
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
May 13, 2005

United Community Banks, Inc.

(Exact name of registrant as specified in its charter)

Georgia

(State or other jurisdiction of
incorporation)

No. 0-21656

(Commission File Number)

No. 58-180-7304

(IRS Employer
Identification No.)

63 Highway 515, P.O. Box 398
Blairsville, Georgia 30512
(Address of principal executive offices)

Registrant's telephone number, including area code:
(706) 781-2265

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240-13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On May 16, 2005, United Community Banks, Inc. (the “Registrant”) entered into stock option award agreements with each of its executive officers. The options were issued under the 2000 Key Employee Stock Option Plan (the “Plan”). The agreements provide for options to purchase common stock of the Registrant at a price per share of \$23.10.

On the same date, the Registrant entered into restricted stock award agreements with each of its executive officers under the Plan. The agreements provide for shares of restricted stock at a price per share of \$23.10.

The options and restricted stock grants were in the following amounts:

<u>Grantee</u>	<u>Incentive Stock Options</u>	<u>Non-qualified Stock Options</u>	<u>Restricted Stock</u>
Jimmy C. Tallent	4,329	16,071	4,500
Guy W. Freeman	5,008	7,992	3,000
Rex S. Schuette	5,015	6,985	2,750
Thomas C. Gilliland	4,394	4,606	2,250
Ray K. Williams	3,383	2,617	2,000

A form of incentive stock option award agreement is attached hereto as exhibit 10.1. A form of award agreement for the grant of non-qualified options is attached hereto as exhibit 10.2. Attached as exhibit 10.3 is a form of restricted stock award agreement. The agreements contain specific provisions relating to vesting of the awards and provide for certain changes to the vesting schedule in the event of a termination of the executive officer.

On May 13, 2005, the Registrant entered into Amendment No. 1 to the United Community Banks Deferred Compensation Plan (the “Amendment”). The Amendment permits additional individuals to participate in the Plan and confirms that common stock of the Registrant may be an investment option under the Plan.

The Amendment is attached hereto as exhibit 10.4.

Item 9.01 Financial Statements and Exhibits

10.1	Form of Stock Option Agreement for Incentive Stock Options issued under the 2000 Key Employee Stock Option Plan.
10.2	Form of Stock Option Agreement for Non-Qualified Stock Options issued under the 2000 Key Employee Stock Option Plan.
10.3	Form of Restricted Stock Award Agreement for Awards issued under the 2000 Key Employee Stock Option Plan.
10.4	Amendment No. 1 to the United Community Banks Deferred Compensation Plan, dated May 13, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

May 17, 2005

/s/ Rex S. Schuette
Rex S. Schuette
Executive Vice President and Chief Financial Officer

1.3 Option Exercise Price. The price the Optionee must pay to exercise the Option (the "Option Exercise Price") is set forth above.

1.4 Date of Grant. The date that the Option is granted (the "Date of Grant") is set forth above.

1.5 Type of Option. The Option is intended to qualify as an Incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended from time to time, or any successor provision thereto, and shall be so construed; provided, however, that nothing in this Agreement shall be interpreted as a representation, guarantee or other undertaking on the part of the Company that the Option is or will be determined to be an Incentive Stock Option within the meaning of Section 422 of the Code. To the extent this Option is not treated as an Incentive Stock Option, it will be treated as a Non-qualified Stock Option.

1.6 Construction. This Agreement shall be construed in accordance and consistent with, and subject to, the provisions of the Plan (the provisions of which are incorporated herein by reference) and, except as otherwise expressly set forth herein, the capitalized terms used in this Agreement shall have the same definitions as set forth in the Plan.

1.7 Condition. The Option is conditioned on the Optionee's execution of this Agreement. If this Agreement is not executed by the Optionee, it may be canceled by the Board of Directors.

2. DURATION.

The Option shall be exercisable to the extent and in the manner provided herein for a period of ten (10) years from the Grant Date (the "Exercise Term"); provided, however, that the Option may be earlier terminated as provided in Section 1.7 and Section 5 hereof.

3. VESTING.

The Option shall vest, and may be exercised, with respect to the Shares subject thereto, on or after the dates set forth in the attached "Optionee Statement," provided, however, the Option may be earlier terminated as provided in Section 1.7 and Section 5 hereof or in the Plan and subject to any limitations on exercise contained in Section 7 hereof.

4. MANNER OF EXERCISE AND PAYMENT.

4.1 Delivery. To exercise the Option, the Optionee must deliver a completed copy of the Option Exercise Form, attached hereto as Exhibit A and incorporated herein by reference, to the address indicated on such Form or such other address designated by the Company from time to time. The Option may be exercised in whole or in part with respect to the vested Shares; provided, however, the Committee may establish a minimum number of Shares (e.g., 100) for which an Option may be exercised at a particular time. Within thirty (30) days of delivery of the Option Exercise Form, the Company shall deliver certificates evidencing the Shares to the Optionee, duly endorsed for transfer to the Optionee, free and clear of all liens, security interests, pledges or other claims or charges, except those provided in this Agreement or the Plan, or any other agreement affecting the Shares. Contemporaneously with the delivery of the Option Exercise Form, Optionee shall tender the Option Exercise Price to the Company, by cash, check, wire transfer or such other

method of payment (e.g., delivery of, or attestation to, Shares already owned) as may be acceptable to the Committee pursuant to the Plan. Notwithstanding the foregoing, if Optionee is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938 ("FLSA"), Optionee may not exercise any Option prior to the date that is six (6) months after the Date of Grant unless Optionee's employment has terminated due to death, Disability, or Retirement after the Date of Grant.

