



# **Code of Ethics and Business Conduct**

**Effective Date: July 18, 2016**

## **THE BANCORP, INC.**

### **CODE OF ETHICS AND BUSINESS CONDUCT**

#### **Introduction and Code Administration**

The reputation and integrity of The Bancorp, Inc., a Delaware corporation, and its subsidiaries (collectively, “Bancorp”), is a vital business asset of Bancorp. Bancorp is committed to conducting its business according to the highest ethical, moral and legal standards. Every director, officer and employee of Bancorp (collectively, the “Covered Persons”) is responsible for creating an ethical culture and for conducting business in a manner that demonstrates Bancorp’s commitment to the highest standards of integrity. This Code of Ethics and Business Conduct (the “Code”) applies to all Covered Persons, and has been adopted to help Covered Persons meet these standards. Directors of Bancorp who are not also Bancorp employees are subject to this Code only as it relates to their capacities as directors. Third-party consultants, business partners, or service providers will be deemed to be Covered Persons and bound by the principles of the Code in accordance with applicable agreements requiring their compliance with Bancorp policy.

Specifically, this Code is designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that Bancorp files with, or submits to, the Securities and Exchange Commission (the “SEC”), bank regulatory and other governmental and regulatory agencies, and in other public communications made by Bancorp;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of the Code to an appropriate person or persons identified in this Code; and
- Accountability for adherence to the Code.

This Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but rather sets out basic principles to guide all of our Covered Persons in their business interactions. All of our Covered Persons must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. Maintaining the highest integrity and ethical standards is fundamental to Bancorp’s continued success. As a financial institution, our business is built upon public trust and confidence, and depends upon a favorable perception of the conduct of Bancorp’s business by customers, federal and state regulators, stockholders, and others in both the business and general community.

If a law conflicts with a policy in this Code, Covered Persons must comply with the law; however, if a local custom or policy conflicts with this Code, Covered Persons must comply with the Code. If there are any questions about these conflicts, please ask your direct supervisor or the Chief Risk Officer of Bancorp (indicated below) how to handle the situation.

Each Covered Person must agree to adhere to this Code and our other standards and policies (see Section 26 below) as a condition of employment. Violations of any provision of the Code or our other related standards and policies may result in disciplinary action up to and including

termination of employment. If a Covered Person is in a situation which may violate or lead to a violation of this Code, the Covered Person is required to follow the guidelines described in Section 24 of this Code.

Bancorp's Board of Directors (the "Board") is ultimately responsible for implementation of the Code. The Board has designated the Company's Chief Risk Officer, Steven Turowski, or his successor (the "Chief Risk Officer"), to be the Bancorp officer responsible for the implementation and administration of the Code. Covered Persons should feel free to direct any questions concerning this Code to the Chief Risk Officer:

**Chief Risk Officer Contact Information:**

The Bancorp, Inc.

Attention: Chief Risk Officer

409 Silverside Road, Suite 105

Wilmington, DE 19809

Email address: [chiefriskofficer@thebancorp.com](mailto:chiefriskofficer@thebancorp.com)

Telephone: (302) 385-5216

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## **1. Compliance with Laws, Rules and Regulations**

Establishing and maintaining Bancorp's reputation demands that all Covered Persons conduct business in full compliance with all applicable federal, state, and local laws and regulations and the provisions of this Code. The law however is only a minimum standard. We must also act ethically and with integrity. Obeying the law, both in letter and in spirit, is the foundation on which Bancorp's ethical standards are built. All Covered Persons must respect and obey the laws of the territories in which we operate. Although not all Covered Persons are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

Bancorp must and will report all suspected criminal violations to the appropriate authorities for possible prosecution and will investigate, address and report to the appropriate governmental or other authorities, as appropriate, non-criminal activities.

## **2. Conflicts of Interest (also see *Conflict of Interest/Related Party Transaction Disclosure Form*)**

Covered Persons are expected to make or participate in business decisions and actions in the course of their business involvement with Bancorp based on the best interest of Bancorp as a whole, and not on the basis of personal relationships or personal or financial benefit. A conflict of interest, which can occur or appear to occur in a wide variety of situations, can compromise the business ethics of Covered Persons. Generally, a "conflict of interest" exists when the personal or financial interest of a Covered Person interferes in any way with, or has the potential to interfere with, the interests of Bancorp. A conflict situation can arise when a Covered Person takes actions or has interests that may make it difficult to perform his or her work for Bancorp objectively and effectively. Conflicts of interest may also arise when a Covered Person, or a member of his or her family, receives a gift, a unique advantage or an improper personal benefit as a result of his or her position in Bancorp. Loans to, or guarantees of obligations of, Covered Persons and their family members may create conflicts of interest. A conflict of interest could make it more difficult for a Covered Person to perform his or her corporate responsibilities objectively and effectively because he or she has a competing interest. The following discussion of situations that may raise conflict of interest issues is not exhaustive and Covered Persons should be alert to recognize other situations that may raise conflict of interest issues. As discussed below in Section 25, Covered Persons are required to disclose to the Company any material transaction or relationship that could reasonably be expected to give rise to actual or apparent conflicts of interest with Bancorp.

