

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 14-1088.01 Thomas Morris x4218

HOUSE BILL 14-1398

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HOUSE SPONSORSHIP

Singer,

SENATE SPONSORSHIP

Steadman and Balmer,

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House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE PROVISION OF FINANCIAL SERVICES TO LICENSED  
102 MARIJUANA BUSINESSES.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Because marijuana is illegal under federal law, financial institutions are reluctant to serve state-licensed marijuana businesses. These businesses therefore currently operate almost entirely on a cash-only basis, which raises their costs, increases the risk of crime, and impedes the state's ability to account for these businesses' revenues.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

**Section 1** of the bill enacts the "Marijuana Financial Services Cooperatives Act". Marijuana financial services cooperatives (referred to as "cannabis credit co-ops") are a type of financial services entity, membership in which is restricted to entities that are licensed to own or operate a marijuana business. Cannabis credit co-ops are subject to regulation by the state commissioner of financial services in a manner similar to that of credit unions, with the following differences:

- ! The commissioner has 60 days after the filing of an application for a charter to determine whether the application meets the applicable requirements;
- ! The incorporators of the co-op must provide the commissioner with written evidence of approval by the federal reserve bank for access by the co-op to the federal reserve system;
- ! The commissioner cannot allow more than 10 charters for cannabis credit co-ops to be outstanding at any one time;
- ! The commissioner must examine cannabis credit co-ops at least once every 6 months; and
- ! Once a member no longer owns or operates a licensed marijuana business, the member is no longer qualified to be a member of a co-op.

A cannabis credit co-op:

- ! Cannot refer to itself as a "credit union" or "bank";
- ! Does not need to acquire and maintain deposit insurance;
- ! Is subject to taxation; and
- ! Is specifically required to comply with federal requirements relating to marijuana businesses and their proceeds and to file reports with the commissioner regarding its federal law compliance and compliance with federal guidance.

**Section 3** gives the court of appeals jurisdiction to review certain of the commissioner's actions. **Section 4** sunsets the regulation of cannabis credit co-ops on September 1, 2020.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 33 to title  
3 11 as follows:

4 **ARTICLE 33**

5 **Marijuana Financial Services Cooperatives**

6 **11-33-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY  
7 BE CITED AS THE "MARIJUANA FINANCIAL SERVICES COOPERATIVES ACT".

1           **11-33-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
2   HEREBY:

3           (a) FINDS THAT:

4           (I) BECAUSE MARIJUANA IS CURRENTLY ILLEGAL TO GROW,  
5   POSSESS, OR SELL UNDER FEDERAL LAW, FINANCIAL INSTITUTIONS ARE  
6   RELUCTANT TO PROVIDE FINANCIAL SERVICES TO MARIJUANA BUSINESSES  
7   EVEN WHEN THOSE BUSINESSES ARE PROPERLY LICENSED AND FULLY  
8   LEGAL UNDER COLORADO LAW; AND

9           (II) CONSEQUENTLY, MOST COLORADO-LICENSED MARIJUANA  
10   BUSINESSES MUST OPERATE ALMOST ENTIRELY ON A CASH-ONLY BASIS;

11          (b) DECLARES THAT THIS LACK OF ACCESS TO FINANCIAL SERVICES  
12   HARMS THE PUBLIC INTEREST BY:

13          (I) STIMULATING THE MARIJUANA BLACK MARKET'S COMPETITIVE  
14   ADVANTAGE BY INCREASING LICENSED MARIJUANA BUSINESSES' COSTS OF  
15   DOING BUSINESS;

16          (II) INCREASING THE CRIME RATE ASSOCIATED WITH LICENSED  
17   MARIJUANA BUSINESSES DUE TO THE LARGE AMOUNTS OF CASH THAT MUST  
18   BE KEPT ON PREMISES; AND

19          (III) IMPEDING COLORADO'S ABILITY TO TRACK AND  
20   INDEPENDENTLY VERIFY THE ACCOUNTING OF LICENSED MARIJUANA  
21   BUSINESSES' REVENUES; AND

22          (c) DECLARES THAT THE ENACTMENT OF THIS ARTICLE, BY  
23   AUTHORIZING THE FORMATION OF MARIJUANA FINANCIAL SERVICES  
24   COOPERATIVES, IS NECESSARY FOR THE PROMOTION AND PRESERVATION  
25   OF THE PUBLIC WELFARE.

26           **11-33-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
27   CONTEXT OTHERWISE REQUIRES:

1 (1) "CANNABIS CREDIT CO-OP" OR "CO-OP" MEANS A MARIJUANA  
2 FINANCIAL SERVICES COOPERATIVE.

3 (2) "COMMISSIONER" MEANS THE STATE COMMISSIONER OF  
4 FINANCIAL SERVICES APPOINTED PURSUANT TO SECTION 11-44-102.

5 (3) "DIVISION" MEANS THE DIVISION OF FINANCIAL SERVICES  
6 CREATED IN SECTION 11-44-101.

7 (4) "LICENSED MARIJUANA BUSINESS" MEANS AN ENTITY LICENSED  
8 PURSUANT TO SECTION 12-43.3-402, 12-43.3-403, 12-43.3-404,  
9 12-43.4-402, 12-43.4-403, 12-43.4-404, OR 12-43.4-405, C.R.S.

10 (5) "MEMBER" MEANS A LICENSED MARIJUANA BUSINESS ACTING  
11 THROUGH ONE OR MORE OF ITS CURRENT PARTNERS, EXECUTIVE OFFICERS,  
12 OR DIRECTORS.

13 **11-33-104. Organization - charter - investigation.** (1) A  
14 MARIJUANA FINANCIAL SERVICES COOPERATIVE, REFERRED TO IN THIS  
15 ARTICLE AS A CANNABIS CREDIT CO-OP, IS A COOPERATIVE ASSOCIATION  
16 INCORPORATED PURSUANT TO THIS ARTICLE FOR THE TWOFOLD PURPOSE  
17 OF PROVIDING SPECIFIED FINANCIAL SERVICES TO ITS MEMBERS AND  
18 CREATING A SOURCE OF CREDIT FOR THEM.

19 (2) A CO-OP MAY BE ORGANIZED IN THE FOLLOWING MANNER:

20 (a) (I) ANY EIGHT OR MORE COLORADO RESIDENTS MAY EXECUTE,  
21 IN A NUMBER OF COPIES TO BE SPECIFIED BY THE COMMISSIONER, ARTICLES  
22 OF INCORPORATION THAT SET FORTH THE TERMS BY WHICH THEY AGREE  
23 TO BE BOUND. THE ARTICLES MUST STATE THE NAME AND ADDRESS OF THE  
24 PROPOSED CO-OP; THE NAMES AND ADDRESSES OF THE INCORPORATORS;  
25 THE NUMBER OF SHARES SUBSCRIBED BY EACH INCORPORATOR; AND THE  
26 TERM OF EXISTENCE OF THE CORPORATION, WHICH MAY BE PERPETUAL.

27 (II) A CO-OP MAY BE INCORPORATED AND ORGANIZED FOR THE

1 PURPOSE OF PROVIDING FINANCIAL SERVICES TO LICENSED MARIJUANA  
2 BUSINESSES IN GOOD STANDING WITH THE EXECUTIVE DIRECTOR OF THE  
3 STATE LICENSING AUTHORITY CREATED IN SECTION 12-43.3-201, C.R.S.

4 (b) THE INCORPORATORS MUST PREPARE, IN A NUMBER OF COPIES  
5 TO BE SPECIFIED BY THE COMMISSIONER, PROPOSED BYLAWS FOR THE  
6 GOVERNING OF THE CO-OP, CONSISTENT WITH THIS ARTICLE, ON STANDARD  
7 FORMS APPROVED BY THE COMMISSIONER AND MUST DEFINE IN THE  
8 BYLAWS THE PROPOSED ELIGIBILITY REQUIREMENTS FOR MEMBERSHIP.

9 (c) THE PROPOSED BYLAWS MUST SET FORTH:

10 (I) THE CLASSES OF SHARES THAT THE CO-OP IS AUTHORIZED TO  
11 ISSUE;

12 (II) IF THE SHARES ARE TO CONSIST OF ONE CLASS ONLY, THE PAR  
13 VALUE OF EACH OF THE SHARES OR A STATEMENT THAT ALL OF THE  
14 SHARES ARE WITHOUT PAR VALUE, OR, IF THE SHARES ARE TO BE DIVIDED  
15 INTO CLASSES, A STATEMENT OF THE PAR VALUE OF THE SHARES OF EACH  
16 SUCH CLASS OR THAT THE SHARES ARE TO BE WITHOUT PAR VALUE; AND

17 (III) IF THE SHARES ARE TO BE DIVIDED INTO CLASSES, THE  
18 BYLAWS MUST DESIGNATE EACH CLASS AND A STATEMENT OF ITS  
19 PREFERENCES, LIMITATIONS, AND RELATIVE RIGHTS WITH RESPECT TO THE  
20 SHARES OF EACH OTHER CLASS.

21 (3) (a) THE INCORPORATORS MUST FILE AN APPLICATION IN SUCH  
22 FORM AS MAY BE PRESCRIBED BY THE COMMISSIONER TOGETHER WITH THE  
23 ARTICLES OF INCORPORATION AND THE BYLAWS WITH THE COMMISSIONER,  
24 IN A NUMBER OF COPIES TO BE SPECIFIED BY THE COMMISSIONER, UPON THE  
25 PAYMENT OF A FILING FEE, AS DETERMINED FROM TIME TO TIME BY THE  
26 COMMISSIONER, TO COVER THE REASONABLE AND NECESSARY EXPENSE TO  
27 THE DIVISION ATTRIBUTABLE TO THE APPLICATION. WITHIN SIXTY DAYS

1 AFTER THE FILING AND PAYMENT OF THE FEE, THE COMMISSIONER SHALL  
2 DETERMINE WHETHER THE APPLICATION COMPLIES WITH THIS ARTICLE AND  
3 WHETHER THE CO-OP WOULD BENEFIT ITS MEMBERS AND PROPOSED  
4 MEMBERS, CONSISTENT WITH THE PURPOSES OF THIS ARTICLE, THE  
5 GENERAL CHARACTER AND FITNESS OF THE INCORPORATORS, AND THE  
6 ECONOMIC ADVISABILITY OF ESTABLISHING THE PROPOSED CO-OP. UPON  
7 SUCH DETERMINATION AND WRITTEN EVIDENCE OF APPROVAL BY THE  
8 FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS, THE COMMISSIONER  
9 MAY APPROVE OR DENY AN APPLICATION WITHOUT NOTICE AND HEARING.  
10 IF FEDERAL DEPOSIT INSURANCE PROVIDED BY THE FEDERAL DEPOSIT  
11 INSURANCE CORPORATION OR NATIONAL CREDIT UNION ADMINISTRATION  
12 BECOMES AVAILABLE FOR BANKS, SAVINGS AND LOAN ASSOCIATIONS, AND  
13 CREDIT UNIONS ORGANIZED TO PROVIDE FINANCIAL SERVICES TO THE  
14 LICENSED MARIJUANA INDUSTRY, THE COMMISSIONER MAY DETERMINE  
15 THAT THE CONTINUED ISSUANCE OF CHARTERS UNDER THIS ARTICLE IS NO  
16 LONGER NECESSARY OR DESIRABLE.

17 (b) THE COMMISSIONER SHALL MAKE OR CAUSE TO BE MADE AN  
18 INVESTIGATION TO DETERMINE WHETHER THE INCORPORATORS AND  
19 ORGANIZERS ARE QUALIFIED AND WHETHER THEIR QUALIFICATIONS,  
20 EXPERIENCE CONCERNING FEDERAL COMPLIANCE ISSUES, AND FINANCIAL  
21 EXPERIENCE ARE CONSISTENT WITH THEIR RESPONSIBILITIES AND DUTIES.  
22 THE COMMISSIONER SHALL INVESTIGATE WHETHER AN INCORPORATOR OR  
23 ORGANIZER HAS BEEN CONVICTED OF ANY CRIMINAL ACTIVITY. THE  
24 COMMISSIONER MAY ESTABLISH BY RULE THE CONTENT OF THE  
25 INVESTIGATIONS AND WHAT, IF ANY, INVESTIGATIONS BY OTHER AGENCIES  
26 OR AUTHORITIES MAY BE TREATED AS SUBSTANTIALLY EQUIVALENT TO  
27 AND ACCEPTED IN LIEU OF AN INVESTIGATION BY THE COMMISSIONER.

1           (4) (a) BEFORE THE COMMENCEMENT OF OPERATIONS OR THE  
2 CONDUCT OF BUSINESS BY THE CO-OP, THE INCORPORATORS OF THE CO-OP  
3 MUST PROVIDE TO THE COMMISSIONER WRITTEN EVIDENCE OF APPROVAL  
4 BY THE FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS FOR ACCESS BY  
5 THE CO-OP TO THE FEDERAL RESERVE SYSTEM IN CONNECTION WITH THE  
6 PROPOSED DEPOSITORY ACTIVITIES OF THE CO-OP.