4.2 No Rights as Shareholder. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to any Shares subject to the Option until (i) the Option shall have been exercised pursuant to the terms of this Agreement and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised, (ii) the Company shall have issued and delivered the Shares to the Optionee, and (iii) the Optionee's name shall have been entered as a shareholder of record on the books of the Company, whereupon the Optionee shall have full voting and other ownership rights with respect to such Shares (subject to any restrictions on transferability of the Shares).

5. TERMINATION OF EMPLOYMENT.

5.1 Termination for Cause. If the Employee's employment is terminated by the Company for Cause (as defined in the Plan), all outstanding unvested Options granted to the Employee shall expire immediately, and the Employee's right to exercise any then outstanding vested Options shall terminate immediately upon the date that the Committee determines is the Employee's date of termination of employment.

5.2 Termination Without Cause or For Good Reason.

(1) If the Employee's employment with the Company and any Subsidiary is terminated involuntarily by the Company without Cause (as defined in the Plan) or is terminated by the Employee for Good Reason (as defined in subsection (2) below), the Employee's Options shall continue to vest in accordance with the original vesting schedule set forth in this Agreement (just as if Employee had remained employed) and shall remain exercisable at any time prior to the expiration of the term of the Option. In the event of Employee's death after a termination covered by this subsection 5.2, the Options shall continue to vest and be exercisable in accordance with this subsection 5.2 as if Employee had lived and the Options shall be exercisable by the persons described in the Plan.

(2) For purposes of this Option, a Good Reason for Termination by Employee of Employee's employment shall mean the occurrence (without the Employee's express written consent) of any one of the following acts by the Company, or failures by the Company to act, unless, in the case of any act or failure to act described in paragraphs (i), (iii), or (iv) below, such act or failure to act is corrected prior to the Employee's date of termination:

(i) a material reduction in Employee's responsibilities at the Company; or

(ii) the required relocation of Employee's employment to a location outside of the market area of the Company; or

(iii) a material reduction in the levels of coverage of Employee under the Company's director and officer liability insurance policy or indemnification commitments; or

(iv) a substantial reduction in Employee's base salary, a material reduction in his incentive compensation or the taking of any action by the Company which would, directly or indirectly, materially reduce any of the benefits provided to Employee under any of the Company's pension, deferred compensation, life insurance, medical, health and accident or disability plans in which Employee is participating.

Employee's right to terminate employment for Good Reason shall not be affected by the Employee's incapacity due to physical or mental illness, except for a Disability as defined in the Plan. Employee's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

5.3 Termination of Employment Due to Retirement from the Company. If the Employee's employment with the Company is terminated due to Retirement as defined in the Plan, all outstanding unvested Options shall continue to vest in accordance with the vesting schedule set forth in this Agreement (just as if Employee had remained employed) and all Options (regardless of whether vested or unvested as of the date of termination) shall remain exercisable at any time prior to the expiration of the term of the Options.

5.4 Termination of Employment Due to Death. If the Employee's employment is terminated by the Company as a result of death, all outstanding unvested Options granted to the Optionee shall immediately vest, and thereafter all vested Options shall remain exercisable at any time prior to their expiration date or for one (1) year after the date of death, whichever period is shorter.

5.5 Termination of Employment for Other Reasons. If the Employee's employment is terminated by the Company as a result of Disability, or the Employee voluntarily terminates (except for Good Reason or upon Retirement) his or her employment, all outstanding unvested Options shall expire as of the date of termination of employment, and any Options vested as of the date of termination shall remain exercisable at any time prior to their expiration date or for three (3) months (one year if termination is due to Disability) after the date of termination of employment, whichever period is shorter.

5.6 Employment by Subsidiary. For purposes of this Option, employment with the Company includes employment with any Subsidiary of the Company. A change of employment between the Company and any Subsidiary or between Subsidiaries is not a termination of employment under this Agreement.

6. NONTRANSFERABILITY.

The Option shall not be transferable other than by will or by the laws of descent and distribution and during the lifetime of the Optionee, the Option shall be exercisable only by the Optionee.

7. SECURITIES LAWS RESTRICTIONS.

The Option may not be exercised at any time unless, in the opinion of counsel for the Company, the issuance and sale of the Shares issued upon such exercise is exempt from registration under the Securities Act of 1933, as amended, or any other applicable federal or state securities law, rule or regulation, or the Shares have been duly registered under such laws. The Company intends to register the Shares issuable upon the exercise of the Option; however, until the Shares have been registered under all applicable laws, the Optionee shall represent, warrant and agree, as a condition to the exercise of the Option, that the Shares are being purchased for investment only and without a view to any sale or distribution of such Shares and that such Shares shall not be transferred or disposed of in any manner without registration under such laws, unless it is the opinion of counsel for the Company that such a disposition is exempt from such registration. The Optionee acknowledges that an appropriate legend giving notice of the foregoing restrictions may appear conspicuously on all certificates evidencing the Shares issued upon the exercise of the Option.

