

**Auburn National Bancorporation
and its subsidiaries
Code of Conduct and Ethics
TABLE OF CONTENTS**

	Page No.
Purpose	1
Individual Responsibility	2
Amendments and Waivers	2
Fair and Honest Dealing	3
Compliance with Laws, Rules and Regulations	3
Banking Laws	3
Antitrust Laws and Fair Competition	4
Discrimination and Harassment Laws; Fair Treatment and Respect.....	4
Insider Trading.....	5
Political Process	5
Relations with Government Officials	5
Integrity of Records and Compliance with Accounting Principles	6
Conflicts of Interest	6
Outside Financial Interests.....	7
Outside Employment	7
Gifts and Gratuities	8
Loans.....	8
Corporate Opportunities	8
Protection and Proper Use of Company Assets	9
Personal Use of Corporate Assets.....	9
Use of Company Computers, Software and Email	9
Protecting Corporate Assets.....	9
Confidential and Proprietary Information / Communications with the Public	9
Confidentiality	9
Intellectual Property and Proprietary Information	10
Communicating with the Media and the Public.....	10
Reporting Violations	11
Investigations and Enforcement	12
Special Provisions for Senior Financial Officers	13
Honesty and Integrity.....	13
Compliance with Laws	14
Conflicts of Interest.....	14
Integrity and Accuracy of Public Disclosures	14
Accounting Treatment	15
Amendments and Waiver.....	15
Distribution	15
Conclusion	15

PURPOSE

Auburn National Bancorporation, Inc. and its subsidiaries (“Auburn”) conduct business based on solid business principles. Auburn’s reputation for high standards of honesty, integrity and impartiality is its most valuable asset and is directly affected by the conduct of its officers, directors and employees (each an “employee”). For this reason, Auburn encourages you as an employee to conduct yourself every day in a manner that ensures that together we maintain an outstanding reputation in the communities we serve.

Integrity and a high standard of ethics are fundamental to our beliefs. Auburn is committed to doing what is right and deterring wrongdoing, and we expect you to uphold these beliefs as well. If you have questions concerning the proper course of action, please consult your division head, immediate supervisor, Human Resource Officer, or the Compliance Officer.

This Code of Conduct and Ethics (the “Code”) is intended to deter wrongdoing by Auburn officers, directors and employees and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in all public communications, including reports and documents that Auburn files with the Securities and Exchange Commission;
- Compliance with all applicable laws, rules and regulations;
- The prompt internal reporting of violations of the Code, and the protection of persons who report violations of the Code, violations of any law, rule or regulation, or any questionable accounting practice; and
- Accountability on the part of all employees for adherence to the Code.

This Code outlines the standards of ethical behavior Auburn expects of its employees and the employees of its subsidiaries and affiliates, but is by no means a complete list of your responsibilities. You should keep in mind these important considerations when reading this Code:

- You should follow this Code in letter and in spirit. This means that you shall avoid any action, whether or not specifically prohibited by this policy, which might create the appearance that, you are (i) using your position at Auburn for private gain; (ii) giving preferential treatment to any person, whether customer, supplier or otherwise; (iii) impeding Auburn’s efficiency or

economy; (iv) losing your independence or impartiality; (v) making a decision outside the normal office channels, procedures or authorizations; or (vi) adversely affecting the confidence investors or the public have in Auburn's integrity.

- You should follow this Code along with any applicable laws, regulations and other Auburn policies and procedures.
- This Code does not include all of the policies, procedures and ethical standards applicable to employees, officers and directors of Auburn.
- The Code applies to all of our employees, officers and directors, regardless of location or position.
- You must report any violation of this Code. You should report suspected violations to your division head, immediate supervisor, Human Resource Officer or the Compliance Officer. You can also report violations of this Code or other Auburn policies and procedures or other illegal or unethical activities anonymously using Auburn's toll-free reporting Hotline at (877) 888-0002.
- If you do not comply with the provisions of this Code and other Auburn policies and procedures, you could be disciplined or terminated. You could also face criminal penalties and civil liabilities for violating the standards outlined in this Code.
- This Code will be made available to all shareholders upon request.

