



BAM

**Build America Mutual Assurance Company
Code of Conduct**

January 2024

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Code of Conduct

The success of any business, particularly a financial guaranty company that lends its name to securities in the marketplace, is dependent upon maintaining a high level of public confidence. Because the preservation of that confidence is of paramount importance, the activities of Build America Mutual Assurance Company, and any direct and indirect subsidiaries (collectively referred to as “**BAM**”) and their respective officers and other employees (collectively referred to as “**employees**”), must be conducted at all times in accordance with the highest principles of honesty and integrity.

The provisions of this Code of Conduct apply to all BAM employees. The Code identifies the particular responsibilities that employees must assume so that BAM can earn the public’s confidence and our BAM colleagues’ trust, in such a manner so as to not unduly restrict employees’ personal affairs.

The Code of Conduct also contains provisions to help provide a safe and productive work environment that promotes diversity and inclusion and the treatment of colleagues with kindness and respect. It also sets forth a number of best practice provisions that encourage employees to report violations of these guidelines and concerns and complaints of improprieties to the appropriate BAM manager or the BAM hotline cited below. Protecting the honesty and integrity of BAM, both within the company and externally, is our highest priority.

No concise set of rules, of course, can detail every circumstance in which the Code may apply. But the Code does provide essential guideposts for day-to-day direction and is to be applied on a consistent basis by all of BAM’s employees.

The Code has been distributed to every BAM employee and is given to each new employee. All employees are expected to read the Code carefully and to certify to their compliance with the Code on an annual basis. Compliance with the Code by each individual is critically important.

1. Confidential Information

Safeguarding confidential information is essential for the conduct of BAM’s business. In the course of their work, employees may learn confidential information concerning the financial results and business transactions of BAM, its clients or other participants in transactions with BAM (collectively referred to as “**Participants**”), as well as of fellow BAM employees or directors. **BAM employees may not communicate, in any fashion, material non-public information about BAM, any Participant or any other employees of BAM to persons not employed by BAM, except in accordance with the guidelines set out in the Code.**

While as a general matter BAM’s activities require a free flow of information throughout BAM, confidential information should be communicated to other personnel only when there is a legitimate business need to know.

Key Terms

For these purposes, “**material information**” about an entity means any information that a reasonable investor would be likely to consider important in a decision to buy, hold or sell that entity’s securities (or securities that rely on that entity’s credit). If the disclosure of the information would be viewed by a reasonable investor as having significantly altered the “total mix” of public information about an entity, or if its disclosure would be reasonably certain to affect the price of an entity’s securities, the information is material, irrespective of whether the information is positive or negative.

“**Non-public,**” or “**inside**” information about an entity is information that is not generally known to the public. Although non-public information generally comes directly from the relevant entity, it may originate from other parties. Information becomes “**public**” when it is broadly and non-exclusively distributed, such as by being published in The New York Times, The Wall Street Journal or some other publication of general interest to the investment community, by announcement via press release and posting on the BAM website, or by being published on significant internet websites or on the Dow Jones tape.

Under the relevant law, confidential information regarding individuals is called “**nonpublic personal information,**” and includes all personally identifiable financial information, such as addresses, phone numbers, social security numbers and payment and credit history. Even information that is actually public is considered nonpublic unless the person having access to the information has confirmed that the information is public. Accordingly, BAM personnel having access to any information that can be associated with an identifiable BAM employee or other individual should assume that the information is confidential personal information.

Sharing Information about BAM

It is BAM’s policy to provide full, fair, timely and understandable disclosure in reports and documents filed with the New York Department of Financial Services and in its other communications to the public. No director, officer, employee or other person acting on BAM’s behalf may selectively disclose to third parties material non-public information about BAM. When an employee believes that disclosure of non-public information may be required or contemplated by a contract that BAM is a party to (for example, where a contract contains confidentiality provisions), the employee should discuss the circumstances with the Legal Department before releasing any information.

