

GB&T BANCSHARES, INC.
CODE OF ETHICS
Revised April 17, 2004

Introduction

The maintenance of extremely high standards of honesty, integrity and conduct is essential to assure the proper performance of GB&T Bancshares' and its subsidiaries' business and the maintenance of the public's trust. The preservation of that trust and of the Company's reputation requires close observance of these standards on the part of Company Directors, Officers and Employees.

The Company requires that its Directors, Officers, Employees and other representatives avoid possible misconduct and conflicts of interest through informed judgment and careful regard for the standards of conduct and responsibilities set forth in the policy statement that follows. In all situations, including those where there are no applicable legal principles or the law is unclear or in conflict, Directors, Officers and Employees are expected to conduct themselves in such a manner that can be supported by management and to exercise good judgment in the discharge of their responsibilities.

Compliance with the *Code of Ethics* will be the responsibility of every representative of the Company.

Senior Financial Officers

The Company's Chief Executive Officer, Chief Financial Officer, and other senior financial officers hold an important and elevated role in corporate governance in that they are empowered to ensure that shareholders' interests are appropriately balanced, protected and preserved. Accordingly, senior financial officers are especially expected to promote and adhere to the following principles, among the others described in this Code:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest in personal and professional relationships.
- Full, fair, accurate, timely and understandable disclosure in the Company's reports filed with, and other submissions to, the Securities and Exchange Commission and in other public communications made by the Company.
- Compliance with applicable governmental laws, rules and regulations.

The Company expects its senior financial officers, particularly in their preparation of the Company's reports and disclosures, to act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts. The Company further expects these officers to not fraudulently influence, coerce, manipulate, or mislead any authorized audit or interfere with any auditor engaged in the performance of an audit of the Company's financial statements or accounting books and records.

Confidential Information

The use of confidential information obtained through, or as a consequence of service on the Company's Board of Directors or employment in the Company, must be limited to the proper conduct of the Company's business and as required by law. Neither the Company nor any member of its Board of Directors or staff may use or permit others to use such confidential information for the purpose of furthering a private interest or as a means of making a profit. Discussion of confidential information with anyone outside the Board or management staff of the Company is inappropriate unless required by law.

The use of confidential information about one customer to further the private interests of another customer is improper.

Conflict of Interest

Corporate Policy

It is a policy of the Company that all Directors, Officers, Employees and other representatives avoid potential conflicts of interest. A potential conflict exists whenever a Director, Officer, Employee or other representative has an outside interest – direct or indirect – which appears to conflict with the individual's duty to the Company or adversely affect the individual's judgment in the discharge of duties. A potential conflict of interest may be just as damaging to the Company's reputation as a real conflict of interest and is just as difficult for the individuals involved to discern. All Directors, Officers and Employees are expected to take an objective look at their actions from time-to-time and inquire whether or not a reasonable, disinterested observer – a customer, a supplier, a shareholder, an acquaintance or a government official – would have any grounds to believe:

1. The confidential nature of account relationships has been breached.
2. Fiduciary responsibilities are handled in a less than prudent manner.
3. Business is done with the Company only on the basis of friendships, family ties, gift receiving or giving or to curry favor with special interest groups.
4. The Company's name is used as leverage by Directors, Officers or Employees to enhance their own opportunities when dealing with others in their political, investment or retail purchasing activities.
5. The needs of the public are not considered in making business decisions.

In the event a potential conflict of interest does arise involving an Officer (other than the Chief Executive Officer, the Chief Financial Officer or other senior financial officer) or Employee, its nature and extent should be fully disclosed immediately to the Chief Executive Officer, who, after making a thorough review of the circumstances, will determine appropriate action to be taken.

In the event a potential conflict of interest does arise involving a member of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or other senior financial officer, its nature and extent should be fully disclosed immediately to the Board of Directors.

Fiduciary Appointment

Except for a member of an Officer's or Employee's immediate family, prior approval by the Chief Executive Officer is required before acceptance by an Officer or Employee of appointment as fiduciary or co-fiduciary (executor, administrator, guardian or trustee) of customers of the Company, either with the Company or with another person, firm or corporation. Immediate family is defined as spouses, parents, children and/or siblings.

