

BLUE HILLS BANCORP, INC.
BLUE HILLS BANK
CODE OF BUSINESS ETHICS

I. INTRODUCTION

Blue Hills Bank (the “Bank”) and Blue Hills Bancorp, Inc. (the “Company”) are proud of the reputation for trust and confidence their officers, staff and Directors enjoy in the community. In order to continue to merit the trust and confidence of our customers and the public, Bank and Company representatives must observe high ethical standards of professional conduct and personal integrity. Each Director is expected to monitor his/her personal conduct so as not to bring discredit to the organization. Towards this end, we have established a Code of Ethics which will serve as a guideline for the conduct of all Bank and Company Directors. The Code also is intended to promote a free and open environment that will encourage Directors to report violations of the Code to Bank and Company management. References herein to the Bank shall include the Company.

The Code will govern your conduct in your service to the Bank. It is important that you become familiar with all of the Code’s provisions, and that you adhere to these provisions. Your failure to comply with the Code will negatively impact the ethical environment on which the Bank’s business is based.

As an aid to maintaining the high standards that the Bank requires, the following basic rules of business and personal conduct should be observed:

- a) Honesty and candor in every activity is expected, including compliance with the intent as well as the letter of the law;*
- b) Avoidance of all conflicts or appearance of conflicts between business and personal interest is expected;*
- c) Exercise of extreme care and integrity in dealing with the assets and information of the Bank and its customers is expected;*
- d) The Bank expects you to conduct personal and financial matters in a responsible manner.*
- e) Promotion of full, fair, accurate, timely and understandable disclosure in reports and other documents filed with the Securities and Exchange Commission and in other public communications.*

- f) *Conduct of duties to promote compliance with applicable laws, rules and regulations.*
- g) *Directors may not accept compensation (in any form) for services performed for the Company from any source other than the Company.*
- h) *Directors are prohibited from competing with the Company for business opportunities. However, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may then do so.*
- i) *Prompt reporting of violations of this Code.*

The statements contained herein are now the written policy of Blue Hills Bank.

II. ACTIVITIES AND CONFLICTS OF INTEREST AFFECTING THE BANK

Purchase of Foreclosed or Repossessed Collateral: *The Bank has established the following guidelines concerning purchases of Bank-owned real estate (OREO) or other collateral such as repossessed automobiles:*

- a.) *No Director may bid at a foreclosure auction held by the Bank.*
- b.) *Directors may not purchase 1 – 4 family residential real estate acquired by foreclosure. This does not apply to properties obtained by the Bank by deed-in-lieu of foreclosure.*
- c.) *Directors may not purchase any repossessed automobiles or other collateral which is being liquidated by the Bank (except as set forth above with respect to OREO).*

III. GIFTS, GRATUITIES, FEES AND OTHER PAYMENTS

The Comprehensive Crime Control Act of 1984 includes a bank bribery section that, as amended, prohibits any officer, Director, employee, agent or attorney of the Bank from soliciting, receiving or offering anything of value with the intent to corrupt or in connection with any transaction or business of the Bank.

Recognizing that acceptance of a reasonable amount of entertainment or a small gift would not normally be corrupting; the following guidelines set forth permissible activities:

- a.) Acceptance of business luncheons or dinners that would facilitate discussion of Bank business;*
- b.) Attendance at sporting events, the theater or other events provided the tickets are not scarce or expensive;*
- c.) Attendance at group functions or outings sponsored by companies or individuals having a relationship with the Bank;*
- d.) Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other customers;*
- e.) Activities where family or personal relationships are obviously the motivating factor; and*
- f.) Acceptance of gifts with nominal value such as flowers or candy, etc. that are related to commonly recognized events or occasions (e.g. birthdays, anniversaries, etc.).*

No Director should accept any entertainment or gift if it is known or suspected that the purpose of the offer is to influence a transaction or the offered gift is excessive or might cause embarrassment if the acceptance became known. Any questions regarding the acceptability of an invitation or gift should be referred to the Chairman or President & CEO. In addition, Directors must report to the Chairman or President & CEO any instance where something is proffered but not accepted because it does not comply with these guidelines.

IV. ENSURING COMPLIANCE

Written Acknowledgement and Agreement of Compliance: *Every Director must sign a written acknowledgement of the Code of Ethics, by which each Director will acknowledge his /her understanding of the Code, and his/her agreement to comply.*

Summary: *All Directors are expected to abide by the express provisions of this Code of Ethics, and the spirit in which it is presented. All Directors are encouraged to make suggestions for improvement or revisions to this Code of Business Ethics.*