Bancorp has determined that the following situations present a conflict of interest and, therefore, Covered Persons may not, directly or indirectly, during their employment by Bancorp:

- Work for, be associated with, provide any services or materials to, or receive any compensation from any competitor of, borrower from, vendor or supplier to, or customer of Bancorp. The best policy is to avoid any direct or indirect business connection with our competitors, borrowers, vendors, suppliers and customers, except on our behalf.
- Review a loan, or make any decision regarding a loan of any customer, syndicate, or corporation in which the Covered Person may have a present or a

prospective financial interest, or to any customer with whom the Covered Person has a personal relationship.

- Approve any purchase or sale of equipment, materials or services by Bancorp, or other business relationships involving, persons or entities with which the Covered Person has a personal or financial interest, or in which such Covered Person has a personal or financial self-interest.

We recognize and respect Covered Persons' rights to engage in activities outside of Bancorp that are private in nature and do not in any way represent a conflict of interest or the appearance of a conflict of interest. During employment with Bancorp, Covered Persons:

- May not have a financial interest in any organization sufficiently large as to cause divided loyalty with such Covered Person's responsibilities to Bancorp or create a conflict of interest situation that might affect the objectivity and independence of judgment or conduct of such Covered Person in carrying out his or her duties and responsibilities to Bancorp. Any investment interest of any Covered Person, direct or indirect, in any of Bancorp's customers suppliers, vendors and other business associates must be disclosed to, and approved by, in the case of an officer or employee of Bancorp, the Chief Risk Officer or, in the case of a director, the Board of Directors of Bancorp.
- May participate in activities and employment outside Bancorp for personal gain, but only if (i) such outside activities do not significantly encroach on the time or quantity of such Covered Person's work for Bancorp; (ii) such outside activities are not in conflict with Bancorp's best business interests; (iii) such outside activities are not in competition with Bancorp or Bancorp's business; and (iv) Covered Persons do not use corporate resources, equipment, facilities or supplies for such outside activities, or solicit or perform such outside activities on Bancorp's premises. In addition, Bancorp employees may not perform such outside activities if the activities would conflict with their scheduled work hours at Bancorp or would impair the effective performance of their responsibilities for Bancorp. This restriction is not intended to apply to directors who are not employees of Bancorp. In addition, Covered Persons who are employees of Bancorp may not accept or hold outside employment with any other bank, financial institution or other business which is in competition with Bancorp. Bancorp employees also are required to report all civic and political positions (including outside directorships) and all outside employment to Bancorp by completing and returning Bancorp's *Confidential Outside Employment and Civic Engagement Form*.

Conflicts of interest are prohibited as a matter of corporate policy, except under the waiver process described below. Conflicts of interest may not always be straight forward, so if you have a question, please consult with your direct supervisor or the Chief Risk Officer. Any Covered Person who becomes aware of a conflict or potential conflict of interest must bring it to the attention of the Chief Risk Officer or follow the reporting procedures described in Section 24 of this Code. Covered Persons are also required to complete and return Bancorp's *Conflict of Interest / Related Party Disclosure Form* as described in Section 26 of this Code, and to disclose any potential conflicts of interest.

Covered Persons who are directors of Bancorp but are not employees of Bancorp must be sensitive to situations in which they may be associated with, or have business or financial interests in, corporations or other business entities that, from time to time, have business dealings with Bancorp or with which Bancorp may compete. While these relationships are not expressly prohibited, they should be avoided where reasonably practicable. Any Bancorp director who has, or becomes engaged in, such a relationship or interest must promptly disclose the matter to the full Bancorp Board, or an appropriately authorized committee of the Board, for consideration and appropriate disposition. If a conflict cannot be avoided, it must be managed in an ethical and responsible manner.

Any transaction that would be required to be disclosed pursuant to Item 404 of SEC Regulation S-K (a “Related Party Transaction”) must be reviewed and approved by the Audit Committee of the Bancorp Board. If the Audit Committee finds a conflict of interest to exist with respect to a particular matter, that matter is prohibited unless a waiver of this policy is approved in the manner set forth in Section 22 of this Code.

As a matter of policy, unless the Board or an authorized committee of the Board has approved or ratified a particular transaction or situation in accordance with this Code, Covered Persons may not (i) have any financial or economic interest in (a) any entity that is, or to such person’s knowledge may become, a vendor to, a customer of, or competitor of, Bancorp, or (b) any entity that otherwise has or may have a relationship with, or might expect financial or other support from, Bancorp; or (ii) provide services to or perform services for the benefit of any such entity, other than services performed at the request of or on behalf of Bancorp. This Code shall be interpreted to permit Covered Persons to generally have (i) a passive investment of up to five (5%) percent of the total outstanding shares of any entity that is listed on the NYSE, NASDAQ, any other national or international exchange, the OTC Bulletin Board or a similar quotation services, or (ii) a limited partnership interest in a private equity, venture capital or similar fund constituting less than five percent (5%) either in absolute dollars or as a percentage of the person’s total net worth provided that it does not create the appearance of a conflict of interest; provided, however, that it is otherwise evident and clear that such investments are being made on terms that are not more favorable to the Covered Person than those available to the general public.

