

GYRODYNE COMPANY OF AMERICA, INC. CODE OF BUSINESS CONDUCT AND ETHICS

Ethical behavior has always been, and is today more than ever, required and expected of every officer, director and employee of Gyrodyne Company of America, Inc., and its subsidiaries (collectively, the “Company”).

This Code of Business Conduct and Ethics (“Code of Ethics”) has been adopted by the Company’s Board of Directors to demonstrate to the public and the Company’s various stakeholders the importance that the Company’s Board of Directors and management place on ethical conduct. The Code of Ethics is intended to set forth the Company’s expectations for the conduct of ethical business practices by its officers, directors and employees, to promote advanced disclosure and review of potential conflicts of interest and similar matters, to protect and encourage the reporting of questionable behavior and to discipline appropriately those who engage in improper conduct.

Accordingly, it is the Company’s expectation that each and every officer, director and employee of the Company shall:

- ***Act with honesty and integrity, avoiding actual or apparent conflicts of interest between interests of the Company and the personal interest of an individual or his or her family.***

Conflicts of interest occur when business judgments or decisions may be influenced by personal interests not shared by the Company as a whole. A conflict situation may, for example, arise when an individual, or a member of his or her family, has an interest in a transaction to which the Company is a party, competes with the Company or takes advantage of an opportunity that belongs to the Company. Conflicts of interest may also occur when officers, directors or employees receive loans, guarantees, excessive gifts, kick-backs or other improper personal benefits from persons with whom the Company does business.

When a conflict of interest arises, an officer, director or employee has a duty to place the Company’s interests ahead of his or her own personal interests. It is essential that in those instances where a Company decision or practice may appear to have been made to advance a personal interest, that the decision be made or approved by the independent and “disinterested” officers or directors of the Company. Thus, in those instances where an employee faces a potential conflict of interest, the employee should report the potential conflict of interest to the Compliance Officer for his or her review. Any action or transaction in which the personal interests of an officer or a director of the Company may be in conflict with those of the Company must be promptly reported to the chairperson of the Audit Committee of the Board of Directors (the “Committee”). The Committee shall have the right to determine in advance that any such action or transaction does not constitute a conflict of interest in violation of this Code of Ethics.

For purposes of determining whether a conflict of interest exists, the receipt of any personal benefit that is not clearly reasonable and business-related and is in excess of (\$100) from any person with whom the Company does business, must be reported to the Committee, in the case of an officer or a director, or to the Compliance Officer, in the case of an employee. The Committee or the Compliance Officer, as the case may be, shall have the right to determine in advance that any such personal benefit does not constitute a conflict of interest in violation of this Code of Ethics and/or to require that such personal benefit be returned to the provider and/or reimbursed by the Company.

- *Assist the Company in meeting its accounting, financial reporting and disclosure obligations and work to ensure that the Company's public reports and communications are accurate, certifiable, complete, objective, relevant and timely.*

In compliance with the rules and regulations of the U.S. Securities and Exchange Commission and the Nasdaq Stock Market, the Company is required to issue financial statements in conformity with generally accepted accounting principles and to make public disclosures regarding certain aspects of its business. It is expected that all officers, directors and employees of the Company will keep accurate and complete books, records and accounts that enable the Company to meet its accounting and financial reporting obligations. It is expected that any officer, director or employee of the Company involved in preparing the Company's disclosures, or any employee or officer asked to provide information relevant to such disclosure, will adhere to the above stated principle. Any employee or officer who, in good faith, believes that the Company's accounting method is **inappropriate or not in compliance with generally accepted accounting principles**, should **report** this finding directly to the Company's Chief Financial Officer and, if unsatisfied with the response, directly to the Committee. In addition any officer or employee who becomes aware of a material event or fact involving the Company that has not been previously disclosed publicly by the Company should immediately report such material event or fact to the Company's Chief Financial Officer or Compliance Officer.

- *Comply with applicable federal, state and local laws and regulations governing the Company's business, including insider trading laws.*

While this principle is seemingly self-explanatory, at times, the application of any particular law to the Company may not be perfectly clear. Where an employee is unsure or has any question as to the application to the Company of any law, it is expected that the employee will seek appropriate guidance from the Compliance Officer, who may seek guidance from outside counsel to the Company. Officers and directors of the Company should seek guidance from outside counsel to the Company, through the Chief Financial Officer, or, in the case of directors, from other counsel designated by the Audit Committee of the Board of Directors. In addition the Company has a comprehensive "Securities Trading Policy" which is applicable to its officers, directors and employees as well as to each of their immediate family members. The Company expects that every officer, director and employee will comply, and will cause their family members to comply, with every aspect of the Securities Trading Policy.

- *Work to deal fairly with the Company's customers, suppliers, vendors and employees.*

No officer, director or employee of the Company should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. The Company does not sanction offering or making payments of any kind, whether of money, services or property, to any domestic or foreign public official or of providing personal benefits that are not clearly reasonable and business-related in excess of **\$100** to any employee, agent or representative of any organization seeking to or doing business with the Company. If there is any question as to whether any such personal benefit is clearly reasonable and business-related, an officer or director should seek **pre-approval** from the Committee, and an employee from the Compliance Officer.

