Audit Committee Charter
of
GrowGeneration Corp.

I. Audit Committee's Role

The Audit Committee is a standing committee appointed by the Board of Directors of GrowGeneration Corp. (the "Company"). The purpose of the Audit Committee is to perform and to assist the Board of Directors in fulfilling its oversight responsibility relating to: (i) the Company's financial statements and financial reporting and the Company's systems of internal accounting and financial controls; (ii) the integrity of the Company's financial statements; (iii) the appointment, retention and performance of the internal auditors, if applicable; (iv) the annual independent audit of the Company's financial statements, the engagement and compensation of the independent auditors and the evaluation of the independent auditors' qualifications, independence and performance; (v) the compliance by the Company with legal and regulatory requirements, including the Company's disclosure controls and procedures; (vi) the evaluation of management's process to assess and manage the Company's enterprise risk issues; and (vii) the fulfillment of the other responsibilities set out herein or delegated to the Audit Committee by the Board of Directors. The approval of this Audit Committee Charter (the "Charter") by the Board of Directors shall be construed as a delegation of authority as may be necessary to permit the Audit Committee to carry out its responsibilities and functions.

In discharging its responsibilities, the Audit Committee is not itself responsible for the planning or conduct of audits or for any determination that the Company's financial statements are complete and accurate or in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditors.

II. Organization

1. At least annually, this Charter shall be reviewed and reassessed by the Audit Committee and any proposed changes shall be submitted to the Board of Directors for approval.

2. The members of the Audit Committee shall be nominated by the Nominating and Corporate Governance Committee and appointed by the Board of Directors and shall meet the independence and experience requirements specified in Part III below.

3. In order to discharge its responsibilities, the Audit Committee shall establish each year a schedule of meetings. In planning the annual schedule of meetings, the Audit Committee shall ensure that sufficient opportunities exist for its members to meet separately with the independent auditors, the head of internal audit (if any) and management, and to meet in private with only the Audit Committee members present.

4. The Audit Committee will be governed by the same rules and procedures that are applicable to the Board of Directors (including rules related to telephonic meetings, notice, waiver of notice, quorum, voting and action without a meeting). The Audit Committee may designate a secretary to take the minutes, and the secretary need not be a member of the Audit Committee. Minutes for all meetings of the Audit Committee shall be prepared to document the Audit Committee's discharge of its responsibilities. The minutes shall be circulated in draft form to all Audit Committee members to ensure an accurate final record, shall be approved by the Audit Committee and shall be distributed periodically to the full Board of Directors. The Audit Committee shall make regular reports to the Board of Directors.

5. The Audit Committee shall evaluate its performance on an annual basis and establish criteria for such evaluation.

III. Qualifications and Appointment of Audit Committee Members

The Board of Directors appoints the Chair and the members of Audit Committee, having determined their qualifications as nominated and recommended by the Nominating and Corporate Governance Committee. Audit Committee members shall serve at the pleasure of the Board of Directors and for such term or terms as the Board of Directors may determine.

IV. Committee Membership

1. The Audit Committee shall consist of no fewer than three members. Each member of the Audit Committee shall meet the director and audit committee member independence requirements of Rule 5605(c)(2)(A) under Nasdaq Listing Rules and Rule 10A-3 under the Securities Exchange Act of 1934, as amended. No member of the Audit Committee shall:

    i. have participated in the preparation of the Company's or any of its subsidiaries' financial statements at any time during the past three years;

    ii. accept or receive any consulting, advisory or other compensation from the Company or any affiliate of the Company, except in such member's capacity as a member of the Board of Directors or a committee thereof; or

    iii. be an affiliated person of the Company under Rule 10A-3 under the Securities Exchange Act.

2. Audit Committee members may not simultaneously serve on the audit committees of more than two other public companies.

3. Each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement, as required by Rule 5605(c)(2) and IM-5605-4 under the Nasdaq Listing Rules.

4. At least one member of the Audit Committee:

    i. shall have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication; and

    ii. shall be determined by the Board of Directors to be an "audit committee financial expert," as such term is defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.

V. Responsibilities

In carrying out its responsibilities, the Audit Committee shall perform the following duties:

1. The Audit Committee shall directly appoint, retain, compensate, evaluate and terminate the Company's independent auditors. The Audit Committee shall have the sole authority to approve

all engagement fees to be paid to the independent auditors. The independent auditor shall report directly to the Audit Committee.