Except for previously established processional family relationships, and to avoid the appearance of any impropriety, Directors should exercise reasonable discretion in accepting appointment as a fiduciary or co-fiduciary (executor, administrator, guardian or trustee) of customers of the Company, either with the Company or with another person, firm or corporation.

Beneficiary (or Legacy) under a Will or Trust

Officers and Employees (non-Officers through Supervisors) must report any gift of a beneficial interest or legacy under wills or trusts of customers of the Company, other than a relative, at such time as the Officer or Employee learns of the designation. The objective of such notification requirement is to allow for consideration of all the facts in each case to make certain there are no real conflicts of interest and that a reasonable, disinterested third party could not allege a conflict of interest of the Officer or Employee in receipt of the benefit.

If this reporting requirement results in a decision that a real or apparent conflict exists or could exist, the Officer or Employee will be expected to make every effort to be relieved of the expectation of benefit and will probably be required to renounce the gift should it come to the Officer or Employee by operation of law. If a beneficial interest or legacy becomes payable to an Officer or Employee by reason of death of a customer or otherwise, and the early notification procedure set forth above has not been followed, ordinarily, the Officer or Employee will be required to renounce the gift unless there is a showing that the Officer's or Employee's relationship with the settlor or testator predated significantly either the Officer's or Employee's hiring by the Company or the initiation of business with the Company by the settlor or testator.

Lending Relationships

It is the position of the Company that lending services be available to serve the legitimate and deserving credit needs of all customers on an equal basis. Loan terms and conditions shall be based upon a borrower's creditworthiness.

Prohibited Lending Practices

Lending officers are not permitted to process loan applications or to extend credit to members of their immediate family. Immediate family is defined as spouses, parents, children and/or siblings. Any such loan applications must be referred to another lending officer.

Extending credit to companies in which the lending officer has an interest as a director, officer, controlling person or partner or in which a member of the lending officer's immediate family has such an interest is not permitted.

Outside Employment, Partnerships, Business Involvement

Full-time Officers and Employees should carefully scrutinize outside employment, including the performing of any services for compensation, to avoid potential conflicts of interest and excessive demands on one's time.

Officers shall give prior written notice to the Chief Executive Officer of outside interest in any business venture.

Outside employment by Officers is discouraged and may be undertaken only upon approval of a written request and an explanation submitted to the Chief Executive Officer. Such requests will be denied if the outside employment interferes with job performance or has the appearance of a conflict of interest with the Company.

Participation in Public Affairs

It is the philosophy of the Company to encourage on the part of its Officers and Employees a full awareness and interest in civic and political responsibility. Each Officer and Employee shall have the opportunity to support community activities or the political process, as he or she desires.

Voluntary efforts for civic activities normally take place outside of regular, business hours. If voluntary work requires Company time, prior approval should be obtained from the Chief Executive Officer.

However, due to legal prohibitions against political activity by banks and business corporations, approval will be denied for the use of normal working time in connection with activities related to a primary or general election for political office or for a political convention or caucus.

In all cases, Officers and Employees involved in civic or political activities do so as individuals and not as representatives of the Company.

Corporate Directorships, Public Officers and Commissions

Officers and Employees must be constantly aware of the potential for conflict of interest when considering election or appointment to corporate boards, public offices or as an

officer or director of a non-profit organization. Serving in such capacity must not place them in a position where a conflict of interest may exist.

Any questions concerning the propriety of participation in such activities should be brought to the attention of the Chief Executive Officer.

Unless specifically approved by the Chief Executive Officer and/or Board of Directors, no Director, Officer or Employee shall serve on the Board of Directors of any entity which:

1. Competes with the Company; or
2. Is in substantial default to the Company on any loan, contract or other obligation;
or
3. Is involved in a substantial controversy or litigation with the Company.

In like manner, no Director, Officer or Employee or substantial shareholder of another company shall serve as a Director of any bank entity where such circumstances exist.

Improper Use of Corporate Position or Property

Gifts Received by Officers and Employees

No Officer or Employee should accept any cash, gifts, special accommodations, favors or the use of property or facilities from anyone with whom such person is negotiating or soliciting or is being solicited for business on behalf of the Company.

Each Officer and Employee must adhere to all aspects of the Crime Control Act particularly as outlined in the Bank Bribery Statute.

Directors are already subject to fiduciary standards provided by the banking laws of the State of Georgia and are expected to fully comply with same.