### **3. Insider Trading (also see *Insider Trading Policy*)**

All Covered Persons must comply with Bancorp’s *Insider Trading Policy*. A copy of Bancorp’s *Insider Trading Policy* has been made available to all Bancorp Covered Persons, and we require you to sign a statement acknowledging that you have read, understand and will comply with the policies set forth therein. If you need an additional copy of Bancorp’s *Insider Trading Policy*, one is available from Bancorp’s General Counsel. Covered Persons are prohibited from trading in the securities of Bancorp while in possession of material, nonpublic information. Among other things, trading in the securities of Bancorp while in possession of material, nonpublic information can subject you to criminal or civil penalties. Using non-public information for personal financial benefit or to “tip” others who might make an investment decision on the basis of this information is not only unethical but also illegal. If there are any questions, please consult Bancorp’s General Counsel.

#### **4. Corporate Opportunities**

Covered Persons are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without full disclosure to and with the express consent of the Board of Bancorp. No Covered Person may use corporate property, information, or position for improper personal gain, and no Covered Person may compete with Bancorp, directly or indirectly. Covered Persons owe a duty to Bancorp to advance its legitimate interests when the opportunity arises.

#### **5. Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each Covered Person should endeavor to respect the rights of and deal fairly with Bancorp's business investors, suppliers, competitors and other Covered Persons. No Covered Person should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

#### **6. Giving and Receiving of Gifts (also see Section 12 of the Code and the Company's *Anti-Bribery and Anti-Corruption Policy*)**

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. Covered Persons are prohibited by this Code from soliciting, accepting, promising or giving valuable gifts, transportation, entertainment or other non-monetary favors or gratuities from customers, suppliers, vendors or other business associates of Bancorp, or persons associated with customers, suppliers, vendors or other business associates of Bancorp (including gifts of equipment or money, discounts, travel or other favored person treatment). Acceptance of a gift in the nature of a memento, such as a conference gift or other inconsequential gift valued at less than two-hundred fifty dollars (\$250.00), is permitted. Engaging in normal, occasional business-related entertainment, such as meals or the use of sporting, theatrical, or other public event tickets, is permissible as long as Covered Persons exercise sound judgment in accordance with this Code and ethical business practices so as to avoid any situation that may be subject to question. Please discuss with your direct supervisor or the Chief Risk Officer any gifts or proposed gifts if you are uncertain whether they are appropriate. The principles of this section of the Code are superseded by the principles set forth in Section 12, and Bancorp's *Anti-Bribery and Anti-Corruption Policy*, to the extent the giving or receiving of the gift involves a government or foreign public official or is otherwise prohibited under U.S. or international anti-bribery and anti-corruption laws. Please refer to Section 12 and Bancorp's *Anti-Bribery and Anti-Corruption Policy* for more information.

**7. Discrimination and Harassment (also see *Equal Opportunity and Affirmative Action Policy and Non-Discrimination and Anti-Harassment Policy* contained in Bancorp’s Employee Handbook)**

Bancorp’s diversity is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Please refer to the *Equal Opportunity and Affirmative Action Policy* and *Non-Discrimination and Anti-Harassment Policy* contained in Bancorp’s Employee Handbook.

**8. Health and Safety (also see *Workplace Violence Prevention Policy Employee Work and Safety Rules and Substance Abuse Policy* contained in Bancorp’s Employee Handbook)**

Bancorp strives to provide each Covered Person with a safe and healthy work environment. Each Covered Person has responsibility for maintaining a safe and healthy workplace for all Covered Persons by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Covered Persons should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace will not be tolerated.

**9. Record-Keeping**

Bancorp requires honest and accurate recording and reporting of information in order to make responsible business decisions. Many Covered Persons regularly use business expense accounts, which must be documented and recorded accurately. If a Covered Person is not sure whether a certain expense is an appropriate business expense, please ask your direct supervisor or the Chief Risk Officer.

All of Bancorp’s books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect Bancorp’s transactions and must conform both to applicable legal requirements and to Bancorp’s system of internal controls. Unrecorded or “off the books” funds or assets should not be maintained.

Business records and communications often become public, and Covered Persons should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and any other communications associated with Bancorp.

**10. Confidentiality; Handling Confidential Information (also see *Confidential and/or Proprietary Information* contained in Bancorp’s Employee Handbook, Bancorp’s *Privacy Policy – Information Sharing*, and Bancorp’s *End User Information Security Policies*)**

Covered Persons must maintain the confidentiality of all nonpublic information relating to Bancorp and all confidential information entrusted to Bancorp by its customers, employees, vendors and commercial partners (the “Confidential Information”), except when disclosure is

specifically authorized by Bancorp's General Counsel or required by laws or regulations. Confidential Information includes all non-public information relating to Bancorp, its business, customers, personnel information, data or decisions, plans or any other information that might be of use to our competitors, or harmful to Bancorp or our customers if disclosed. It also includes information that our customers, employees, vendors, commercial partners and other parties with whom we have investment or lending arrangements have entrusted to us. The obligation to preserve Confidential Information continues even after employment ends. The revelation or use of any Confidential Information other than for corporate purposes is prohibited. The misuse, unauthorized access to or mishandling of Confidential Information will be subject to disciplinary action up to and including termination of employment.

As a public reporting company, Bancorp must ensure that all nonpublic information relating to Bancorp is kept confidential unless and until its disclosure is approved by Bancorp and two full business days have passed following its disclosure by Bancorp in a publicly filed report with the SEC, a press release, website disclosure or other methods of electronic communication as determined by Bancorp, or where disclosure is otherwise mandated by law. Confidential Information includes information relating but not limited to:

- Bancorp's business, results of operations, strategy, finances, prospects, plans or operations;
- Proposed mergers, acquisitions, divestitures, new business ventures, opportunities, partnerships or agreements;
- New products, contracts, vendors, customers or competitors;
- Personnel information;
- Regulatory matters and communications and discussions with Bancorp's regulatory authorities;
- The proceedings, deliberations and discussions of Bancorp's Board; and
- Third-party confidential and proprietary information that is provided to Bancorp and which Bancorp is obligated to maintain as confidential.