Individual Responsibility

Auburn expects all employees to abide by this Code and to comply with Auburn's policies. Differences of opinion as to appropriate conduct in a given situation are unavoidable; however, they do not excuse you from observing the stated Auburn policies. You may voice your concerns or request an exception for special circumstances through appropriate management officials.

Our compliance officer and such other person(s) who may be appointed by the Board of Directors, shall be available for counseling and guidance respecting this Code, statutes and regulations affecting employee responsibility and conduct. Each employee shall be notified of this service at the time he or she receives a copy of the Code.

You represent Auburn at all times. Therefore, you have a responsibility to act with honesty, integrity and within the parameters of Auburn's policies. As an employee of Auburn, you also have a responsibility to voice concerns if you know or suspect fellow employees are acting contrary to existing policies. Please refer to the section "Reporting Violations" for additional procedures that you may use to report possible violations.

Amendments and Waivers

Only Auburn's Board of Directors may amend this Code. Only the Board of Directors may waive a part of the Code for any senior financial officer, executive officer or director. Auburn will disclose publicly all material amendments and any waivers for senior financial officers, executive officers or directors, to the extent required by law.

FAIR AND HONEST DEALING

You must deal fairly and honestly with Auburn's employees, shareholders, customers, suppliers and competitors. You must behave in an ethical manner and not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

You must respect the integrity of persons and firms with whom Auburn deals. You must limit the fees and commissions paid to agents and other representatives to amounts that are consistent with proper business conduct.

We have earned our reputation by providing excellent customer service through knowledgeable employees and quality products. You and your co-workers must be aware that every action and interaction you undertake affects that reputation. Our goal is and should always be to provide excellent customer service and quality products.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Auburn strives to ensure that all activities conducted on its behalf are in compliance with applicable laws, rules and regulations. You must comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code. Additional Auburn policies and rules can be found in Auburn's Personnel Policy Manual and other Auburn policies. Please contact your supervisor for additional guidance or if you have questions.

While not all inclusive, the following will serve as a guide to the types of laws, rules and regulations that you should consider:

Banking Laws

You must comply with applicable federal and state laws and regulations that govern the activities of banks and bank holding companies. You should familiarize yourself with applicable laws and regulations and consult with the appropriate bank officer before taking any action on behalf of Auburn. As an employee you must not engage in certain activities, and should immediately inform your division head, immediate supervisor or the Compliance Officer if you become aware of any other employee engaging in such activities. The following list is by no means comprehensive, but is a sample of the type of activities you should be aware of and avoid:

- violating any provision of the United States Code, the Code of Federal Regulations, the Alabama Banking Code or any Regulation of the Alabama Superintendent of Banks;
- violating any “prompt corrective action,” “cease and desist” order or other enforcement action or condition imposed by any federal or state agency;
- providing misleading or inaccurate information on any report filed with the FDIC, the Federal Reserve or the Alabama Superintendent of Banks;
- causing Auburn to engage in, or acquire an interest in a company that engages in, activities that the Federal Reserve has not determined to be closely related to banking;
- taking any action which might negatively affect Auburn’s “CAMELS” or CRA ratings;
- causing Auburn to enter into any transaction with its subsidiary or any other affiliate which violates Sections 23A or 23B of the Federal Reserve Act; or
- causing Auburn to engage in any activity which might reasonably be viewed as an unsafe or unsound practice.

Antitrust Laws and Fair Competition

You must comply with applicable antitrust and similar laws that regulate competition. As an employee, you must not engage in the following activities, and should immediately inform your division head, immediate supervisor or the Compliance Officer if you become aware of any other employee engaging in such activities:

- Discussing prices, pricing strategies, product or marketing plans or terms of sale with competitors or anyone outside Auburn. Should a prohibited subject arise during any meeting, you should immediately leave the meeting and inform Auburn’s Audit Committee / Compliance Committee.
- Entering into agreements or arrangements with our competitors concerning prices, bids, dealers, customers or sales territories or markets.
- Tying the purchase of one product to another or requiring suppliers to buy from us to retain our business, except as permitted by applicable law.
- Using information obtained illegally or improperly including through misrepresentation, violation of privacy rights or coercion.
- Otherwise using unfair trade practices, including bribery, misappropriation of trade secrets, deception, intimidation and similar unfair practices.