General Guidelines for Disclosure of Information About BAM

1. Only members of the Management Committee and designated members of the Corporate Communications Department (collectively, “**Senior Officials**”) may disclose non-public information regarding BAM or BAM’s quarterly or annual results of operations or financial condition. Employees must immediately inform the General Counsel of any intentional or non-intentional disclosure of information in violation of this guideline.
2. Any brochure, slide presentation, report, pitch book or other prepared written presentation in respect of BAM must be submitted to the Legal Department before being used, allowing a reasonable time for review.
 - This requirement does not apply to routine announcements of closed transactions, such as tombstone advertisements, routine personnel releases, or materials generally describing BAM’s programs or products.
3. No Senior Official of BAM shall disclose non-public BAM information to securities market professionals or holders of debt insured by BAM, or BAM historical earnings information generally, unless the Legal Department has reviewed the relevant disclosure.

Sharing Information about Participants

Non-public information concerning Participants in BAM’s transactions may be communicated to third parties that seek such information only if there exists a legitimate business or legal reason and the recipient of the information is either subject to a confidentiality undertaking or is a regulator or rating agency. An employee must promptly refer to the General Counsel any request to release or decision to release non-public information concerning Participants, whether or not pursuant to a legal process (such as a subpoena or court order). **The employee may not release information or contact the Participant involved without the approval of a Managing Director or the General Counsel.**

Sharing Information about other Employees

BAM employees have the right to expect that their colleagues will treat them respectfully. Accordingly, employees **should** avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening, bullying or intimidating, or that might constitute unlawful harassment of other employees. Examples of such conduct might include offensive posts meant to intentionally harm someone’s reputation or posts that could contribute to a hostile work environment, including on Internet “blogs.”

Please refer to the **BAM Social Media Policy** for additional guidelines on appropriate internet conduct as it pertains to social media.

General Guidelines

In order to assist in complying with BAM's policy regarding confidential information, in addition to the guidelines and restrictions set forth above, the following general guidelines apply:

General Guidelines for Confidential Information

1. Employees may not disclose or use for their personal advantage or profit material non-public information acquired by reason of their relationship with BAM. See "Restrictions on Personal Investing; Prohibition on Insider Trading," below.
2. Supervisory officers have the responsibility of ensuring that all members of their staff are familiar with BAM's entire policy on the use of confidential information.
3. In order to safeguard the confidentiality of material inside information, employees must protect such information from misuse or improper modification, protect it from unauthorized disclosure, and ensure that employees do not interfere with access by its proper users. Employees should not leave sensitive materials in places where they may be read by others and should avoid discussing such information in public places or where they may be overheard, such as in hallways and elevators.
4. Social media (e.g., Facebook.com) should never be used to transact BAM business.
5. An employee who becomes aware of a possible leak of information or violation of BAM's policies should immediately inform his or her supervising officer or the General Counsel.

2. Restrictions on Personal Investing; Prohibition on Insider Trading

Federal law prohibits buying or selling securities based on material non-public information. In view of the serious repercussions that may develop as a result of trading on material non-public information, employees are cautioned to avoid even the appearance of impropriety. Because it is often difficult to determine what constitutes material non-public information, employees should assume that all confidential information is non-public inside information.

Transactions that may seem necessary or justifiable for independent reasons, such as emergency expenditures, are not an exception to these guidelines. Even the appearance of an improper transaction must be avoided to preserve BAM's reputation for adhering to the highest standards of conduct.

All employees are subject to the following investment guidelines. For purposes of these guidelines, an employee's "**immediate family**" includes his or her parents, spouse, minor natural, adoptive and step-children, dependents, any other individual residing in the same household as the employee and any individual or organization that represents or acts as an agent or fiduciary for such individuals. An "**organization**" means any corporation, partnership, limited liability company, association, joint venture, club, or other society or entity, either formal or otherwise.

Limits on Personal Investing

The following guidelines apply to employees, their family members and any other individuals living in their households.

1. **No employee may disclose or use for his or her personal advantage or profit material non-public information acquired by reason of his or her relationship with BAM.** Accordingly, any employee that has material non-public information regarding BAM, a current or proposed Participant or any other company may not:
 - buy or sell securities of the current or proposed Participant or other company, as the case may be, or change standing buy or sell orders,
 - recommend or suggest that anyone else (including family, household members, or friends) buy, sell or retain such securities, or
 - engage in any other action to take advantage of the information.
2. Employees and their immediate families should avoid investing in securities of a Participant:
 - if the securities are not registered on a national securities exchange or otherwise widely traded; or
 - if they regularly deal with such Participants, even if the securities are widely traded, in particular if the investment is of such magnitude in relation to personal net worth that it raises a question whether, as a consequence of such investment, the employee's decisions or judgments on behalf of BAM would be influenced.
3. White Mountains Insurance Group, Ltd. ("White Mountains", ticker symbol WTM) is a

majority investor in the insurer that provides reinsurance to BAM. BAM employees may not buy or sell securities in White Mountains without securing in advance the approval of a Managing Director. From time to time BAM may identify to employees other securities for which advance approval by a Managing Director must be obtained before any purchase or sale.