8. NO RIGHT TO CONTINUED EMPLOYMENT.

Nothing in this Agreement or the Plan shall be interpreted or construed to confer upon the Optionee any right with respect to continuance of employment by the Company or any Subsidiary, nor shall this Agreement or the Plan interfere in any way with the right of the Company or a Subsidiary to terminate the Optionee's employment at any time.

9. ADJUSTMENTS.

In the event of a change in capitalization, such as a stock split, the Committee shall make appropriate adjustments to the number and class of Shares or other stock or securities subject to the Option and the purchase price for such Shares or other stock or securities. The Committee's adjustment shall be made in accordance with the provisions of Section 4.3 of the Plan and shall be effective and final, binding and conclusive for all purposes of the Plan and this Agreement.

10. WITHHOLDING OF TAXES.

10.1 The Company shall have the right to deduct from any distribution of cash to the Optionee an amount equal to the federal, state, local and foreign income taxes and other amounts as may be required by law to be withheld (the "Withholding Taxes") with respect to the Option. If the Optionee is entitled to receive Shares upon exercise of the Option, the Optionee shall pay the Withholding Taxes (if any) to the Company in cash prior to the issuance of such Shares. In satisfaction of the Withholding Taxes, the Optionee may make a written election (the "Tax Election"), which may be accepted or rejected in the discretion of the Committee, to have withheld a portion of the Shares issuable to him or her upon exercise of the Option, having an aggregate Fair Market Value equal to the withholding Taxes, provided that, if the Optionee may be subject to liability under Section 16(b) of the Exchange Act, the election must comply with the requirements applicable to Share transactions by such Optionees.

10.2 If the Optionee makes a disposition, within the meaning of Section 424(c) of the Code and regulations promulgated thereunder, of any Share or Shares issued to him pursuant to his exercise of the ISO Option within the two-year period commencing on the day after the Grant Date or within the one-year period commencing on the day after the date of transfer of such Share or Shares to the

Optionee pursuant to such exercise, the Optionee shall, within ten (10) days of such disposition, notify the Company thereof, by delivery of written notice to the Company at its principal executive office, and immediately deliver to the Company the amount of Withholding Taxes.

11. OPTIONEE BOUND BY THE PLAN.

The Optionee hereby acknowledges receipt of a copy of the Plan and agrees to be bound by all the terms and provisions thereof.

12. MODIFICATION OF AGREEMENT.

Except as expressly otherwise provided herein, this Agreement may not be modified, amended, suspended or terminated, and any terms or conditions may not be waived, except by a written instrument executed by the parties hereto.

13. CANCELLATION AND RESCISSION OF AWARDS.

If, at any time during the period that any Award is or may yet become exercisable in whole or in part, or at any time within six (6) months prior to, or after, the termination of employment with the Company, a Participant engages in any "Detrimental Activity" (as defined in the Plan), the Committee may, notwithstanding any other provision in this Agreement to the contrary, cancel, rescind, suspend, withhold or otherwise restrict or limit any unexpired, unpaid or deferred Award as of the first date the Participant engages in the Detrimental Activity, unless sooner terminated by operation of another term of this Agreement or any other agreement. Without limiting the generality of the foregoing, the Participant shall also pay to the Company any gain realized by the Participant from exercising all or any portion of the Awards hereunder during a period beginning six (6) months prior to the date on which the Participant enters into such activity.

14. SEVERABILITY.

Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

15. GOVERNING LAW.

The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the United States and the laws of the State of Georgia without giving effect to the conflicts of laws principles thereof.

16. SUCCESSORS IN INTEREST.

This Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, reorganization, purchase of stock or assets, or otherwise, all or substantially all of the Company's assets and business. This Agreement shall inure to the benefit of the Optionee's heirs and legal representatives. All obligations imposed upon the Optionee and all rights granted to the Company under this Agreement shall be final, binding and conclusive upon the Optionee's heirs, executors, administrators and successors.

17. RESOLUTION OF DISPUTES.

Any dispute or disagreement which may arise under, or as a result of, or in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive on the Optionee and the Company for all purposes.

18. LEGAL CONSTRUCTION.

The legal construction and interpretation of this Agreement (including, but not limited to, issues of gender, plural or singular, governing law and severability) shall be governed by the provisions of Article 19 of the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

UNITED COMMUNITY BANKS, INC.

By: _____

Name: _____

Title: _____

By signing below, Optionee hereby accepts the Option subject to all its terms and provisions and agrees to be bound by the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board of Directors of the Company, or the Compensation Committee or other Committee responsible for the administration of the Plan, upon any questions arising under the Plan. Optionee authorizes the Company to withhold, in accordance with applicable law, from any compensation payable to him or her, any taxes required to be withheld by federal, state, local or foreign law as a result of the grant, existence or exercise of the Option, or subsequent sale of the Shares.