Confidential Information should not be accessed without a proper business purpose, should not be discussed in public places, and should not be disclosed to persons outside of Bancorp except when disclosure is required by law or in accordance with Bancorp's privacy policies and customer agreements. Covered Persons should not disclose Confidential Information to anyone within Bancorp except to other Bancorp employees, directors or officers who have a need to know the information.

Bancorp also has an *Insider Trading Policy* which sets forth additional information concerning confidentiality obligations of Covered Persons. In addition, sections of Bancorp's Employee Handbook under the caption *Confidential and/or Proprietary Information* also set forth additional information about the confidentiality obligations of Covered Persons who are also Bancorp employees. Additional information also is set forth in Bancorp's *End User Information Security Policies* and *Privacy Policy – Information Sharing*, with which all Covered Persons who are also Bancorp employees should be familiar.

## **11. Protection and Proper Use of Bancorp's Assets**

Generally, all of Bancorp's assets, including its facilities, equipment, materials, supplies, intellectual property, software, time and information, may be used only for legitimate business

purposes related to Bancorp's business. All Covered Persons should endeavor to protect Bancorp's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on Bancorp's profitability. Any suspected incident of fraud or theft should be immediately reported to the Chief Risk Officer for investigation. If the incident requires confidentiality, please utilize Bancorp's Speak Up / Whistleblower hotline which is described in Section 23 below. Bancorp's equipment should not be used for non-corporate business, though incidental personal use is permitted (provided that the incidental personal use is legal, ethical, appropriate and does not interfere with an employee's conscientious performance of his or her responsibilities).

The obligation of Covered Persons to protect Bancorp's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets as well as business, marketing and service plans, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate this Code. Such actions could also be illegal and result in civil or criminal penalties.

## **12. Payments to Government Personnel Prohibited (also see *Anti-Bribery and Anti-Corruption Policy*)**

Bancorp maintains an *Anti-Bribery and Anti-Corruption Policy*. The U.S. government has a number of laws and regulations restricting business gratuities that may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate this Code, but could also be a criminal offense. State and local governments, as well as foreign governments, have similar rules. The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country. If you have any questions relating to matters within this area, please consult Bancorp's *Anti-Bribery and Anti-Corruption Policy* or contact your direct supervisor or the General Counsel.

## **13. Honesty**

It is critical that we maintain the trust of all of our stakeholders. All Covered Persons are expected to be truthful and conduct themselves with the highest level of integrity in all dealings with co-workers, customers, suppliers, partners, consultants and the communities in which we operate.

## **14. Political Action Committees/Corporate Payments**

Bancorp maintains a policy of not contributing money, property or services to any government official, political party, or candidate, whether local, state, or federal. Covered Persons participating in any governmental, regulatory, or elective process in which their participation is on an individual basis, group basis, or as a member of a political action committee must act on their own behalf and not act as a representative of Bancorp.

## **15. Professionalism**

We expect that Covered Persons will act in a professional manner when conducting corporate business and represent and present opinions about Bancorp in a positive and professional manner in our offices, a client's offices or in any public forum.

## **16. Professional Referrals/Legal Advice**

Employees of Bancorp are not to recommend attorneys, accountants, insurance agents, stockbrokers, real estate agents, or similar entities to customers or others unless several names are provided without indication of favoritism. Legal and tax advice cannot be provided and customers should instead be referred to their attorneys and accountants.

## **17. Personal Financial Responsibility**

All Covered Persons should conduct their financial affairs in a responsible manner. This includes but is not limited to: proper handling of personal bank accounts; avoidance of overdrafts in personal checking accounts; prompt payment of personal bills and debts; loans by Bancorp to Covered Persons that are in strict compliance with internal lending policies; and incurring indebtedness from Bancorp only for legitimate purposes made in accordance with the requirements of Regulation O and any other applicable laws, regulations, or guidelines.

## **18. Use of Bancorp's Electronic Communication Systems and Corporate Resources (also see *Employer Rights Regarding Employee Electronic Communication Systems* in Bancorp's Employee Handbook and Bancorp's *End User Information Security Policies*)**

Bancorp's electronic communication tools and corporate resources are provided to Covered Persons for business use, and Covered Persons are expected to keep personal use to a minimum. By using Bancorp's communication systems, Covered Persons acknowledge that they have no expectation of privacy on such systems, and consent to Bancorp's third party service providers monitoring, accessing, searching, blocking, copying, deleting, reviewing and disclosing to Bancorp any documents or messages that are created, sent, stored or received.

Covered Persons are expected to utilize Bancorp's electronic communication systems in a responsible, ethical and legal manner to facilitate business operations and increase productivity. Bancorp's electronic communication systems are to be used primarily for Bancorp purposes, although incidental personal use is permitted as long as it does not interfere with an employee's assigned duties or Bancorp business, unduly increase the network load or create any liability due to content. Covered Persons are expected to utilize the official stationery of Bancorp only for job-related purposes and should not represent, either in written or electronic communications, that a communication is being made by or on behalf of Bancorp unless that communication is within such Covered Person's authority and is made as a result of or related to the Covered Person's job responsibility within Bancorp. Bancorp's communication systems may not be used to transmit or disseminate any Bancorp confidential or proprietary information, trade secrets, protected health information to any unauthorized source, except with the prior approval of the Chief Risk Officer of Bancorp.