Discrimination and Harassment Laws; Fair Treatment and Respect

Auburn's policy is to grant equal opportunity to all qualified persons, at all phases and in all aspects of employment, without regard to race, color, religion, gender, ethnic origin, age, disability or any other classification prohibited by law and to provide all employees freedom from harassment, as set forth in more detail in Auburn's Personnel Policy Manual. You must at all times abide by the Personnel Policy Manual. Auburn will investigate allegations of harassment or discrimination in accordance with applicable laws and Auburn's policies.

Insider Trading

Federal and state securities laws and Auburn's policies prohibit you from:

- Purchasing or selling Auburn securities utilizing material, nonpublic information about Auburn;
- Purchasing or selling any other person's securities utilizing material, nonpublic information about such other person obtained in the course of your employment by, or engagement with Auburn; and
- Disclosing material, nonpublic information to others who then trade in Auburn's or any other person's securities.

Political Process

You must comply with all laws, rules and regulations governing campaign finance and contributions, and lobbying activities. Federal law prohibits Auburn from making political contributions. You cannot use Auburn's funds and assets for political campaign purposes of any kind. You may participate in the political process by means of personal campaign contributions, expenditures or other activity, but may not do so as representatives of Auburn, and may not use Auburn's name or address in connection with any such activities. You may not represent that any benefit to Auburn is sought or desired. You must comply with provisions of Auburn's Personnel Policy Manual that address solicitation of employees, distribution of printed materials, and company bulletin boards. In addition, because personal involvement in political activities could reflect upon Auburn, employees desiring to engage in political activities should consult their division head, immediate supervisor or the CEO/President.

Relations with Government Officials

You may not make any payments to or for the benefit of any government official or employee or their families or business in order to secure business or to obtain special concessions. Relations with government representatives, even where personal friendships may be involved, must be in good taste and consistent with applicable law and Auburn's policies and such that full public disclosure would in no way damage Auburn's reputation.

Integrity of Records and Compliance with Accounting Principles

Auburn and the law require the preparation and maintenance of accurate and reliable business records. You must prepare all reports, books and records of Auburn with care and honesty. False or misleading entries in such records are unlawful and are not permitted. Auburn maintains a system of internal controls to ensure that transactions are carried out in accordance with management's authorization and properly recorded. This system includes various policies and procedures and periodic examination by a professional staff of internal auditors, independent outside auditors, bank regulatory agencies, with oversight by the Audit Committee. Auburn expects you to adhere to these policies and procedures and to cooperate fully in any examination by any of these persons.

Auburn's corporate records are important assets. Auburn is required by law to maintain certain types of corporate records, usually for a specified period of time. Failure to retain such documents for such minimum periods could subject Auburn to penalties and fines, cause the loss of rights, obstruct justice, place Auburn in contempt of court, or place Auburn at a serious disadvantage in enforcing its rights or remedies, including in litigation, arbitration or other proceeding. However, storage of voluminous records over time is costly. Therefore, Auburn has established controls to assure retention for required periods and timely destruction of retrievable records, such as paper copies and records on computers, electronic systems, microfiche and microfilm.

Auburn expects all employees to become familiar with and fully comply with the records retention/destruction schedule for the departments for which they work. If you believe documents should be retained beyond the applicable retention period, consult your division head, immediate supervisor or the Compliance Officer.

In addition, if you have any complaints or suspect a violation regarding accounting, internal accounting controls, auditing or financial reporting matters you should report such matters to your supervisor or pursuant to the procedures under "Reporting Violations" on page 11.

CONFLICTS OF INTEREST

Auburn requires you to avoid any relationship, activity, or ownership that might create a conflict between your personal interest and Auburn's interest. A "conflict of interest" occurs when your private interest interferes in any way, or even appears to interfere, with the interests of Auburn. A conflict of interest can arise when you take actions or have interests that may interfere with your ability to perform your job objectively and effectively. Conflicts of interest also arise when you, or a member of your family, receive improper personal benefits as a result of your position with Auburn.

You need to disclose any relationships, gifts, compensation or other situations which could be a conflict of interest or that reasonably could create the appearance of a conflict of interest in the following manner: (i) employees shall report to their division head or immediate supervisor; (ii) officers shall report to the President; and (iii) the President, CEO and members of the Board of Directors shall report to retained counsel.