OPTIONEE

Signature: _____

Name: _____

UNITED COMMUNITY BANKS, INC.
2000 KEY EMPLOYEE STOCK OPTION PLAN

STOCK OPTION AGREEMENT
(NONQUALIFIED STOCK OPTION - EXECUTIVE OFFICER)

OPTIONEE: _____

NUMBER OF NQSO SHARES: _____ Shares

NQSO OPTION EXERCISE PRICE: \$_____ per Share

DATE OF NQSO GRANT: _____

NQSO VESTING SCHEDULE: Percentage Date
 of Shares (from Grant Date)
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THIS OPTION AGREEMENT (the "Agreement") is entered into as of the ___ day of _____, _____, by and between UNITED COMMUNITY BANKS, INC., a Georgia corporation (the "Company"), and the individual designated above (the "Optionee").

W I T N E S S E T H:

WHEREAS, the United Community Banks, Inc. 2000 Key Employee Stock Option Plan (the "Plan") was adopted by the Company, effective December 8, 1999;

WHEREAS, the Optionee performs valuable services for the Company, a subsidiary or one of their affiliates; and

WHEREAS, the Board of Directors of the Company or the Committee responsible for the administration of the Plan has determined to grant the Option to the Optionee as provided herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. GRANT OF OPTION.

1.1 Option. An option to purchase shares of the Company's Common Stock, par value \$1.00 per share (the "Shares"), is hereby granted to the Optionee (the "Option").

1.2 Number of Shares. The number of Shares that the Optionee can purchase upon exercise of the Option is set forth above.

1.3 Option Exercise Price. The price the Optionee must pay to exercise the Option (the "Option Exercise Price") is set forth above.

1.4 Date of Grant. The date that the Option is granted (the "Date of Grant") is set forth above.

1.5 Type of Option. The Option is intended to be a Nonqualified Stock Option. It is not intended to qualify as an Incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended from time to time, or any successor provision thereto.

1.6 Construction. This Agreement shall be construed in accordance and consistent with, and subject to, the provisions of the Plan (the provisions of which are incorporated herein by reference) and, except as otherwise expressly set forth herein, the capitalized terms used in this Agreement shall have the same definitions as set forth in the Plan.

1.7 Condition. The Option is conditioned on the Optionee's execution of this Agreement. If this Agreement is not executed by the Optionee, it may be canceled by the Board of Directors.

2. DURATION.

The Option shall be exercisable to the extent and in the manner provided herein for a period of ten (10) years from the Grant Date (the "Exercise Term"); provided, however, that the Option may be earlier terminated as provided in Section 1.7 and Section 5 hereof.

3. VESTING.

The Option shall vest, and may be exercised, with respect to the Shares subject thereto, on or after the dates set in the attached "Optionee Statement," provided, however, the Option may be earlier terminated as provided in Section 1.7 and Section 5 hereof or in the Plan and subject to any limitations on exercise contained in Section 7 hereof.

4. MANNER OF EXERCISE AND PAYMENT.

4.1 Delivery. To exercise the Option, the Optionee must deliver a completed copy of the Option Exercise Form, attached hereto as Exhibit A and incorporated herein by reference, to the address indicated on such Form or such other address designated by the Company from time to time. The Option may be exercised in whole or in part with respect to the vested Shares; provided, however, the Committee may establish a minimum number of Shares (e.g., 100) for which an Option may be exercised at a particular time. Within thirty (30) days of delivery of the Option Exercise Form, the Company shall deliver certificates evidencing the Shares to the Optionee, duly endorsed for transfer to the Optionee, free and clear of all liens, security interests, pledges or other claims or charges, except those provided in this Agreement or the Plan, or any other agreement affecting the Shares. Contemporaneously with the delivery of the Option Exercise Form, Optionee shall tender the Option Exercise Price to the Company, by cash, check, wire transfer or such other method of payment (e.g., delivery of, or attestation to, Shares already owned) as may be acceptable to the Committee pursuant to the Plan. Notwithstanding the foregoing, if Optionee is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938 ("FLSA"), Optionee may not exercise any Option prior to the date that is six (6) months after the

Date of Grant unless Optionee's employment has terminated due to death, Disability, or Retirement after the Date of Grant.

4.2 No Rights as Shareholder. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to any Shares subject to the Option until (i) the Option shall have been exercised pursuant to the terms of this Agreement and the Optionee shall have paid the full purchase price for the number of Shares in respect of which the Option was exercised, (ii) the Company shall have issued and delivered the Shares to the Optionee, and (iii) the Optionee's name shall have been entered as a shareholder of record on the books of the Company, whereupon the Optionee shall have full voting and other ownership rights with respect to such Shares (subject to any restrictions on transferability of the Shares).

5. TERMINATION OF EMPLOYMENT.

5.1 Termination for Cause. If the Employee's employment is terminated by the Company for Cause (as defined in the Plan), all outstanding unvested Options granted to the Employee shall expire immediately, and the Employee's right to exercise any then outstanding vested Options shall terminate immediately upon the date that the Committee determines is the Employee's date of termination of employment.

5.2 Termination Without Cause or For Good Reason.

(1) If the Employee's employment with the Company and any Subsidiary is terminated involuntarily by the Company without Cause (as defined in the Plan) or is terminated by the Employee for Good Reason (as defined in subsection (2) below), the Employee's Options shall continue to vest in accordance with the original vesting schedule set forth in this Agreement (just as if Employee had remained employed) and shall remain exercisable at any time prior to the expiration of the term of the Option. In the event of Employee's death after a termination covered by this subsection 5.2, the Options shall continue to vest and be exercisable in accordance with this subsection 5.2 as if Employee had lived and the Options shall be exercisable by the persons described in the Plan.

