

GENERAL CANNABIS CORP

COMPENSATION COMMITTEE CHARTER

PURPOSE

The Compensation Committee (the “**Committee**”) is appointed by the Board of Directors (“**Board**”) of General Cannabis Corp (the “**Company**”) to assist the Board in discharging its responsibilities relating to compensation of the Company’s directors and executive officers and to 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 Bylaws (the “**Bylaws**”) and by applicable law.

COMMITTEE MEMBERSHIP

Committee members shall be appointed by the Board, based on the recommendation of the Nominating and Corporate Governance Committee, 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 shall consist of no fewer than two members.

STRUCTURE AND MEETINGS

The Committee shall conduct its business in accordance with this Compensation 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 Committee members shall elect a chairperson by a vote of the majority of the full Committee. In the event of a tie vote on any issue, the chairperson’s vote shall decide the issue.

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 of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment provided that 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 of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Committee chairperson (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, consistent with the maintenance of

confidentiality of compensation discussions. The CEO should not be present during voting or deliberations on the CEO's compensation.

DUTIES AND RESPONSIBILITIES

The Committee shall:

1. Review and approve the Company's compensation philosophy, and, if necessary recommend to the Board revisions to the compensation philosophy of the Company.
2. Annually review and approve the Company's corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives, and, either as a Committee or together with the other independent directors of the Board (as directed by the Board), determine and approve the CEO's compensation level based on this evaluation, to the extent not otherwise determined by an existing employment agreement or arrangement approved by the Board and/or the Committee, without the CEO present for such proceedings.
3. Annually review and, if appropriate, approve (or make recommendations to the Board regarding approval of) the following with respect to the Company's executive officers: a) annual base salary levels; b) annual incentive compensation levels; c) long-term incentive compensation levels; and d) any supplemental or special benefits.
4. Review and, when and if appropriate, approve (or make recommendations to the Board regarding approval of) executive officers' employment agreements, severance agreements, and change of control agreements/provisions, in each case prior to the Company's entering into such agreements/provisions.
5. Annually review and make recommendations to the Board with respect to non-CEO compensation, incentive compensation plans and equity-based plans.
6. Administer the Company's incentive compensation plans and equity-based plans as in effect and as adopted from time to time by the Board, to the extent such administration is not delegated, in whole or in part, to any other committee of the Board, to the extent permissible under applicable law, or otherwise retained by the Board.
7. Approve any new equity compensation plan or any material change to an existing plan where shareholder approval has not been obtained.
8. Review and approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory requirement, or otherwise determined to be appropriate or desirable by the Committee or the Board.

9. Ensure appropriate overall corporate performance measures and goals linked to compensation are set and determine the extent that established goals have been achieved and any related compensation earned.
10. Review and discuss with the Company's management the "Compensation Discussion and Analysis" required to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), and recommend to the Board whether or not to include such "Compensation Discussion and Analysis" in such proxy statement or annual report.
11. Advise the Board regarding risks to the Company of its compensation policies and practices and the disclosure of any such risks as required by SEC rules in the Company's proxy statement.
12. In connection with any stockholder advisory vote on the frequency with which the Company shall hold a stockholder advisory vote on the compensation of the Company's key executive officers required to be disclosed in the annual proxy statement or Annual Report on Form 10-K (the "Named Executive Officers") pursuant to Section 14A of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended ("Section 14A"), review and approve the frequency that should be recommended to the Company's stockholders.
13. Review and approve the frequency with which the Company should submit to the stockholders an advisory vote on the compensation of the Company's Named Executive Officers pursuant to Section 14A, taking into account any prior stockholder advisory vote on the frequency with which the Company shall hold a stockholder advisory vote on compensation of the Company's Named Executive Officers.
14. Review the results of any stockholder advisory votes on the compensation of the Company's Named Executive Officers and consider whether to make any adjustments to the Company's executive compensation policies and practices.
15. Produce a Committee report on executive compensation as required to be included in the Company's annual proxy statement, annual report on Form 10-K or other filing required to be made with the SEC.
16. Perform such other functions and have such other powers consistent with this Charter, the Bylaws and governing law as the Committee or the Board may deem appropriate.

PERFORMANCE EVALUATION

The Committee shall perform an annual evaluation of the Committee's own performance. The Committee also shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

COMMITTEE RESOURCES

The Committee shall be empowered, without the approval of the Board or management, to retain or obtain the advice of a compensation consultant, legal counsel or other advisor (any such consultant, counsel or other advisor retained to assist the Committee, a "**Compensation Advisor**"). Any such Compensation Advisor shall report directly to the Committee. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for payment of: a) compensation to any advisor employed by the Committee, including any Compensation Advisor; and b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. A Compensation Advisor shall include any compensation advisor acting for the Committee, including any compensation firm, consulting firm or attorney acting in the capacity of a Compensation Advisor. The Committee may select a Compensation Advisor only after taking into consideration all factors relevant to that person's independence from management, including those factors set forth in Rule 10C-1 under the Securities and Exchange Act of 1934 and applicable rules of the Nasdaq. The Committee shall have the authority to adopt, review and implement a policy with respect to the retention and oversight of Compensation Advisors for the purpose of providing advice and assistance regarding the compensation of the Company's directors and executive officers. The Committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The Committee may form, and delegate authority, to subcommittees.

DISCLOSURE OF CHARTER

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