

**UNITED FINANCIAL BANKING
COMPANIES, INC.
AND SUBSIDIARIES**

Code of Ethics Policy

**Approved by the Board of Directors of
The Business Bank
October 25, 2010**

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UNITED FINANCIAL BANKING COMPANIES, INC.
CODE OF ETHICS

General Philosophy

The honesty, integrity and sound judgment of our employees, officers and directors is essential to the reputation and success of United Financial Banking Companies, Inc. ("UFBC").

This Code of Ethics governs the actions and working relationships of UFBC employees, officers and directors with current and potential customers, suppliers, fellow employees, competitors, government and self-regulatory agencies, the media, and others with whom UFBC has contact. These relationships are essential to the success of UFBC as a community bank organization in Northern Virginia. Any references herein to UFBC include The Business Bank and any other subsidiaries or affiliates of UFBC or The Business Bank.

This Code of Ethics:

- Requires the highest standards for honest and ethical conduct, including proper and ethical procedures for dealing with actual or apparent conflicts of interest between personal and professional relationships.
- Requires the maintenance of accurate records and full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by UFBC with governmental and regulatory agencies, and provides additional rules for senior financial officers of UFBC.
- Requires compliance with applicable laws, rules and regulations.
- Addresses potential or apparent conflicts of interest and provides guidance for employees, officers and directors to communicate those conflicts to UFBC.
- Addresses misuse or misapplication of UFBC property and corporate opportunities.
- Requires the highest level of confidentiality and fair dealing.
- Requires reporting of any illegal behavior.

Conflicts of Interest

A "conflict of interest" occurs when your private interest interferes or appears to interfere in any way with the interests of UFBC. You are expected to avoid all situations that might lead to a real or apparent material conflict between your self-interest and your duties and responsibilities as an employee, officer or director of UFBC. Any position or interest, financial or otherwise, which could materially conflict with your performance as an employee, officer or director of UFBC, or which affects or could reasonably be expected to affect your independence or judgment concerning transactions between UFBC, its customers, suppliers or competitors or otherwise reflects negatively on UFBC would be considered a conflict of interest.

There may be occasions where a proposed transaction with UFBC may be an apparent or actual conflict of interest but for the manner in which the proposed transaction is reviewed and approved by UFBC or the terms and character of the transaction. For example, a deposit of a person subject to this Code on terms that are offered to members of the general public would not be an apparent or actual conflict of interest. A loan by The Business Bank to a director made in accordance with Regulation O would not normally constitute an apparent or actual conflict of interest because it would be approved by a majority of The Business Bank's directors who would have no interest in the loan, the interested director would not participate in the loan approval process, and the terms of the loan would be arms-length and non-preferential.

Any person subject to this Code of Ethics must provide prior notification of any transaction that would constitute an apparent or actual conflict of interest in accordance with this Code of Ethics and any supplemental guidance, and proper and legal procedures must be adhered to in reviewing and approving such a transaction. Employees and officers should notify the President of UFBC and the Human Resource Officer. Further, senior management, including the President, should notify the Chairman of the Audit Committee. Directors should notify the Chairman of the Audit Committee and the Chairman of the Board of Directors. The Chairman of the Audit Committee should notify the Chairman or Vice Chairman of the Board of Directors.

Accuracy of company records and reporting

The records, data and information owned, used and managed by UFBC must be accurate and complete. You are personally responsible for the integrity of the information, reports, and records under your control. Records must be maintained in sufficient detail as to reflect accurately UFBC's transactions. Financial statements must always be prepared in accordance with accounting principles generally accepted in the United States of America and fairly present, in all material respects, the financial condition and results of UFBC.

You are required to cooperate fully with appropriate bank examiners and appropriately authorized internal and external reviews and investigations. Making false statements can be a criminal act.

UFBC has policies on retention of its records. Records must be retained in accordance with the policies. You are prohibited from destroying any records that are potentially relevant to a violation of law or any litigation or any pending, threatened or foreseeable government investigation or proceeding.