(2) For purposes of this Option, a Good Reason for Termination by Employee of Employee's employment shall mean the occurrence (without the Employee's express written consent) of any one of the following acts by the Company, or failures by the Company to act, unless, in the case of any act or failure to act described in paragraphs (i), (iii), or (iv) below, such act or failure to act is corrected prior to the Employee's date of termination:

(i) a material reduction in Employee's responsibilities at the Company; or

(ii) the required relocation of Employee's employment to a location outside of the market area of the Company; or

(iii) a material reduction in the levels of coverage of Employee under the Company's director and officer liability insurance policy or indemnification commitments; or

(iv) a substantial reduction in Employee's base salary, a material reduction in his incentive compensation or the taking of any action by the Company which would, directly or indirectly, materially reduce any of the benefits provided to Employee under any of the Company's pension, deferred compensation, life insurance, medical, health and accident or disability plans in which Employee is participating.

Employee's right to terminate employment for Good Reason shall not be affected by the Employee's incapacity due to physical or mental illness, except for a Disability as defined in the Plan. Employee's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

5.3 Termination of Employment Due to Retirement from the Company. If the Employee's employment with the Company is terminated due to Retirement as defined in the Plan, all outstanding unvested Options shall continue to vest in accordance with the vesting schedule set forth in this Agreement (just as if Employee had remained employed) and all Options (regardless of whether vested or unvested as of the date of termination) shall remain exercisable at any time prior to the expiration of the term of the Options.

5.4 Termination of Employment Due to Death. If the Employee's employment is terminated by the Company as a result of death, all outstanding unvested Options granted to the Optionee shall immediately vest, and thereafter all vested Options shall remain exercisable at any time prior to their expiration date or for one (1) year after the date of death, whichever period is shorter.

5.5 Termination of Employment for Other Reasons. If the Employee's employment is terminated by the Company as a result of Disability, or the Employee voluntarily terminates (except for Good Reason or upon Retirement) his or her employment, all outstanding unvested Options shall expire as of the date of termination of employment, and any Options vested as of the date of termination shall remain exercisable at any time prior to their expiration date or for three (3) months (one year if termination is due to Disability) after the date of termination of employment, whichever period is shorter.

5.6 Employment by Subsidiary. For purposes of this Option, employment with the Company includes employment with any Subsidiary of the Company. A change of employment between the Company and any Subsidiary or between Subsidiaries is not a termination of employment under this Agreement.

6. NONTRANSFERABILITY.

The Option shall not be transferable other than by will or by the laws of descent and distribution and during the lifetime of the Optionee, the Option shall be exercisable only by the Optionee. Notwithstanding the foregoing, any portion or all of the Option which is vested may be transferred, in whole or in part, without consideration, to a Permitted Transferee. Appropriate evidence of any such transfer to the Permitted Transferees shall be delivered to the Company on such forms as the Committee or Company shall prescribe and shall comply with and indicate the Optionee's (if during the lifetime of the Optionee) and the Permitted Transferee's agreement to abide by the Company's then current stock option transfer guidelines. If all or part of the Option is

transferred to a Permitted Transferee, the Permitted Transferee shall remain subject to all terms and conditions applicable to such Option prior to the transfer.

7. SECURITIES LAWS RESTRICTIONS.

The Option may not be exercised at any time unless, in the opinion of counsel for the Company, the issuance and sale of the Shares issued upon such exercise is exempt from registration under the Securities Act of 1933, as amended, or any other applicable federal or state securities law, rule or regulation, or the Shares have been duly registered under such laws. The Company intends to register the Shares issuable upon the exercise of the Option; however, until the Shares have been registered under all applicable laws, the Optionee shall represent, warrant and agree, as a condition to the exercise of the Option, that the Shares are being purchased for investment only and without a view to any sale or distribution of such Shares and that such Shares shall not be transferred or disposed of in any manner without registration under such laws, unless it is the opinion of counsel for the Company that such a disposition is exempt from such registration. The Optionee acknowledges that an appropriate legend giving notice of the foregoing restrictions may appear conspicuously on all certificates evidencing the Shares issued upon the exercise of the Option.

8. NO RIGHT TO CONTINUED EMPLOYMENT.

Nothing in this Agreement or the Plan shall be interpreted or construed to confer upon the Optionee any right with respect to continuance of employment by the Company or any Subsidiary, nor shall this Agreement or the Plan interfere in any way with the right of the Company or a Subsidiary to terminate the Optionee's employment at any time.

9. ADJUSTMENTS.

In the event of a change in capitalization, such as a stock split, the Committee shall make appropriate adjustments to the number and class of Shares or other stock or securities subject to the Option and the purchase price for such Shares or other stock or securities. The Committee's adjustment shall be made in accordance with the provisions of Section 4.3 of the Plan and shall be effective and final, binding and conclusive for all purposes of the Plan and this Agreement.