7           (b) UPON RECEIPT OF WRITTEN EVIDENCE OF APPROVAL BY THE  
8 FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS AND APPROVAL OF AN  
9 APPLICATION AND DOCUMENTS BY THE COMMISSIONER, THE  
10 COMMISSIONER SHALL ISSUE A CERTIFICATE OF APPROVAL, IN A NUMBER  
11 OF COPIES EQUAL TO THE NUMBER OF COPIES OF THE ARTICLES OF  
12 INCORPORATION REQUIRED TO BE FILED PURSUANT TO PARAGRAPH (a) OF  
13 SUBSECTION (2) OF THIS SECTION AS SPECIFIED BY THE COMMISSIONER,  
14 AND ATTACH A COPY OF THE CERTIFICATE TO EACH COPY OF THE ARTICLES  
15 OF INCORPORATION. THE INCORPORATORS MUST THEN FILE APPROVED  
16 ARTICLES WITH THE SECRETARY OF STATE AND A COPY OF THE ARTICLES,  
17 CERTIFIED BY THE SECRETARY OF STATE, WITH THE COMMISSIONER. THE  
18 INCORPORATORS MUST PAY TO THE SECRETARY OF STATE A FEE FOR FILING  
19 THE ARTICLES OF INCORPORATION AND A FEE FOR CERTIFYING THE COPY  
20 OF ARTICLES OF INCORPORATION FURNISHED BY THE INCORPORATORS FOR  
21 FILING WITH THE COMMISSIONER, BOTH FEES TO BE DETERMINED AND  
22 COLLECTED PURSUANT TO SECTION 24-21-104 (3), C.R.S.

23           (5) (a) AFTER THE INCORPORATORS HAVE FILED A CERTIFIED COPY  
24 OF ARTICLES OF INCORPORATION WITH THE COMMISSIONER, THE  
25 COMMISSIONER SHALL ISSUE A CHARTER FOR THE CO-OP, AT WHICH TIME  
26 THE CO-OP BECOMES A BODY CORPORATE HAVING THE POWERS  
27 ENUMERATED IN SECTION 7-103-102, C.R.S., EXCEPT AS OTHERWISE

1 PROVIDED OR LIMITED IN THIS ARTICLE.

2 (b) THE COMMISSIONER SHALL NOT PERMIT MORE THAN TEN CO-OP  
3 CHARTERS TO BE OUTSTANDING AT ANY ONE TIME.

4 (6) THE INITIAL BOARD OF DIRECTORS OF THE CO-OP SHALL THEN  
5 ADOPT THE BYLAWS APPROVED BY THE COMMISSIONER.

6 **11-33-105. Bylaws.** THE COMMISSIONER SHALL CAUSE TO BE  
7 PREPARED A STANDARD FORM OF BYLAWS, CONSISTENT WITH THIS  
8 ARTICLE, TO BE ISSUED TO ALL CANNABIS CREDIT CO-OPS. ALL CO-OPS  
9 SHALL OPERATE UNDER THE STANDARD BYLAWS; EXCEPT THAT EACH  
10 CO-OP, SUBJECT TO THE APPROVAL OF THE COMMISSIONER, MUST PROPOSE  
11 ITS OWN NAME, THE NUMBER OF MEMBERS OF ITS BOARD OF DIRECTORS,  
12 ITS CREDIT COMMITTEE, ITS SUPERVISORY COMMITTEE, PROVISIONS  
13 RELATIVE TO TIMES AND PLACES OF MEETINGS OF THE MEMBERSHIP AND  
14 OF THE BOARD OF DIRECTORS, PROVISIONS RELATIVE TO THE CONDUCT OF  
15 ELECTIONS AND BALLOTING OF THE CO-OP, AND MODIFICATIONS OF THE  
16 STANDARD BYLAWS DEEMED APPROPRIATE BY THE BOARD OF DIRECTORS  
17 FOR THE OPERATION OF THE INDIVIDUAL CO-OP. THE COMMISSIONER MUST  
18 APPROVE ANY AND ALL AMENDMENTS TO THE BYLAWS BEFORE THEY  
19 BECOME OPERATIVE.

20 **11-33-106. Membership.** (1) CANNABIS CREDIT CO-OP  
21 MEMBERSHIP CONSISTS OF LICENSED MARIJUANA BUSINESSES THAT ARE  
22 QUALIFIED AND ELECTED TO MEMBERSHIP AND THAT PAY ANY ENTRANCE  
23 FEE.

24 (2) (a) CO-OP MEMBERSHIP IS LIMITED TO ONLY ENTITIES THAT  
25 OWN, OPERATE, OR ARE LICENSED MARIJUANA BUSINESSES IN GOOD  
26 STANDING WITH THE EXECUTIVE DIRECTOR OF THE STATE LICENSING  
27 AUTHORITY CREATED IN SECTION 12-43.3-201, C.R.S.

1 (b) AN INDIVIDUAL IS NOT QUALIFIED TO BE A MEMBER OF A CO-OP,  
2 REGARDLESS OF WHETHER THE INDIVIDUAL IS LICENSED, INCLUDING  
3 PURSUANT TO SECTION 12-43.3-401 (1) (d) OR 12-43.4-401 (1) (e), TO  
4 OWN, OPERATE, MANAGE, OR BE EMPLOYED BY A LICENSED MARIJUANA  
5 BUSINESS, EITHER AS A SOLE PROPRIETOR OR ANY OTHER FORM OF  
6 OWNERSHIP THAT GIVES THE INDIVIDUAL SOLE CONTROL OVER THE  
7 LICENSED MARIJUANA BUSINESS.

8 (3) ONCE A MEMBER NO LONGER OWNS OR OPERATES A LICENSED  
9 MARIJUANA BUSINESS, THE MEMBER IS NO LONGER QUALIFIED TO BE A  
10 MEMBER AND SHALL PROMPTLY TERMINATE ITS DEPOSITS WITH AND REPAY  
11 ITS LOANS FROM THE CO-OP.

12 **11-33-107. Powers.** (1) A CANNABIS CREDIT CO-OP HAS THE  
13 POWER TO:

14 (a) RECEIVE THE SAVINGS OF ITS MEMBERS EITHER AS PAYMENT ON  
15 SHARES OR AS DEPOSITS;

16 (b) MAKE LOANS TO ITS MEMBERS;

17 (c) MAKE LOANS TO OTHER CO-OPS AS PROVIDED IN THIS ARTICLE;

18 (d) MAKE DEPOSITS IN STATE AND NATIONAL FINANCIAL  
19 INSTITUTIONS INSURED BY AN AGENCY OF THE FEDERAL GOVERNMENT  
20 THAT VOLUNTARILY ACCEPTS THOSE DEPOSITS;

21 (e) INVEST IN ANY OF THE FOLLOWING:

22 (I) OBLIGATIONS OF THE UNITED STATES OR SECURITIES  
23 GUARANTEED OR INSURED BY ANY AGENCY OF THE UNITED STATES;

24 (II) OBLIGATIONS OF ANY STATE OR TERRITORY OF THE UNITED  
25 STATES, OR OF ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY  
26 THEREOF, EXCEPT REVENUE OBLIGATIONS ISSUED TO PROVIDE, ENLARGE,  
27 OR IMPROVE ELECTRIC POWER, GAS, WATER, OR SEWER FACILITIES, OR ANY

1 COMBINATION THEREOF, ISSUED BY ANY CITY OR TOWN, OR OTHER SIMILAR  
2 MUNICIPAL CORPORATION HAVING A POPULATION OF FEWER THAN FIVE  
3 THOUSAND PERSONS, AS DETERMINED BY THE LATEST FEDERAL DECENNIAL  
4 CENSUS; AND

5 (III) TO AN EXTENT THAT MUST NOT EXCEED TEN PERCENT OF ITS  
6 SHARES, DEPOSITS, AND UNDIVIDED EARNINGS, IN SHARES OF MUTUAL  
7 FUNDS OR INVESTMENT COMPANIES, STOCKS, BONDS, OR OTHER  
8 SECURITIES OF ANY CORPORATION OR RELIGIOUS OR EDUCATIONAL  
9 ORGANIZATIONS;

10 (f) ACQUIRE, THROUGH PURCHASE OR OTHER LAWFUL  
11 TRANSACTIONS, AND HOLD TITLE TO REAL AND PERSONAL PROPERTY  
12 NECESSARY AND INCIDENTAL TO THE OPERATION OF THE CO-OP, AND SELL,  
13 MORTGAGE, OR OTHERWISE DISPOSE OF THE PROPERTY;

14 (g) EXERCISE SUCH INCIDENTAL POWERS AS ARE NECESSARY TO  
15 ENABLE IT TO CARRY ON EFFECTIVELY THE BUSINESS FOR WHICH IT IS  
16 INCORPORATED AS AUTHORIZED IN THIS ARTICLE;

17 (h) SELL ALL OR ANY PORTION OF ITS ASSETS AND PURCHASE ALL  
18 OR ANY PORTION OF THE ASSETS OF ANOTHER CO-OP AND ASSUME THE  
19 LIABILITIES OF THE SELLING CO-OP, SUBJECT TO THE APPROVAL OF THE  
20 COMMISSIONER; AND

21 (i) PARTICIPATE WITH OTHER CO-OPS OR FINANCIAL  
22 ORGANIZATIONS IN MAKING LOANS TO CO-OP MEMBERS WHEN THE  
23 BORROWER IS A MEMBER OF EITHER THE CO-OP ORIGINATING THE LOAN OR  
24 THE CO-OP PURCHASING A PARTICIPATION INTEREST IN THE LOAN.

25 **11-33-108. Title protection.** (1) A CANNABIS CREDIT CO-OP:

26 (a) SHALL NOT USE THE WORD "BANK" OR THE PHRASE "CREDIT  
27 UNION" IN ITS ARTICLES OF INCORPORATION, TRADE NAME, OR AN

1 ADVERTISEMENT OR OFFER OF SERVICES;

2 (b) SHALL USE:

3 (I) THE PHRASE "MARIJUANA FINANCIAL SERVICES COOPERATIVE"  
4 IN ITS ARTICLES OF INCORPORATION; AND

5 (II) THE WORDS "MARIJUANA" OR "CANNABIS" IN ITS TRADE NAME  
6 AND ANY ADVERTISEMENT OR OFFER OF SERVICES; AND

7 (c) MAY USE THE PHRASES "FINANCIAL SERVICES COOPERATIVE",  
8 "FINANCIAL SERVICES CO-OP", "FINANCIAL COOPERATIVE", "FINANCIAL  
9 CO-OP", "CREDIT COOPERATIVE", OR "CREDIT CO-OP" IN ITS TRADE NAME  
10 OR AN ADVERTISEMENT OR OFFER OF SERVICES.

11 (2) (a) A CO-OP ORGANIZED IN ACCORDANCE WITH THIS ARTICLE  
12 HAS THE EXCLUSIVE RIGHT TO USE THE PHRASES "CANNABIS CREDIT  
13 COOPERATIVE", "MARIJUANA CREDIT COOPERATIVE", "CANNABIS CREDIT  
14 CO-OP", "MARIJUANA CREDIT CO-OP", "CANNABIS FINANCIAL SERVICES  
15 COOPERATIVE", "MARIJUANA FINANCIAL SERVICES COOPERATIVE",  
16 "CANNABIS FINANCIAL SERVICES CO-OP", AND "MARIJUANA FINANCIAL  
17 SERVICES CO-OP" IN ITS NAME, TITLE, AND ADVERTISEMENTS OR OFFERS OF  
18 SERVICES; BUT AN ASSOCIATION COMPOSED OF CO-OPS TRANSACTING  
19 BUSINESS IN THIS STATE MAY USE THOSE PHRASES IN ITS NAME, TITLE, AND  
20 ADVERTISEMENTS OR OFFERS OF SERVICES.

21 (b) ANY PERSON OTHER THAN A CO-OP OR AN ASSOCIATION OF  
22 CO-OPS USING THE PHRASES SPECIFIED IN PARAGRAPH (a) OF THIS  
23 SUBSECTION (2) IN ITS NAME, TITLE, OR ADVERTISEMENTS OR OFFERS OF  
24 SERVICES IS GUILTY OF A MISDEMEANOR AND, UPON CONVICTION THEREOF,  
25 SHALL BE PUNISHED BY A FINE OF NOT MORE THAN FIVE HUNDRED  
26 DOLLARS, IMPRISONMENT IN THE COUNTY JAIL FOR NOT MORE THAN SIXTY  
27 DAYS, OR BOTH.

1           **11-33-109. Examinations - reports - powers of commissioner**

2   **- rules.** (1) (a) CANNABIS CREDIT CO-OPS ARE UNDER THE SUPERVISION  
3   OF THE COMMISSIONER. THE COMMISSIONER SHALL EXAMINE EVERY CO-OP  
4   AT LEAST ONCE DURING ANY SIX-MONTH PERIOD. THE COMMISSIONER  
5   SHALL ASSESS EACH CO-OP AN AMOUNT TO COVER THE EXPENSES OF THE  
6   DIVISION ATTRIBUTABLE TO THE SUPERVISION OF CO-OPS. THE  
7   COMMISSIONER SHALL DETERMINE THE AMOUNT ASSESSED ACCORDING TO  
8   A SCHEDULE OR SCHEDULES OR ANY OTHER METHOD ESTABLISHED BY THE  
9   COMMISSIONER TO BE APPROPRIATE, BUT THE ASSESSMENT MUST BE AT  
10  THE SAME RATE FOR ALL CO-OPS. THE COMMISSIONER MAY WAIVE THE  
11  PAYMENT OF ALL OR A PORTION OF THE ASSESSMENT WITH RESPECT TO A  
12  YEAR IN WHICH A CHARTER IS ISSUED OR CANCELLED OR IN WHICH A FINAL  
13  DISTRIBUTION IS MADE IN LIQUIDATION.

