

CODE OF ETHICS  
OF SUSQUEHANNA BANCSHARES, INC.

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## I. **Background - Administration**

The reputation and integrity of Susquehanna Bancshares, Inc. (“Susquehanna”), its subsidiaries and its affiliates<sup>1</sup> (collectively, the “Company”) are valuable assets that are vital to the Company’s success. Each employee of the Company, including each of the Company’s officers, is responsible for conducting the Company’s business in a manner that demonstrates a commitment to the highest standards of integrity and mutual respect. This Code has been adopted to help employees meet these standards. Specifically, the purpose of this Code is: (a) to foster among employees a culture of honesty and accountability; (b) to provide guidance to help employees to recognize and deal with ethical issues; and (c) to provide mechanisms for employees to report unethical conduct. While this Code is designed to provide helpful guidelines, it is not intended to address every specific situation. Nevertheless, in every instance an employee is required to act honestly and fairly. Therefore, illegal, dishonest or unethical conduct, including off-duty conduct that may reflect negatively on the Company, will constitute a violation of this Code, regardless of whether such conduct is specifically referenced in this Code.

In addition, all members of the Company’s Boards of Directors, with respect to their Company duties, are responsible for conducting themselves in compliance with applicable provisions of this Code and other Company policies, and applicable laws, rules and regulations.

Susquehanna’s Board of Directors is ultimately responsible for the implementation of this Code of Ethics. The Board, however, has designated Susquehanna’s Chief Operating Officer to be the responsible officer (“Chief Ethics Officer”) with respect to various aspects of the administration of and compliance with this Code, including the acceptance, initial investigation and management of reports of suspected violations of this Code, other than:

- suspected violations of this Code by the Chief Ethics Officer
- suspected violations of the Special Ethics Guidelines for Senior Financial and Certain Executive Officers contained in this Code;
- reports of questionable or improper accounting, internal controls or auditing matters; or
- reports by any attorney representing the Company who becomes aware of evidence of any material violation of applicable federal or state securities law, a material breach of fiduciary duty arising under federal or state law, or a similar material violation of any federal or state law (covered in a separate Policy).

Susquehanna’s Chief Executive Officer will be responsible for the acceptance, investigation and management of reports of suspected violations of this Code by the Chief Ethics Officer. The Audit Committee of Susquehanna’s Board of Directors (“Audit Committee”) will be responsible for the acceptance, investigation and management of reports of violations of the Special Ethics

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<sup>1</sup> The term “affiliates” means and includes any entity that directly, or indirectly through one or more intermediaries, controls (i.e., has the power to direct the management and policies of the entity), or is controlled by, or is under common control, with Susquehanna.

Guidelines for Senior Financial and Certain Executive Officers and reports of questionable or improper accounting, internal controls or auditing matters. Reports by attorneys regarding material violations of securities law, fiduciary duties or similar laws shall be accepted, investigated and managed in accordance with the Company's separate policy or procedures governing such reporting obligations.

Unless otherwise restricted by federal or state law, rule or regulation, the Chief Ethics Officer may consult with any officer, employee or consultant (including legal counsel) that he or she deems necessary or appropriate in his or her administration of this Code, and may delegate his or her administrative duties under this Code to the Ethics Administration Officer and other employees of the Company. See Appendix A.

Employees are encouraged to ask questions and to obtain guidance for complying with the Code of Ethics and related policies. Employees should direct all questions concerning this Code to the Chief Ethics Officer or the Ethics Administration Officer

## II. Overview

It is the policy of the Company: (a) to comply with all applicable governmental laws, rules and regulations; (b) to expect that all of its directors and employees at all times observe honest and ethical conduct in the performance of their Company related responsibilities as well as in their off-duty conduct that may reflect on the Company, including the avoidance of conflicts of interest; and (c) to encourage and support internal disclosure of any violation of this Code for appropriate action.