Additional responsibilities of principal financial officers

The chief executive officer, the chief financial officer, the principal accounting officer, the internal auditor and other senior financial officers performing accounting, auditing, financial management or similar functions (collectively "Principal Financial Officers") are responsible for the integrity of UFBC's financial reporting and system of internal accounting and controls. The honesty, integrity and sound judgment of each Principal Financial Officer is fundamental to the reputation and success of UFBC.

To the best of their knowledge and ability, each Principal Financial Officer of UFBC must:

- Act with honesty and integrity; avoid actual or apparent conflicts of interest in personal and professional relationships.

- Provide colleagues with information that is accurate, complete, objective, relevant, timely and understandable.
- Comply with applicable laws, rules and regulations of federal, state, and local governments (both United States and foreign) and other appropriate private and public regulatory agencies.
- Act in good faith, with due care, competence and diligence, without misrepresenting material facts or allowing independent judgment to be subordinated.
- Respect the confidentiality of information acquired in the course of employment.
- Share knowledge and maintain skills necessary and relevant to UFBC's needs.
- Proactively promote ethical and honest behavior within the UFBC environment.
- Assure responsible use of and control of all assets, resources and information of UFBC.

Each Principal Financial Officer is expected to adhere to the UFBC Code of Ethics at all times. The board of directors shall have the sole and absolute authority to approve any deviation or waiver from the Code of Ethics for Principal Financial Officers.

Confidentiality

Nonpublic information regarding UFBC or its businesses, employees, customers and suppliers is confidential. As a UFBC employee, officer or director, you are trusted with confidential information. You are only to use such confidential information for the business purpose intended. You are not to share confidential information with anyone outside of UFBC, including family and friends, or with other employees who do not need the information to carry out their duties. You may be required to sign a specific confidentiality agreement in the course of your employment at UFBC. You remain under an obligation to keep all information confidential even if your employment with UFBC ends.

The following is a non-exclusive list of confidential information:

- (i) Trade secrets, which include any business or technical information, such as formula, program, method, technique, compilation or information that is valuable because it is not generally known.
- (ii) All rights to any invention or process developed by an employee using UFBC facilities or trade secret information, resulting from any work for UFBC, or relating to UFBC's business, is considered to be "work-for-hire" under the United States copyright laws and shall belong to UFBC.
- (iii) Proprietary information such as customer lists and customer confidential information.

Public and media communications involving UFBC must have prior clearance from the President of UFBC.

Corporate Opportunities

You owe a duty to UFBC to advance its legitimate interests when the opportunity to do so arises. You may not take for yourself a corporate opportunity that is discovered in the course of your employment or association or through the use of corporate property, information or position, nor may you compete against UFBC.

Anti-bribery, entertainment and gifts

The provisions of 18 U.S. C. 215 make it a criminal offense for any UFBC employee to corruptly:

- (i) Solicit for himself or herself or for a third party anything of value from anyone in return for any business, service or confidential information of UFBC; or
- (ii) Accept anything of value (other than normal authorized compensation) from anyone in connection with the business of UFBC, either before or after a transaction is discussed or consummated.

Employees, officers and directors are prohibited from:

- (i) Personally benefiting from opportunities that are discovered through the use of UFBC property, contacts, information or position.
- (ii) Accepting employment or engaging in a business (including consulting or similar arrangements) that may conflict with the performance of your duties or UFBC's interest.
- (iii) Soliciting, demanding, accepting or agreeing to accept anything of value from any person in conjunction with the performance of your employment or duties at UFBC.
- (iv) Acting on behalf of UFBC in any transaction in which you or your immediate family has a significant direct or indirect financial interest other than UFBC.
- (v) Offering something of value to someone with whom you transact business if the benefit is not otherwise available to other similarly situated UFBC customers or suppliers under the same conditions.