10. WITHHOLDING OF TAXES.

The Company shall have the right to deduct from any distribution of cash to the Optionee an amount equal to the federal, state, local income taxes and other amounts as may be required by law to be withheld (the "Withholding Taxes") with respect to the Option. If the Optionee is entitled to receive Shares upon exercise of the Option, the Optionee shall pay the Withholding Taxes (if any) to the Company in cash prior to the issuance of such Shares. In satisfaction of the Withholding Taxes, the Optionee may make a written election (the "Tax Election"), which may be accepted or rejected in the discretion of the Committee, to have withheld a portion of the Shares issuable to him or her upon exercise of the Option, having an aggregate Fair Market Value equal to the withholding Taxes, provided that, if the Optionee may be subject to liability under Section 16(b) of the Exchange Act, the election must comply with the requirements applicable to Share transactions by such Optionee.

11. OPTIONEE BOUND BY THE PLAN.

The Optionee hereby acknowledges receipt of a copy of the Plan and agrees to be bound by all the terms and provisions thereof.

12. MODIFICATION OF AGREEMENT.

Except as expressly otherwise provided herein, this Agreement may not be modified, amended, suspended or terminated, and any terms or conditions may not be waived, except by a written instrument executed by the parties hereto.

13. CANCELLATION AND RESCISSION OF AWARDS.

If, at any time during the period that any Award is or may yet become exercisable in whole or in part, or at any time within six (6) months prior to, or after, the termination of employment with the Company, a Participant engages in any "Detrimental Activity" (as defined in the Plan), the Committee may, notwithstanding any other provision in this Agreement to the contrary, cancel, rescind, suspend, withhold or otherwise restrict or limit any unexpired, unpaid or deferred Award as of the first date the Participant engages in the Detrimental Activity, unless sooner terminated by operation of another term of this Agreement or any other agreement. Without limiting the generality of the foregoing, the Participant shall also pay to the Company any gain realized by the Participant from exercising all or any portion of the Awards hereunder during a period beginning six (6) months prior to the date on which the Participant enters into such activity.

14. SEVERABILITY.

Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

15. GOVERNING LAW.

The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the United States and the laws of the State of Georgia without giving effect to the conflicts of laws principles thereof.

16. SUCCESSORS IN INTEREST.

This Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, reorganization, purchase of stock or assets, or otherwise, all or substantially all of the Company's assets and business. This Agreement shall inure to the benefit of the Optionee's heirs and legal representatives. All obligations imposed upon the Optionee and all rights granted to the Company under this Agreement shall be final, binding and conclusive upon the Optionee's heirs, executors, administrators and successors.

17. RESOLUTION OF DISPUTES.

Any dispute or disagreement which may arise under, or as a result of, or in any way relate to, the interpretation, construction or application of this Agreement shall be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive on the Optionee and the Company for all purposes.

18. LEGAL CONSTRUCTION.

The legal construction and interpretation of this Agreement (including, but not limited to, issues of gender, plural or singular, governing law and severability) shall be governed by the provisions of Article 19 of the Plan.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

UNITED COMMUNITY BANKS, INC.

By: _____

Name: _____

Title: _____

By signing below, Optionee hereby accepts the Option subject to all its terms and provisions and agrees to be bound by the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board of Directors of the Company, or the Compensation Committee or other Committee responsible for the administration of the Plan, upon any questions arising under the Plan. Optionee authorizes the Company to withhold, in accordance with applicable law, from any compensation payable to him or her, any taxes required to be withheld by federal, state, local or foreign law as a result of the grant, existence or exercise of the Option, or subsequent sale of the Shares.

OPTIONEE

Signature: _____

Name: _____

UNITED COMMUNITY BANKS, INC.
2000 KEY EMPLOYEE STOCK OPTION PLAN

RESTRICTED STOCK AWARD AGREEMENT
(EXECUTIVE OFFICER)

THIS AGREEMENT, made and entered into as of this ____ day of _____, _____, by and between United Community Banks, Inc., a Georgia corporation (the "Company"), and _____ ("Grantee").

W I T N E S S E T H T H A T:

WHEREAS, the Company maintains the United Community Banks, Inc. 2000 Key Employee Stock Option Plan (the "Plan"), and Grantee has been selected by the Committee to receive a Restricted Stock Award under the Plan;

NOW, THEREFORE, IT IS AGREED, by and between the Company and Grantee, as follows:

1. AWARDS OF RESTRICTED STOCK

1.1 The Company hereby grants to Grantee an award of _____ Shares of restricted stock ("Restricted Stock"), subject to, and in accordance with, the restrictions, terms, and conditions set forth in this Agreement. The grant date of this award of Restricted Stock is _____, _____ (the "Grant Date").

1.2 This Agreement (including any appendices) shall be construed in accordance with, and subject to, the provisions of the Plan (the provisions of which are incorporated herein by reference) and, except as otherwise expressly set forth herein, the capitalized terms used in this Agreement shall have the same definitions as set forth in the Plan.