Pursuant to these guidelines, an employee that invests in a company, whether it is a Participant or not, may not buy or sell its securities while in possession of inside information regarding the company even if the employee would have made the trade irrespective of the information. Similarly, an employee who knows that BAM is about to proceed with or decline a transaction that could affect the price of a Participant's or other company's securities may not buy or sell the securities until the information becomes public.

3. Conflicts of Interest

A conflict of interest, or the appearance of a conflict of interest, may arise in a variety of circumstances. BAM's guidelines regarding personal investments and business gifts and entertainment are in place in part to avoid such conflicts of interest, but it is still possible for conflicts to arise. Accordingly, BAM directors and officers are subject to the guidelines set out in the **Corporate Policy for Directors and Officers on Conflicts of Interest**. All employees, however, are subject to the following:

General Guidelines for Conflicts of Interest

1. Potential Conflicts. Employees must report potential conflicts of interest to the General Counsel.
2. Personal Investment in Client Securities. If an employee is involved in a pending transaction involving a client and the employee holds securities of that client, he or she must ensure that the holding is disclosed to the a Managing Director or the General Counsel when such transaction is presented for credit approval.
3. Recusal. When a member of the Municipal Credit Committee has a material investment in a client, he or she shall disclose the investment and shall recuse himself or herself from voting on any transaction involving the client.

4. Business Gifts and Entertainment

In the business context, BAM employees may receive gifts, invitations for events or other items of value, or may wish to give business gifts, invite clients, other Participants or prospective Participants to events, or otherwise provide them with items of value. In addition to gifts and invitations to events, items of value might include, for example, a gratuity, favor, service, loan, legacy (except from a relative), fee or compensation. Employees must consult the following guidelines before accepting or offering such items of value.

Accepting Gifts, Invitations or Other Items of Value

Employees must use special care in determining whether accepting a proposed gift, invitation or other item of value is permissible under these guidelines. Any question as to whether a particular benefit might be construed as improperly influencing an employee's duties or whether it falls into one of the below categories must be referred promptly to the General Counsel.

Limits on Accepting Gifts, Invitations or Other Items of Value

1. Employees and their immediate families may not solicit, accept or retain an item of value from any client, other Participant or any other person or entity doing business with BAM, or any individual or organization doing or seeking to do business with BAM, unless both of the following criteria are met:
 - a. there is no, and there appears to be no, reasonable likelihood of improper influence in the performance of duties on behalf of BAM, and
 - b. the item of value falls into at least one of the following categories:
 - normal business courtesies, such as a meal or golf game, involving no more than ordinary amenities;
 - client-sponsored entertainment at which the client is present or, if the client is not present, for which approval has been granted by an employee's manager;
 - paid trips or guest accommodations that involve formal representation of BAM or that can be and are reciprocated on a personal basis;
 - non-cash gifts of nominal value, such as are received at holiday time;
 - unsolicited advertising and promotional materials of nominal value;
 - gifts received because of kinship, marriage or social relationships entirely beyond and apart from any business relationship; and
 - fees or other compensation received from an organization in which membership or an official position is held as approved by BAM.
2. In some circumstances transaction group members are required to clear client entertainment with their group head, including, as noted above, to attend client-sponsored entertainment at which the client is not present.
3. If an employee receives an item of value that does not fall within the scope of guideline 1, the employee must report it to the General Counsel, who will consult with the recipient as to appropriate action.
4. Under the New York Insurance Law, no officer or employee of BAM or any other subsidiary insurance company can receive any money or valuable thing, in addition to his or her fixed salary or compensation, for negotiating, procuring, recommending or aiding in any purchase or sale of property or loan made by such insurer or any affiliate or subsidiary. Any one who solicits or accepts any payment or other benefit from a person with the understanding that such benefit will influence that individual's conduct in relation to the affairs of BAM may be guilty of a criminal offense in New York State as well as other jurisdictions.