The Code of Ethics governs the business-related conduct of the Company's employees, and, where applicable, the Company's directors.

The Company's directors and employees are ambassadors of the Company and are expected to perform their business duties and responsibilities with integrity, honesty and in accordance with the Company's business values as well as the laws and regulations that affect our Company. Employees are required to comply with the standards of conduct that the Company has established, and any other similar Company policies and procedures to be established from time to time. To aid employees in performing their duties and responsibilities in an honest and ethical manner, the Company provides ethics training to all employees and makes a dedicated phone line and email site, EthicsPoint, available for anonymously reporting prohibited or unlawful acts or suspected violations of the Code of Ethics. The Company's Whistleblower policy provides employees with protection from retaliation or retribution by the Company for reporting, in good faith, claims of improper activities. Violations of Company policy will constitute grounds for disciplinary action, including, when appropriate, termination of employment.

The Chief Ethics Officer will report promptly, but no less than quarterly, to the Board of Directors in executive session, and to management's Executive Committee, on ethical issues faced by the Company, including but not limited to any ethics abuses or other issues involving employees or directors, and any additional issues, trends, patterns and concerns in connection with the Company's ethics and compliance programs.

### III. **Compliance with Law**

A variety of laws apply to the Company and its operations. Each of the Company's employees and directors is expected to comply with all such laws, including securities and banking laws, as well as rules and regulations adopted under such laws. Examples of criminal violations under these laws include:

- stealing, embezzling or misapplying corporate or bank funds;
- using threats, physical force or other unauthorized means to collect money;
- making false entries in the books and records of the Company, or engaging in any conduct that results in the making of such false entries;
- making a payment for an expressed purpose on the Company's behalf to an individual who intends to use it for a different purpose;
- utilizing Company funds or other assets or services to make a political contribution or expenditure; and
- making payments, whether corporate or personal, of cash or other items of value that are intended to influence the judgment or actions of political candidates, government officials or businesses in connection with any of the Company's activities.<sup>2</sup>

The Company must and will report all suspected criminal violations relating to the Company, its operations and business to the appropriate authorities for possible prosecution, and will investigate, address and report, as appropriate, non-criminal violations. In particular, the Company will comply with all of its reporting, record keeping and internal controls responsibilities under applicable law, including among others, the federal Bank Secrecy Act, Comprehensive Crime Control Act of 1984 and International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001, Sarbanes-Oxley Act, and any similar reporting requirements under applicable state laws.

### IV. **Conflicts of Interest**

Employees and directors must conduct themselves in a manner that avoids actual or apparent conflicts of interest and that protects the Company's business reputation. Every employee and director has a duty to avoid business, financial or other direct or indirect interests or relationships that conflict with the interests of the Company or that divide his or her loyalty to the Company.

General - All business decisions must be made in the Company's best interests. A conflict of interest arises when an employee's or a director's judgment may be influenced by considerations of improper personal gain or benefit to the individual or another person. Generally speaking, a conflict of interest occurs when a personal interest of an employee or director, or an employee's

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<sup>2</sup> This does not apply to payments by the Company to support a political action committee (PAC) and contributions by Company employees to a PAC, so long as the PAC, the payments and the contributions all comply with applicable election laws and regulations.

or director's immediate family interferes with, or has the potential to interfere with, the interests or business of the Company. For example, a conflict of interest may occur where an employee or director, or a family member of the employee or director receives a gift, a unique advantage, or an improper personal benefit as a result of the employee's or director's position at the Company. A conflict of interest could make it difficult for an employee or director to perform corporate duties objectively and effectively because he or she is involved in a competing interest. The following is a discussion of certain common areas that raise conflict of interest issues. This list is not, and is not intended to be, exhaustive. Because a conflict of interest can occur in a variety of situations, you must be alert to recognize any situation that may raise conflict of interest issues and must disclose to the Chief Ethics Officer or Ethics Administration Officer any material transaction or relationship that reasonably could be expected to give rise to actual or apparent conflicts of interest with the Company. Conflicts of interest as they may relate to Company directors are addressed separately below.