14           (b) THE COMMISSIONER SHALL ESTABLISH THE DIVISION'S ANNUAL  
15  ASSESSMENT, TO BE COLLECTED AT LEAST SEMIANNUALLY IN AMOUNTS  
16  SUFFICIENT TO GENERATE THE MONEYS APPROPRIATED BY THE GENERAL  
17  ASSEMBLY TO THE DIVISION FOR EACH FISCAL YEAR.

18           (2) QUARTERLY, EVERY CO-OP SHALL FILE A FINANCIAL REPORT  
19  WITH THE COMMISSIONER ON A DATE ESTABLISHED BY THE COMMISSIONER,  
20  IN A FORM PRESCRIBED BY THE COMMISSIONER. THE COMMISSIONER MAY  
21  REQUIRE THAT ADDITIONAL REPORTS BE FILED. FOR FAILURE TO FILE A  
22  REPORT WHEN DUE, UNLESS EXCUSED FOR CAUSE, A CO-OP SHALL PAY TO  
23  THE COMMISSIONER A PENALTY, AS PRESCRIBED BY RULE, FOR EACH DAY  
24  OF DELINQUENCY IN FILING.

25           (3) THE COMMISSIONER MAY ADOPT RULES NECESSARY FOR THE  
26  ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE AND SHALL  
27  REFERENCE THE RULES TO THE SECTIONS OF THIS ARTICLE TO WHICH THEY

1 APPLY. THE COMMISSIONER SHALL PROMULGATE THE RULES PURSUANT TO  
2 ARTICLE 4 OF TITLE 24, C.R.S., AND SHALL MAIL A COPY OF THE RULES  
3 AND OF EACH ORDER TO EACH CO-OP AT LEAST THIRTY DAYS BEFORE  
4 THEIR EFFECTIVE DATE, EXCEPT AS TO TEMPORARY OR EMERGENCY RULES.

5 (4) EXCEPT IN CASES WHERE THERE IS A STATUTORY RIGHT TO  
6 APPEAL TO THE COMMISSIONER, ANY PERSON AGGRIEVED AND DIRECTLY  
7 AFFECTED BY A FINAL ORDER OF THE COMMISSIONER MAY OBTAIN  
8 JUDICIAL REVIEW OF THE ORDER BY FILING AN ACTION FOR REVIEW WITH  
9 THE COLORADO COURT OF APPEALS PURSUANT TO SECTION 24-4-106(11),  
10 C.R.S., WITHIN THIRTY DAYS AFTER THE DATE OF ISSUANCE OF THE ORDER.

11 (5) THE COMMISSIONER MAY CHARGE OFF THE WHOLE OR ANY  
12 PART OF ANY ASSET OF ANY CO-OP THAT COULD NOT BE LAWFULLY  
13 ACQUIRED BY IT AND TO REDUCE THE VALUE OF ANY ASSET OF A CO-OP TO  
14 ITS MARKET VALUE OR TO A REASONABLE VALUE, IF NO MARKET VALUE  
15 CAN BE ESTABLISHED. IF THE LOSSES OF A CO-OP EXCEED ITS UNDIVIDED  
16 EARNINGS AND RESERVE FUNDS SO THAT THE REASONABLE VALUE OF ITS  
17 ASSETS IS LESS THAN THE TOTAL AMOUNT DUE THE SHAREHOLDERS, THE  
18 COMMISSIONER MAY ORDER A REDUCTION IN THE LIABILITY TO EACH  
19 SHAREHOLDER, DIVIDING THE LOSS PROPORTIONATELY AMONG ALL  
20 SHAREHOLDERS. ANY REDUCTION FROM EACH SHARE ACCOUNT MUST BE  
21 A SPECIFIED PERCENTAGE SUFFICIENT TO CORRECT THE IMPAIRED  
22 CONDITION AND PRESERVE THE SOLVENCY OF THE CO-OP. IF THEREAFTER  
23 THE CO-OP REALIZES FROM THE ASSETS A GREATER AMOUNT THAN THAT  
24 FIXED BY THE ORDER OF REDUCTION, THE COMMISSIONER SHALL DIVIDE  
25 THE EXCESS PROPORTIONATELY AMONG THE SHAREHOLDERS TO WHOM  
26 LIABILITY WAS PREVIOUSLY REDUCED, BUT ONLY TO THE EXTENT OF THE  
27 REDUCTION.

1           (6) THE COMMISSIONER MAY ISSUE SUBPOENAS AND REQUIRE  
2 ATTENDANCE OF ANY OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES OF  
3 A CO-OP AND SUCH OTHER WITNESSES AS THE COMMISSIONER DEEMS  
4 NECESSARY IN RELATION TO ITS AFFAIRS, TRANSACTIONS, AND  
5 CONDITIONS, AND MAY REQUIRE THE WITNESSES TO APPEAR AND ANSWER  
6 SUCH QUESTIONS AS THE COMMISSIONER PUTS TO THEM, AND MAY  
7 REQUIRE THE WITNESSES TO PRODUCE SUCH BOOKS, PAPERS, OR  
8 DOCUMENTS IN THEIR POSSESSION AS THE COMMISSIONER MAY REQUIRE.  
9 UPON APPLICATION OF THE COMMISSIONER, A PERSON SERVED WITH A  
10 SUBPOENA ISSUED BY THE COMMISSIONER MAY BE REQUIRED, BY ORDER  
11 OF THE DISTRICT COURT OF THE COUNTY WHERE THE CO-OP HAS ITS  
12 PRINCIPAL OFFICE, TO APPEAR AND ANSWER SUCH QUESTIONS AS THE  
13 COMMISSIONER MAY PUT TO THE WITNESS AND BE REQUIRED TO PRODUCE  
14 SUCH BOOKS, PAPERS, OR DOCUMENTS IN THE WITNESS' POSSESSION AS THE  
15 COMMISSIONER MAY REQUIRE.

16           (7) THE COMMISSIONER MAY ISSUE CEASE-AND-DESIST ORDERS IF  
17 THE COMMISSIONER DETERMINES FROM COMPETENT AND SUBSTANTIAL  
18 EVIDENCE THAT A CO-OP IS ENGAGED OR HAS ENGAGED, OR WHEN THE  
19 COMMISSIONER HAS REASONABLE CAUSE TO BELIEVE THE CO-OP IS ABOUT  
20 TO ENGAGE, IN AN UNSAFE OR UNSOUND PRACTICE OR IS VIOLATING OR  
21 HAS VIOLATED, OR WHEN THE COMMISSIONER HAS REASONABLE CAUSE TO  
22 BELIEVE THE CO-OP IS ABOUT TO VIOLATE, A MATERIAL PROVISION OF ANY  
23 LAW OR RULE OR ANY CONDITION IMPOSED IN WRITING BY THE  
24 COMMISSIONER OR ANY WRITTEN AGREEMENT MADE WITH THE  
25 COMMISSIONER.

26           (8) (a) (I) THE COMMISSIONER MAY SUSPEND OR REMOVE A  
27 DIRECTOR, OFFICER, OR EMPLOYEE OF A CO-OP WHEN THE COMMISSIONER

1 DETERMINES THAT THE PERSON HAS:

2 (A) VIOLATED A PROVISION OF THIS ARTICLE OR A LAWFUL RULE  
3 OR ORDER ISSUED PURSUANT TO THIS ARTICLE;

4 (B) ENGAGED OR PARTICIPATED IN AN UNSAFE OR UNSOUND  
5 PRACTICE IN THE CONDUCT OF A CO-OP;

6 (C) COMMITTED OR ENGAGED IN AN ACT, OMISSION, OR PRACTICE  
7 THAT CONSTITUTES A BREACH OF FIDUCIARY DUTY TO THE CO-OP, AND THE  
8 CO-OP HAS SUFFERED OR WILL PROBABLY SUFFER FINANCIAL LOSS OR  
9 OTHER DAMAGE, OR THE INTERESTS OF MEMBERS OR ACCOUNT HOLDERS  
10 MAY BE SERIOUSLY PREJUDICED THEREBY; OR

11 (D) RECEIVED FINANCIAL GAIN BY REASON OF A VIOLATION,  
12 PRACTICE, OR BREACH OF FIDUCIARY DUTY THAT INVOLVED PERSONAL  
13 DISHONESTY OR DEMONSTRATED A WILLFUL OR CONTINUING DISREGARD  
14 FOR THE SAFETY OR SOUNDNESS OF THE CO-OP.

15 (II) THE COMMISSIONER MAY SUSPEND OR REMOVE A DIRECTOR,  
16 OFFICER, OR EMPLOYEE OF A CO-OP WHO, UNDER THE LAWS OF THIS STATE,  
17 THE UNITED STATES, OR ANY OTHER STATE OR TERRITORY OF THE UNITED  
18 STATES:

19 (A) HAS ENTERED A PLEA OF GUILTY OR NOLO CONTENDERE TO OR  
20 BEEN CONVICTED OF A CRIME INVOLVING THEFT OR FRAUD THAT IS  
21 CLASSIFIED AS A FELONY; OR

22 (B) IS SUBJECT TO AN ORDER REMOVING OR SUSPENDING THE  
23 INDIVIDUAL FROM OFFICE OR PROHIBITING THE INDIVIDUAL'S  
24 PARTICIPATION IN THE CONDUCT OF THE AFFAIRS OF A CO-OP, SAVINGS  
25 AND LOAN ASSOCIATION, BANK, OR OTHER FINANCIAL INSTITUTION.

26 (b) (I) A SUSPENSION OR REMOVAL ORDER MUST SPECIFY THE  
27 GROUNDS FOR THE SUSPENSION OR REMOVAL. THE COMMISSIONER SHALL

1 SEND A COPY OF THE ORDER TO THE CO-OP CONCERNED AND TO EACH  
2 MEMBER OF ITS BOARD OF DIRECTORS. THE COMMISSIONER SHALL SEND  
3 WRITTEN NOTICE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO  
4 EACH PERSON AFFECTED BY PARAGRAPH (a) OF THIS SUBSECTION (8) AT  
5 LEAST TEN DAYS BEFORE A HEARING HELD PURSUANT TO SECTION  
6 24-4-105, C.R.S., AT WHICH THE COMMISSIONER SHALL PRESIDE.

7 (II) IF THE COMMISSIONER DETERMINES THAT EXTRAORDINARY  
8 CIRCUMSTANCES REQUIRE IMMEDIATE ACTION, THE COMMISSIONER MAY  
9 SUSPEND OR REMOVE A PERSON UNDER PARAGRAPH (a) OF THIS  
10 SUBSECTION (8) WITHOUT NOTICE OR A HEARING, BUT THE COMMISSIONER  
11 SHALL CONDUCT A HEARING UNDER SECTION 24-4-105, C.R.S., WITHIN  
12 THIRTY DAYS AFTER THE SUSPENSION OR REMOVAL.

13 (III) IN EXTRAORDINARY CIRCUMSTANCES, UPON ORDER OF THE  
14 COMMISSIONER, A HEARING CONDUCTED PURSUANT TO THIS SECTION IS  
15 EXEMPT FROM ANY PROVISION OF LAW REQUIRING THAT PROCEEDINGS OF  
16 THE COMMISSIONER BE CONDUCTED PUBLICLY. EXTRAORDINARY  
17 CIRCUMSTANCES OCCUR WHEN SPECIFIC CONCERN ARISES ABOUT PROMPT  
18 WITHDRAWAL OF MONEYS FROM THE CO-OP.

19 (IV) A PERSON WHO PERFORMS A DUTY OR EXERCISES A POWER OF  
20 A CO-OP AFTER RECEIPT OF A SUSPENSION OR REMOVAL ORDER UNDER  
21 PARAGRAPH (a) OF THIS SUBSECTION (8) COMMITS A CLASS 1  
22 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION  
23 18-1.3-501, C.R.S.

24 **11-33-110. Assessment of civil fines.** (1) (a) AFTER NOTICE AND  
25 A HEARING AS PROVIDED IN ARTICLE 4 OF TITLE 24, C.R.S., AND AFTER  
26 MAKING A DETERMINATION THAT NO OTHER APPROPRIATE  
27 GOVERNMENTAL AGENCY HAS TAKEN SIMILAR ACTION AGAINST THE

1 PERSON FOR THE SAME ACT OR PRACTICE, THE COMMISSIONER MAY ASSESS  
2 AND COLLECT A CIVIL FINE FROM A PERSON WHO HAS VIOLATED A FINAL  
3 CEASE-AND-DESIST ORDER ISSUED BY THE COMMISSIONER PURSUANT TO  
4 SECTION 11-33-109 (7) OR A SUSPENSION ORDER ISSUED PURSUANT TO  
5 SECTION 11-33-122.

6 (b) FOR THE PURPOSES OF THIS SECTION, A VIOLATION INCLUDES  
7 AN ACTION BY ANY PERSON, ALONE OR WITH ANOTHER PERSON, THAT  
8 CAUSES, BRINGS ABOUT, OR RESULTS IN THE PARTICIPATION IN,  
9 COUNSELING OF, OR AIDING OR ABETTING OF A VIOLATION.

10 (c) IN EXTRAORDINARY CIRCUMSTANCES, UPON ORDER OF THE  
11 COMMISSIONER, A HEARING CONDUCTED PURSUANT TO THIS SECTION IS  
12 EXEMPT FROM ANY PROVISION OF LAW REQUIRING THAT PROCEEDINGS OF  
13 THE COMMISSIONER BE CONDUCTED PUBLICLY. EXTRAORDINARY  
14 CIRCUMSTANCES OCCUR WHEN SPECIFIC CONCERN ARISES ABOUT PROMPT  
15 WITHDRAWAL OF MONEYS FROM A CO-OP.