Offering or Giving Gifts, Invitations or Other Items of Value: Anti-Bribery Guidelines

While conducting BAM's business, **no bribes, kickbacks or similar remuneration or consideration of any kind are to be offered to any individual or organization for the purpose of influencing them in obtaining or retaining business for, or directing business to, BAM.** It is BAM's policy to comply with the letter and the spirit of applicable legal requirements. Accordingly, BAM employees are subject to the following guidelines:

Limits on Offering or Giving Gifts, Invitations or Other Items of Value

1. BAM's directors and employees and their immediate families must comply with the applicable legal requirements and must not make any payment of any commission or any gift of money, property or other item of value to any potential purchaser (or any employee, agent or representative of any purchaser) of a financial guaranty insurance policy as an inducement to purchase such policy.
2. Any representative of BAM who would like to make a payment or give any item of value to a **government official, political candidate or officer of a public international institution**, including invitations to business events, must have that payment or gift authorized by a Managing Director or the General Counsel **before** making or promising the gift, irrespective of the amount or circumstance.
 - It is important to note that in this context "**government official**" has a very broad meaning, and can include any officer or employee of a government, any department, agency or instrumentality of a government, or anyone acting in an official capacity on behalf of one or more of these entities.
3. Any representative of BAM who would like to give any item of value to a client or other Participant who is **not** a government official, political candidate or officer of a public international institution, including invitations to business events, must have that gift authorized by his or her group head before making or promising the gift.
4. BAM's directors and employees, including their immediate families, must not make any gifts or payments that could bear the appearance of impropriety.

5. Political Contributions and Solicitations

BAM employees are subject to significant limits on personal contributions to political candidates. These limits have been adopted to ensure that BAM complies with regulations that prohibit it or anyone acting on its behalf from making an expenditure or contribution of cash or anything else of monetary value in connection with an election to political office, as well as to prevent any fraudulent or manipulative acts, and to comply with both the letter and the spirit of the applicable legal requirements by avoiding even the appearance of impropriety.

Accordingly, all BAM employees, their spouses and all household members must comply with applicable law and the following guidelines when making political contributions and solicitations. Note that which of the following guidelines apply depends on whether a proposed contribution or solicitation is at the federal or state and municipal level.

For these purposes, “**contribution**” is defined broadly and means any gift, subscription, loan, advance, or deposit of money or anything of value made:

- for the purpose of influencing any election for federal, state or local office;
- to pay debt incurred in connection with any such election;
- to a political party, a partisan association or a political action committee; or
- for transition or inaugural expenses incurred by the successful candidate for state or local office.

Example

Contributions covered by BAM’s guidelines include:

- *making a payment to attend a political fund raising barbecue*
- *using your home to host a political fund raising event*
- *sending a check to a political campaign*

For the purposes of these guidelines, an “**official**” is any person (including any election committee for such person) who was, at the time of the contribution, an incumbent, candidate or successful candidate for an elective office, and “**municipal securities business**” means the provision of financial guaranty or financial product services to or on behalf of an issuer with respect to a primary or secondary offering of municipal securities.

Limits on Contributions and Solicitations at the State and Municipal Level

The following guidelines apply to every BAM employee, their spouse and all household members, and apply to contributions to:

- *any state, state agency or state instrumentality,*
- *any political subdivision of a state, such as a municipality, or an agency or instrumentality of a subdivision, or*
- *any municipal corporate instrumentality of one or more states.*

These limits do not apply to contributions to candidates for federal office.

1. No BAM employee, their spouse or household member may make any contribution to an official in Connecticut at the state or municipal level without prior written approval from the General Counsel. In any other state, no BAM employee, their spouse or household member may make any contribution to an official at the state or municipal level unless **all three** of the following conditions are met:
 - a. the employee is entitled to vote for the official of the issuer;
 - b. the contributions that the employee, his or her spouse and all other household members, taken together, make for each official are no more than **\$250**, measured per election; **and**
 - c. the contribution otherwise complies with the general guidelines set forth below.
2. No BAM employee, their spouse or household member may solicit any person or political action committee to make any contribution to, or coordinate any contributions to, any official at the state or municipal level with which BAM is engaging or is seeking to engage in municipal securities business.
3. No BAM employee, their spouse or household member may, by acting through or by any other person or means, do any act that, if done directly by the employee, would result in a

violation of the previous guidelines.

