

Pennsylvania Cannabis Coalition Bylaws

ARTICLE I – NAME, PURPOSE, AND OFFICES

1.1 Name – The name of this Corporation shall be P.C. Coalition (“PCC”), unless and until changed by amendment of the Articles of Incorporation.

1.2 Purpose – PCC is incorporated for the purposes of establishing a network of those involved in the Pennsylvania cannabis industry with the common goal of (1) promoting its membership and its interest wherever possible to make Pennsylvania the best market possible, (2) developing cooperation among those in the cannabis industry, the public sector and the communities and patients and customers they serve, and (3) assisting in educating and promoting the industry in the best interests of all members. PCC activities shall remain within the scope of “business league” as described in Section 501(c)(6) of the Internal Revenue Code of 1954.

1.3 Registered Office – The registered office of PCC shall be 204 State Street, Harrisburg, Pennsylvania 17101, or at such place within Pennsylvania as may be fixed from time to time by the Executive Committee.

1.4 Places of Business and Other Offices – PCC may conduct its business at such places and may establish other offices at such places as the Executive Committee may determine from time to time.

ARTICLE II – MEMBERSHIP

2.1 Membership Eligibility – An entity is eligible for PCC Membership if it falls into one of the two categories below:

(a) the entity holds a majority interest in one or more permits to grow, process, or dispense cannabis within Pennsylvania; or

(b) the entity does business with one or more Pennsylvania permit holders.

The Executive Committee in consultation with the Executive Director shall decide whether to admit a Member to the PCC.

2.2 Member Representative – Each Member shall designate an individual to act as their Representative for all PCC matters. Members may designate a second Member Representative for a circumstance in which the Membership Representative is not available to represent them.

2.3 Voting Members – Voting Members are Members as defined in 2.1(a). Each Voting Member shall hold a number of votes according to a schedule to be decided by the voting members. This schedule may be adjusted from time to time.

2.4 Powers and Authority – In addition to the powers and authority expressly conferred upon them by these Bylaws, the Voting Members may exercise all such powers of PCC and do all such lawful acts and things as are not by statute, or by the Articles of Incorporation, or by these Bylaws directed or required to be exercised or done by the Members.

3.3 Annual and Regular Meetings – An Annual Meeting of Voting Members shall be held each year at such time and place as designated by the Executive Committee. In addition to an Annual Meeting, Regular Meetings of the Voting Members may be held at such time and place as designated by the Executive Committee.

2.5 Special Meetings – Special meetings of the Voting Members may be called by the Chair or by 25% or more of the Members and shall be held at such time and for such purposes as may be specified in the call for said Special Meeting.

2.6 Quorum – A simple majority of the Voting Members is necessary to constitute a quorum to transact the business of the PCC.

2.7 Voting – Votes of a majority of the Voting Member Representatives present at a meeting at which a quorum is present shall usually constitute official action of the PCC. However, the Voting Members must vote in a 2/3rds margin in engage in legal action, buy or sell property, or borrow money from a financial institution. Any action which may be taken at a meeting of the Voting Members may be taken without a meeting, typically done by electronic voting, setting forth the action so taken, and documented with the vote count of the Representatives of the Voting Members and filed with the Secretary.

2.8 Notice of Meetings –The Executive Director shall provide written Notice of any Annual, Regular or Special Meeting of the Voting Members, or any change in the time or place of an Annual, Regular or Special Meeting, at least five (5) days prior to the day fixed for such meeting, unless waived in writing by all of the Voting Members.

2.9 Vacancies – Each Voting Member may appoint at will their designated Representative by giving written notice to the Executive Director. Vacancies occur from withdrawal of a Voting Member from PCC, or a Voting Member losing its status as Voting Member, shall not be filled. Vacancies of Representatives which occur from removal or resignation of a Representative may be filled by the applicable Voting Member which originally appointed the removed or resigned Representative.

ARTICLE III – EXECUTIVE COMMITTEE

3.1 Election – The Executive Committee of PCC shall be chosen annually by the Voting Members and consist of a Chair, Vice-Chair, Secretary and Treasurer. Additional officers may be designated upon the affirmative consent of three-quarters of the Voting Members.

The election shall occur in December of each year, unless otherwise agreed to by a majority of the Voting Members.