16 (2) (a) THE COMMISSIONER MUST ASSESS CIVIL FINES BY WRITTEN  
17 NOTICE OF ASSESSMENT OF A CIVIL FINE SERVED UPON THE PERSON TO BE  
18 ASSESSED. THE NOTICE OF ASSESSMENT OF A CIVIL FINE MUST STATE THE  
19 AMOUNT OF THE FINE, THE PERIOD FOR PAYMENT, THE LEGAL AUTHORITY  
20 FOR THE ASSESSMENT, AND THE MATTERS OF FACT OR LAW CONSTITUTING  
21 THE GROUNDS FOR ASSESSMENT. THE PERSON MAY FILE A REQUEST FOR A  
22 REHEARING REGARDING THE NOTICE OF ASSESSMENT OF A CIVIL FINE WITH  
23 THE COMMISSIONER PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION  
24 (2).

25 (b) A PERSON MUST FILE THE NOTICE OF REHEARING WITH THE  
26 COMMISSIONER WITHIN THIRTY DAYS AFTER THE ASSESSMENT. THE NOTICE  
27 MUST CONTAIN A BRIEF STATEMENT OF THE PERTINENT FACTS UPON WHICH

1 THE REQUEST IS BASED. WITHIN SIXTY DAYS AFTER THE REQUEST IS FILED,  
2 THE COMMISSIONER SHALL FIX A DATE, TIME, AND PLACE FOR THE  
3 REHEARING AND SHALL NOTIFY THE PERSON AT LEAST THIRTY DAYS  
4 BEFORE THE DATE OF THE REHEARING. THE COMMISSIONER MAY STAY THE  
5 CIVIL FINE PENDING THE REHEARING. ON REHEARING, THE COMMISSIONER  
6 MAY CONSIDER, AMONG OTHER MATTERS, WHETHER THE CIVIL FINE  
7 ASSESSED IS APPROPRIATE CONSIDERING THE FINANCIAL RESOURCES OF  
8 THE PERSON ASSESSED. THE DECISION OF THE COMMISSIONER IS FINAL  
9 AGENCY ACTION.

10 (c) IN EXTRAORDINARY CIRCUMSTANCES, UPON ORDER OF THE  
11 COMMISSIONER, A REHEARING CONDUCTED PURSUANT TO PARAGRAPH (a)  
12 OF THIS SUBSECTION (2) IS EXEMPT FROM ANY PROVISION OF LAW  
13 REQUIRING THAT PROCEEDINGS OF THE COMMISSIONER BE CONDUCTED  
14 PUBLICLY. EXTRAORDINARY CIRCUMSTANCES OCCUR WHEN SPECIFIC  
15 CONCERN ARISES ABOUT PROMPT WITHDRAWAL OF MONEYS FROM A CO-OP.

16 (3) IN DETERMINING THE AMOUNT OF THE CIVIL FINE TO BE  
17 ASSESSED, THE COMMISSIONER SHALL CONSIDER THE GOOD FAITH OF THE  
18 PERSON ASSESSED, THE GRAVITY OF THE VIOLATION, ANY PREVIOUS  
19 VIOLATIONS BY THE PERSON ASSESSED, AND SUCH OTHER MATTERS AS THE  
20 COMMISSIONER DEEMS APPROPRIATE; EXCEPT THAT THE CIVIL FINE MUST  
21 BE NOT MORE THAN ONE THOUSAND DOLLARS PER DAY FOR EACH DAY THE  
22 PERSON ASSESSED IS DETERMINED BY THE COMMISSIONER TO BE IN  
23 VIOLATION OF A CEASE-AND-DESIST ORDER OR AN ORDER OF SUSPENSION  
24 OR REMOVAL. ALTERNATIVELY, THE COMMISSIONER MAY ASSESS A CIVIL  
25 FINE FOR THE VIOLATION IN A LUMP SUM AMOUNT NOT TO EXCEED FIFTY  
26 THOUSAND DOLLARS.

27 (4) CIVIL FINES ASSESSED PURSUANT TO THIS SECTION ARE DUE

1 AND PAYABLE AND MUST BE COLLECTED WITHIN THIRTY DAYS AFTER THE  
2 COMMISSIONER ISSUES THE NOTICE OF ASSESSMENT OF A CIVIL FINE;  
3 EXCEPT THAT THE COMMISSIONER MAY COMPROMISE, MODIFY, OR SET  
4 ASIDE ANY CIVIL FINE. IF A PERSON FAILS TO PAY AN ASSESSMENT AFTER  
5 IT HAS BECOME DUE AND PAYABLE, THE COMMISSIONER MAY REFER THE  
6 MATTER TO THE ATTORNEY GENERAL, WHO SHALL RECOVER THE AMOUNT  
7 ASSESSED BY ACTION IN THE DISTRICT COURT FOR THE CITY AND COUNTY  
8 OF DENVER. A CIVIL FINE COLLECTED PURSUANT TO THIS SECTION SHALL  
9 BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE  
10 GENERAL FUND.

11 **11-33-111. Fiscal year - meetings.** THE FISCAL YEAR OF ALL  
12 CANNABIS CREDIT CO-OPS ENDS ON DECEMBER 31 OF EACH YEAR. THE  
13 CO-OP SHALL HOLD ITS ANNUAL MEETING WITHIN FIVE MONTHS AFTER THE  
14 CLOSE OF THE FISCAL YEAR. SPECIAL MEETINGS MAY BE HELD IN THE  
15 MANNER INDICATED IN THE BYLAWS. AT ALL MEETINGS A MEMBER HAS  
16 BUT A SINGLE VOTE, WHATEVER THE MEMBER'S SHARE HOLDINGS. VOTING  
17 BY PROXY IS PROHIBITED.

18 **11-33-112. Elections.** (1) (a) AT THE ANNUAL MEETING, OR BY  
19 OTHER PROPER BALLOTING WITHIN THIRTY DAYS BEFORE AND TWENTY  
20 DAYS AFTER THE ANNUAL MEETING, THE CANNABIS CREDIT CO-OP  
21 MEMBERS MUST ELECT FROM THE MEMBERSHIP, OR THE BOARD OF  
22 DIRECTORS MUST APPOINT AS PROVIDED IN THE BYLAWS OF THE CO-OP:

23 (I) A BOARD OF DIRECTORS OF NOT LESS THAN FIVE MEMBERS;

24 (II) A SUPERVISORY COMMITTEE OF NOT LESS THAN THREE  
25 MEMBERS; AND

26 (III) A CREDIT COMMITTEE OF NOT LESS THAN THREE MEMBERS OR  
27 A CREDIT OFFICER.

1 (b) IN ADDITION, THE CO-OP MEMBERS MAY ELECT, OR THE BOARD  
2 MAY APPOINT, ONE OR MORE ALTERNATE MEMBERS OF THE CREDIT  
3 COMMITTEE TO SERVE IN THE ABSENCE OF MEMBERS OF THE CREDIT  
4 COMMITTEE.

5 (2) ALL PERSONS APPOINTED OR ELECTED PURSUANT TO  
6 SUBSECTION (1) OF THIS SECTION HOLD OFFICE FOR THE TERMS SPECIFIED  
7 IN THE BYLAWS AND UNTIL SUCCESSORS ARE ELECTED OR APPOINTED AND  
8 ARE QUALIFIED. A PERSON SHALL NOT HOLD MORE THAN ONE ELECTED  
9 OFFICE SIMULTANEOUSLY.

10 (3) THE CO-OP SHALL FILE WITH THE COMMISSIONER A RECORD OF  
11 THE NAMES AND ADDRESSES OF THE MEMBERS OF THE BOARD AND THE  
12 COMMITTEES, ALTERNATES, AND OFFICERS WITHIN TWENTY DAYS AFTER  
13 THEIR ELECTION OR APPOINTMENT.

14 **11-33-113. Directors and officers.** (1) AT ITS FIRST MEETING  
15 AFTER THE ANNUAL ELECTION, THE BOARD OF DIRECTORS SHALL ELECT  
16 FROM ITS OWN NUMBER: AN EXECUTIVE OFFICER, WHO MAY BE  
17 DESIGNATED AS CHAIR OF THE BOARD OR PRESIDENT; A VICE-CHAIR OF THE  
18 BOARD OR ONE OR MORE VICE-PRESIDENTS; A TREASURER; AND A  
19 SECRETARY. A SINGLE PERSON SHALL NOT SERVE AS BOTH SECRETARY  
20 AND TREASURER. THE PERSONS SO ELECTED ARE THE EXECUTIVE OFFICERS  
21 OF THE CORPORATION. THE BOARD OF DIRECTORS IS RESPONSIBLE FOR THE  
22 GENERAL MANAGEMENT OF THE AFFAIRS OF THE CANNABIS CREDIT CO-OP,  
23 AND MORE SPECIFICALLY FOR:

24 (a) ACTING ON APPLICATIONS FOR MEMBERSHIP, OR APPOINTING  
25 FROM AMONG THE MEMBERSHIP OF THE CO-OP ONE OR MORE MEMBERSHIP  
26 OFFICERS WHO MAY ACT ON APPLICATIONS FOR MEMBERSHIP;

27 (b) SETTING POLICIES, TERMS, AND CONDITIONS UNDER WHICH

1 LOANS WILL BE AVAILABLE TO MEMBERS, AND DETERMINING INTEREST  
2 RATES ON LOANS AND ON DEPOSITS;

3 (c) FIXING THE AMOUNT OF THE BLANKET SURETY BOND THAT  
4 COVERS ALL ELECTED AND APPOINTED OFFICIALS AND ALL EMPLOYEES OF  
5 THE CO-OP. THE BLANKET SURETY BOND MUST BE IN AN AMOUNT EQUAL  
6 TO THE ASSETS OF THE CO-OP AS OF DECEMBER 31 OF THE PREVIOUS YEAR  
7 OR ONE MILLION DOLLARS, WHICHEVER IS LESS, OR IN SUCH OTHER  
8 AMOUNT AS THE COMMISSIONER MAY PRESCRIBE.

9 (d) DECLARING DIVIDENDS AND, SUBJECT TO APPROVAL BY THE  
10 COMMISSIONER, ADOPTING AMENDMENTS TO THE BYLAWS OF THE CO-OP;

11 (e) DETERMINING WHEN ANY VACANCY EXISTS IN THE BOARD OF  
12 DIRECTORS OR IN THE CREDIT COMMITTEE, FILLING VACANCIES IN THE  
13 BOARD AND IN THE CREDIT COMMITTEE UNTIL SUCCESSORS ARE ELECTED  
14 OR APPOINTED AND QUALIFY, AND APPOINTING ONE OR MORE ASSISTANT  
15 SECRETARIES OR TREASURERS OR BOTH, AS NEEDED; AND THE BOARD  
16 SHALL EMPLOY:

17 (I) AN OFFICER IN CHARGE OF OPERATIONS WHOSE TITLE IS EITHER  
18 PRESIDENT OR CHIEF EXECUTIVE OFFICER TO ACT AS GENERAL MANAGER  
19 AND WHO SHALL BE IN ACTIVE CHARGE OF THE AFFAIRS OF THE CO-OP; AND

20 (II) A CHIEF FINANCIAL OFFICER;

21 (f) DETERMINING THE MAXIMUM INDIVIDUAL SHARE HOLDINGS IN  
22 THE CO-OP AND THE MAXIMUM AMOUNT OF INDIVIDUAL LOANS THAT CAN  
23 BE MADE EITHER WITH OR WITHOUT SECURITY;

24 (g) HAVING CHARGE OF AND SUPERVISING INVESTMENTS OF CO-OP  
25 FUNDS;

26 (h) MAINTAINING RECORDS PURSUANT TO RULES PROMULGATED  
27 BY THE COMMISSIONER CONCERNING HOW LONG RECORDS MUST BE

1       RETAINED AND IN WHAT MANNER;

2               (i) PROVIDING FOR COMPENSATION FOR NECESSARY CLERICAL AND  
3       AUDITING ASSISTANCE REQUESTED BY THE SUPERVISORY COMMITTEE AND  
4       OF LOAN OFFICERS APPOINTED BY THE CREDIT COMMITTEE, AND  
5       ESTABLISHING ANY SALARY TO BE PAID TO THE CHIEF EXECUTIVE OFFICER,  
6       PRESIDENT, OR CHIEF FINANCIAL OFFICER.

7               (2) THE BYLAWS MUST DETERMINE THE DUTIES OF THE OFFICERS;  
8       EXCEPT THAT THE TREASURER IS THE GENERAL MANAGER IF A GENERAL  
9       MANAGER HAS NOT BEEN EMPLOYED PURSUANT TO PARAGRAPH (e) OF  
10      SUBSECTION (1) OF THIS SECTION.