Limits on Contributions and Solicitations at the Federal, State and Municipal Level

The following general guidelines apply to every BAM employee, their spouse and all household members, and apply to contributions at the federal, state or municipal level.

1. Employees, their spouses and household members may not make political contributions with the purpose of obtaining or retaining business or unlawfully influencing an official decision.
2. BAM may not reimburse or compensate employees, their spouses or their household members for individual political contributions in any way, and no employee may seek reimbursement or compensation for individual political contributions from any source.
3. BAM employees with supervisory responsibilities may not solicit political contributions from anyone they supervise. All other solicitation of BAM employees for political contributions requires prior written approval from a Managing Director.
4. Employees, their spouses or their household members may not “bundle” political contributions by either (a) collecting and forwarding contributions to campaigns or (b) providing stamped or addressed envelopes in which to send contributions. Political contributions should be sent directly to the intended recipient and not through a BAM employee.
5. BAM employees, their spouses or their household members may not direct or solicit others to make political contributions that these rules prohibit them from making.

Any employee may make a request to a Managing Director for an exception to the guidelines regarding contributions for contributions made by the employee’s spouse or other household members. Requests for such exemptions will be considered on a case-by-case basis.

6. Business Conduct

BAM’s activities must always be in full compliance with applicable laws and regulations governing BAM’s business. Advice of legal counsel should be sought when a question arises regarding any law or regulation.

Books, Records and Accounts

The integrity of the accounting records of BAM is essential. All receipts and expenditures, therefore, must be supported by documents that properly describe such entries. Employees responsible for keeping any books, records and accounts for BAM are required to record all entries based upon proper supporting documents so that the accounting records of BAM are maintained in reasonable detail, reflecting accurately and fairly all transactions concerning BAM as well as the disposition of its assets and liabilities. The falsification of any book, record or account of BAM is unlawful.

Employees are prohibited from coercing, manipulating, misleading or fraudulently influencing BAM's independent auditors for the purpose of rendering BAM's financial statements misleading. Prohibited actions include, among other things, causing an auditor:

- to issue or to reissue a report on BAM's financial statements that is not warranted in the circumstances;
- not to perform audit, review or other procedures required by accounting standards;
- not to withdraw an issued report that the auditor believes should be withdrawn; or
- not to communicate matters to BAM's audit committee.

Limits on Authority

Employees may not sign any document on behalf of BAM or in any way represent or exercise authority on behalf of BAM unless specifically authorized to do so by BAM.

Employees may not use any BAM property for personal purposes and may not use BAM's name or any of its resources to enhance their own opportunities in personal transactions or outside relationships.

Cooperation and Candor

All employees are required to cooperate fully in any internal and/or government investigation that involves BAM in any manner. Once an investigation has commenced and a litigation hold announced, special care must be taken to respect any litigation hold implemented, including through the prevention of the destruction of any documents, including e-mails, drafts, notes, flash drives or cd-roms, that would be relevant to the investigation.

All employees are required to keep their supervisory officers fully informed of all matters pertinent to BAM's affairs and business activities with the view to ensuring that senior management will be fully informed on a timely basis as to all such matters. Complete candor is essential in dealing with BAM's internal and independent auditors and attorneys.

Safe and Healthy Work Environment

BAM is committed to ensuring the health, safety and welfare of all employees and visitors, and providing and maintaining safe working conditions.

Maintaining a safe and healthy work environment requires the continuous cooperation of all BAM employees. Our commitment to safety and health in the workplace means more than simply following safety rules. We can only achieve our goal of a safe and healthy workplace through the active participation and support of everyone. All BAM employees have a personal responsibility while at work to take reasonable care of their own and others' health and safety.

This means:

- Take all reasonable precautions to prevent workplace illness, accidents or injuries, by understanding the risks present in the daily work environment.