3.2 Terms – Upon the initial election, each Executive Committee Member shall be elected for a term of one (1) year. After which, the President shall serve a term of two (2) years, the Vice President shall serve a term of two (2) years, the Treasurer shall serve a term of one (1) year, and the Secretary shall serve a term of one (1) year. After each term, succeeded by the initial terms, has expired, subsequent terms of all Executive Committee Member shall be in length of two (2) years. No Executive Committee Member may serve more than two (2) consecutive terms in the same office but may serve again as an Officer after one (1) year. Immediate past Presidents shall continue to serve as non-voting, ex-officio members of the Executive Committee for six months following the end of their final term.

3.3 Removal – Any Executive Committee Member may be removed by the Voting Members for cause or whenever, in its judgment, the best interests of PCC will be served thereby.

3.4 Vacancies – If any Executive Committee Member resigns or is removed, the Voting Members may choose a successor or successors, who shall hold office for the remaining term of the applicable Committee Member position.

ARTICLE IV – COMMITTEES

4.1 Committees Votes – The Executive Director of PCC shall be an ex-officio member of all committees, however, he or she may only vote in a situation necessary to break a tie vote. Further, the Executive Committee can vote to dissolve any Additional Committees that are not actively upholding the resolution of that Committee.

4.2 Standing Committees - The standing committees of the PCC are the Executive Committee and the Finance Committee.

4.3 Executive Committee – The Executive Committee shall be chaired by the PCC's Chair and shall consist of the Chair, the Vice-Chair, the Treasurer, the Secretary, an additional officers designated by section 3.1. The purpose of the Executive Committee is to direct and manage the business affairs of PCC in all cases in which specific directions have been given by the Voting Members and which, for reasons of expediency, cannot be postponed until a full Membership Meeting and to oversee the activities of the Finance Committee and all Additional Committees established as outlined in section 4.2.

The Executive Committee may approve any expenditure not explicitly stated in the budget under \$15,000. Any expenditures \$15,001 and above must be approved by the Voting Membership. All material decisions made by the Executive Committee shall be reported to the PCC membership.

4.4 Finance Committee – The Finance Committee shall be chaired by the PCC’s Treasurer and shall consist of three individuals appointed by the Executive Committee at the recommendation of the Treasurer and Executive Director. The Finance Committee shall be responsible for developing an annual budget for PCC, which shall be presented and recommended for approval to the Voting Members. The Finance Committee shall be responsible for reviewing and recommending to the Executive Committee policies regarding the business and financial affairs of PCC, for reviewing and recommending to the Executive Committee budgets for special projects not contemplated by the annual budget, for reviewing the monthly statements of income and expenses to ensure their conformity with the annual operation budgets of PCC, for periodically reviewing the financial controls and accounting systems of PCC and recommending changes where appropriate, for engaging an independent book keeper to create monthly statements of income and expenses in addition to any other responsibilities assigned to the committee, and for arranging annually for an independent review of PCC’s finances, and for reviewing and presenting to the PCC the results of the independent review. In addition, the Finance Committee shall be delegated the power and authority to approve and authorize the opening of accounts in depository institutions and the designation of the persons entitled to draw upon such accounts and to authorize and expenditure of the funds of PCC that is not within the scope of an annual or special budget previously approved by the Voting Members, provided that such expenditure is not in excess of a dollar amount determined by the Voting Members from time to time.

4.2 Additional Committees – The Voting Members or the Executive Committee may establish committees in addition to the Standing Committees through a Resolution that must be voted on at a meeting where a quorum is present. An Additional Committee can become a Standing Committee but can also be formed ad-hoc for a period of time as specified on the Resolution. Each Additional Committee must consist of three (3) or more Voting Members of the PCC or their representatives. Any such Committee, to the extent provided in the resolution of the Voting Members or Executive Committee, shall have and may exercise all of the powers and authority delegated to it, except that no such committee shall have any power or authority as to the following:

- (a) The adoption, amendment, or repeal of the Bylaws.
- (b) The amendment or repeal of any resolution of the Voting Members.
- (c) Action on matters committed by the Bylaws or resolution of the Voting Members to another committee.

ARTICLE V – INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

5.1 Indemnification – PCC shall indemnify its employees, Voting Members and

Committee Members, and may indemnify any other agents, who is a party to, or is threatened to be made a party to or who is called as a witness in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of PCC, by reason of the fact that he or she is or was a member, employee or agent of PCC, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding unless the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

5.2 Not Exclusive – The indemnification and advancement of expenses provided by, or granted pursuant to, this Article V shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaw, agreement, contract, vote of members or pursuant to the direction, howsoever embodied, of any court of competent jurisdiction. It is the policy of PCC that indemnification of, and advancement of expenses to, employees, and members of PCC shall be made to the fullest extent permitted by law for acts or omissions occurring within the scope of the employee, or member's duties under these Bylaws.