The Company expects staff members to render efficient and courteous service to its customers at all times without expectation of reward. To avoid even the implication of any impropriety, it is important that each staff member address even the slightest doubt of improper influence. The Office of the Comptroller of the Currency (OCC) states that:

The statute is intended to prevent a pay-off to bank officials as a quid pro quo either to induce a particular transactions or as a "gratuity" in support of a particular transaction. Thus, where a benefit is given or received, as a result of a banking transaction, the statute may be violated. It, however, is not intended to proscribe the receipt of gratuities or favors of nominal value when it is clear from the circumstances that (a) the customer is not trying to exert any influence over the bank official in connection with a transaction and (b) the gratuity or favor is, in fact, unsolicited.

No gifts of significant value from present or prospective customers or suppliers should be accepted. Any gift of nominal value of more than \$25.00 shall be reported in writing

to the Chief Executive Officer. Offers of gifts of significant value should be reported to the Chief Executive Officer.

The Company does recognize that situations arise when it would be appropriate for a staff member to accept items of value from another. Such situations include:

1. Reasonable entertainment at luncheon, dinner or business meetings with present and prospective customers and suppliers when the return of the expenditure on a comparable basis is likely to occur and is properly chargeable as a business expense.
2. Unsolicited advertising or promotional materials (e.g., pens and calendars).
3. Awards by charitable, education, civic or religious organizations for meritorious contributions or service.
4. Gifts or bequests based upon family relationships.

Preferential Treatment

No Director, Officer, or Employee shall acquire or appropriate to such person's own personal use any Company property, service of profit opportunity on the basis of or under situations not available to members of the public, except for the following:

1. Special employee programs/services;
2. Purchase of property from the Company provided the purchase price is the fair market value and such value should be properly documented; or
3. Loans at rates and terms set forth in the Company's current Employee Loan Policy.

Community Involvement

Federal and State laws prohibit or restrict participation in certain political processes by the Company, including the use of its property, equipment, supplies and facilities. It is illegal to use Company funds for the purpose of making contributions or expenditures in connection with elections to any local, state and federal office. However, the Federal Election Campaign Act does permit the use of Company funds and assets for limited political purposes, such as:

1. Establishing political action committees to solicit contributions to separate political funds to be utilized for political purposes;
2. Communicating direct political messages to shareholders; or
3. Implementing non-partisan voter registrations or "get-out-the vote" campaigns.

The Company's policies regarding Company political contributions are not intended to discourage staff members from making personal contributions to candidates or political parties of their choice. No pressure, either direct or indirect, will be used by the Company that infringes on an Employee's right to decide to whom political contributions will be made.

Improper Transactions & Payments

It is commonly recognized that there is a direct correlation between illegal or improper payments and inaccurate records. To guarantee the accuracy of the Company's books and records, the following principles should be observed:

1. All transactions or conduct of bank business must be properly reflected in the bank's books; and
2. No secret, unrecorded funds of Company money or other assets may be established or maintained; and
3. Any payment is prohibited if no record of its disbursement is entered in the Company's accounting records; and
4. Making false and fictitious entries in the books or records of the Company or issuing false or misleading documents is prohibited and in most circumstances will constitute a criminal offense.

Investments

It is improper for an Officer or Employee to invest in a client's business unless the interest is acquired through a national securities exchange or NASDAQ, and the Company has no access to confidential information or material inside information of that client.

An Officer or Employee must not subscribe to new issues of stock in a bank client's business.

Officers and Employees are reminded that speculative investments such as margin buying, short accounts, puts, calls, or combinations are strongly discouraged.

Antitrust Compliance

Relationships with Competitors

The antitrust laws are intended to preserve and foster the American economic system of free enterprise by assuring energetic but fair competition among business firms and to prevent business activity that results in undue or unfair restraint on competition, the formation of monopolies and various undesirable business practices.

In providing its full range of financial services, the Company engages in vigorous, yet fair and open competition. All Directors, Officers and Employees are expected to observe the highest standards of ethical conduct in relationships with competitors. It is the Company's policy to emphasize the quality and competence of services and staff rather than to criticize those of competitors.

Directors, Officers and Employees are prohibited from entering into arrangements with competitors for the purpose of setting or controlling prices, rates, trade practices, marketing policies or disclosing to competitors future plans of the Company which have not been disclosed generally to the public.