2. The Audit Committee shall receive periodic reports from the independent auditors as required under generally accepted auditing standards ("GAAP"), applicable law or listing standards regarding the auditors' independence, which shall be not less frequently than annually. The Audit Committee shall discuss such reports with the auditors, and if so determined by the Audit Committee, take appropriate action to satisfy itself of the independence of the auditors. The Audit Committee shall review the performance of the Company's independent auditors annually. In doing so, the Audit Committee shall consult with management and the Company's internal auditors (if any) and shall obtain and review a report by the independent auditors describing their internal control procedures, material issues raised by their most recent internal quality control review, or by any inquiry or investigation by governmental or professional authorities within the preceding five years and the response of the independent auditors. The Audit Committee shall consider whether or not there should be a regular rotation of the independent audit firm. Any selection of the auditors by the Audit Committee may be subject to shareholders' approval, as determined by the Board of Directors.

3. The Audit Committee shall discuss with the independent auditors the overall scope, plans and budget for the audit, including the adequacy of staffing and other factors that may affect the effectiveness of the audit. In this connection, the Audit Committee shall discuss with financial management, the internal auditors (if any) and the independent auditors the Company's major risk exposures (whether financial, operating or otherwise), the adequacy and effectiveness of the accounting and financial controls, and the steps management has taken to monitor and control such exposures and manage legal compliance programs, among other considerations that may be relevant to the audit. The Audit Committee shall review with financial management and the independent auditors management's annual internal control report.

4. The Audit Committee shall annually review the structure, resources and performance of the Company's internal audit department, if applicable.

5. The Audit Committee shall, if applicable, evaluate and approve the retention of the independent auditors for any non-audit service and the fee for such service and shall determine procedures for the approval of audit and non-audit services in advance.

6. The Audit Committee shall review with management and the independent auditors the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Management shall review and discuss the Company's quarterly earnings press releases and earnings guidance with the Audit Committee or the Chair prior to their issuance.

7. The Audit Committee shall review periodically with financial management, the internal auditors (if any) and independent auditors the effect of new or proposed regulatory and accounting initiatives on the Company's financial statements and other public disclosures.

8. The Audit Committee shall also perform all other duties and functions required under applicable law or securities exchange rules, including to prepare the report of the Audit Committee required to be included in the Company's annual proxy statement when the Company is subject to the filing requirement of proxy statements under applicable securities laws.

9. The Audit Committee shall, if applicable, evaluate and approve Company's hiring of former employees of the independent auditors, which shall meet the requirements of applicable law and listing standards.

10. The Audit Committee shall establish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

11. The Audit Committee shall periodically review with management, including Company counsel, and the independent auditors any correspondence with, or other action by, regulators or governmental agencies and any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters or compliance with the Company's Standards of Business Conduct. The Audit Committee shall also meet periodically, and may request to meet separately, with Company counsel and other appropriate legal staff of the Company, if any, and if appropriate, the Company's outside counsel, to review material legal affairs of the Company and the Company's compliance with applicable law and listing standards.

12. The Audit Committee shall review periodically the Company's policy with respect to related person transactions and shall review the Company's transactions with directors and executive officers of the Company and with firms that employ directors, as well as any other material related party transactions, for the purpose of recommending to the disinterested members of the Board of Directors that the transactions are fair, reasonable and within Company policy, and should be ratified and approved.

13. The Audit Committee shall review annually with management, including Company counsel, the adequacy and appropriateness of the Company's compliance programs.

14. The Audit Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Audit Committee. The Audit Committee shall also carry out such other duties that may be delegated to it by the Board of Directors from time to time.

VI. Outside Advisors

The Audit Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Audit Committee shall set the compensation, and oversee the work, of any outside counsel and other advisors.

The Audit Committee shall receive appropriate funding from the Company, as determined by the Audit Committee in its capacity as a committee of the Board of Directors, for the payment of compensation to the Company's independent auditors, any other accounting firm engaged to perform services for the Company, any outside counsel and any other advisors to the Audit Committee.

***** Adopted by the Board of Directors of GrowGeneration Corp. as of February 10, 2022 *****