There are certain situations in which you may accept or provide a personal benefit from or to someone with whom you transact business such as:

- (i) Accepting a gift in recognition of a commonly recognized event or occasion (such as a promotion, new job, wedding, retirement or holiday) so long as the gift, together with all other gifts received from any one individual or company, does not exceed \$100 in any calendar year.
- (ii) Accepting something of value if the benefit is available to the general public under the same conditions on which it is available to you.

- (iii) Offering a gift in recognition of a commonly recognized event or occasion (such as a promotion, new job, wedding, retirement or holiday) so long as the gift together with all other gifts given by UFBC and its officers and employees does not exceed \$100 to any individual in any calendar year.
- (iv) Accepting meals, refreshments, travel arrangements and accommodations and entertainment of reasonable value in the course of a meeting or other occasion to conduct business or foster business relations if the expense would be reimbursed by UFBC under its policy for reimbursement of business expenses if the other party did not pay for it.
- (v) Paying for meals, refreshments, travel arrangements and accommodations, and entertainment of reasonable value in the course of a meeting or other occasion to conduct business or foster business relationships if the expense is reimbursed by UFBC under its policy for reimbursement of business expenses.

Insider Trading

It is both unethical and illegal to buy, sell, trade or otherwise participate in transactions involving UFBC common stock or other security while in possession of material information concerning UFBC that has not been released to the general public. It is also unethical and illegal to buy, sell, trade or otherwise participate in transactions involving the common stock or other security of any other company while in possession of similar non-public material information concerning such company. Any questions concerning the propriety of participating in UFBC or other company stock or other security transaction should be directed to the Chairman of the Audit Committee and/or UFBC's securities counsel.

Extensions of Credit

The Business Bank may extend credit to any executive officer, director, or principal shareholder of UFBC or The Business Bank only on substantially the same terms as those prevailing for comparable transactions with other persons or that may be available to bank employees generally as permitted by and in accordance with Regulation O of the Board of Governors of the Federal Reserve System.

Outside Business Relationships

Before agreeing to act as a director, officer, consultant, or advisor for any other business organization, you should notify your immediate supervisor.

Directors should disclose all new directorships or potential directorships to the Chairman of the Audit Committee and the Board of Directors in order to avoid any conflicts of interest and to maintain independence.

UFBC encourages civic, charitable, educational and political activities as long as they do not interfere with the performance of your duties at UFBC. Before agreeing to participate in any civic or political activities, you should contact your immediate supervisor.

Employees who are considering outside employment should notify their supervisor and the Human Resource Officer. Supervisors will review outside employment requests for potential conflicts of interest. Employees may hold outside jobs as long as they meet the performance standards of their job

with the Bank. All employees will be judged by the same performance standards and will be subject to the Bank's scheduling demands, regardless of any existing outside work requirements.

If it is determined that an employee's outside work interferes with performance or the ability to meet the requirements of UFBC as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with UFBC.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside the Bank for materials produced or services rendered while performing their jobs.

Fair Dealing

Each employee, officer and director should undertake to deal fairly with UFBC's customers, suppliers, competitors and employees. Additionally, no one should take advantage of another through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practices.

Employees must disclose prior to or at their time of hire the existence of any employment agreement, non-compete or non-solicitation agreement, confidentiality agreement or similar agreement with a former employer that in any way restricts or prohibits the performance of any duties or responsibilities of their positions with UFBC. Copies of such agreements should be provided to UFBC's general counsel and Human Resource Officer to permit evaluation of the agreement in light of the employee's position. In no event shall an employee use any trade secrets, proprietary information or other similar property, acquired in the course of his or her employment with another employer, in the performance of his or her duties for or on behalf of UFBC.