11              **11-33-114. Credit committee - credit officer.** THE CREDIT  
12      COMMITTEE OR CREDIT OFFICER IS RESPONSIBLE FOR THE GENERAL  
13      SUPERVISION OF ALL LOANS TO MEMBERS. APPLICATIONS FOR LOANS MUST  
14      BE ON A FORM APPROVED BY THE CREDIT COMMITTEE OR THE CREDIT  
15      OFFICER. AT LEAST A MAJORITY OF THE MEMBERS OF THE CREDIT  
16      COMMITTEE OR THE CREDIT OFFICER MUST APPROVE OR DISAPPROVE ALL  
17      LOANS; EXCEPT THAT THE CREDIT COMMITTEE OR THE CREDIT OFFICER  
18      MAY APPOINT ONE OR MORE LOAN OFFICERS AND DELEGATE TO THE LOAN  
19      OFFICER THE POWER TO APPROVE OR DISAPPROVE LOANS THAT ARE WITHIN  
20      LIMITS PRESCRIBED BY THE CREDIT COMMITTEE OR THE CREDIT OFFICER.  
21      EACH LOAN OFFICER SHALL FURNISH TO THE CREDIT COMMITTEE OR THE  
22      CREDIT OFFICER A RECORD OF EACH LOAN APPLICATION RECEIVED BY THE  
23      LOAN OFFICER WITHIN SEVEN DAYS AFTER THE DATE OF FILING OF THE  
24      APPLICATION. THE CREDIT COMMITTEE OR THE CREDIT OFFICE MAY  
25      CONSIDER ALL LOANS NOT APPROVED BY A LOAN OFFICER. A MEMBER OF  
26      THE CREDIT COMMITTEE SHALL NOT RECEIVE ANY COMPENSATION AS A  
27      LOAN OFFICER OR BE EMPLOYED BY THE CANNABIS CREDIT CO-OP IN ANY

1 OTHER CAPACITY. A CREDIT OFFICER MAY RECEIVE COMPENSATION IN  
2 CONNECTION WITH THE PERFORMANCE OF HIS OR HER DUTIES. THE CREDIT  
3 COMMITTEE SHALL MEET AS OFTEN AS NECESSARY AFTER DUE NOTICE TO  
4 EACH MEMBER. VACANCIES IN THE CREDIT COMMITTEE SHALL BE FILLED  
5 PURSUANT TO SECTION 11-33-113 (1) (e).

6 **11-33-115. Supervisory committee.** (1) THE SUPERVISORY  
7 COMMITTEE SHALL:

8 (a) MAKE, OR CAUSE TO BE MADE, A COMPREHENSIVE ANNUAL  
9 AUDIT OF THE BOOKS AND AFFAIRS OF THE CANNABIS CREDIT CO-OP AND  
10 SHALL SUBMIT A REPORT OF THE ANNUAL AUDIT TO THE BOARD OF  
11 DIRECTORS AND A SUMMARY OF THAT REPORT TO THE MEMBERS AT THE  
12 NEXT ANNUAL MEETING. THE COMMITTEE SHALL MAKE OR CAUSE TO BE  
13 MADE SUCH SUPPLEMENTARY AUDITS OR EXAMINATIONS AS IT DEEMS  
14 NECESSARY OR AS REQUIRED BY THE COMMISSIONER.

15 (b) MAKE AN ANNUAL REPORT AND SUBMIT THE REPORT AT THE  
16 ANNUAL MEETING OF THE MEMBERS;

17 (c) BY UNANIMOUS VOTE OF THE COMMITTEE IF IT DEEMS THE  
18 ACTION TO BE NECESSARY FOR THE PROPER CONDUCT OF THE CO-OP,  
19 TEMPORARILY SUSPEND AN OFFICER OR DIRECTOR OF THE CO-OP OR A  
20 MEMBER OF THE CREDIT COMMITTEE, AND CALL A SPECIAL MEETING OF  
21 THE MEMBERS OF THE CO-OP NOT LESS THAN SEVEN NOR MORE THAN  
22 FOURTEEN DAYS AFTER THE SUSPENSION TO TAKE FINAL ACTION ON THE  
23 SUSPENSION. THE MEMBERS AT THE MEETING MAY SUSTAIN THE  
24 SUSPENSION AND REMOVE THE OFFICER, DIRECTOR, OR MEMBER OF THE  
25 CREDIT COMMITTEE PERMANENTLY AND ELECT A SUCCESSOR THERETO FOR  
26 THE UNEXPIRED TERM OF OFFICE OR MAY REINSTATE THE PERSON.

27 (d) ANNUALLY VERIFY, OR CAUSE TO BE VERIFIED, BY A RANDOM

1 SAMPLING OR BY VERIFICATION OF ALL MEMBERS' ACCOUNTS, THE  
2 MEMBERS' SHARE, DEPOSIT, AND LOAN ACCOUNTS. THE VERIFICATION MAY  
3 BE OBTAINED BY EITHER SENDING OR CAUSING TO BE SENT A STATEMENT  
4 OF ACCOUNT TO EACH MEMBER OR BY SUCH MEANS AS MAY BE SPECIFIED  
5 BY THE COMMISSIONER.

6 (e) NOT LESS FREQUENTLY THAN TWICE ANNUALLY, OR AS  
7 OTHERWISE REQUIRED BY THE COMMISSIONER, EXAMINE THE CONTINUED  
8 ELIGIBILITY OF EACH MEMBER AND EXPEL EACH MEMBER THAT IS NO  
9 LONGER QUALIFIED TO BE A MEMBER.

10 (2) BY MAJORITY VOTE, THE SUPERVISORY COMMITTEE MAY CALL  
11 A SPECIAL MEETING OF THE MEMBERS OF THE CO-OP TO CONSIDER A  
12 VIOLATION OF A PROVISION OF THIS ARTICLE, RULES OF THE  
13 COMMISSIONER, THE BYLAWS, OR A RULE OR REQUIREMENT OF THE CO-OP,  
14 BY AN OFFICER, DIRECTOR, MEMBER OF A COMMITTEE, OR A MEMBER, THAT  
15 THE COMMITTEE DEEMS TO BE DETRIMENTAL TO THE CO-OP. THE  
16 SUPERVISORY COMMITTEE SHALL FILL VACANCIES IN ITS OWN MEMBERSHIP  
17 UNTIL THE NEXT ANNUAL ELECTION OF THE CO-OP.

18 **11-33-116. Capital.** THE CAPITAL OF A CANNABIS CREDIT CO-OP  
19 CONSISTS OF THE PAYMENTS THAT HAVE BEEN MADE TO IT IN SHARES BY  
20 ITS MEMBERS. THE CO-OP HAS A LIEN ON THE SHARES AND DEPOSITS OF A  
21 MEMBER FOR ANY SUM DUE TO THE CO-OP FROM A MEMBER OR FOR ANY  
22 LOAN ENDORSED BY A MEMBER. A CO-OP MAY CHARGE AN ENTRANCE FEE  
23 AND AN ANNUAL MEMBERSHIP FEE, BUT THE FEES MUST BE UNIFORM TO  
24 ALL MEMBERS.

25 **11-33-117. Loans.** A CANNABIS CREDIT CO-OP MAY MAKE LOANS  
26 TO MEMBERS SUBJECT TO THIS ARTICLE AND THE BYLAWS OF THE CO-OP.  
27 A BORROWER MAY REPAY A LOAN IN WHOLE OR IN PART ANY DAY THE

1 OFFICE OF THE CO-OP IS OPEN FOR BUSINESS.

2 **11-33-118. Reserves.** THE COMMISSIONER MAY REQUIRE  
3 RESERVES TO PROTECT THE INTEREST OF MEMBERS BY GENERAL RULES. IN  
4 ADDITION, THE COMMISSIONER MAY REQUIRE SPECIAL RESERVES BY AN  
5 ORDER DIRECTED TO AN INDIVIDUAL CANNABIS CREDIT CO-OP IN A SPECIAL  
6 CASE.

7 **11-33-119. Confidentiality.** (1) NEITHER THE COMMISSIONER,  
8 THE COMMISSIONER'S DEPUTY, NOR ANY OTHER PERSON APPOINTED BY THE  
9 COMMISSIONER SHALL DIVULGE ANY INFORMATION ACQUIRED IN THE  
10 DISCHARGE OF THE PERSON'S DUTIES; EXCEPT THAT:

11 (a) A PERSON SPECIFIED IN THE INTRODUCTORY PORTION TO THIS  
12 SUBSECTION (1) MAY DIVULGE INFORMATION ACQUIRED IN THE DISCHARGE  
13 OF THE PERSON'S DUTIES IF DOING SO IS MADE NECESSARY BY LAW OR  
14 UNDER ORDER OF COURT IN AN ACTION INVOLVING THE DIVISION OR IN  
15 CRIMINAL ACTIONS;

16 (b) THE COMMISSIONER MAY FURNISH INFORMATION AS TO THE  
17 CONDITION OF A CANNABIS CREDIT CO-OP TO A LIQUIDATING AGENT  
18 APPOINTED BY THE COMMISSIONER, A FEDERAL RESERVE BANK, THE  
19 DIVISION OF BANKING, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF  
20 REGULATORY AGENCIES, OR A DEPARTMENT OR DIVISION OF ANY OTHER  
21 STATE HAVING SUPERVISORY AUTHORITY OVER MARIJUANA FINANCIAL  
22 SERVICES COOPERATIVES OR ANALOGOUS ORGANIZATIONS AND MAY  
23 ACCEPT ANY REPORT OF EXAMINATION MADE ON BEHALF OF THE  
24 LIQUIDATING AGENT, BANK, DEPARTMENT, OR DIVISION;

25 (c) THE COMMISSIONER MAY GIVE RECORDS OR INFORMATION IN  
26 THE COMMISSIONER'S POSSESSION TO A LICENSING AGENCY WITHIN THE  
27 DEPARTMENT OF REGULATORY AGENCIES OR THE DEPARTMENT OF

1 REVENUE RELATING TO POSSIBLE MISCONDUCT BY A PERSON OR ENTITY  
2 LICENSED BY THE AGENCY;

3 (d) THE COMMISSIONER AND THE COMMISSIONER'S DESIGNEES MAY  
4 EXCHANGE INFORMATION OBTAINED BY THE DIVISION AS TO POSSIBLE  
5 CRIMINAL VIOLATIONS OF ANY LAW RELATING TO THE ACTIVITIES OF A  
6 CO-OP WITH THE APPROPRIATE LAW ENFORCEMENT AGENCIES; AND

7 (e) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE  
8 CONTRARY, THE COMMISSIONER MAY DISCLOSE INFORMATION IN THE  
9 RECORDS OF THE DIVISION OR ACQUIRED BY THE COMMISSIONER IN THE  
10 DISCHARGE OF THE COMMISSIONER'S DUTIES THE DISCLOSURE OF WHICH  
11 HAS BEEN SPECIFICALLY AUTHORIZED BY THE BOARD OF DIRECTORS OF  
12 THE CO-OP TO WHICH THE INFORMATION RELATES. NOTHING IN THIS  
13 SECTION AUTHORIZES THE BOARD OF DIRECTORS OF A CO-OP TO WAIVE  
14 ANY PRIVILEGES THAT BELONG SOLELY TO THE COMMISSIONER, THE  
15 DIVISION, OR ITS EMPLOYEES.

16 **11-33-120. Dividends.** AT INTERVALS AND FOR PERIODS OF TIME  
17 THAT THE BOARD OF DIRECTORS MAY AUTHORIZE AND AFTER PROVISION  
18 FOR THE REQUIRED RESERVES, THE BOARD OF DIRECTORS OF A CANNABIS  
19 CREDIT CO-OP MAY DECLARE A DIVIDEND. DIVIDENDS MAY BE PAID AT  
20 VARIOUS RATES ON DIFFERENT CLASSES OF SHARES, AND DIVIDEND CREDIT  
21 MAY BE ACCRUED ON DIFFERENT CLASSES OF SHARES, AS DETERMINED BY  
22 THE BOARD OF DIRECTORS. THE BOARD SHALL NOT PAY DIVIDENDS IN  
23 EXCESS OF AVAILABLE EARNINGS.

24 **11-33-121. Expulsion or withdrawal of members.** (1) A  
25 MEMBER MAY WITHDRAW FROM A CANNABIS CREDIT CO-OP AT ANY TIME,  
26 BUT THE BYLAWS MAY REQUIRE ADVANCE NOTICE OF THE WITHDRAWAL.  
27 THE BOARD OF DIRECTORS MAY EXPEL A MEMBER FROM MEMBERSHIP IN

1 A CO-OP IF THE MEMBER FAILS TO COMPLY WITH THE WRITTEN RULES AND  
2 POLICIES OF THE CO-OP AS ADOPTED AND MADE AVAILABLE TO THE  
3 MEMBERSHIP.

4 (2) THE BOARD SHALL NOT EXPEL A MEMBER UNTIL THE BOARD  
5 INFORMS THE MEMBER IN WRITING OF THE REASONS FOR THE EXPULSION  
6 AND THE MEMBER HAS HAD REASONABLE OPPORTUNITY TO BE HEARD.

7 (3) THE CO-OP SHALL PAY TO AN EXPELLED OR WITHDRAWING  
8 MEMBER ALL AMOUNTS PAID ON SHARES OR AS DEPOSITS OF THE MEMBER,  
9 TOGETHER WITH ANY DIVIDENDS OR INTEREST ACCREDITED TO THE  
10 MEMBER, TO THE DATE OF THE WITHDRAWAL OR EXPULSION, AS FUNDS  
11 BECOME AVAILABLE AND AFTER DEDUCTING ALL AMOUNTS DUE FROM THE  
12 MEMBER TO THE CO-OP. THE CO-OP MAY REQUIRE SIXTY DAYS' WRITTEN  
13 NOTICE OF INTENTION TO WITHDRAW SHARES AND THIRTY DAYS' WRITTEN  
14 NOTICE OF INTENTION TO WITHDRAW DEPOSITS. WITHDRAWING OR  
15 EXPELLED MEMBERS HAVE NO FURTHER RIGHTS IN THE CO-OP BUT ARE  
16 NOT, BY SUCH EXPULSION OR WITHDRAWAL, RELEASED FROM ANY  
17 REMAINING LIABILITY TO THE CO-OP.

