

**First United Corporation**  
**Senior Financial Officers**  
**Code of Business Conduct and Ethics**

For the purposes of this Code, Senior Financial Officers include the Chief Executive Officer, Chief Financial Officer and Controller. Senior Financial Officers should maintain high standards of honest and ethical conduct, including the ethical handling of conflicts of interest. This is essential to assure the proper performance of the Corporation's business and to maintain the public's trust.

**1. Complying with Law**

Senior Financial Officers of the Company should respect and comply with all the laws, rules and regulations of the U.S. and other countries, and the states, counties, cities and other jurisdictions, in which the Company conducts its business or the laws, rules and regulations of which are applicable to the Company.

Such legal compliance should include, without limitation, compliance with the "insider trading" prohibitions applicable to the Company as noted in the Insider Trading Policy. Generally, individuals who have access to or knowledge of confidential or non-public information from or about the Company are not permitted to buy, sell or otherwise trade in the Company's securities, whether or not they are using or relying upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to trade in the Company's securities.

This Code of Business Conduct and Ethics does not summarize all laws, rules and regulations applicable to the Company and its directors. Please consult the Company's Risk Management Department and the various guidelines which the Company has prepared on specific laws, rules and regulations.

**2. Conflicts of Interest**

Senior Financial Officers of the Company should be scrupulous in avoiding a conflict of interest with regard to the Company's interests. A "conflict of interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. A conflict situation can arise when an individual takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when a Senior Financial Officer, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from the Company or a third party.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors or committees of the Board. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with the Audit Committee

Chairman, the Risk Manager or legal counsel. If a Senior Financial Officer becomes aware of a conflict or potential conflict, he or she should bring it to the attention of the Risk Manager per the procedures described in this Code.

### **3. Corporate Opportunity**

Senior Financial Officers are discouraged from (a) taking for themselves personally opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company. Senior Financial Officers owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **4. Confidentiality**

Senior Financial Officers of the Company must maintain the confidentiality of confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by legal counsel, the external accountant or required by laws, regulations or legal proceedings. Whenever feasible, Senior Financial Officers should consult legal counsel or the external accountant if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed.

### **5. Fair Dealing**

Senior Financial Officers should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **6. Protection and Proper Use of Company Assets**

Senior Financial Officers should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

### **7. Accounting Complaints**

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. If a Senior Financial Officer has concerns or complaints regarding questionable accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Manager (per the Complaint Procedures) who will, subject to the duties arising under applicable law, regulations and legal proceedings, treat such submissions confidentially.

### **8. Reporting Any Illegal or Unethical Behavior**

Senior Financial Officers are encouraged to talk to the Audit Manager about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. If Senior Financial Officers are concerned that violations of this Code or that other illegal or unethical conduct by employees, officers or directors of the Company have occurred or may occur, they should contact the Audit Manager per the Complaint Procedures. If their concerns or complaints require confidentiality, including keeping their identity anonymous, then this confidentiality will be protected, subject to applicable law, regulation or legal proceedings.

## **9. No Retaliation**

The Company will not permit retaliation of any kind by or on behalf of the Company and its directors against good faith reports or complaints of violations of this Code or other illegal or unethical conduct.

## **10. Public Company Reporting**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Senior Financial Officers are committed to providing full, fair, accurate and understandable disclosures in all filings. Depending on their position with the Company, they may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects the Senior Financial Officers to take this responsibility very seriously and to provide prompt accurate answers to inquiries related to the Company's public disclosure requirements.

## **11. Amendment, Modification and Waiver**

This Code may be amended, modified or waived by the Board of Directors and waivers may also be granted by the Nominating & Governance Committee, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, and the rules there under and the applicable rules of NASDAQ.

## **12. Accountability for Adherence to Code**

It is the responsibility of the Senior Financial Officers to be familiar with this Code and to abide by the letter and spirit of its provisions at all times. Senior Financial Officers who do not comply with the applicable provisions of this Code of Ethics or with applicable laws, rules and Corporation policies are subject to appropriate discipline, up to and including termination of employment and referral to the appropriate government agency.

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