serving or located in Lapeer County. Targeted nonprofits/charities may include:
 - a. Lapeer County Community Foundation 264 Cedar Street Lapeer, MI 48446
 - b. Family Literacy Center 311 Higgins St Lapeer, MI 48446
 - c. Lapeer Downtown Business Associates 108 W Park St Lapeer, MI 48446
 - d. Kind 1996 W Oregon St Lapeer, MI 48446
 - e. Habitat For Humanity 3056 Davison Rd, Bldg 2 Lapeer, MI 48446
 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

181 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:

- 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, Gageton, 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

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. 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 impact 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.

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