- *Protect the Company's assets, using them only for legitimate business purposes, and the confidentiality of information entrusted by the Company to an officer, director or employee.*

Theft, carelessness and waste of Company property have a direct impact on the Company's profitability and cannot be tolerated. The Company's property also includes confidential information as well as certain corporate opportunities which may be disclosed to the Company's officers, directors or employees while carrying out their duties for the Company. No officer, director or employee of the Company should improperly disclose any such confidential information or utilize such confidential information or corporate opportunity for his or her own personal gain. Each officer, director and employee has a duty to advance the best interests of the Company and, except with the prior approval of the Committee, in the case of an officer or director, or the Compliance Officer, in the case of an employee, to refrain from engaging in any conduct which may compete with the Company or interfere with the Company's pursuit of its business opportunities.

THERE ARE MANY OTHER POLICIES THAT ARE VERY IMPORTANT TO THE COMPANY AND ITS OPERATIONS. NOTHING HEREIN SHALL RELIEVE ANY OFFICER, DIRECTOR OR EMPLOYEE FROM COMPLYING WITH ANY OTHER APPLICABLE COMPANY POLICY.

The Company expects full compliance with this Code of Ethics. In that regard, employees are encouraged to **report** any violation of the Code of Ethics to his or her Supervisor, Manager, Internal Audit Department, or Human Resource representative or to the Compliance Officer. Officers and directors must report any violation of the Code of Ethics to the Committee. The Company will not permit any retaliation against an employee or an officer who appropriately reports a matter that he or she believes, in good faith, to be a violation of the Code of Ethics to the appropriate personnel. Any employee who is found by the Human Resource Department or the Compliance Officer to have violated the Code of Ethics may be subject to discipline, including termination of employment.

The Committee shall **investigate** any alleged violation of the Code of Ethics by any of the Company's officers or directors. In the event that the Committee determines that a violation of the Code of Ethics has occurred, the Committee shall be authorized to take any action it deems appropriate. In the event that the Committee recognizes that a violation by an executive officer or a director has occurred but elects not to take any remedial or other actions against the offending executive officer or director, the Company shall disclose the facts and circumstances of its election to waive the Code of Ethics by posting the same on the Company's website or by any other such means required under applicable law or the requirements of the Nasdaq Stock Market.

Also, nothing in this Code of Ethics affects the general policy of the Company that employment is at will and can be terminated by the Company at any time and for any or no reason.

**EMPLOYEE'S ACKNOWLEDGEMENT
OF THE
GYRODYNE COMPANY OF AMERICA, INC.
CODE OF BUSINESS CONDUCT AND ETHICS**

The Code of Ethics will not answer or resolve every question you may have. If you are uncertain about what the right thing to do is, you are encouraged to seek the advice and guidance of your supervisor, your Human Resource representative or the Compliance Officer of the Company.

YOU MAY ALWAYS DIRECTLY REPORT ANY MATTER WHICH YOU BELIEVE, IN GOOD FAITH, TO BE A VIOLATION OF THIS CODE OF ETHICS TO THE COMPLIANCE OFFICER.

I have read and understand the foregoing Code of Ethics, have been given a copy to retain for my reference, and agree to be bound by its terms. I understand I can be subject to discipline, dismissal from my job and prosecution under the law for violating any of the above provisions of the Code of Ethics.

Print Name

SSN

Signature

Date

**OFFICER'S ACKNOWLEDGEMENT
OF THE
GYRODYNE COMPANY OF AMERICA, INC.
CODE OF BUSINESS CONDUCT AND ETHICS**

The Code of Ethics will not answer or resolve every question you may have. If you are uncertain about what the right thing to do is, you are encouraged to seek the advice and guidance of the Compliance Officer of the Company.

YOU MAY ALWAYS DIRECTLY REPORT ANY MATTER WHICH YOU BELIEVE, IN GOOD FAITH, TO BE A VIOLATION OF THIS CODE OF ETHICS TO THE COMPLIANCE OFFICER OR TO THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS.

I have read and understand the Company's Code of Ethics, have been given a copy to retain for my reference, and agree to be bound by its terms. I understand I may be subject to discipline, dismissal from my job and prosecution under the law for violating any of the above provisions of the Code of Ethics.

Print Name

SSN

Signature

Date

**DIRECTOR'S ACKNOWLEDGEMENT
OF THE
GYRODYNE COMPANY OF AMERICA, INC.
CODE OF BUSINESS CONDUCT AND ETHICS**

The Code of Ethics will not answer or resolve every question you may have. If you are uncertain about what the right thing to do is, you are encouraged to seek the advice and guidance of outside counsel to the Company, through the Company's Chief Financial Officer, or other counsel designated by the Audit Committee of the Board of Directors.

YOU MAY ALWAYS DIRECTLY REPORT ANY MATTER WHICH YOU BELIEVE, IN GOOD FAITH, TO BE A VIOLATION OF THIS CODE OF ETHICS TO THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OR TO THE FULL BOARD.

I have read and understand the foregoing Code of Ethics, have been given a copy to retain for my reference, and agree to be bound by its terms. I understand I can be subject to discipline, removal for cause from the Board of Directors and prosecution under the law for violating any of the above provisions of the Code of Ethics.

Print Name

SSN

Signature

Date