A. Employee Conflicts of Interest

1. Employee Affiliations and Interests - Any outside activity must not significantly encroach on the time and attention that employees devote to their corporate duties, should not adversely affect the quality or quantity of their work, and should not make use of corporate equipment, facilities or supplies, or imply (without the Company's approval) the Company's sponsorship or support. In addition, under no circumstances are employees permitted to take for themselves or their family members business opportunities that are discovered or made available by virtue of their positions at the Company. Moreover, no employee may perform services for or have a financial interest in any entity that is or to an employee's knowledge may become, a supplier, customer or competitor of the Company.<sup>3</sup> Employees are required to obtain Company approval before taking part in any outside employment. Employees must also obtain Company approval before accepting a volunteer position as board member, committee member or officer.

2. Community Reinvestment Act - Insured depository institution employees are strongly encouraged to engage in outside activities with "approved non-profits" for purposes of obtaining service test credit under the Community Reinvestment Act ("CRA") for their respective bank. Employees will be permitted to engage in such activities during their regular hours of employment and in the name and on behalf of the bank. The term "approved non-profit" shall mean a non-profit entity that has been approved by the bank's CRA officers and which, as its primary purpose, either serves people of low-or moderate income or small businesses.

3. Civic/Political Activities - Employees are encouraged to participate in civic, charitable or political activities. Such participation: (a) shall not encroach on the time and attention they are expected to devote to their Company-related duties; and (b) does not create an appearance of Company involvement or endorsement. Employees should engage in political

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<sup>3</sup> Officers and employees may have a passive investment in up to one percent of the equity securities of an entity that is publicly traded.

activities while not on the Company's property, during non-business hours and without utilization of any Company property or services.

4. Inventions, Books and Publications - Employees must receive written permission from the Chief Ethics Officer before developing, outside of the Company, any products, software or intellectual property that may be related to the Company's current or potential business.

5. Proper Payments - Employees should pay for and receive only that which is proper. Employees should not make or promise payments to influence another's acts or decisions.

6. Gifts - No employee may accept gifts, merchandise or personal services from suppliers, vendors or customers.<sup>4</sup> Employees may not give gifts beyond those extended in normal business.<sup>5</sup>

#### B. Director Conflicts of Interest

1. Director Affiliations and Interests - A conflict of interest may arise when a director takes actions or has interests that may make it difficult to perform the director's work for the Company objectively and effectively. Conflicts of interest arise when a director, or a member of the director's family, receives improper personal benefits because of the director's position with the Company. Except as permitted by this Section, or as authorized by the Board of Directors of which the director is a member and approved by Susquehanna's Audit Committee, no outside director shall have a direct economic relationship with the Company.

2. De Minimis Economic Relationships - Economic relationships between the Company and a Director (including the Director's affiliated interests) are permitted without special approval, as long as: (a) the total value of all such economic relationships involving a particular Director does not exceed \$100,000 per year; and (b) the relationship is on terms and conditions available to members of the general public and not prohibited by applicable law, rule or regulation. This subsection does not apply to gifts, loans and other financial products offered by the Company, which are dealt with in other subsections. Examples of relationships covered by this Section are routine purchases of goods and services by the Company from companies affiliated with Directors.

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<sup>4</sup> Acceptance of a gift in the nature of a memento, e.g., a conference gift or other inconsequential gift valued at less than one hundred dollars (\$100), is permitted. Engaging in normal occasional business related entertainment, such as meals or use of sporting, theatrical or other public event tickets is permissible with the understanding that it is expected the Company employee will exercise sound judgment in reliance on this exception so as to avoid any situation that may otherwise be subject to question.