18 **11-33-122. Suspension - liquidation - procedures.** (1) (a) (I) IF  
19 IT APPEARS THAT A CANNABIS CREDIT CO-OP IS INSOLVENT, HAS  
20 WILLFULLY VIOLATED A PROVISION OF THIS ARTICLE, OR IS OPERATING IN  
21 AN UNSAFE OR UNSOUND MANNER, THE COMMISSIONER:

22 (A) MAY ISSUE AN ORDER FOR THE CO-OP TO SHOW CAUSE WHY ITS  
23 OPERATIONS SHOULD NOT BE SUSPENDED UNTIL THE INSOLVENCY,  
24 VIOLATION, OR MANNER OF OPERATION IS RECTIFIED; AND

25 (B) SHALL AFFORD THE CO-OP AN OPPORTUNITY FOR A HEARING  
26 NOT LESS THAN TEN DAYS NOR MORE THAN TWENTY DAYS AFTER  
27 ISSUANCE OF THE ORDER.

1           (II) THE ORDER MUST BE IN WRITING AND BE DELIVERED BY  
2 REGISTERED OR CERTIFIED MAIL.

3           (III) IF THE CO-OP FAILS TO ANSWER THE ORDER OR IF AN OFFICER  
4 OR DIRECTOR OF OR ATTORNEY FOR THE CO-OP FAILS TO APPEAR AT THE  
5 TIME SET FOR THE HEARING, THE COMMISSIONER MAY:

6           (A) REVOKE THE ARTICLES OF INCORPORATION OF THE CO-OP,  
7 ORDER THE IMMEDIATE SUSPENSION OF OPERATIONS OF THE CO-OP EXCEPT  
8 THE COLLECTION OF PAYMENTS ON OUTSTANDING LOANS OR OTHER  
9 OBLIGATIONS DUE THE CO-OP, OR BOTH; AND

10          (B) ENFORCE THE ORDER BY AN ACTION FILED IN THE DISTRICT  
11 COURT OF THE JUDICIAL DISTRICT IN WHICH THE PRINCIPAL OFFICE OF THE  
12 CO-OP IS LOCATED, SEEKING TO ENJOIN FURTHER OPERATIONS OR TO  
13 APPOINT A CONSERVATOR FOR THE CO-OP.

14          (b) (I) A CO-OP TO WHICH AN ORDER TO SHOW CAUSE HAS BEEN  
15 ISSUED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1) MAY:

16           (A) INCLUDE WITH ITS ANSWER OR PRESENT AT A HEARING  
17 RESULTING FROM THE ORDER ITS PROPOSED PLAN TO CONTINUE  
18 OPERATIONS AND RECTIFY THE INSOLVENCY, VIOLATION, OR MANNER OF  
19 OPERATION SPECIFIED IN THE ORDER; OR

20           (B) REQUEST THAT IT BE DISSOLVED AND LIQUIDATED AND THAT  
21 THE COMMISSIONER APPOINT A LIQUIDATING AGENT.

22          (II) A CO-OP MAY REQUEST A STAY OF EXECUTION OF AN ORDER OF  
23 THE COMMISSIONER REVOKING ITS ARTICLES OF INCORPORATION OR  
24 SUSPENDING ITS OPERATIONS BY FILING AN ACTION IN THE DISTRICT COURT  
25 FOR THE JUDICIAL DISTRICT IN WHICH THE PRINCIPAL OFFICE OF THE CO-OP  
26 IS LOCATED WITHIN TEN DAYS AFTER THE ISSUANCE OF THE ORDER.

27          (c) IF THE COMMISSIONER REVOKES THE CHARTER OF A CO-OP, THE

1 COMMISSIONER SHALL APPOINT A LIQUIDATING AGENT TO LIQUIDATE THE  
2 ASSETS OF THE CO-OP PURSUANT TO SUBSECTION (5) OF THIS SECTION.

3 (d) IF IN THE OPINION OF THE COMMISSIONER AN EMERGENCY  
4 EXISTS THAT MAY RESULT IN SERIOUS LOSSES TO THE MEMBERS, THE  
5 COMMISSIONER MAY REVOKE THE CHARTER OF A CO-OP AND IMMEDIATELY  
6 APPOINT A LIQUIDATING AGENT WITHOUT NOTICE OR A HEARING. THE  
7 COMMISSIONER SHALL POST NOTICE OF THE COMMISSIONER'S EMERGENCY  
8 DETERMINATION ON THE PREMISES OF THE CO-OP THAT IS THE SUBJECT OF  
9 THE DETERMINATION. WITHIN TEN DAYS AFTER AN EMERGENCY  
10 DETERMINATION BY THE COMMISSIONER, THE CO-OP OR THE BOARD OF  
11 DIRECTORS OF THE CO-OP MAY FILE AN APPEAL WITH THE COURT OF  
12 APPEALS. THE FILING OF AN APPEAL TO RESCIND A DETERMINATION DOES  
13 NOT STAY THE COMMISSIONER'S ACTION PURSUANT TO THIS SUBSECTION  
14 (1). IF THE COURT FINDS THE COMMISSIONER'S ACTION WAS  
15 UNAUTHORIZED, THE COMMISSIONER SHALL RESCIND THE ACTION AND  
16 RESTORE THE CO-OP TO ITS BOARD OF DIRECTORS. IF THE CO-OP DOES NOT  
17 FILE AN APPEAL WITHIN TEN DAYS AFTER THE COMMISSIONER'S  
18 EMERGENCY DETERMINATION, ALL ACTION TAKEN BY THE COMMISSIONER  
19 IS FINAL.

20 (2) (a) THE COMMISSIONER MAY APPOINT HIMSELF OR HERSELF OR  
21 A THIRD PARTY AS CONSERVATOR OF A CO-OP AND IMMEDIATELY TAKE  
22 POSSESSION AND CONTROL OF THE BUSINESS AND ASSETS OF THE CO-OP IF  
23 THE COMMISSIONER DETERMINES THAT:

24 (I) SUCH ACTION IS NECESSARY TO CONSERVE THE ASSETS OF THE  
25 CO-OP OR TO PROTECT THE INTERESTS OF ITS MEMBERS FROM ACTS OR  
26 OMISSIONS OF THE EXISTING MANAGEMENT;

27 (II) THE CO-OP, BY A RESOLUTION OF ITS BOARD OF DIRECTORS,

1        CONSENTS TO SUCH ACTION;

2            (III) THERE IS A WILLFUL VIOLATION OF A CEASE-AND-DESIST  
3 ORDER THAT RESULTS IN THE CO-OP BEING OPERATED IN AN UNSAFE OR  
4 UNSOUND MANNER; OR

5            (IV) THE CO-OP IS SIGNIFICANTLY UNDERCAPITALIZED AND HAS NO  
6 REASONABLE PROSPECT OF BECOMING ADEQUATELY CAPITALIZED.

7            (b) THE COMMISSIONER MAY APPOINT A CONSERVATOR AND TAKE  
8 IMMEDIATE POSSESSION OF THE CO-OP WITHOUT PRIOR NOTICE OR A  
9 HEARING; EXCEPT THAT, WITHIN TEN DAYS AFTER THE CONSERVATOR IS  
10 APPOINTED, THE CO-OP MAY FILE AN APPEAL WITH THE COURT OF APPEALS  
11 REQUESTING THE COMMISSIONER TO RESCIND THE COMMISSIONER'S  
12 APPOINTMENT OF A CONSERVATOR. THE FILING OF AN APPEAL DOES NOT  
13 STAY THE COMMISSIONER'S ACTION. IF THE COURT FINDS THE  
14 COMMISSIONER'S ACTION WAS UNAUTHORIZED, THE COMMISSIONER SHALL  
15 RESTORE CONTROL OF THE CO-OP TO ITS BOARD OF DIRECTORS. IF NO  
16 APPEAL IS FILED WITHIN TEN DAYS AFTER THE COMMISSIONER'S  
17 APPOINTMENT OF A CONSERVATOR, THE ACTION TAKEN BY THE  
18 COMMISSIONER BECOMES FINAL.

19            (c) IN EXTRAORDINARY CIRCUMSTANCES, UPON ORDER OF THE  
20 COMMISSIONER, A HEARING CONDUCTED PURSUANT TO THIS SUBSECTION  
21 (2) IS EXEMPT FROM ANY PROVISION OF LAW REQUIRING THAT  
22 PROCEEDINGS OF THE COMMISSIONER BE CONDUCTED PUBLICLY.  
23 EXTRAORDINARY CIRCUMSTANCES OCCUR WHEN SPECIFIC CONCERN  
24 ARISES ABOUT PROMPT WITHDRAWAL OF MONEYS FROM THE CO-OP.

25            (d) THE CONSERVATOR HAS ALL THE POWERS OF THE MEMBERS,  
26 DIRECTORS, OFFICERS, AND COMMITTEES OF THE CO-OP AND IS  
27 AUTHORIZED TO OPERATE THE CO-OP IN ITS OWN NAME OR TO CONSERVE

1 ITS ASSETS AS DIRECTED BY THE COMMISSIONER. THE CONSERVATOR  
2 SHALL CONDUCT THE BUSINESS OF THE CO-OP AND MAKE REGULAR  
3 REPORTS TO THE COMMISSIONER UNTIL THE COMMISSIONER HAS  
4 DETERMINED THAT THE PURPOSES OF CONSERVATORSHIP HAVE BEEN  
5 ACCOMPLISHED AND THE CO-OP SHOULD BE RETURNED TO THE CONTROL  
6 OF ITS BOARD OF DIRECTORS. ALL COSTS INCIDENT TO THE  
7 CONSERVATORSHIP SHALL BE PAID OUT OF THE ASSETS OF THE CO-OP. IF  
8 THE COMMISSIONER DETERMINES THAT THE PURPOSES OF THE  
9 CONSERVATORSHIP WILL NOT BE ACCOMPLISHED, THE COMMISSIONER MAY  
10 PROCEED WITH THE INVOLUNTARY LIQUIDATION OF THE CO-OP IN THE  
11 MANNER DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

12 (e) IF A CONSERVATOR IS APPOINTED, AND IS OTHER THAN AN  
13 EMPLOYEE OF THE DIVISION, THE CONSERVATOR AND ANY ASSISTANTS  
14 SHALL PROVIDE A BOND, PAYABLE TO THE CO-OP AND EXECUTED BY A  
15 SURETY COMPANY AUTHORIZED TO DO BUSINESS IN THIS STATE, THAT  
16 MEETS WITH THE APPROVAL OF THE COMMISSIONER, FOR THE FAITHFUL  
17 DISCHARGE OF THEIR DUTIES IN CONNECTION WITH THE CONSERVATORSHIP  
18 AND THE ACCOUNTING FOR ALL MONEYS COMING INTO THEIR HANDS. THE  
19 COST OF THE BOND SHALL BE PAID FROM THE ASSETS OF THE CO-OP. SUIT  
20 MAY BE MAINTAINED ON THE BOND BY A PERSON INJURED BY A BREACH OF  
21 THE CONDITIONS OF THE BOND. THIS REQUIREMENT MAY BE DEEMED MET  
22 IF THE COMMISSIONER DETERMINES THAT THE CO-OP'S FIDELITY BOND  
23 COVERS THE CONSERVATOR AND ANY ASSISTANTS.

24 (3) A CO-OP MAY BE VOLUNTARILY DISSOLVED AND LIQUIDATED  
25 UPON MAJORITY VOTE OF THE ENTIRE MEMBERSHIP OF THE CO-OP AT A  
26 MEETING SPECIALLY CALLED FOR THE PURPOSE OR AT THE ANNUAL  
27 MEETING WHERE NOTICE OF THE PROPOSED ACTION IS MAILED TO THE

1 MEMBERS AT LEAST THIRTY DAYS BEFORE THE MEETING. IN EITHER EVENT,  
2 A COPY OF THE NOTICE SHALL BE DELIVERED TO THE COMMISSIONER NOT  
3 LESS THAN TEN DAYS BEFORE THE MEETING. A MEMBER OF A CO-OP MAY  
4 CAST A BALLOT FOR OR AGAINST THE DISSOLUTION AND LIQUIDATION BY  
5 MAIL WITHIN TWENTY DAYS AFTER THE MEETING. IF A MAJORITY OF THE  
6 MEMBERS VOTE IN FAVOR OF DISSOLUTION AND LIQUIDATION, THE BOARD  
7 OF DIRECTORS, WITHIN FIVE DAYS AFTER THE CLOSE OF VOTING, SHALL  
8 NOTIFY THE COMMISSIONER OF THE ACTION AND SPECIFY THE NAMES AND  
9 ADDRESSES OF THE DIRECTORS AND OFFICERS OF THE CO-OP WHO WILL  
10 CONDUCT THE DISSOLUTION AND LIQUIDATION OF THE CO-OP. UPON A  
11 FAVORABLE VOTE, THE CO-OP SHALL CEASE TO DO BUSINESS EXCEPT FOR  
12 THE COLLECTION OF PAYMENTS ON OUTSTANDING LOANS OR OTHER  
13 OBLIGATIONS DUE THE CO-OP.