Additional information about the use of Bancorp's electronic communication systems, internet use, email and instant messaging, blogging and social networking, and confidential and proprietary information also is set forth in Bancorp's Employee Handbook and in Bancorp's *End User Information Security Policies*.

## **19. Public Disclosures**

As a public company, Bancorp must ensure that its filings and submissions to the SEC, federal banking regulators, and other regulatory authorities, and its other public communications provide full, fair, timely, accurate and understandable disclosure. Covered Persons engaged in the preparation of these filings, submissions and communications must endeavor to ensure that Bancorp's filings, submissions and communications meet these objectives. Depending on their duties and responsibilities, Bancorp Covered Persons may be called upon to provide information to ensure that Bancorp's reports are complete, understandable and fairly present all information required to be presented. To that end, all Covered Persons must cooperate fully with Bancorp's employees responsible for preparing reports filed with the SEC and banking authorities, and all other materials that are made available to the regulatory authorities or the public, to ensure that such Bancorp Covered Persons are aware, in a timely manner, of all information that might have to be disclosed in those reports or other materials or that might affect the way in which information is disclosed in them.

## **20. Limitations on Authority**

We expect employees to perform responsibilities in a way which both safeguards Bancorp's assets and complies with all legal requirements. In the conduct of regular business activities, employees have certain limitations on their authority. Covered Persons should not and may not represent to anyone a degree of authority that exceeds their actual authority, or exercise authority that they do not have regarding such matters as executing a contract.

## **21. Special Ethics Guidelines for Employees with Financial Reporting Responsibilities**

Bancorp's principal executive and senior financial officers are responsible for conducting Bancorp's business in a manner that demonstrates a commitment to the highest standards of integrity.

Section 406 of the Sarbanes-Oxley Act of 2002 ("SOX") includes requirements designed to ensure investors that the companies in which they invest disclose their financial information accurately and completely. Section 406 of SOX also is intended to foster corporate environments which encourage employees to question and report unethical and potentially illegal business practices by senior executives. Under SOX, all public companies (including Bancorp) must either have a code of ethics for their "covered officers" (i.e., principal executive officer, principal financial officer, comptroller or principal accounting officer or controller, and any other person who performs a similar function), or disclose why they do not. This Section 20 of the Code has been adopted by the Board of Bancorp as the code of ethics contemplated by SOX.

The Chief Executive Officer and all senior financial officers (including the Chief Financial Officer, the Chief Accounting Officer, the Controller, and any persons performing similar

functions and the General Counsel of Bancorp (the “Senior Financial Officers”) have a special responsibility for promoting integrity throughout Bancorp, with special responsibilities to Bancorp’s stockholders. The Senior Financial Officers have a special role to adhere to these principles themselves and to ensure that a culture exists throughout Bancorp that ensures the timely and fair reporting of Bancorp’s financial results and condition, as well as other information required by SEC regulations, applicable regulations of other regulatory agencies, and the rules of the exchange on which our common stock is listed. Because of this special role, in addition to being bound by this Code, the Senior Financial Officers are bound by the following Special Ethics Guidelines for Employees with Financial Reporting Responsibilities, which are designed to promote honest and ethical conduct and compliance with the law, particularly as related to the maintenance of Bancorp’s financial records and the preparation of financial statements, whether or not filed with the SEC.

- a. The Senior Financial Officers are responsible for the full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by Bancorp with the SEC and in other public communications made by Bancorp. Accordingly, it is the responsibility of each Senior Financial Officer to promptly bring to the attention of the Audit Committee or the Board of Directors of Bancorp, as deemed appropriate, any material information of which he or she may become aware that could affect the disclosures made by Bancorp in its public filings or otherwise assist the Audit Committee or Board in fulfilling its responsibilities.
- b. Each Senior Financial Officer shall promptly bring to the attention of the Audit Committee of the Board any information that he or she may have concerning (i) significant deficiencies in the design or operation of internal controls which could adversely affect Bancorp’s ability to record, process, summarize and report financial data, or (ii) any fraud that involves management or other Bancorp staff who have a significant role in Bancorp’s financial reporting, disclosures or internal controls.
- c. Each Senior Financial Officer shall promptly bring to the attention of the General Counsel or the CEO, and/or as appropriate, the Audit Committee of the Board, as applicable, any information he or she may have concerning violations of Bancorp’s Code, including these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities, by Bancorp management or other Bancorp staff who have a significant role in Bancorp’s financial reporting, disclosures or internal controls.
- d. Each Senior Financial Officer shall promptly bring to the attention of the General Counsel or the CEO, and/or as appropriate, the Audit Committee of the Board, as applicable, any information he or she may have concerning violations of the securities or other laws, rules or regulations applicable to Bancorp and the operation of its business, by Bancorp or any agent thereof or any violation of the Code or these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities.
- e. Each Senior Financial Officer shall promptly bring to the attention of the General Counsel or the CEO, and/or as appropriate, the Audit Committee of the Board,

as applicable, any information he or she may have concerning any material transaction or relationship of which he or she becomes aware that reasonably could be expected to give rise to an actual or apparent conflict of interest between personal and professional relationships.