- Always follow safety and workplace procedures, including those related to COVID – 19: [BAM Office Guidelines During COVID](#)
- BAM as set out in BAM’s Employee Manual, and instruct visitors you invite to the office to do the same.
- Speak up if you observe an unsafe working environment. Listen to others who speak up.
- Report any accident, injury, illness or unsafe condition immediately to your manager, the Human Resources Department or the General Counsel. Do not assume that someone else has reported a risk or concern.
- Know the emergency procedures that apply to your office.

Competition

In its many business activities, BAM engages in vigorous, but fair and ethical, competition. BAM does not engage in practices that are considered to be anticompetitive or unethical.

Absent approval of the General Counsel, BAM employees may not enter into discussions or agreements, oral or written, with competitors concerning competitive information, practices or strategy, including discussions or agreements regarding:

- pricing, terms or conditions of insurance;
- competitive plans;
- dividing customers or instituting territorial restrictions;
- the denial or extension of particular policy coverage;
- boycotting, injuring or otherwise taking joint action regarding a competitor, supplier or customer; or
- tying or bundling separate products.

Example

An employee working on a potential insurance transaction gets a call from his counterpart at BAM’s chief competitor. The counterpart says “of course I would never ask what price you’re planning to bid, but I was wondering what kind of covenants you are looking to add.” Can the BAM employee respond?

- *No. He cannot discuss competitive information with competitors, and that includes the terms and conditions of insurance, not just the pricing.*

Prior to agreeing to work jointly with a competitor, the client must be advised that competitors are proposing to work jointly and, absent the approval of the General Counsel, the client’s consent to or acknowledgement of the joint activity should be obtained.

Employees that participate in a joint venture or joint transaction involving BAM and one or more

competitors may discuss and agree on legitimate business matters related to the venture, including pricing, terms and conditions of dealing and other elements normally forbidden to competitors. However, outside the project, the members remain competitors, and must act accordingly, including by not discussing the specifics of any other transactions on which the members might remain competitors. Outside the venture, each company should make its unilateral, self-interested decision on any business matter, including pricing and terms and conditions.

Each employee must take care to ensure that competitive information is not discussed in meetings of trade associations and other insurance groups. In this regard, the employee must review with the General Counsel the rules or regulations of any group, association or trade organization that the employee or BAM is requested to join.

Anti-money Laundering Measures

BAM is committed to complying fully with all applicable U.S. and foreign anti-money laundering laws. It is committed to establishing, maintaining and, on an ongoing basis as necessary, improving a program of policies, procedures and internal controls reasonably designed to prevent BAM from being used to facilitate money laundering or the financing of terrorist or other illegal activities.

7. Outside Employment and Other Professional Activities

BAM prohibits outside employment except in special instances. Except for non-profit entities (including homeowner and condominium associations and coop boards) and social and religious organizations, employees are not to act as an officer or other official of an outside organization, and are not to become a director or a trustee of an outside organization, without the approval of a Managing Director or the General Counsel.

Employees are not to act as a candidate for public office, elected or appointed, without the approval of a Managing Director.

Activities such as lecturing and participating in industry seminars are ordinarily encouraged, as they enhance BAM's reputation and the skills of its personnel. However, any such activities should be approved in advance by a Managing Director to be sure, among other things, that appropriate personnel are attending the given event on BAM's behalf and that views presented either reflect BAM's views or are clearly identified as representing the views of the presenter as opposed to BAM.

In all cases, no outside activities will be approved that might create a conflict of interest or that will encroach upon working time, interfere with regular duties or necessitate such long hours as to affect working effectiveness.

8. Compliance Hotline and Fraud Reporting Procedures

Any BAM employee may submit a good faith complaint regarding BAM's disclosure, accounting or auditing matters to BAM management, including the members of the Audit Committee of the Board of Directors, a Managing Director, and the General Counsel, directly or through the BAM compliance hotline, without fear of dismissal or retaliation of any kind. Employees providing good faith allegations of improprieties with respect to the securities laws, financial information or alleged fraud against investors are offered protection by U.S. law. BAM and its officers, employees, contractors or agents will not discharge, demote, suspend, threaten, harass or in any other manner discriminate against an employee for:

- providing information or assisting in an investigation regarding violations of securities laws, other federal or state law or fraud against investors when the information or assistance is provided to, or the investigation is conducted by, a federal or state regulatory or law enforcement agency, any member or committee of Congress or a person with supervisory authority over the employee, including senior management; or
- filing, testifying, participating in or otherwise assisting in a proceeding filed or to be filed relating to an alleged violation of the securities laws, other federal or state laws or fraud against investors.