14 (4) UNDER ANY PROCEDURE TO DISSOLVE AND LIQUIDATE A CO-OP  
15 PURSUANT TO THIS SECTION, THE CO-OP CONTINUES IN EXISTENCE FOR THE  
16 PURPOSE OF DISCHARGING ITS DEBTS, COLLECTING AND DISTRIBUTING ITS  
17 ASSETS, AND DOING ALL ACTS REQUIRED IN ORDER TO WIND UP ITS  
18 BUSINESS, AND IT MAY SUE AND BE SUED FOR THE ENFORCEMENT OF ITS  
19 DEBTS AND OPERATIONS UNTIL ITS AFFAIRS ARE FULLY ADJUSTED IN  
20 LIQUIDATION. THE ASSETS OF THE CO-OP SHALL BE USED TO PAY: FIRST,  
21 THE EXPENSES INCIDENTAL TO LIQUIDATION; AND SECOND, DEPOSIT  
22 ACCOUNTS. ANY REMAINING ASSETS SHALL BE DISTRIBUTED TO THE  
23 MEMBERS PROPORTIONATELY TO THE SHARES HELD BY EACH MEMBER AS  
24 OF THE DATE OF DISSOLUTION.

25 (5) UPON THE LIQUIDATION AND DISTRIBUTION OF ALL ASSETS OF  
26 THE CO-OP THAT MAY BE REASONABLY EXPECTED TO BE COLLECTIBLE, THE  
27 BOARD OF DIRECTORS OR THE LIQUIDATING AGENT, AS THE CASE MAY BE,

1 SHALL EXECUTE IN DUPLICATE A CERTIFICATE OF DISSOLUTION,  
2 PRESCRIBED BY THE COMMISSIONER, UPON WHICH DATE THE CO-OP CEASES  
3 TO EXIST, AND FILE THE CERTIFICATE WITH THE SECRETARY OF STATE.

4 **11-33-123. Change in place of business.** A CANNABIS CREDIT  
5 CO-OP MAY CHANGE ITS PLACE OF BUSINESS TO A LOCATION OUTSIDE OF  
6 THE COUNTY OR CITY AND COUNTY IN WHICH IT WAS PREVIOUSLY  
7 LOCATED UPON RECEIVING WRITTEN PERMISSION FROM THE  
8 COMMISSIONER. A CO-OP MAY CHANGE ITS PLACE OF BUSINESS WITHIN THE  
9 COUNTY OR CITY AND COUNTY IN WHICH IT WAS PREVIOUSLY LOCATED BY  
10 PROVIDING WRITTEN NOTICE OF THE NEW ADDRESS AND THE EFFECTIVE  
11 DATE OF THE CHANGE TO THE COMMISSIONER.

12 **11-33-124. Merger.** (1) THE METHOD OF MERGER OF TWO OR  
13 MORE CANNABIS CREDIT CO-OPS IS AS FOLLOWS:

14 (a) (I) THE BOARD OF DIRECTORS OF EACH MERGING CO-OP SHALL:

15 (A) APPROVE A PLAN FOR THE PROPOSED MERGER; AND

16 (B) AUTHORIZE REPRESENTATIVES OF EACH CO-OP TO ACT ON  
17 EACH CO-OP'S BEHALF TO BRING ABOUT THE MERGER.

18 (II) THE PLAN MUST INCLUDE INFORMATION THAT THE  
19 COMMISSIONER DEEMS APPROPRIATE.

20 (b) UPON APPROVAL OF THE MERGER PLAN BY EACH BOARD OF  
21 DIRECTORS FOR EACH CO-OP INVOLVED IN THE TRANSACTION, THE CO-OPS  
22 SHALL SUBMIT THE MERGER PLAN, TOGETHER WITH THE RESOLUTIONS OF  
23 EACH BOARD OF DIRECTORS, TO THE COMMISSIONER. IF THE  
24 COMMISSIONER DETERMINES THAT THE MERGER PLAN COMPLIES WITH THIS  
25 ARTICLE AND ANY APPLICABLE RULES, THE COMMISSIONER MAY APPROVE  
26 THE MERGER PLAN, SUBJECT TO SUCH OTHER SPECIFIC REQUIREMENTS AS  
27 MAY BE PRESCRIBED TO FULFILL THE INTENDED PURPOSES OF THE

1 PROPOSED MERGER.

2 (c) THE BOARDS OF DIRECTORS OF EACH CO-OP INVOLVED SHALL  
3 CALL A MEETING OF THE MEMBERS OF EACH CO-OP INVOLVED FOR THE  
4 PURPOSE OF CONSIDERING A MERGER. THE BOARDS OF DIRECTORS SHALL  
5 GIVE NOTICE OF THE MEETING, INCLUDING PURPOSE, DATE, TIME, PLACE,  
6 AND BALLOT OF THE MERGER PLAN, TO THE ENTIRE MEMBERSHIP. AT THE  
7 MEETING, AT LEAST TWO-THIRDS OF THE MEMBERS PRESENT AND VOTING  
8 MUST APPROVE THE PROPOSED MERGER. IF ANY MEMBER APPROVES OR  
9 DISAPPROVES THE MERGER BY RETURNING A BALLOT, SIGNED BY THE  
10 MEMBER, TO THE SECRETARY OF THE CO-OP AT OR BEFORE THE MEETING,  
11 THE BALLOT FOR ALL PURPOSES OF THIS SECTION IS EQUIVALENT TO THE  
12 VOTE OF THE MEMBER AT THE MEETING, NOTWITHSTANDING THAT THE  
13 MEMBER IS NOT THEN PRESENT.

14 (2) UPON APPROVAL OF THE MERGER BY THE MEMBERS OF THE  
15 CO-OP, THE MERGER SHALL BE CONSUMMATED IN THE FOLLOWING  
16 MANNER:

17 (a) THE DULY AUTHORIZED REPRESENTATIVES OF EACH CO-OP  
18 SHALL EXECUTE, IN DUPLICATE, A CERTIFICATE OF MERGER STATING:

19 (I) THAT THE BOARD OF DIRECTORS OF EACH CO-OP HAS APPROVED  
20 THE MERGER;

21 (II) THAT AT LEAST TWO-THIRDS OF THE VOTING MEMBERS OF  
22 EACH MERGING CO-OP HAVE APPROVED THE TERMS AND CONDITIONS OF  
23 THE PROPOSED MERGER AT A MEETING OF THE MEMBERS CALLED FOR THAT  
24 PURPOSE; AND

25 (III) THE NAME AND LOCATION OF THE CONTINUING CO-OP.

26 (b) THE CONTINUING CO-OP SHALL PREPARE AND ADOPT ANY  
27 BYLAW AMENDMENTS REQUIRED BY THE BOARD, CONSISTENT WITH THIS

1 ARTICLE, AND EXECUTE THE AMENDMENTS IN DUPLICATE.

2 (c) THE CONTINUING BOARD OF DIRECTORS SHALL FILE THE  
3 CERTIFICATE PROVIDED FOR IN PARAGRAPH (a) OF THIS SUBSECTION (2)  
4 AND ANY REQUIRED BYLAW AMENDMENTS, BOTH EXECUTED IN DUPLICATE,  
5 TO THE COMMISSIONER.

6 (3) IF THE COMMISSIONER APPROVES THE CERTIFICATE AND BYLAW  
7 AMENDMENTS, THE COMMISSIONER SHALL SO NOTIFY THE  
8 REPRESENTATIVES AND SHALL ISSUE A CERTIFICATE OF APPROVAL,  
9 ATTACH IT TO THE DUPLICATE CERTIFICATE OF MERGER, AND RETURN  
10 THEM TO THE REPRESENTATIVES OF THE PARTICIPATING CO-OPS TOGETHER  
11 WITH THE DUPLICATE OF THE BYLAW AMENDMENTS.

12 (4) THE CONTINUING CO-OP SHALL FILE THE DUPLICATE OF THE  
13 CERTIFICATE OF MERGER WITH THE COMMISSIONER'S CERTIFICATE OF  
14 APPROVAL ATTACHED WITH THE SECRETARY OF STATE, WHO SHALL MAKE  
15 A RECORD OF THE CERTIFICATE AND RETURN IT, WITH THE SECRETARY'S  
16 CERTIFICATE OF RECORD ATTACHED, TO THE COMMISSIONER FOR  
17 PERMANENT RECORD. THE FEE FOR THE FILING SHALL BE DETERMINED AND  
18 COLLECTED PURSUANT TO SECTION 24-21-104 (3), C.R.S.

19 (5) UPON COMPLIANCE WITH ALL REQUIREMENTS OF SUBSECTIONS  
20 (1) TO (4) OF THIS SECTION, THE PARTICIPATING CO-OPS ARE MERGED, AND  
21 THE CONTINUING CO-OP SHALL TAKE OVER THE ASSETS AND ASSUME ALL  
22 THE LIABILITIES OF THE PARTICIPATING CO-OPS.

23 **11-33-125. Taxation.** A CANNABIS CREDIT CO-OP IS NOT  
24 TAX-EXEMPT AND IS SUBJECT TO TAXATION AS PROVIDED BY FEDERAL,  
25 STATE, AND LOCAL LAWS.

26 **11-33-126. Compliance with federal requirements.** (1) EACH  
27 CANNABIS CREDIT CO-OP SHALL COMPLY WITH ALL APPLICABLE

1 REQUIREMENTS OF FEDERAL LAW, INCLUDING:

2 (a) THE FEDERAL "BANK SECRECY ACT", 12 U.S.C. SEC. 1951 ET  
3 SEQ.;

4 (b) THE REQUIREMENT TO MAINTAIN A DUE DILIGENCE PROGRAM  
5 PURSUANT TO 31 CFR 1020.610;

6 (c) THE REQUIREMENT TO ESTABLISH A CUSTOMER IDENTIFICATION  
7 POLICY PURSUANT TO 31 CFR 1020.220; AND

8 (d) THE REQUIREMENT TO FILE SUSPICIOUS ACTIVITY REPORTS  
9 PURSUANT TO 31 CFR SEC. 1020.320.

10 **11-33-127. Reports - suspicious transactions. (1) General.**

11 (a) (I) EVERY CO-OP SHALL FILE WITH THE COMMISSIONER, TO THE  
12 EXTENT AND IN THE MANNER REQUIRED BY THIS SECTION, A REPORT OF  
13 ANY SUSPICIOUS TRANSACTION RELEVANT TO A POSSIBLE VIOLATION OF  
14 LAW, RULE, OR FEDERAL REGULATION.

15 (II) FOR PURPOSES OF THIS SECTION, A TRANSACTION OR CONDUCT  
16 THAT IS ILLEGAL OR A VIOLATION OF LAW SOLELY BECAUSE MARIJUANA IS  
17 A CONTROLLED SUBSTANCE UNDER FEDERAL LAW IS NOT SUBJECT TO  
18 BEING REPORTED.

19 (b) A CO-OP SHALL REPORT A TRANSACTION IF IT IS CONDUCTED OR  
20 ATTEMPTED BY, AT, OR THROUGH THE CO-OP, IT INVOLVES OR  
21 AGGREGATES AT LEAST FIVE THOUSAND DOLLARS IN FUNDS OR OTHER  
22 ASSETS, AND THE CO-OP KNOWS, SUSPECTS, OR HAS REASON TO SUSPECT  
23 THAT:

24 (I) THE TRANSACTION INVOLVES FUNDS DERIVED FROM ILLEGAL  
25 ACTIVITIES OR IS INTENDED OR CONDUCTED IN ORDER TO HIDE OR DISGUISE  
26 FUNDS OR ASSETS DERIVED FROM ILLEGAL ACTIVITIES AS PART OF A PLAN  
27 TO VIOLATE OR EVADE ANY FEDERAL OR STATE LAW OR REGULATION OR

1 TO AVOID ANY TRANSACTION REPORTING REQUIREMENT UNDER FEDERAL  
2 OR STATE LAW OR REGULATION;

3 (II) THE TRANSACTION IS DESIGNED TO EVADE ANY REQUIREMENTS  
4 OF THIS ARTICLE, A RULE PROMULGATED PURSUANT TO THIS ARTICLE, THE  
5 FEDERAL "BANK SECRECY ACT", 12 U.S.C. SEC. 1951 ET SEQ., OR A  
6 REGULATION PROMULGATED UNDER THE FEDERAL "BANK SECRECY ACT";  
7 OR

8 (III) THE TRANSACTION HAS NO BUSINESS OR APPARENT LAWFUL  
9 PURPOSE OR IS NOT THE SORT IN WHICH THE PARTICULAR MEMBER WOULD  
10 NORMALLY BE EXPECTED TO ENGAGE, AND THE CO-OP KNOWS OF NO  
11 REASONABLE EXPLANATION FOR THE TRANSACTION AFTER EXAMINING THE  
12 AVAILABLE FACTS, INCLUDING THE BACKGROUND AND POSSIBLE PURPOSE  
13 OF THE TRANSACTION.

14 (2) **Filing procedures.** (a) **What to file.** A CO-OP SHALL REPORT  
15 A SUSPICIOUS TRANSACTION BY COMPLETING A SUSPICIOUS TRANSACTION  
16 REPORT, REFERRED TO IN THIS SECTION AS AN STR, AND COLLECTING AND  
17 MAINTAINING SUPPORTING DOCUMENTATION AS REQUIRED BY SUBSECTION  
18 (4) OF THIS SECTION.