You owe a duty of loyalty to Auburn. You may not use your position or any information gained as a result of your position improperly to profit personally or to assist others in profiting at Auburn's expense. Auburn expects you to avoid situations that might influence your actions or prejudice your judgment in handling Auburn's business. You must not become obligated in any way to representatives of firms with which you deal and must not show any preference to third parties based on personal, family or outside business interests. In addition, you must communicate to your supervisor any material transaction or relationship that could create a conflict of interest.

While not all inclusive, the following will serve as a guide to the types of activities that might cause conflicts of interest:

Outside Financial Interests

- Owning a substantial financial interest in any company that is a competitor of Auburn or which does or seeks to do business with Auburn, unless such interests are disclosed to the Board of Directors and any business with Auburn is approved by the Board of Directors in advance, and is conducted on arms' length terms at least as advantageous as available elsewhere. Generally, owning securities of a publicly-owned corporation regularly traded on a national securities exchange, where you are not an "affiliate" of such other entity, would not create a conflict of interest.
- Representing Auburn in any transaction in which you or a family member or a related business have a substantial personal or financial interest.
- Disclosing or using confidential, special or inside information of or about Auburn for your or a family member's or other person's profit or advantage.
- Competing with Auburn in the purchase, sale or ownership of property or services or business or investment opportunities.

Outside Employment

As detailed in Auburn's Personnel Policy Manual, you may not engage in any outside employment that in any way competes with Auburn's business activities, compromises its business interests or interferes with your ability to fulfill all of your responsibilities to Auburn, including your duties of loyalty and confidentiality.

Offers of directorships to any outside organization (excluding non-profit organizations) that has or desires to have a business relationship with Auburn, or to any

institution within the financial services industry, must be reported to the Compliance Officer and must be approved by Auburn's outside counsel prior to acceptance.

Gifts and Gratuities

It is Auburn's policy to prohibit employees from seeking or accepting gifts or compensation in connection with any business of Auburn. Any gifts or offers of entertainment of more than nominal value must be refused. All such gifts or offers of entertainment in excess of nominal value and any offers of commissions or fees in connection with Auburn business should be reported to your immediate supervisor or the Compliance Officer.

Loans

You may not personally lend to or borrow from any Auburn customer, supplier, contractor or any person connected with such entities. In addition, you may not make or approve loans to any entity in which you or a member of your immediate family has a direct or indirect interest, or to a business associate. (Immediate family includes spouse, mother, father, son, daughter, brother, or sister). You should disclose such interest and refer any request for credit that you feel may create a conflict of interest to another employee who has no affiliation with the borrower, and disclose to the borrowing customer any relationship by blood or marriage you may have with the referral source. Loans to employees of Auburn must meet the same requirements and be on the same terms and conditions as loans granted to non-employees, except as provided by policies approved by Auburn's Board of Directors.

CORPORATE OPPORTUNITIES

You owe a duty to Auburn to advance its legitimate interests. You cannot take any business opportunity you learn of as a result of your employment with Auburn or use any Auburn property for your personal benefit or for the benefit of a family member or business associate, or take any action that might create the appearance of such a benefit. For example, you should not acquire any interest in a company when you know that Auburn is or may take steps to acquire an interest in that company. If you learn of a business opportunity that is within Auburn's existing or proposed lines of business, you should inform your immediate supervisor. You may not personally pursue that business opportunity until Auburn decides not to pursue it.

PROTECTION AND PROPER USE OF COMPANY ASSETS

You must strive to preserve and protect Auburn's assets and resources and to ensure their efficient use.

Personal Use of Corporate Assets

You must use Auburn's property for legitimate business purposes and conduct Auburn's business in a way that furthers Auburn's interests rather than your personal interest. You may not use or take Auburn's equipment, supplies, materials or services, except in the normal course of your employment, without approval of your supervisor.

Use of Company Computers, Software and Email

Auburn's computer resources, which include the electronic mail system, certain software developed internally by employees of Auburn or by independent contractors and software as to which Auburn has purchased certain rights, belong to Auburn and not to you. You shall abide by all software licensing agreements and copyright laws and shall not bring any software or hardware onto the premises for installation or use on Auburn's computer equipment except as permitted in the End User Policy. Your use of email, software and the internet must comply with Auburn's Email/Intranet/Internet Policy and may be monitored by Auburn.