Administration of the Code of Ethics

The Board of Directors has adopted this Code of Ethics and delegated to the Board of Directors the responsibility for its administration throughout the Company.

It is the responsibility of each Director, Officer, and Employee to be familiar with the Company's Code of Ethics and to abide by the letter and spirit of its provisions at all times. All new Employees are provided with a copy of the Code at the time of their orientation. Newly-appointed Officers are required to submit a statement of personal interest as evidence of their compliance with the Code's provisions. Periodically, Officers and certain other personnel in administrative or otherwise sensitive positions are required to submit a statement of personal interest as continued evidence of their compliance with the Code. Please refer to those certain reporting and disclosure requirements set forth under the Federal Reserve Bank Board's Regulation of Institutions Regulatory and Interest Rate Control Act of 1978 (FIRA). Supervising Officers are expected to make every reasonable effort to ensure that their staff continues to comply with the provisions of the Code.

Approvals and Waivers

Any request for a waiver of any provision of this Code relating to the Chief Executive Officer, Chief Financial Officer, or other senior financial officers, must be obtained from the Audit Committee of the Board of Directors. Any other request for a waiver of any portion of this Code must be submitted in writing and directed to the full Board of Directors. Changes to this Code may be made only by the Board of Directors.

Accountability

Officers and Employees who violate this Code will be subject to discipline up to and including termination of employment or removal from office. It is important to note that discipline also may be imposed upon any supervisor whose lack of supervision, diligence or awareness of the provisions of this Code directly or indirectly contributed to such violation, who fails to respond appropriately to a report of a possible violation, or who fails to cooperate with any investigation of a reported possible violation. Additionally, any violation of this Code that is also a violation of law may result in criminal prosecution of the individual(s) involved.

Reporting Procedure Regarding Accounting, Audit or Securities Issues

It is the Company's policy to provide an effective and confidential way for Employees to bring problems concerning corporate accountability to the attention of the Audit Committee. Therefore, a reporting procedure has been established for the benefit and use of Employees. The Company does not permit retaliation of any kind against Directors, Officers or Employees for good faith reports of suspected violations of the Code or any Company policy or legal requirement.

When an Employee believes an ethical or reporting issue regarding accounting or audit practices or a securities violation has occurred, the Employee is encouraged to discuss the situation with his/her immediate supervisor. If the Employee would prefer to make an anonymous report, the Employee should follow the procedure described here for bringing his/her complaint to the attention of the Audit Committee or by submitting a written report.

- A. Discussion of the problem with the Employee's immediate supervisor is encouraged as a first step. If the Employee does not believe a discussion with the supervisor is appropriate, the Employee should proceed directly to the next step.
- B. If the problem is not resolved after discussion with the supervisor, or if the Employee thinks a discussion with the supervisor is inappropriate, the Employee is then encouraged to request a meeting with the Human Resources Director. The Human Resources Director will conduct an investigation and consider the facts and may review the matter. The Employee will normally receive a response regarding the Employee's problem within one week of meeting with the Human Resources Director, if appropriate.
- C. If the Employee is not satisfied with the decision and wishes to pursue the matter further, the Employee may prepare a written summary of the concerns and request that the matter be reviewed by the Audit Committee. The Audit Committee will review the facts (which may include a review of the written summary of the problem, interviews with the people involved, and further investigation if necessary) within a reasonable period of time. The decision of the Audit Committee will be final. The attached form may be addressed to:

Chairman

Audit Committee of GB&T Bancshares
Ethics@gbt.com.

If you wish to submit the attached form by email while remaining anonymous, you must send the report from a non-Company email address.

GB&T Bancshares Reporting Form to the Audit Committee

Indicate the nature of the problem:

- () Accounting
- () Audit Procedures
- () Stock Transactions
- () Other _____

Name _____

Department _____

Position _____

1. Describe in your own words, as fully as possible, the nature of your complaint:

2. Please indicate any and all recent steps to bringing this issue or complaint to the proper person's attention:

3. Please indicate any other facts, including dates or documentation, that should be considered:

Please understand that you may remain anonymous and have the right to withhold your name; however, the Audit Committee will need as much detail as possible regarding the issue being reported in order to properly investigate.

Signed _____

Dated _____