19 (b) **When to file.** A CO-OP SHALL FILE AN STR NO LATER THAN  
20 THIRTY CALENDAR DAYS AFTER THE DATE OF INITIAL DETECTION BY THE  
21 CO-OP OF FACTS THAT MAY CONSTITUTE A BASIS FOR FILING AN STR. IF NO  
22 SUSPECT WAS IDENTIFIED ON THE DATE OF THE DETECTION OF THE  
23 INCIDENT REQUIRING THE FILING, A CO-OP MAY DELAY FILING AN STR FOR  
24 AN ADDITIONAL THIRTY CALENDAR DAYS TO IDENTIFY A SUSPECT. IN NO  
25 CASE MAY A CO-OP DELAY REPORTING FOR MORE THAN SIXTY CALENDAR  
26 DAYS AFTER THE DATE OF INITIAL DETECTION OF A REPORTABLE  
27 TRANSACTION. IN SITUATIONS INVOLVING VIOLATIONS THAT REQUIRE

1 IMMEDIATE ATTENTION, SUCH AS, FOR EXAMPLE, ONGOING  
2 MONEY-LAUNDERING SCHEMES, THE CO-OP SHALL IMMEDIATELY NOTIFY,  
3 BY TELEPHONE, AN APPROPRIATE LAW ENFORCEMENT AUTHORITY IN  
4 ADDITION TO FILING TIMELY AN STR.

5 (3) **Exceptions.** A CO-OP IS NOT REQUIRED TO FILE AN STR FOR A  
6 ROBBERY OR BURGLARY COMMITTED OR ATTEMPTED THAT IS REPORTED  
7 TO APPROPRIATE LAW ENFORCEMENT AUTHORITIES OR FOR LOST, MISSING,  
8 COUNTERFEIT, OR STOLEN SECURITIES WITH RESPECT TO WHICH THE CO-OP  
9 FILES A REPORT PURSUANT TO THE REPORTING REQUIREMENTS OF 17 CFR  
10 240.17f-1.

11 (4) **Retention of records.** A CO-OP SHALL MAINTAIN A COPY OF  
12 EACH STR FILED AND THE ORIGINAL OR BUSINESS RECORD EQUIVALENT OF  
13 ANY SUPPORTING DOCUMENTATION FOR A PERIOD OF FIVE YEARS AFTER  
14 THE DATE OF FILING THE STR. THE CO-OP SHALL IDENTIFY SUPPORTING  
15 DOCUMENTATION AND MAINTAIN THE DOCUMENTATION AS SUCH, WHICH  
16 DOCUMENTATION SHALL BE DEEMED TO HAVE BEEN FILED WITH THE STR.  
17 UPON REQUEST, A CO-OP SHALL MAKE ALL SUPPORTING DOCUMENTATION  
18 AVAILABLE TO:

- 19 (a) THE COMMISSIONER;
- 20 (b) ANY FEDERAL, STATE, OR LOCAL LAW ENFORCEMENT AGENCY;
- 21 (c) ANY FEDERAL REGULATORY AUTHORITY THAT EXAMINES THE  
22 CO-OP FOR COMPLIANCE WITH THE FEDERAL "BANK SECRECY ACT"; OR
- 23 (d) ANY STATE REGULATORY AUTHORITY ADMINISTERING A STATE  
24 LAW THAT REQUIRES THE CO-OP TO COMPLY WITH THE FEDERAL "BANK  
25 SECRECY ACT" OR OTHERWISE AUTHORIZES THE STATE AUTHORITY TO  
26 ENSURE THAT THE CO-OP COMPLIES WITH THE FEDERAL "BANK SECRECY  
27 ACT".

1           (5) **Confidentiality of STRs.** (a) AN STR AND ANY INFORMATION  
2           THAT WOULD REVEAL THE EXISTENCE OF AN STR ARE CONFIDENTIAL AND  
3           SHALL NOT BE DISCLOSED EXCEPT AS AUTHORIZED IN THIS SUBSECTION (5).  
4           FOR PURPOSES OF THIS SUBSECTION (5) ONLY, AN STR INCLUDES ANY  
5           SUSPICIOUS ACTIVITY REPORT FILED WITH THE FEDERAL FINANCIAL  
6           ENFORCEMENT NETWORK OF THE DEPARTMENT OF THE TREASURY  
7           PURSUANT TO ANY REGULATION IN CHAPTER X OF SUBTITLE B OF TITLE 31  
8           OF THE CODE OF FEDERAL REGULATIONS.

9           (b) **Prohibition on disclosures by co-ops.** (I) **General rule.** A  
10          CO-OP AND A DIRECTOR, OFFICER, EMPLOYEE, OR AGENT OF ANY CO-OP  
11          SHALL NOT DISCLOSE AN STR OR ANY INFORMATION THAT WOULD REVEAL  
12          THE EXISTENCE OF AN STR. ANY CO-OP, AND ANY DIRECTOR, OFFICER,  
13          EMPLOYEE, OR AGENT OF ANY CO-OP THAT IS SUBPOENAED OR OTHERWISE  
14          REQUESTED TO DISCLOSE AN STR OR ANY INFORMATION THAT WOULD  
15          REVEAL THE EXISTENCE OF AN STR, SHALL DECLINE TO PRODUCE THE STR  
16          OR SUCH INFORMATION, CITING THIS SECTION, 31 U.S.C. SEC. 5318 (g) (2)  
17          (A) (i), AND 31 CFR 1020.320, AND SHALL NOTIFY THE COMMISSIONER OF  
18          ANY SUCH REQUEST AND THE RESPONSE THERETO.

19          (II) **Rules of construction.** SO LONG AS NONE OF THE PERSONS  
20          INVOLVED IN A REPORTED SUSPICIOUS TRANSACTION IS NOTIFIED THAT THE  
21          TRANSACTION HAS BEEN REPORTED, THIS PARAGRAPH (b) DOES NOT  
22          PROHIBIT:

23          (A) TO THE FULL EXTENT AUTHORIZED IN 31 U.S.C. SEC. 5318 (g)  
24          (2) (B), THE DISCLOSURE BY A CO-OP OR BY A DIRECTOR, OFFICER,  
25          EMPLOYEE, OR AGENT OF A CO-OP, OF AN STR OR ANY INFORMATION THAT  
26          WOULD REVEAL THE EXISTENCE OF AN STR, TO: THE COMMISSIONER OR  
27          ANY FEDERAL, STATE, OR LOCAL LAW ENFORCEMENT AGENCY; A FEDERAL

1 REGULATORY AUTHORITY THAT EXAMINES THE CO-OP FOR COMPLIANCE  
2 WITH THE FEDERAL "BANK SECRECY ACT"; OR A STATE REGULATORY  
3 AUTHORITY ADMINISTERING A STATE LAW THAT REQUIRES THE CO-OP TO  
4 COMPLY WITH THE FEDERAL "BANK SECRECY ACT" OR OTHERWISE  
5 AUTHORIZES THE STATE AUTHORITY TO ENSURE THAT THE CO-OP  
6 COMPLIES WITH THE "BANK SECRECY ACT". IN ADDITION, THE CO-OP AND  
7 ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS MAY DISCLOSE THE  
8 UNDERLYING FACTS, TRANSACTIONS, AND DOCUMENTS UPON WHICH AN  
9 STR IS BASED TO ANOTHER FINANCIAL INSTITUTION, OR A DIRECTOR,  
10 OFFICER, EMPLOYEE, OR AGENT OF A FINANCIAL INSTITUTION, FOR THE  
11 PREPARATION OF A JOINT STR OR IN CONNECTION WITH CERTAIN  
12 EMPLOYMENT REFERENCES OR TERMINATION NOTICES, TO THE FULL  
13 EXTENT AUTHORIZED IN 31 U.S.C. SEC. 5318 (g) (2) (B).

14 (B) THE SHARING BY A CO-OP, OR ANY DIRECTOR, OFFICER,  
15 EMPLOYEE, OR AGENT OF THE CO-OP, OF AN STR, OR ANY INFORMATION  
16 THAT WOULD REVEAL THE EXISTENCE OF AN STR, WITHIN THE CO-OP'S  
17 CORPORATE ORGANIZATIONAL STRUCTURE FOR PURPOSES CONSISTENT  
18 WITH TITLE II OF THE FEDERAL "BANK SECRECY ACT" AS DETERMINED BY  
19 FEDERAL REGULATION OR IN GUIDANCE.

20 (c) **Prohibition on disclosures by government authorities.** A  
21 FEDERAL, STATE, LOCAL, TERRITORIAL, OR TRIBAL GOVERNMENT  
22 AUTHORITY AND ANY DIRECTOR, OFFICER, EMPLOYEE, OR AGENT OF A  
23 FEDERAL, STATE, LOCAL, TERRITORIAL, OR TRIBAL GOVERNMENT SHALL  
24 NOT DISCLOSE AN STR, OR ANY INFORMATION THAT WOULD REVEAL THE  
25 EXISTENCE OF AN STR, EXCEPT AS NECESSARY TO FULFILL OFFICIAL  
26 DUTIES CONSISTENT WITH TITLE II OF THE FEDERAL "BANK SECRECY  
27 ACT". FOR PURPOSES OF THIS SECTION, "OFFICIAL DUTIES" DO NOT

1 INCLUDE THE DISCLOSURE OF AN STR, OR ANY INFORMATION THAT WOULD  
2 REVEAL THE EXISTENCE OF AN STR, IN RESPONSE TO A REQUEST FOR  
3 DISCLOSURE OF NONPUBLIC INFORMATION OR A REQUEST FOR USE IN A  
4 PRIVATE LEGAL PROCEEDING, INCLUDING A REQUEST PURSUANT TO 31  
5 CFR 1.11.

6 (6) **Limitation on liability.** A CO-OP AND ANY DIRECTOR, OFFICER,  
7 EMPLOYEE, OR AGENT OF ANY CO-OP, THAT MAKES A VOLUNTARY  
8 DISCLOSURE OF ANY POSSIBLE VIOLATION OF LAW, RULE, OR FEDERAL  
9 REGULATION TO A GOVERNMENT AGENCY OR MAKES A DISCLOSURE  
10 PURSUANT TO THIS SECTION OR ANY OTHER AUTHORITY, INCLUDING A  
11 DISCLOSURE MADE JOINTLY WITH ANOTHER INSTITUTION, IS PROTECTED  
12 FROM LIABILITY TO ANY PERSON FOR ANY SUCH DISCLOSURE OR FOR  
13 FAILURE TO PROVIDE NOTICE OF SUCH DISCLOSURE TO ANY PERSON  
14 IDENTIFIED IN THE DISCLOSURE, OR BOTH, TO THE FULL EXTENT PROVIDED  
15 BY 31 U.S.C. SEC. 5318 (g) (3).

16 (7) **Compliance.** THE COMMISSIONER SHALL EXAMINE CO-OPS FOR  
17 COMPLIANCE WITH THIS SECTION.

18 **11-33-128. Repeal of article - review.** (1) THIS ARTICLE IS  
19 REPEALED, EFFECTIVE SEPTEMBER 1, 2020. UPON REPEAL OF THIS  
20 ARTICLE, EACH CANNABIS CREDIT CO-OP SHALL IMMEDIATELY CEASE ITS  
21 OPERATION AND TAKE PRUDENT AND NECESSARY STEPS TO DISSOLVE.  
22 EACH CO-OP SHALL COMPLETE ITS DISSOLUTION BY SEPTEMBER 1, 2021.

23 (2) PRIOR TO THE REPEAL OF THIS ARTICLE, THE DEPARTMENT OF  
24 REGULATORY AGENCIES SHALL CONDUCT A SUNSET REVIEW OF THE  
25 COMMISSIONER'S REGULATION OF CANNABIS CREDIT CO-OPS AS DESCRIBED  
26 IN SECTION 24-34-104 (8), C.R.S.

27 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-401, **amend**

1 (3) as follows:

2 **12-43.3-401. Classes of licenses.** (3) A state chartered bank or a  
3 credit union may loan money to any person licensed pursuant to this  
4 article for the operation of a licensed business. A MARIJUANA FINANCIAL  
5 SERVICES COOPERATIVE ORGANIZED PURSUANT TO ARTICLE 33 OF TITLE  
6 11, C.R.S., MAY ACCEPT AS A MEMBER, LOAN MONEY TO, AND ACCEPT  
7 DEPOSITS FROM ANY ENTITY LICENSED PURSUANT TO THIS ARTICLE FOR  
8 THE OPERATION OF A LICENSED BUSINESS.

9 **SECTION 3.** In Colorado Revised Statutes, 13-4-102, **amend** (2)  
10 (kk); and **add** (2) (ll) as follows:

11 **13-4-102. Jurisdiction.** (2) The court of appeals has initial  
12 jurisdiction to:

13 (kk) Review all final actions and orders appropriate for judicial  
14 review of the director of the division of professions and occupations in  
15 the department of regulatory agencies, as provided in section  
16 12-40.5-110, C.R.S.; AND

17 (ll) REVIEW ALL FINAL ACTIONS AND ORDERS APPROPRIATE FOR  
18 JUDICIAL REVIEW OF THE STATE COMMISSIONER OF FINANCIAL SERVICES  
19 AS PROVIDED IN SECTIONS 11-33-109 (4) AND 11-33-122 (1) (d) AND (2)  
20 (b), C.R.S.

21 **SECTION 4.** In Colorado Revised Statutes, 24-34-104, **add**  
22 (51.5) (h) as follows:

23 **24-34-104. General assembly review of regulatory agencies**  
24 **and functions for termination, continuation, or reestablishment.**

25 (51.5) The following agencies, functions, or both, terminate on  
26 September 1, 2020:

27 (h) THE REGULATION OF MARIJUANA FINANCIAL SERVICES

1 COOPERATIVES PURSUANT TO ARTICLE 33 OF TITLE 11, C.R.S.

2           **SECTION 5. Applicability.** This act applies to conduct occurring  
3 on or after the effective date of this act.

4           **SECTION 6. Safety clause.** The general assembly hereby finds,  
5 determines, and declares that this act is necessary for the immediate  
6 preservation of the public peace, health, and safety.