- f. Each Senior Financial Officer shall promptly bring to the attention of the General Counsel or the CEO, and/or as appropriate, the Audit Committee of the Board, as applicable, any information he or she may have concerning any matter related to the independence of Bancorp's external auditors.

The Board of Bancorp shall determine, or shall designate appropriate persons to determine, the appropriate actions to be taken in the event that an investigation confirms that a Senior Financial Officer has committed a material violation of the Code or of these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code and to these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities, and may include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or reassignment of the individual involved, suspension with or without pay or benefits, and/or termination of employment. In determining what action is appropriate in a particular case, the Board or its designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single or repeated occurrence, whether the violation appears to have been intentional or inadvertent, whether the individual involved has been advised prior to the violation as to the proper course of action and whether the individual in question has committed other violations in the past.

Each Senior Financial Officer must annually acknowledge and agree to adhere to this Code, including without limitation the Special Ethics Guidelines for Employees With Financial Reporting Responsibilities set forth in this Section 21, and Bancorp's other standards and policies, by signing the *Acknowledgement and Agreement Applicable to Senior Financial Officers* appended to this Code as Appendix 2. Violations of these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities, and the failure to report violations by others, is a serious disciplinary matter. If any Covered Person believes that a violation of these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities has occurred, please contact the Chair of the Audit Committee of Bancorp.

## **22. Waivers of the Code of Ethics and Business Conduct**

Requests for waivers of a provision of the Code must be in writing and should be submitted to the Chief Risk Officer for appropriate review, and an executive officer of Bancorp or the Board of Bancorp (or a designated authorized committee of the Board) will make a determination of the outcome. For conduct involving directors and executive officers of Bancorp, only the Audit Committee of the Board will have the authority to waive a provision of the Code. The Audit Committee of the Board of Bancorp must review and approve any Related Party Transaction as defined in Item 404 of Regulation S-K promulgated by the SEC, before it is consummated. In the event of an approved waiver involving the conduct of a director or executive officer, appropriate and prompt disclosure must be made to Bancorp's stockholders as required by the SEC and any other regulatory agency under applicable regulations or the applicable listing standards of the principal exchange or interdealer quotation system on which Bancorp's common stock is then listed.

Statements in this Code to the effect that certain actions may be taken only with "Bancorp's approval" or that certain items will be designated by Bancorp will be interpreted to mean that the appropriate executive officers of The Bancorp, Inc. or members of the Board of Bancorp must give prior written approval or make such designation before the proposed action may be undertaken or the proposed designation made.

Violations of the Special Ethics Guidelines for Employees with Financial Reporting Responsibilities contained in this Code that go unaddressed are treated by the SEC as implicit waivers of the Code. Accordingly, any violation that is discovered and not addressed will have to be disclosed in accordance with the rules and regulations of the SEC and the applicable listing standards with respect to a violation of the Code. In such cases, the applicable SEC rules will require disclosures of the nature of the violation, the date of the violation and the name of the person who committed the violation. Such disclosure would be harmful to Bancorp and also to the Covered Persons who are responsible for monitoring compliance with the Code or who have violated the Code. In either case, depending on the nature of the violation, you may be subject to dismissal, other disciplinary proceedings, or your duties or responsibilities could be changed.

## **23. Reporting any Illegal or Unethical Behavior (also see *Sarbanes Oxley/Whistleblower Protection Policy* and the *Speak-Up Policy* contained in Bancorp's Employee Handbook)**

Covered Persons are encouraged to talk to the Chief Risk Officer, the General Counsel or other appropriate Bancorp personnel about any conduct that a Covered Person reasonably believes could constitute illegal or unethical behavior and, when in doubt, to ask about the best course of action in a particular situation. In compliance with this Code and Section 806 of the Sarbanes-Oxley Act of 2002, it is the policy of Bancorp not to allow Bancorp, its officers, employees, contractors, subcontractors or agents to retaliate against any Covered Person for reports of possible misconduct by others made in good faith. Covered Persons are expected to cooperate in internal investigations of misconduct. Procedures for the confidential, anonymous submission to Bancorp's Audit Committee by Covered Persons of concerns regarding questionable accounting or auditing matters are set forth in Section 23 of the Code. Employees also can confidentially and anonymously report illegal or unethical behavior by calling 1-844-432-RISK (1-844-432-7475) which is the Company's confidential and anonymous Speak Up/Whistleblower Hotline or through the Internet at [www.432Risk.com](http://www.432Risk.com). See Sections 24 and

25 below for more information on reporting violations. For further information on the protection of employees reporting illegal or unethical behavior, please refer to *Sarbanes Oxley/The Bancorp Whistleblower Protection Policy* contained in Bancorp's Employee Handbook.

## **24. Compliance Procedures**

### **Administration**

Covered Persons who observe, learn of or, in good faith, suspect a violation of the Code must immediately report the violation either to their immediate supervisor (who in turn is responsible for informing the Chief Risk Officer of such report), or to the Chief Risk Officer (or, in connection with complaints or concerns regarding accounting, internal accounting or audit matters, may report the violation to the Audit Committee of the Bancorp Board). Covered Persons may be subject to disciplinary action, including termination of employment, for failure to do so.