2. VESTING AND TERMINATION OF EMPLOYMENT

2.1 Vesting. Subject to Sections 2.3, 2.4, and 2.5 below, if the Grantee remains employed by the Company, the Restricted Stock shall vest as follows (each date on which Shares of Restricted Stock vest is hereinafter referred to as a "Vesting Date"):

Number of Shares	Vesting Date
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Except as otherwise provided below, on the Vesting Date, Grantee shall own the Vested Shares of Restricted Stock free and clear of all restrictions imposed by this Agreement (except those

imposed by Section 3.4 below). The Company shall transfer the Vested Shares of Restricted Stock to an unrestricted account in the name of the Grantee as soon as practical after the Vesting Date. For purposes of this Agreement, employment with a Subsidiary of the Company or service as a member of the Board of Directors of the Company shall be considered employment with the Company.

2.2 Termination for Cause. If the Company terminates Grantee's employment for Cause (as defined in the Plan), all unvested Shares of Restricted Stock granted to Grantee shall be forfeited immediately as of the date of termination of employment.

2.3 Termination Without Cause or For Good Reason.

(1) If Grantee's employment with the Company and any Subsidiary is terminated involuntarily by the Company without Cause (as defined in the Plan) or is terminated by Grantee for Good Reason (as defined in subsection (2) below), the unvested Shares of Restricted Stock shall continue to vest in accordance with the original vesting schedule set forth in Section 2.1 above (just as if Grantee had remained employed). In the event of Grantee's death after a termination covered by this Section 2.3, the unvested Shares of Restricted Stock shall continue to vest as if Grantee had lived and upon vesting, vested Shares shall be transferred to Grantee's surviving spouse or, if none, to his estate.

(2) For purposes of this Agreement, a Good Reason for Termination by Grantee of Grantee's employment shall mean the occurrence (without the Grantee's express written consent) of any one of the following acts by the Company, or failures by the Company to act, unless, in the case of any act or failure to act described in paragraphs (i), (iii), or (iv) below, such act or failure to act is corrected prior to Grantee's date of termination:

- (i) a material reduction in Grantee's responsibilities at the Company; or
- (ii) the required relocation of Grantee's employment to a location outside of the market area of the Company; or
- (iii) a material reduction in the levels of coverage of Grantee under the Company's director and officer liability insurance policy or indemnification commitments; or
- (iv) a substantial reduction in Grantee's base salary, a material reduction in his incentive compensation or the taking of any action by the Company which would, directly or indirectly, materially reduce any of the benefits provided to Grantee under any of the Company's pension, deferred compensation, life insurance, medical, health and accident or disability plans in which Grantee is participating.

Grantee's right to terminate employment for Good Reason shall not be affected by Grantee's incapacity due to physical or mental illness, except for a Disability as defined in the

Plan. Grantee's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

2.4 Termination of Employment Due to Retirement from the Company. If Grantee's employment with the Company is terminated due to Retirement (as defined in the Plan), all unvested Shares of Restricted Stock shall continue to vest in accordance with the vesting schedule set forth in Section 2.1 above (just as if Grantee had remained employed). In the event of Grantee's death after Retirement, the unvested Shares of Restricted Stock shall continue to vest as if Grantee had lived and upon vesting, vested Shares shall be transferred to Grantee's surviving spouse or, if none, to his estate.

2.5 Termination of Employment Due to Death. If Grantee's employment is terminated by the Company as a result of death, all unvested Shares of Restricted Stock shall immediately vest, and the vested Shares shall be transferred to Grantee's surviving spouse or, if none, to his estate.

2.6 Termination of Employment for Other Reasons. If Grantee voluntarily terminates his or her employment (except for Good Reason or upon Retirement) all outstanding unvested Shares of Restricted Stock shall immediately be forfeited as of the date of termination of employment.

2.7 Nontransferability. The Restricted Stock may not be sold, assigned, transferred, pledged, or otherwise encumbered prior to the date Grantee becomes vested in the Restricted Stock.

3. STOCK; DIVIDENDS; VOTING

3.1 The Restricted Stock shall be registered on the Company's books in the name of Grantee as of the respective Grant Date for such Shares of Restricted Stock. The Company may issue stock certificates or evidence Grantee's interest by using a book entry account. Physical possession or custody of any stock certificates that are issued shall be retained by the Company until such time as the Shares are vested in accordance with Section 2. The Company reserves the right to place a legend on such stock certificate(s) restricting the transferability of such certificates and referring to the terms and conditions (including forfeiture) of this Agreement and the Plan.

3.2 During the period the Restricted Stock is not vested, Grantee shall be entitled to receive dividends or similar distributions declared on such Restricted Stock and Grantee shall be entitled to vote such Restricted Stock.

3.3 In the event of a Change in Capitalization, the number and class of Shares or other securities that Grantee shall be entitled to, and shall hold, pursuant to this Agreement shall be appropriately adjusted or changed to reflect the Change in Capitalization, provided that any such additional Shares or additional or different shares or securities shall remain subject to the restrictions in this Agreement.

3.4 Grantee represents and warrants that he is acquiring the Restricted Stock for investment purposes only, and not with a view to distribution thereof. Grantee is aware that the Restricted Stock may not be registered under the federal or any state securities laws and that in that event, in addition to the other restrictions on the Shares, they will not be able to be transferred unless an exemption from registration is available or the Shares are registered. By making this award of Restricted Stock, the Company is not undertaking any obligation to register the Restricted Stock under any federal or state securities laws.