<sup>5</sup> The giving of a gift in the nature of a memento, e.g., an inconsequential gift valued at less than one hundred dollars (\$100), is permitted. Engaging in normal occasional business related entertainment, such as meals or use of sporting, theatrical or other public event tickets, is permissible with the understanding that it is expected the Company employee will exercise sound judgment in reliance on this exception so as to avoid any situation that may otherwise be subject to question.

3. Company Financial Products - Directors and their affiliated interests may obtain financial products other than credit products (dealt with separately in Section IV.C below) from the Company on terms and conditions generally available to members of the public, and in accordance with benefit or compensation programs established for such directors, officers and employees, as long as the transaction is not prohibited by applicable law, rule or regulation.

4. Proper Payments - Directors should pay for and receive only that which is proper. Directors should not make or promise payments to influence another's acts or decisions.

5. Gifts - In connection with his or her service as a director, no director may accept gifts, merchandise or personal services from suppliers, vendors or customers.<sup>6</sup> In connection with his or her service as a director, a director may not give gifts beyond those extended in normal business.<sup>7</sup>

### C. Loans to Employees and Directors

1. Loans by Insured Depository Institutions - Insured depository institution affiliates of Susquehanna may make loans or extend credit guarantees to or for the personal benefit of directors or employees, including officers, on the same terms and conditions as those generally available to the public, and in accordance with benefit or compensation programs established for such directors, officers and employees. However, all such loans, guarantees and benefit or compensation programs will comply with all applicable laws, rules and regulations (including, without limitation, the insider lending restrictions of Section 22(g) and (h) of the Federal Reserve Act (12 U.S.C. 375a and b)).

2. Loans by Susquehanna and its Non-Depository Institutions - Susquehanna and its non-depository institutions will not make loans or extend credit guarantees to or for the personal benefit of directors or executive officers, except as permitted by law, including federal securities laws and the Sarbanes-Oxley Act of 2002, and applicable securities exchange or NASDAQ rules. Loans or guarantees may be extended to other employees only with Company approval.

D. Insider Trading - Employees and directors are prohibited from trading in securities while in possession of material, non-public information. Among other things, trading while in possession of material, non-public information can subject the employees and directors to criminal or civil penalties. The Company's "General Policy Statement on Securities Trading

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<sup>6</sup> Acceptance of a gift in the nature of a memento, e.g., a conference gift or other inconsequential gift valued at less than one hundred dollars (\$100), is permitted. Engaging in normal occasional business related entertainment, such as meals or use of sporting, theatrical or other public event tickets is permissible with the understanding that it is expected the director will exercise sound judgment in reliance on this exception so as to avoid any situation that may otherwise be subject to question.

<sup>7</sup> The giving of a gift in the nature of a memento, e.g., an inconsequential gift valued at less than one hundred dollars (\$100), is permitted. Engaging in normal occasional business related entertainment, such as meals or use of sporting, theatrical or other public event tickets is permissible with the understanding that it is expected the director will exercise sound judgment in reliance on this exception so as to avoid any situation that may otherwise be subject to question.

by Directors and Employees of Susquehanna and its Subsidiaries” and any other trading policies the Company may implement from time to time are each incorporated by reference into this Code.

#### V. **Competition and Fair Dealing**

We seek to outperform our competitors 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 employee should endeavor to respect the rights of and deal fairly with the Company’s customers, suppliers, regulators, business partners, communities, shareholders, employees, competitors and others. No employee may take unfair advantage of anyone through manipulation, misrepresentation, concealment, threats, fraud, abuse of confidential information or any other related intentional unfair-dealing practice. All employees are expected to comply with Regulation AA and the Unfair or Deceptive or Abusive Acts or Practices. Deceptive or abusive acts or practices are not condoned by the Company and will not be tolerated.

#### VI. **Corporate Opportunities**

Employees and directors are prohibited from: (a) taking for themselves personally, business opportunities that are discovered through use of Company property, information or position; or (b) competing with the Company.