### **Management Responsibility**

All Bancorp officers and other managerial employees are responsible for ensuring adherence to the Code. In addition, each Bancorp officer and managerial employee is responsible for communicating the Code to employees under his or her supervision and for supporting programs and practices designed to develop an understanding of, commitment to, and compliance with this Code. In the event that any Bancorp officer, other managerial employee or supervisor believes that a violation of this Code has occurred or receives report of a violation, he or she must immediately contact the Chief Risk Officer.

### **Procedures for Reporting a Conflict of Interest or Related Party Transaction**

Covered Persons are expected to disclose any Conflict of Interest or Related Party Transaction. Disclosure may be made by completing a *Conflict of Interest/Related Party Transaction Disclosure Form*. Covered Persons are required to complete this form upon hire or engagement, and on an annual basis thereafter. If you need a copy of this form, one is available through Bancorp's Human Resources Department. These disclosures will be evaluated and acted upon in accordance with this Code.

### **Complaint Procedure**

#### **Notification of Complaint:**

- To report a violation or suspected violation to the Chief Risk Officer, provide the report to the following address or email:

The Bancorp, Inc.  
Attention: Chief Risk Officer  
409 Silverside Road, Suite 105  
Wilmington, DE 19809  
Email address: [chiefriskofficer@thebancorp.com](mailto:chiefriskofficer@thebancorp.com)

- Complaints or concerns regarding accounting, internal controls or auditing matters may also be submitted anonymously to the Audit Committee of The Bancorp's Board in writing at the following address:

The Bancorp, Inc.  
Attention: Chair – Audit Committee – CONFIDENTIAL  
c/o Corporate Secretary  
409 Silverside Road, Suite 105  
Wilmington, DE 19809

- Whenever practical, a complaint should be made in writing. It is not acceptable to submit a complaint knowing it is false.
- Covered Persons who are not comfortable using the procedures and protocols outlined above can make an anonymous report via Bancorp's Speak Up/Whistleblower Hotline. This anonymous and confidential reporting system is not affiliated with Bancorp and is accessible 24/7 through the Internet [www.432Risk.com](http://www.432Risk.com) or by calling 1-844-432-RISK (1-844-432-7475). Anonymous reports will be forwarded to Bancorp for investigation and corrective action.

### **Investigation and Corrective Action**

Reports of violations will be promptly investigated under the supervision of the Chief Risk Officer or, if appropriate, the Audit Committee of the Board. Bancorp will seek to enforce this Code promptly and consistently. Covered Persons are required to cooperate fully in the investigation of reported violations and to provide truthful, complete and accurate information. The investigation will be handled as discreetly as possible, allowing for a fair investigation and any necessary corrective action. Appropriate corrective action will be taken whenever a violation of this Code has been determined to have occurred. Depending on the nature of the violation, the offending individual may be subject to disciplinary action which may include termination. In addition, anyone who knowingly interferes with an investigation or provides untrue or inaccurate information in an investigation will be subject to disciplinary action which may include termination. Any Covered Person who submits a complaint relating to the handling of accounting, internal controls, or audit matters in good faith should have no fear of dismissal or retaliation of any kind. **Retaliation against Covered Persons who, for lawful purposes, file a complaint or participate in an investigation is strictly prohibited.**

## **25. Protection Against Retaliation**

### **Policy**

Bancorp prohibits any form of retaliation against employees who, for lawful purposes, report to Bancorp any conduct or activity that may violate the Code, any law or regulation applicable to Bancorp, or any other suspected improper, unethical or illegal conduct or activities by anyone at Bancorp. Bancorp also prohibits any form of retaliation against Covered Persons who provide information, cause information to be provided, or assist in an investigation conducted

by Bancorp or any governmental body regarding a possible violation of law or regulation relating to fraud, any labor law, any rule or regulation of the SEC or any bank regulatory authority, or who file, or cause to be filed, assist, participate or give testimony in any proceeding relating to an alleged violation of any such law, rule or regulation.

### **Procedure for Reporting Policy Violations Related to Retaliation**

If a Covered Employee believes that he or she has been retaliated against (including threatened or harassed behavior) in violation of this Code, he or she should immediately report the retaliation either to his or her direct supervisor (who in turn is responsible for informing the Chief Risk Officer of such report) or to the Chief Risk Officer in accordance with the contact procedures for the Chief Risk Officer set forth above (or, in connection with retaliation relating to complaints or concerns regarding accounting, internal accounting or audit matters, may report the violation to the Audit Committee of the Bancorp Board in accordance with the contact procedures for the Audit Committee set forth above). Any Covered Persons who is not comfortable using the procedures and protocols outlined above can make an anonymous report via Bancorp's Speak Up/Whistleblower Hotline and Internet Service. This anonymous and confidential reporting system is not affiliated with Bancorp and is accessible 24/7 [through the Internet [www.432Risk.com](http://www.432Risk.com) or by calling 1-844-432-RISK (1-844-432-7475)]. Once a Covered Person reports retaliation prohibited by this Code, Bancorp will promptly investigate in accordance with the procedures set forth in Section 24 of this Code.