5.3 Expenses – PCC may pay expenses incurred by an employee or member and may pay expenses incurred by any other agent, in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by PCC.

ARTICLE VI – BOOKS AND RECORDS

6.1 Records – PCC shall keep an original or duplicate record of the proceedings of PCC, the original or a copy of its Bylaws, including all amendments or alterations thereto to date, certified by the Secretary, and original or a duplicate membership register, giving the names of the details of the membership of each. PCC shall also keep appropriate, complete and accurate books or records of its financial accounts. The records provided for herein shall be kept at either the registered office of PCC in this Commonwealth, or at its principal place of business wherever situated.

6.2 Access to Records –Every Voting Member shall, upon written demand stating the purpose thereof, have a right to examine the records of PCC, in person or by agent or attorney, during usual business hours and with reasonable notice, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of such person as a Voting Member of PCC.

In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand shall be accompanied by a power of attorney or such

other writing which authorizes the attorney or other agent to so act on behalf of the Voting Member. The demand shall be directed to PCC at its registered office in this Commonwealth or at its principal place of business.

ARTICLE VII – TRANSACTION OF BUSINESS

7.1 Real Property – PCC shall make no purchase of real property or sell, mortgage, lease away or otherwise dispose of its real property unless authorized by a vote of two-thirds (2/3) of the members of the Voting Members, except that whenever there are twenty-two (22) or more Voting Members, the vote of a majority of the members in office shall be sufficient.

7.2 Fees and Prices – Whenever the lawful activities of PCC involve, among other things, the charging of fees or prices for its services or products, it shall have the right to receive such income and, in so doing, may make an incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of PCC and in no case shall be divided or distributed in any manner whatsoever among the Membership of PCC.

7.3 Disbursements – All checks or demands for money and notes of PCC shall be signed by any one (1) employee of PCC in which the Voting Members or the Executive Committee may, from time to time, designate.

ARTICLE VIII – ANNUAL REPORT

8.1 Annual Report – The Executive Committee shall present annually to the members a report showing in appropriate detail the following:

- (a) The assets and liabilities of PCC as of the end of the fiscal year immediately preceding the date of the report.
- (b) An analysis of the aging of account payable and receivable balances.
- (c) The principal changes in assets and liabilities during the year immediately preceding the date of the report.
- (d) The revenue or receipts, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report.
- (e) The expenses or disbursements, for both general and restricted purposes, during the year immediately preceding the date of the report.
- (f) The number of members of the PCC as of the date of the report, together with a statement of increase or decrease in such number during the year immediately preceding the date of the report, and a statement of the place where the names and addresses of

the current members may be found.

(g) An annual program report describing services provided to its constituency.

(h) A forward-looking strategic plan outlining the activities, priorities, and services provided to its constituency.

ARTICLE IX – NOTICES

9.1 Notice – Whenever written notice is required to be given to any Voting Member, it may be given either personally or by sending a copy thereof by first class mail, facsimile, electronic mail, postage prepaid, to the address appearing on the books of PCC. If the notice is sent by mail, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by statute or these Bylaws.

9.2 Waiver of Notice – Whenever any written notice is required to be given under the provisions of the statute or under the Articles or Bylaws of PCC, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X – MISCELLANEOUS PROVISIONS

10.1 Fiscal Year – The fiscal year of PCC shall commence January 1 and end December 31.

10.2 Non-Profit –No part of the net earnings of PCC shall inure to the benefit of, or distributable to its trustees, directors, officers or other private persons, except that PCC shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of Section 501(c)(6) purposes. Notwithstanding any other provision of these articles, PCC shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal Income Tax under Section 501(c)(6) of the Internal Revenue Code (or corresponding section of any future Federal Tax code).

10.3 Dissolution – Upon the dissolution of the PCC, the Executive Committee shall, after paying or making provision for the payment of all of the liabilities of PCC, dispose of all of the assets of PCC exclusively for the purposes of PCC in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) or Section 501(c)(6) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Executive Committee shall determine.

ARTICLE XI – AMENDMENTS

11.1 Amendments – These Bylaws other than Article II, may be adopted, amended or repealed by the vote of a majority of the Voting Members either by written or ballot, or at any regular or Special Meeting duly convened after notice to the members of that purpose, unless such notice is properly waived.

On January 14, 2022 The above Bylaws were adopted by the Voting Members as the Bylaws of the P.C. Coalition.

DocuSigned by:

Sara Payne

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Secretary

2/21/2022 | 3:24 PM EST

Date