Protecting Corporate Assets

You have an obligation to safeguard the assets of Auburn by making certain our assets, including information, is used to further our business interests. When you use a corporate asset, you must consider whether that use is in the best business interest of Auburn. This includes the personal use of Auburn monies, credit, vehicles, equipment, computers, computer programs, and customer and supplier information.

CONFIDENTIAL AND PROPRIETARY INFORMATION / COMMUNICATIONS WITH THE PUBLIC

Confidentiality

Confidential information includes all material non-public information that might be of use to competitors or harmful to Auburn or its customers, if disclosed. Auburn

owns all information, in any form (including electronic information), that is created or used in its business activities. This information is a valuable asset and Auburn has various privacy obligations to our customers and suppliers. Auburn expects you to protect it from unauthorized disclosure. This information includes Auburn account-holder, customer, supplier, business partner and employee data. Federal and state law may restrict the use or dissemination of this information and may penalize you if you use or disclose it. You should protect information pertaining to Auburn's competitive position, business strategies and information relating to negotiations with employees or third parties and share it only with employees who need to know it in order to perform their job. Financial information regarding the bank is not to be released to any person unless it has been published in reports to shareholders or otherwise made public by filings in compliance with disclosure regulations.

You must maintain the confidentiality of information entrusted to you by Auburn, its customers, employees, vendors, consultants and other third parties, except when disclosure is authorized or legally required. You must take all reasonable efforts to safeguard confidential information that is in your possession against inadvertent disclosure and must comply with any non-disclosure obligations imposed on Auburn.

Auburn and its bank subsidiary are periodically examined by one or more state and Federal regulatory agencies. The reports that examiners furnish to Auburn are the property of the agency, not of Auburn, and are strictly confidential. Information contained in these reports must not be communicated to anyone not connected with Auburn. Improper disclosure is subject to criminal penalties.

Intellectual Property and Proprietary Information

You must maintain Auburn's intellectual property rights, including Auburn's name, logo, trademarks, patents, copyrights, software and programs, licenses and trade secrets, to preserve and protect their value. All innovations or inventions you create in connection with your employment with Auburn or relating to any of Auburn's businesses are for the benefit of and belong solely to Auburn. You must inform your supervisor thereof so that Auburn can take steps to protect its rights and title in and to these valuable assets. Intellectual property that you create during the course of your employment belongs to Auburn.

In addition, you must respect the intellectual property rights of others. If you violate other's intellectual property rights in connection with your employment with Auburn, you and Auburn could face substantial liability, including criminal penalties.

Communicating with the Media and the Public

Public perception of Auburn is an important aspect of our business, and is directly affected by communications with the media and the public. In addition, the unauthorized disclosure of internal information could create serious legal and financial problems for Auburn. Therefore, it is important that any communications with the media or the

general public are clear, accurate and consistent with Auburn's philosophy, policies and procedures.

Employees should not discuss internal business matters, confidential or proprietary information, or business developments with anyone outside Auburn. The President, Chief Executive Officer, Chairman of the Board, Executive Vice President and Senior Vice Presidents are responsible for communicating with the media and the public. If you are contacted by a member of the press or the general public, you should immediately contact your division head or immediate supervisor to make certain that one of these officers is notified.

REPORTING VIOLATIONS

You must report any violation of this Code, Auburn policy or a legal requirement of which you become aware. In reporting suspected violations, we encourage you first to contact your division head or immediate supervisor. If you are not comfortable doing so, you may also contact the Compliance Officer or you may call Auburn's reporting Hotline at (877) 888-0002. You can use this Hotline to report possible violations, to check on the status of a previously filed report, or to report that you feel a report previously made to company management, your supervisor, or other management personnel has not been addressed.

Auburn's reporting Hotline is administered by an independent, third-party vendor. The telephone operators for the hotline have been trained to receive your call. This hotline is available 24 hours a day, seven days a week. All calls will be answered by a live person. Calls are not recorded and are not able to be traced. You have the option to remain anonymous. If you remain anonymous, you will be given a numeric code so that you may call back and ask for follow up on your complaint. You will be guided through the call and prompted by appropriate questions from the operator. Anonymity and confidentiality cannot be guaranteed, but will be maintained to the extent possible consistent with Auburn's investigation of any reported matters. Auburn cannot guarantee anonymity or confidentiality in the event that governmental or regulatory investigations ensue.

