

## **CONSOLIDATED-TOMOKA LAND CO.**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

#### **Policy and Purpose**

It is the policy of Consolidated-Tomoka Land Co. and its subsidiaries (collectively, the “Company”) that all individuals conduct themselves in an ethical manner and in conformance with all applicable federal, state, local and foreign laws as well as the Company’s policies and procedures. To outline the Company’s expectations in this area, the Company has prepared this Code of Business Conduct and Ethics (“the Code”). The Code is meant to provide Company employees (including officers) and directors with a formal statement of the Company’s commitment to the standards and rules of ethical conduct.

#### **Compliance and Reporting**

The Code is administered by the Audit Committee (the “Committee”). The members of this Committee are charged with reviewing the Code and specific compliance situations that may arise.

All Company employees and directors must carry out their duties for the Company in accordance with the policies set forth in this Code and with applicable laws and regulations. Any violation of applicable law or deviation from appropriate ethical standards embodied in this Code may result in disciplinary action which may include oral or written warning, disciplinary probation, suspension, reduction in salary, demotion or dismissal from employment. These disciplinary actions also may apply to an employee's supervisor who knowingly directs or approves the employee's improper actions, is aware of those actions but does not act appropriately to correct them, or otherwise fails to exercise appropriate supervision. In addition to imposing its own discipline, the Company may also bring violations of law or suspected violations of law to the attention of appropriate law enforcement personnel. Nothing in this Code shall in any way be deemed to alter existing legal rights and obligations of the Company and its employees, including “at will” employment arrangements.

This Code includes statements of Company policy in a number of specific areas. All employees and directors must comply with and take all reasonable actions to cause others to comply with these policies, any other code of ethics adopted by the Company, and all other applicable policies or guidelines relating to the areas covered by this Code. Conduct that does not conform to these policies is not authorized by the Company, is outside the scope of Company employment, and, as stated above, may subject employees to disciplinary action. If a question arises as to whether any action complies with the Code or applicable law, an employee should present that question to that employee's supervisor, to an officer of the Company or to any member of the Committee. The Committee shall have the power and authority to interpret the Code and make any determinations as to whether any act taken has been taken in compliance with the terms hereof. While an employee should always consult first with his or her supervisor, he or she may also pose questions to officers of the Company. Also, in the event that an employee wishes to report a violation of the Code by any Committee member, the employee may contact the Company's

Board of Directors (the “Board”) in writing by sending a letter detailing the circumstances surrounding this potential or suspected violation to the Board of Directors, c/o Consolidated-Tomoka Land Co., P.O. Box 10809, Daytona Beach, FL 32120-0809, and marked confidential. All employees should review this Code and make sure that these policies guide their actions on behalf of the Company.

If at any time any employee becomes aware of any potential or apparent conflict of interest or any violation or apparent violation of the Code, he or she should promptly report it to his or her supervisor or to the Committee. As long as a report is made honestly and in good faith, the Company will take no retaliatory action against persons based on their making of such reports. Failure to report known or suspected wrongdoing of which an employee has knowledge may, by itself, subject an employee to disciplinary action, up to and including termination of employment.

The Company’s employees and directors are required to conduct themselves professionally and ethically in the course of their duties, as well as in compliance with all laws applicable to the Company's operations. The Code itself generally highlights some of the more important legal principles with which employees and agents are expected to be familiar. Any employee who is uncertain as to whether a course of action he or she is about to take complies with the Code is expected to communicate with his or her supervisor or with the Committee before taking that action.

### **Conflicts of Interest**

All Company employees and directors, to the best of their knowledge and ability, must act honestly and ethically and at all times avoid all actual or apparent conflicts of interest between personal and professional relationships. A “conflict of interest” occurs when an individual’s private interest interferes in any material way with the interests of the Company as a whole.

### **Corporate Opportunities**

Company employees and directors owe a duty to the Company to avoid taking advantage of corporate opportunities. Accordingly, Company employees and directors are prohibited from:

- taking for themselves personally opportunities that are discovered through the use of Company property, information or position;
- using Company property, information or position for personal gain; and
- competing with the Company.

## **Confidentiality**

All Company employees and directors are required to respect the confidentiality of information acquired in the course of their work except when authorized or otherwise legally obligated to make disclosure and not use such confidential information for personal advantage. Failure to observe this duty of confidentiality may compromise the Company's competitive advantage over competitors or harm the Company or its customers, and may additionally result in a violation of securities, antitrust or employment laws, not to mention agreements providing for the protection of such confidential information.

## **Protection and Proper Use of Company Assets**

All Company employees and directors should protect the Company's assets and ensure their efficient use. The Company's assets should be used for legitimate business purposes. These assets are to be used only for the benefit of the Company. These assets may not be improperly used to provide personal gain for others.

## **Compliance with Laws, Rules and Regulations**

All Company employees and directors should comply with, and take all reasonable actions to cause others to comply with, all applicable law, statutes, rules, regulations and stock exchange listing standards.

## **Disclosure**

All Company employees and directors should provide full, fair, accurate, timely and understandable disclosure to other members of senior management and the Audit Committee of the Board and in all periodic reports required to be filed by the Company under all applicable laws. Company employees and directors should also promote and help to ensure full, fair, accurate, timely and understandable disclosure in all reports and documents that the Company files with the Securities and Exchange Commission and in other public communications by the Company.

## **Improper Influence on Conduct of Audits**

No director or officer shall, directly or indirectly, (1) make or cause to be made a materially false or misleading statement to an accountant in connection with, or (2) omit to state, or cause another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading, to an accountant in connection with:

- any audit, review or examination of the financial statements of the Company required to be made pursuant to the Securities Exchange Act of 1934; or

- the preparation or filing of any document or report required to be filed with the Securities and Exchange Commission.

No officer or director, or any person acting under the direction of an officer or director, shall directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence any independent public or certified public accountant engaged in the performance of an audit or review of the financial statements of the Company that are required to be filed with the Securities and Exchange Commission if that person knew or should have known that such action, if successful, could result in rendering the Company's financial statements materially misleading.

### **Waivers**

This Code applies to all Company employees and directors. There shall be no waiver of any part of the Code, except by a vote of the Board of Directors or a designated committee thereof, which will ascertain whether a waiver is appropriate and ensure that the waiver is accompanied by appropriate controls designed to protect the Company. Any waiver granted for directors or executive officers must be approved by the Company's Board of Directors and will be disclosed to the Company's shareholders to the extent required by applicable law and stock exchange listing standards.

ADOPTED: April 28, 2004