Complaints submitted to BAM will be reviewed under Audit Committee direction and oversight by the General Counsel or Chief Risk Officer, or such other persons as the Audit Committee determines to be appropriate. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee or senior management, as applicable. **BAM will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment with respect to good faith reporting of complaints.** Please note, however, that persons submitting bad faith complaints may be subject to disciplinary action.

The BAM Compliance Hotline

To comply with applicable legal requirements and to facilitate the reporting of employee concerns and complaints regarding potential improprieties, BAM has established a reporting "hotline" for the confidential, anonymous submission of:

- concerns and complaints regarding accounting, internal accounting controls and auditing matters ("**Accounting Matters**");
- other matters regarding the adequacy of disclosure in public documents filed by BAM;
- employment-related issues, including issues related to harassment or bias; and
- any other conduct related to BAM that is unethical, illegal or otherwise inappropriate.

Any BAM employee who has a concern or complaint may reach the hotline on the internet at **www.buildamerica.ethicspoint.com** or, from within the United States, by phone at **1-888-447-8748**. The BAM wiki has links to the hotline internet site.

Upon reaching the hotline, the reporting employee will be asked to provide information regarding his or her concern or complaint, and will be given a reference number, so that he or she

may call back or log in at a later time to provide additional information, respond to questions management may ask regarding the report or obtain information regarding the issue's resolution.

Reporting employees may elect whether to reveal their identity or remain anonymous. If an employee elects to remain anonymous, BAM will respect that choice. The hotline is provided by a third party and BAM will not receive tapes of telephone calls or direct copies of web logins. Anonymous submissions will receive the same attention as complaints made by identified employees.

Matters to Report

Employees may submit any concern or complaint that they believe is material, subject to the limitations set out below. In particular, an employee should submit information to the hotline or, if they so elect, report directly to the General Counsel, if they have reason to believe or suspect that:

- a financial report filed or proposed to be filed by BAM or any other public disclosure of information by BAM contains misstatements of any material facts, omits to state any material facts necessary to make the statements therein not misleading under the circumstances, or includes inaccurate or misleading financial information or financial statements;
- there has been fraud or deliberate error in the preparation, evaluation, review or audit of BAM financial statements or in the recording or maintaining of BAM's financial records;
- there are deficiencies in or noncompliance with BAM's internal accounting controls;
- there has been (i) a misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in BAM's financial records, financial reports or audit reports or (ii) some other deviation from full and fair reporting of BAM's financial condition; or
- there has been any illegal or unethical action on the part of BAM or its employees, including any unlawful harassment or discrimination.

9. Administration of the Code

Employees are encouraged to seek guidance regarding the interpretation or applicability of any provision of the Code from the General Counsel.

If an employee has reason to believe that any provision of the Code has been violated, whether by that employee or by another, the matter must be reported promptly, either through the whistleblower compliance hotline at www.buildamerica.ethicspoint.com or 1-888-447-8748, or directly to his or her manager, the General Counsel, the Chief Risk Officer or one of the other BAM compliance resources.

Violation of any provision of the Code by any employee may constitute grounds for disciplinary action, including dismissal.

Any approval referenced in the Code should be obtained in writing.

10. Equal Employment Opportunity; Employment Law

BAM provides equal employment opportunity to all qualified persons regardless of race, color, religion, creed, sex, age, disability, predisposing genetic characteristic, genetic information, national origin, citizenship, marital status, sexual orientation, uniformed service, protected activity (i.e., opposition to prohibited discrimination or participation in proceedings covered by the anti-discrimination statutes) or any other characteristic protected by law.

Nothing in this Code of Conduct is intended or should be construed to (i) restrict an employee's rights under any federal, state or local employment law or (ii) limit the ability of employees to discuss or engage in group activities about issues of workplace concern, such as salaries, bonuses, benefits, hours and working conditions.

11. Certification

Each employee will be required to sign the Certification delivered with this Code of Conduct annually, so BAM may have a record that each employee has read and agrees to abide by this Code of Conduct.