

GENERAL CANNABIS CORP

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

AUTHORITY AND PURPOSE

The Nominating and Corporate Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of General Cannabis Corp (the “**Company**”) is appointed by the Board to identify individuals qualified to become Board members, develop and recommend to the Board a set of corporate governance guidelines, and undertake those specific duties and responsibilities listed below and such other duties as the Board shall from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company’s Amended and Restated Bylaws (the “**Bylaws**”) and by applicable law.

COMMITTEE MEMBERSHIP

The Committee members (each, a “**Member**” and collectively, the “**Members**”) shall be appointed by the Board and shall serve until their successors shall be duly elected and qualified or until their earlier resignation or removal. Committee members may be removed at any time by vote of the Board.

The Committee will consist of no fewer than two members of the Board.

STRUCTURE AND MEETINGS

The Committee shall conduct its business in accordance with this Nominating and Corporate Governance Committee charter (the “**Charter**”), the Bylaws and any direction by the Board. The Committee chairperson shall be designated by the Board, or, if it does not do so, the Members shall elect a chairperson by a vote of the majority of the full Committee.

The Committee shall meet from time to time at a time and place determined by the Committee chairperson, with meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. Members may participate in a meeting of the Committee by means of conference call or similar communications equipment by which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting. A majority of the Committee shall constitute a quorum for the transaction of business.

The Committee chairperson will preside at each meeting and, in consultation with the other Members, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee (or other member designated by the chairperson or the Committee in the chairperson’s absence) shall regularly report to the full Board on its proceedings. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

As necessary or desirable, the chairperson of the Committee may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at meetings of the Committee.

The Committee may form and delegate authority to subcommittees when appropriate. The Board may assign any duties of the Committee outlined in this Charter to another committee of the Board in whole or in part from time to time as the Board may determine.

DUTIES AND RESPONSIBILITIES

The duties of the Committee shall include, without limitation, the following:

1. Consider and make recommendations to the Board with respect to the nominations or elections of directors of the Company in connection with the slate of directors proposed for shareholder approval at annual meetings of shareholders and vacancies occurring on the Board from time to time, including vacancies resulting from an increase in the size of the Board, except that if the Company is at any time legally required by contract or otherwise to provide any third party with the ability to nominate a director, the Committee need not evaluate such nomination, unless required by contract or requested by the Board.
2. Consider qualifications for Board membership, which qualifications may include, among others: (a) the highest personal and professional integrity, (b) demonstrated exceptional ability and judgment, (c) broad experience in business, finance or administration, (d) familiarity with the Company's industry, (e) ability to serve the long-term interests of the Company's shareholders, (f) sufficient time available to devote to the affairs of the Company, (g) ability to provide continuing service to promote stability and continuity in the boardroom and provide the benefit of familiarity and insight into the Company's affairs that directors would accumulate during their tenure, (h) ability to help the Board work as a collective body and (i) experience, areas of expertise, as well as other factors relative to the overall composition of the Board.
3. Review and assess the activities and associations of each candidate to ensure that there is no legal impediment, independence concern, conflict of interest, or other consideration that might hinder or prevent service on the Board. In making its selection, the Committee shall bear in mind that the foremost responsibility of a director of a Company is to represent the interests of the shareholders as a whole.
4. Review and recommend to the Board the committee structure of the Board, and recommend to the Board the membership of the Board committees, including rotation, reassignment and removal of any committee member.
5. Review and recommend to the board the leadership structure for the Board.
6. Review and reassess, periodically, the adequacy of this Charter and make recommendations to the Board regarding any revisions to this Charter from time to time as appropriate.
7. Perform an annual evaluation of the Committee's own performance.

In addition, the Committee's duties shall also include the following:

8. Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company and the operations of the Board, and periodically review and reassess the adequacy of the corporate governance guidelines and recommend any proposed changes to the Board for approval.
9. Identify and bring to the attention of the Board current and emerging corporate governance trends and issues that may warrant further consideration or action on the part of the Board or the Company.
10. Oversee risks related to the Company's governance structure, policies and processes.
11. Oversee the evaluation of the Board and the process for evaluation of management on an annual basis.

COMMITTEE RESOURCES

The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain a search firm to be used to identify director candidates and to retain other advisors. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any search firm or other advisors employed by the Committee.

CONSIDERATION OF DIRECTOR CANDIDATES RECOMMENDED BY SHAREHOLDERS

It is the policy of the Committee to consider any director candidates recommended by shareholders of the Company, provided the information regarding director candidates recommended by shareholders is submitted to the Committee in compliance with this Charter.

QUALIFICATIONS OF BOARD CANDIDATES

There are no specific, minimum qualifications that the Committee shall require to be met by a Committee-recommended nominee for a position on the Board, nor are there any specific qualities or skills that are necessary for one or more of the Company's directors to possess.

PROCESS FOR IDENTIFICATION AND EVALUATION OF DIRECTOR CANDIDATES

The Committee's process for identifying and evaluating nominees for director, including nominees recommended by shareholders, shall involve (with or without the assistance of a retained search firm) compiling names of potentially eligible candidates, vetting candidates' qualifications, conducting background and reference checks, conducting interviews with candidates and/or others (as schedules permit), meeting to consider and recommend final candidates to the Board and, as appropriate, preparing and presenting to the Board an analysis with regard to particular, recommended candidates. There shall be no differences in the manner in which the Committee evaluates nominees for director based on whether the nominee is recommended by a shareholder.

DISCLOSURE OF CHARTER

This Charter will be made available on the Company's website.