



Revised and Adopted December 3, 2014

DIRECTOR INDEPENDENCE STANDARDS

At Patriot Transportation Holding, Inc., we strive for excellence in everything we do. This commitment extends to excellence in corporate governance. The following standards have been adopted by our board of directors and describe the manner in which we determine whether directors and prospective directors are independent directors.

Board Determination

Our board of directors shall determine whether a director is independent. Our board of directors shall consider the input of our Nominating and Corporate Governance Committee in making its determination.

General Standard

In order for a director or prospective director to be considered to be independent:

- the director must not be disqualified from being an independent director by virtue of the matters described below under “Disqualifying Factors,” and
- the board of directors must make a determination that the director has no relationship that, in the judgment of the board, would interfere with the exercise of independent judgment by the director in carrying out his or her responsibilities.

Disqualifying Factors

No director can be considered independent if:

1. He or she is an employee or executive officer of the Company;
2. He or she has been an employee or executive officer of the Company in the past 3 years¹;

¹ Other than as an executive officer on an interim basis for a period of less than one year.

3. He or she receives more than \$100,000 in direct compensation² from the Company or has received that amount in any 12 month period during the last 3 years;

4. His or her Family Member receives more than \$100,000 in direct compensation² from the Company or has received more than that amount in any 12 month period during the last 3 years;

5. His or her Family Member is or has been employed by the Company as an executive officer during the last 3 years;

6. During any of the past 3 years, he or she (or a Family Member) has been a partner, controlling shareholder or executive officer of a company that made payments to Patriot for property or services that exceeded the greater of \$200,000 or 5% of that other company's consolidated gross revenues³;

7. During any of the past 3 years, he or she (or a Family Member) has been a partner, controlling shareholder or executive officer of a company to which Patriot made payments for property or services (including donations to charitable organizations) that exceeded the greater of \$200,000 or 5% of that other company's consolidated gross revenues³;

8. During the past 3 years, a Patriot executive officer served on the compensation committee of a company that employed the director (or a Family Member) as an executive officer; or

9. He or she (or a Family Member) is a current partner of our independent auditor or of any internal audit firm that we use;

10. Within the past 3 years, he or she (or a Family Member) was a partner or employee of our internal auditor or external auditor and personally worked on our audit.

² Other than directors fees, committee fees, payments from investments in the Company's securities, compensation paid to Family Members who are non-executive employees of the Company, benefits under tax-qualified retirement plans, non-discretionary compensation, or compensation for service as an interim executive officer for less than one year.

³ Other than payments from investments in the Company's securities and payments under non-discretionary charitable contribution matching programs.

Committee Members

Directors must meet additional independence standards to serve on our audit committee and our compensation committee.

Audit Committee Members

No director may serve on the audit committee if:

1. he or she (or a spouse, minor child, minor stepchild or adult child or stepchild living at home) receives any compensation from us other than directors' fees, committee fees or fixed compensation under a retirement plan, including deferred compensation, for prior service that is not contingent on continued service;

2. he or she is a partner, member, executive officer or managing director of a firm that provides legal, accounting, consulting, investment banking, or financial advisory services to us;

3. he or she beneficially owns more than 10% of any class of our capital stock; or

4. he or she has participated in the preparation of the financial statements of the Company at any time during the past 3 years.

Compensation Committee Members

No director may serve on the Compensation Committee if:

1. he or she (or a spouse, minor child, minor stepchild or adult child or stepchild living at home) receives any compensation from us other than directors' fees, committee fees or benefits under a tax-qualified retirement plan;

2. he or she has ever been an officer of the Company; or

3. we make payments to a firm in which he or she has an ownership interest, unless (i) the payments are less than \$60,000 in the year, and (ii) his ownership interest is less than 50%.

Defined Terms

"Company" or "Patriot" means Patriot Transportation Holding, Inc. and all of its subsidiaries. "Family Member" has the same meaning as the term "Family Member" set forth in Rule 4200(a)(14) of the NASDAQ Manual. In that section, a "Family Member" means a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in the person's home.