4. NO RIGHT TO CONTINUED EMPLOYMENT

Nothing in this Agreement or the Plan shall be interpreted or construed to confer upon Grantee any right with respect to continuance of employment by the Company or a Subsidiary, nor shall this Agreement or the Plan interfere in any way with the right of the Company or a Subsidiary to terminate Grantee's employment at any time.

5. TAXES AND WITHHOLDING

Grantee shall be responsible for all federal, state, and local income taxes payable with respect to this award of Restricted Stock and dividends paid on unvested Restricted Stock. Grantee shall have the right to make such elections under the Internal Revenue Code of 1986, as amended, as are available in connection with this award of Restricted Stock. The Company and Grantee agree to report the value of the Restricted Stock in a consistent manner for federal income tax purposes. The Company shall have the right to retain and withhold from any payment of Restricted Stock or cash the amount of taxes required by any government to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require Grantee to reimburse the Company for any such taxes required to be withheld and may withhold any distribution in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due to Grantee an amount equal to such taxes required to be withheld or withhold and cancel (in whole or in part) a number of Shares of Restricted Stock having a market value not less than the amount of such taxes.

6. GRANTEE BOUND BY THE PLAN

Grantee hereby acknowledges receipt of a copy of the Plan and the prospectus for the Plan, and agrees to be bound by all the terms and provisions thereof.

7. MODIFICATION OF AGREEMENT

This Agreement may be modified, amended, suspended, or terminated, and any terms or conditions may be waived, but only by a written instrument executed by the parties hereto.

8. SEVERABILITY

Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this

Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

9. GOVERNING LAW

The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the state of Georgia without giving effect to the conflicts of laws principles thereof.

10. SUCCESSORS IN INTEREST

This Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns, whether by merger, consolidation, reorganization, sale of assets, or otherwise. This Agreement shall inure to the benefit of Grantee's legal representatives. All obligations imposed upon Grantee and all rights granted to the Company under this Agreement shall be final, binding, and conclusive upon Grantee's heirs, executors, administrators, and successors.

11. RESOLUTION OF DISPUTES

Any dispute or disagreement which may arise under, or as a result of, or in any way relate to the interpretation, construction, or application of this Agreement shall be determined by the Committee. Any determination made hereunder shall be final, binding, and conclusive on Grantee and the Company for all purposes.

12. PRONOUNS; INCLUDING

Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural. Wherever used in this Agreement, the term "including" means "including, without limitation."

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

UNITED COMMUNITY BANKS, INC.

GRANTEE:

By: _____

By: _____

Jimmy C. Tallent, President & Chief Executive Officer

AMENDMENT NO 1
TO
UNITED COMMUNITY BANKS
DEFERRED COMPENSATION PLAN

THIS AMENDMENT made as of this 13th day of May, 2005 by UNITED COMMUNITY BANKS, INC. (the "Company");

W I T N E S S E T H

WHEREAS, the Company established the United Community Banks, Inc. Deferred Compensation Plan (the "Plan"), effective as of October 21, 2004, for purposes of providing directors and a select group of management with additional retirement benefits; and

WHEREAS, the Company now desires to amend the Plan to permit additional individuals to participate and to make deferrals, and to confirm that common stock of the Company can be an Investment Option under the Plan;

NOW, THEREFORE, the Company hereby amends the Plan as follows:

1.

Article I is hereby amended by adding the following new Section 1.13A:

"1.13.A. "Company Stock" means the common stock, par value \$1.00 per share, of the Company."

2.

Section 1.16 is hereby amended by deleting the present section in its entirety and substituting the following in lieu thereof:

"1.16. "Director" means a member of the Board of Directors of the Company or the Board of Directors of any Affiliate or an Advisory Director of the Company or any Affiliate, other than any affiliate designated by the Board of Directors of the Company as not eligible to participate in the Plan."

3.

Section 1.17 is hereby amended by adding the word ", advisory" after the word "retainer" in the first line of the present section.

4.

Section 1.26 is hereby amended by adding the following to the end of the present section:

"The Committee may establish an Investment Option under which the Participant may direct that amounts credited to the Participant's Account are deemed to be invested in Company Stock, provided, that the Committee may limit the group or class of Participants that may elect to have their Accounts deemed to be invested in Company Stock, and may require that any amounts that are deemed to be invested in Company Stock must remain invested in Company Stock."

5.

Section 2.2 is hereby amended by adding the following paragraph after the second paragraph of the present section:

"The Committee may provide that an Eligible Employee may elect to defer any special payments ("Special Payments"), such as a sign-on bonus, change in control payment or similar payments, the Eligible Employee is entitled to receive. In such event, the Committee shall provide a separate deferral election and distribution election with respect to any deferrals of Special Payments. Deferrals of Special Payments shall be credited to a subaccount within the Eligible Employee's Deferral Account. Deferrals of Special Payments shall not be eligible for any 401(k) Matching Contributions."

6.

Section 7.1 is hereby amended by adding the following new subsection (h):

"(h) Form of Payment. All payments from the Plan shall be made in cash, provided that the Committee may require that amounts deemed to be invested in Company Stock shall be paid in shares of Company Stock."

7.

This Amendment shall be effective as of the date hereof. Except as hereby modified, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Company has executed this Amendment No. 1 as of the date first written above.

UNITED COMMUNITY BANKS, INC.

By: /s/ Jimmy C. Tallent

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