#### VII. **Proper Use of Company Assets**

The personal use of Company assets for improper personal gain is prohibited. Directors and employees are obligated to protect the Company’s assets and to ensure their efficient use. Theft, carelessness and waste of Company assets by Directors and employees are prohibited. All Company assets should only be used for business purposes of the Company.

#### VIII. **Delegation of Authority**

Each Company employee may generally delegate to his or her subordinates the authorities that have been granted to the employee. Each delegation must be reasonable and appropriate considering applicable laws and regulations, Company policies and procedures, the Articles of Incorporation and Bylaws of the Company, and the abilities and position of the subordinate. Each delegation should include reasonable monitoring of the subordinates carrying out delegated authorities.

#### IX. **Handling Confidential and Proprietary Information**

Employees must observe the confidentiality of information that they acquire by virtue of their employment by the Company. Employees should assume that all information about the Company’s business or its customers (including applicants, former customers and current and former employees of customers) or suppliers is confidential unless instructed otherwise by an authorized Company representative in accordance with this Code. Employees should treat all such information as privileged and hold it in the strictest confidence. Confidential and

proprietary information is to be used for the Company's business purposes only. Employees may not use this information for personal gain or pass it on to any person outside of the Company, including family or friends, or even to other employees who do not need such information to perform their jobs for the Company. Employees are required to comply with all other Company policies regarding confidential and proprietary information, in addition to this Code. These obligations extend beyond an Employee's employment with the Company.

Although it is impossible to provide a complete list of information that must remain confidential, the following are examples of the types of confidential and proprietary information that Employees may receive in the course of their duties.

A. Company Financial Information

Financial information about the Company is confidential unless it has been published in public reports to shareholders or has otherwise been made available to the general public. Unless required by law or approved by Susquehanna's Chief Financial Officer, financial information is not to be released to any person or entity.

B. Company Examination Information

Susquehanna and most of its affiliates are examined periodically by regulators. Reports prepared by those regulators are strictly confidential. Releasing information on such reports is improper, and may be a criminal offense.

C. Company Proprietary Information

Other information developed by the Company is proprietary and confidential. Some examples are: business plans, customer lists, methods of doing business, marketing plans, pricing materials, computer software, source codes, databases and related information. All of these are considered to be trade secrets to the extent permitted by applicable law. Employees may not disclose any proprietary information to anyone outside the Company without approval in accordance with this Code, or to anyone within the Company who does not have a need to know such information. Employees may not use such proprietary information other than for the benefit of the Company, or make personal copies without approval in accordance with this Code. The Company has proprietary rights to any materials, information and products that an Employee creates using Company resources or while engaged in work for the Company.

D. Information Relating to Customers and Other Third Parties

Employees may receive confidential or proprietary information about those with whom the Company has business relations ("Third Party Information"). Disclosing Third Party Information or using it for an improper purpose could have a negative impact on these third parties, and subject the Company and the Employee to legal liability. Third Party Information may not be used for non-Company purposes.

Third Party Information may not be released to the public or to anyone outside of the Company without approval in accordance with this Code, as well as the approval of any affected third parties.

## X. **Public Disclosures**

A. **Regulatory Disclosures** - As a public company, Susquehanna must ensure that its filings and submissions with the Securities and Exchange Commission and public communications generally provide full, fair, timely, accurate and understandable disclosure. Employees engaged in the preparation of these filings, submissions and communications (“Public Disclosure Personnel”) must endeavor to insure that such filings, submissions, and communications meet these objectives, including through adherence to and (in the case of Susquehanna’s Chief Executive Officer, Chief Financial Officer and other designated employees) evaluation of the Company’s disclosure controls and procedures and internal controls for financial reporting. Depending on their duties and responsibilities, other employees may be called upon to provide information to assure that Susquehanna’s reports are complete, fair and understandable. The Company expects all of its personnel to take this responsibility seriously. If requested by Public Disclosure Personnel to provide information for use in such filings, submissions or communications, employees will provide, as promptly as practicable, accurate, understandable and complete information on a timely basis.