If you report a possible violation, regardless of the method that you use to make the report, it is important that you provide as much detail as possible, including names, dates, times, locations and the specific conduct in question. Only with sufficient specific information can Auburn adequately investigate the report.

Your submission of information will be treated in a confidential manner to the extent reasonably possible. Please note, however, that if an investigation by Auburn of

the activities you have reported takes place, it may be impossible for Auburn to maintain the confidentiality of the fact of the report or the information reported.

In addition, all complaints or suspected violations regarding accounting, internal accounting controls, auditing or financial reporting matters will be forwarded to the Head of Auburn's Internal Audit Department and the Chairman of the Audit Committee. The Head of Internal Audit and/or Chairman of the Audit Committee will assess each complaint and will report complaints relating to material amounts or matters to the full Audit Committee for its review. The Head of Internal Audit will maintain a log of all complaints relating to accounting requirements, internal accounting controls, or auditing matters. This log shall include a description of the complaint, the findings of the Audit Committee, the resolution of the complaint, and any corrective or disciplinary action taken by Auburn. Copies of complaints and related documents will be retained in accordance with Auburn's document retention and destruction policy.

Auburn strives to create an environment where employees feel free to call attention to possible legal or policy violations. We will investigate reported concerns impartially. Auburn will not permit any retaliation against you for reporting suspected violations in good faith. It is also Auburn's policy to comply with all laws that protect employees against unlawful discrimination or retaliation by anyone at Auburn as a result of their lawfully and truthfully reporting information regarding, or their participating in, investigations involving allegations of corporate fraud or other violations of federal or state law by Auburn or its agents. In addition, Auburn prohibits retaliation or other types of discrimination for refusal to obey directive that constitutes fraud or any other violation of law, rule, regulation, accounting requirements or other Auburn policies.

If you believe that you have been subjected to any action that violates this policy, or if you believe another employee has been subjected to any action that violates this policy, you may file a complaint with your division head, immediate supervisor, Human Resource Officer, or the Compliance Officer. If it is determined that you experienced any improper employment action in violation of this policy, corrective action will be taken.

INVESTIGATIONS AND ENFORCEMENT

Reports of possible violations of the Code will be investigated by Auburn and, if a violation of the Code is substantiated, disciplinary action will be taken, where necessary, including appropriate sanctions for each individual involved, up to and including termination of employment. Any officer or director believed to have participated in a possible violation shall not be permitted to participate in any investigation or recommendation for disciplinary action or sanctions. Violations of the Code that may also constitute illegal conduct shall be addressed. This may include making a report to

civil or criminal authorities, including bank regulatory authorities, whether through a “suspicious activity report” or otherwise, and, in certain circumstances, making public disclosure in SEC filings or otherwise.

Auburn may also from time to time conduct reviews to assess compliance with the Code.

As part of Auburn’s commitment to conducting its business ethically and investigating possible violations of the Code, Auburn’s Human Resources Department and Department of Internal Audit will help administer and implement this Code. Auburn’s Compliance Officer and/or Human Resource Office have overall responsibility to:

- Receive, collect, review, process, investigate and resolve concerns and reports by employees and others on the matters described in the Code;
- Work with legal counsel from time to time to review the Code in connection with current federal, state and local laws and recommend to the Board any updates or improvements to the Code;
- As necessary, provide guidance on the meaning and application of the Code.

SPECIAL PROVISIONS FOR SENIOR FINANCIAL OFFICERS

Senior financial officers hold an important role in corporate governance. Auburn’s Board of Directors has established certain ethical standards for its principal executive officer and senior financial officers that are in addition to those applicable to employees under this Code of Conduct and Ethics. These officers include Auburn’s Chief Executive Officer, President, Chief Financial Officer and other principal financial and accounting officers, as well as such officers of AuburnBank. While all employees, officers, and directors are required to adhere to the other provisions of this Code of Conduct and Ethics, the professional and ethical conduct of senior financial officers is essential to the proper function and success of Auburn. Therefore, Auburn’s principal executive officer and senior financial officers must also comply with the additional conduct and ethics standards set forth below.

