

LAKELAND FINANCIAL CORPORATION

LAKE CITY BANK EMPLOYEE POLICY MANUAL

J. WHISTLE BLOWING

Any employee of Lake City Bank, or its subsidiaries may submit a good faith complaint regarding accounting or auditing matters to the management of Lake City Bank without fear of dismissal or retaliation of any kind. Lake City Bank is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. Lake City Bank's Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, Lake City Bank's Audit Committee has established the following procedures for:

- a. The receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters");and
- b. The confidential, anonymous submission by employees of concern regarding questionable accounting or auditing matters.

Employees should report any suspicious behavior they are concerned about, without fear of retaliation.

- Reports can be made to the following:
 - Senior Vice President – Chief Human Resources Officer
 - Senior Vice President – Senior Risk Manager
 - Senior Vice President – General Counsel
 - Vice President- Internal Auditor
- Reports can be made in the following manners:
 - Contacting any of the people listed above directly in person, by phone or by e-mail;
 - Leaving a message at ext. 47227 or 1-844-363-6381-can be done anonymously or you can leave your name.

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801 Standards of Business Ethics (Continued)

Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any questionable accounting or auditing matters, including, without limitation, the following:

1. Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of Lake City Bank.
2. Fraud or deliberate error in the recording and maintaining of financial records of Lake City Bank.
3. Deficiencies in or noncompliance with Lake City Bank's internal accounting controls.
4. Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of Lake City Bank.
5. Deviation from full and fair reporting of Lake City Bank's financial condition.

Treatment of Complaints

Upon receipt of a complaint, the Vice President, Internal Auditor will:

1. Determine whether the complaint actually pertains to Accounting Matters.
2. When possible, acknowledge receipt of the complaint to the sender.

Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Vice President, Internal Auditor or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.

Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

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801 Standards of Business Ethics (Continued)

Lake City Bank will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

Reporting and Retention of Complaints and Investigations

Vice President, Internal Auditor will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with Lake City Bank's document retention policy.