## **26. Related Policies; Enforceable by Bancorp Only**

This Code should be read in accordance with Bancorp's other policies, including without limitation, its *Insider Trading Policy*, its *Speak Up Policy*, its *End User Information Security Policies*, its *Privacy Policy – Information Sharing*, and its Employee Handbook. This Code is for the benefit of Bancorp and no other person or entity is entitled to enforce this Code. This Code does not and should not be interpreted to create any private cause of action or remedy in any person or entity entitled to enforce this Code. In addition, this Code should not be construed as a contract of employment and does not change any person's employment status. Except as otherwise provided by written agreement or applicable law, persons employed by Bancorp are employed at will, and Bancorp reserves the right to take employment action, including termination, at any time or for any reason without notice.

Each Covered Person (other than Bancorp Senior Financial Officers) must agree to adhere to this Code and Bancorp's other standards and policies as a condition of employment by signing the Acknowledgement and Agreement appended to this Code as Appendix 1 at the time a Covered Person initially is employed by Bancorp and annually thereafter. Covered Persons who are also Bancorp Senior Financial Officers must agree to adhere to this Code and Bancorp's other standards and policies as a condition of employment by signing the Acknowledgement and Agreement Appended to this Code as Appendix 2 at the time such Covered Person becomes a Senior Financial Officer of Bancorp and annually thereafter. In addition, all Covered Persons are responsible for disclosing any Conflicts or Related Party Transactions at the time of employment and annually thereafter and Bancorp's *Conflict of Interest/Related Party Transaction Disclosure Form* should be used for this purpose. Finally, all Covered Persons are

responsible for reporting any violations or behavior that may lead to a violation of the Code, pursuant to the procedures set forth in Section 24 of the Code.

Approved by the Board of Directors: June 15, 2016  
Effective as of July 18, 2016.

## APPENDIX 1

### CODE OF ETHICS AND BUSINESS CONDUCT ACKNOWLEDGEMENT AND AGREEMENT

As a director, officer or employee of The Bancorp, Inc., I formally acknowledge that:

1. I have received a copy of the Code of Ethics and Business Conduct of The Bancorp, Inc. (the "Code"). I have carefully reviewed the Code and I have also had an opportunity, if necessary, to ask any questions on the interpretation of the statements therein.
2. I have read and understand the Code. I agree to adhere to the standards in the Code and I agree to comply with its provisions including, without limitation, my obligation to report compliance and legal violations that I know of or suspect.
3. I take responsibility for understanding, complying with, and when appropriate, helping to implement the policies and procedures of the Code relating to employee conduct.
4. I am not aware of any conduct on the part of any person associated with The Bancorp, Inc. that may constitute a violation of the Code, except with respect to any matters that I may have disclosed to the Chief Risk Officer or otherwise disclosed in accordance with the procedures contained in Section 24 of the Code.
5. I understand that none of the benefits, policies, programs, procedures or statements in the Code are intended to confer any privileges or rights upon me or entitle me to be or remain an employee of The Bancorp, Inc. I am aware that the Code is not a contract and is subject to change at any time, without notice, in the sole discretion of The Bancorp, Inc.

I understand that all disclosure statements may be available to the Chief Risk Officer, the Board of Directors of The Bancorp, Inc. and internal and external legal counsel. Such information shall otherwise be held in confidence as set forth in the Code.

By signing below, I acknowledge and agree with the statements set forth in this Acknowledgement and Agreement.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

## APPENDIX 2

### CODE OF ETHICS AND BUSINESS CONDUCT ACKNOWLEDGEMENT AND AGREEMENT FOR SENIOR FINANCIAL OFFICERS

As a Senior Financial Officer of The Bancorp, Inc., I formally acknowledge that:

1. I have received a copy of the Code of Ethics and Business Conduct of The Bancorp, Inc. (the "Code"). I have carefully reviewed the Code and I have also had an opportunity, if necessary, to ask any questions on the interpretation of the statements therein.
2. I have read and understand the Code. I agree to adhere to the standards in the Code and I agree to comply with its provisions including, without limitation, my obligation to report compliance and legal violations that I know of or suspect.
3. I take responsibility for understanding, complying with, and when appropriate, helping to implement the policies and procedures of the Code relating to employee conduct.
4. I am not aware of any conduct on the part of any person associated with The Bancorp, Inc. that may constitute a violation of the Code, except with respect to any matters that I may have disclosed to the Chief Risk Officer or otherwise disclosed in accordance with the procedures contained in Section 24 of the Code.
5. I understand that as a Senior Financial Officer of The Bancorp, Inc., I have a special responsibility for promoting integrity throughout Bancorp, and am bound by Special Ethics Guidelines for Employees with Financial Reporting Responsibilities, which are set forth in Section 21 of the Code. I have carefully reviewed Section 21 of the Code and these Special Ethics Guidelines for Employees with Financial Reporting Responsibilities. I have had an opportunity to ask questions regarding Section 21 and I understand it. I agree to adhere to the standards set forth in Section 21 and I agree to comply with its provisions.
6. I understand that none of the benefits, policies, programs, procedures or statements in the Code are intended to confer any privileges or rights upon me or entitle me to be or remain an employee of The Bancorp, Inc. I am aware that the Code is not a contract and is subject to change at any time, without notice, in the sole discretion of The Bancorp, Inc.

I understand that all disclosure statements may be available to the Chief Risk Officer, the Board of Directors of The Bancorp, Inc. and internal and external legal counsel. Such information shall otherwise be held in confidence as set forth in the Code.

By signing below, I acknowledge and agree with the statements set forth in this Acknowledgement and Agreement.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_