Honesty and Integrity

Auburn’s senior financial officers have a responsibility to act with honesty and integrity and within the parameters of Auburn’s policies. Senior financial officers must comply with this Code and these Special Provisions, and also have a responsibility to voice concerns if you know or suspect directors, officers or employees are acting contrary to this Code, including these Special Provisions, or other Auburn policies.

Compliance with Laws

Auburn strives to ensure all activity on its behalf is in compliance with all applicable laws, rules and regulations. Senior financial officers of Auburn must comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code or in these Special Provisions.

Conflicts of Interest

Auburn requires its senior financial officers to avoid any relationship, activity, or ownership that might create a conflict between their personal interest and Auburn's interest. A "conflict of interest" occurs when a senior financial officer's private interests interferes in any way, or even appears to interfere, with the interests of Auburn. A conflict of interest can arise when a senior financial officer takes actions or has interests that may interfere with his or her ability to perform his or her job objectively and effectively. Conflicts of interest also arise when a senior financial officer, or a member of a senior financial officer's family, receives improper personal benefits as a result of his or her position with Auburn.

Auburn's senior financial officers owe a duty of loyalty to Auburn. Auburn's senior financial officers may not use their positions improperly to profit personally or to assist others in profiting at Auburn's expense. Auburn expects its senior financial officers to avoid situations that might influence their actions or prejudice their judgment in handling Auburn business, that may undermine public confidence in Auburn through the appearance of a conflict of interest. Senior financial officers must not become obligated in any way to representatives of firms with which they deal and must not show any preference to third parties based their own interests or the interests of their families, business acquaintances, or other individuals. In addition, they must communicate to Auburn's Audit Committee or the Board of Directors any transaction or relationship that could create a conflict of interest.

Integrity and Accuracy of Public Disclosures

Auburn's senior financial officers must take all reasonable steps to ensure that the disclosures in the reports and documents that Auburn files with or submits to the Securities and Exchange Commission and to Auburn's bank regulatory agencies, as well as its public communications are full, fair, accurate, timely and understandable. In the event that the principal executive officer or a senior financial officer learns that any such report, document or communication does not meet this standard and that the deviation is material, then such officer will review and investigate the deviation, advise the Board of Directors or the appropriate Board committee and, where necessary, revise and correct the relevant report, document or communication.

Accounting Treatment

Although a particular accounting treatment for one or more of Auburn's operations may be permitted under applicable accounting standards, the principal executive officer and senior financial officers will not authorize or permit the use of such an accounting treatment with the intent of distorting or concealing Auburn's true financial condition.

Amendments and Waiver

All senior financial officers are expected to adhere to both this Code and these Special Provisions for Senior Financial Officers at all times. Only Auburn's Board of Directors may amend this Code. Only the Board of Directors may waive a part of Auburn's Code for any director, executive officer or senior financial officer of Auburn. Auburn will disclose publicly all material amendments and any waivers for senior financial officers to the extent required by law.

DISTRIBUTION

The Personnel Department shall distribute a copy of this Code to every employee within sixty (60) days after approval by the Board of Directors, to every employee at the time of employment, and to every employee each calendar year thereafter upon amendment, if any, and re-approval by the Board of Directors. A copy of this Code shall be available upon request to any shareholder of Auburn.

CONCLUSION

You are responsible for ensuring that your behavior is in compliance with this Code and that your decisions and actions are guided by Auburn's principles and policies. If you have any questions about how you should approach any situation, whether addressed by this Code or not, you should consult your division head, immediate supervisor, the Compliance Officer or Human Resource Officer immediately, or call Auburn's reporting hotline.

**Certification and Acknowledgement of Receipt
of Code of Conduct and Ethics**

I certify that I have received Auburn National Bancorporation's ("Auburn") Code of Conduct and Ethics, and I have read or agree to read the information contained within the Code of Conduct and Ethics.

I agree to comply with Auburn's Code of Conduct and Ethics and Auburn's other policies and procedures and understand that compliance with these policies is a condition of my continued employment with Auburn. I understand that the Code of Conduct and Ethics does not create any contractual employment rights of any kind between Auburn and myself. I also understand that violation of the Code of Conduct and Ethics may lead to disciplinary action up to and including termination of my employment with Auburn.

Signature: _____

Name (Print): _____

Department: _____

Date: _____