Protection and Proper Use of UFBC Property

All employees, officers and directors should protect UFBC's property and assets and ensure their efficient and proper use. Theft, carelessness and waste can directly impact UFBC's profitability, reputation and success. Permitting UFBC property (including data transmitted or stored electronically and computer resources) to be damaged, lost, or used in an unauthorized manner is strictly prohibited. Employees, officers and directors may not use corporate, bank or other official stationary for personal purposes.

Compliance with Laws, Rules and Regulations

This Code of Ethics is based on UFBC's policy that all employees, officers and directors comply with the law. While the law prescribes a minimum standard of conduct, this Code of Ethics requires conduct that often exceeds the legal standard.

Certain UFBC departments or divisions may have policies and procedures governing topics covered by this Code of Ethics. These policies and procedures reflect the special requirements of these departments.

Reporting of Illegal or Unethical Behavior

All employees, officers and directors are expected to demonstrate the ability to properly manage their personal finances, particularly the prudent use of credit. UFBC recognizes that its customers must have

faith and confidence in the honesty and character of its employees, officers and directors. In addition to the importance of maintaining customer confidence, there are specific laws that outline the actions UFBC must take regarding any known or suspected crime involving the affairs of UFBC. With regard to financial affairs, a bank must make a criminal referral in the case of any known or suspected theft, embezzlement, check/debit card kiting, misapplication or other defalcation involving bank funds or bank personnel in any amount.

Whistleblower Policy

This policy is to provide employees, customers, and vendors a channel of reporting suspected or actual occurrences of illegal, unethical or inappropriate events to a proper authority without fear of retribution or criticism.

Employees

Under normal circumstances, the informant should report the event to his/her immediate supervisor. If, however, for any reason the informant desires to bypass his/her immediate supervisor, the next level of authority should be sought, and so forth, up the line of command.

Should the informant feel that the report should go directly to the Board of Directors, he/she should report by letter addressed to **either** the Chairman of the Governance Committee **or** the Chairman of the Audit Committee and delivered (sealed) to the Executive Secretary or the President.

The informant may report the event anonymously.

The informant shall be immune from any retaliation or retribution for a report that was provided in good faith – that was not made with malice or to damage another person or the Bank.

Any person who retaliates against the informant (who reported an event in good faith) will be subject to discipline, including termination.

Supervisors, Managers, or Board members who receive such reports must act promptly to investigate and resolve the issue.

The identity of the informant shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement, in which case those involved will be subject to subpoena.

Crimes against persons or property, such as an assault, rape, burglary, etc. should be reported immediately to local law enforcement personnel.

Customers and vendors

Customers or vendors who wish to make a report under this policy should do so by letter addressed to the Chairman of the Governance Committee or the Chairman of the Audit

Committee and mailed to the Business Bank at PO Box 2459, Vienna, VA 22183-2459.

Administration and Waiver of Code of Ethics

This Code of Ethics shall be administered and monitored by the Human Resource Officer and the Risk Management Officer. Any questions and further information on this Code of Ethics should be directed to the above personnel.

All managers and direct supervisors are responsible for reviewing this Code of Ethics with their subordinates each time a new edition of the Code of Ethics is published.

It is also the responsibility of the Human Resource Officer and the Risk Management Officer to annually reaffirm compliance with this Code of Ethics by all employees, officers, and directors and to obtain a signed certificate that each employee, officer, and director has read and understands the guidelines and will comply with them. New employees and directors will be required to sign a certificate that he or she has read and understands the guidelines and will comply with them.

Employees, officers and directors of UFBC are expected to follow this Code of Ethics at all times. Generally, there should be no waivers to this Code of Ethics, however, in rare circumstances conflicts may arise that necessitate waivers. Waivers will be determined on a case-by-case basis by the President of UFBC. However, waivers for directors and executive officers must be determined by the board of directors. For members of the board of directors and executive officers, the board of directors shall have the sole and absolute discretionary authority to approve any deviation or waiver from this Code of Ethics.

Known or suspected violations of this Code of Ethics will be investigated and may result in disciplinary action up to and including immediate termination of employment.