B. **Disclosure of Susquehanna News and Information** - News and other information concerning Susquehanna, including information on products, procedures, security, or positions taken on legislative issues, shall only be released to the public through Susquehanna’s Chief Executive Officer, or his or her designee. This includes responses to requests for information from the news media.

## XI. **Special Ethics Guidelines for Senior Financial and Certain Executive Officers**

The Chief Executive Officer and the Chief Financial Officer of Susquehanna, as well as the Controllers and Financial Managers, or other similar positions, of Susquehanna and its affiliates (herein, collectively, the “Financial Reporting Employees”), have a responsibility both to adhere to the principles stated in these Special Ethics Guidelines themselves and to ensure that a culture exists throughout the Company as a whole that encourages the fair and timely reporting of the Company’s financial results and condition, as well as other information required by Securities and Exchange Commission (“SEC”) regulations.

The Financial Reporting Employees will:

- Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.
- Provide to the Company’s other employees, consultants and advisors who are engaged in filing reports and documents with the SEC (“SEC Reports”) or in disseminating other public communications such as press releases, information that is accurate, complete, relevant, timely and understandable.
- Endeavor to ensure full, fair, timely, accurate and understandable disclosures in SEC Reports.
- Comply with laws, rules and regulations of federal, state and local governments and appropriate self-regulatory organizations.

- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.
- Respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to make disclosure.
- Refrain from using confidential information acquired in the course of employment for personal advantage.
- Proactively promote and be an example of ethical behavior as a responsible partner among peers in the work environment.
- Achieve responsible use of and control over all assets and resources employed or entrusted.
- Record or participate in the recording of entries in the Company's books and records that are accurate to the best of his or her knowledge.
- Promptly report to Susquehanna's Audit Committee any conduct that he or she believes to be a violation of law or business ethics or of any provision of these Special Ethics Guidelines, including any transaction or relationship that reasonably could be expected to give rise to such a violation.

## **XII. Off Duty Conduct**

The Company recognizes its employees' right to conduct their personal lives free from undue interference from the Company. Nonetheless, employees may be associated with the Company by the public, even when off-duty. As a result, you should strive to preserve the Company's image and reputation while conducting your personal affairs. Employees who engage in off-duty conduct that may harm our Company image, mission or legitimate business interests may cause their employment status to be negatively affected. The Company reserves the right to discipline employees who engage in off-duty conduct that the Company deems, in its sole discretion, to be adverse to the Company's best interests. Such discipline may include termination of employment, unless such conduct is expressly protected by law.

## **XIII. Reporting Violations**

Employees and directors who observe, learn of, or, in good faith, suspect a violation of any provision of the Code must immediately report the violation to the Chief Ethics Officer or Ethics Administration Officer. Individuals who report violations or suspected violations in good faith will not be subject to retaliation of any kind. Reported violations will be investigated and addressed promptly and will be treated confidentially to the extent possible. A violation of the Code of Ethics may result in disciplinary action, which may include termination of employment.

A. Reporting Procedure

- Notification of Complaint - Employees and directors who observe, learn of or, in good faith, suspect a violation of the Code of Ethics must report the violation immediately. Whenever practical, the complaint should be made in writing.
- Investigation - Reports of violations will be investigated under the supervision of the Chief Ethics Officer. Company directors, officers and other employees are expected to cooperate in the investigation of reported violations.
- Confidentiality - Except as may be required by law or the requirements of the resulting investigation, the Chief Ethics Officer and others conducting the investigation shall not disclose the identity of anyone who reports a suspected violation if anonymity is requested.
- Protection against Retaliation - Retaliation in any form against an individual who reports, in good faith, an alleged violation of this Code of Ethics, even if the report is mistaken, may itself be a violation of law and is a serious violation of this Code of Ethics. Any alleged act of retaliation must be reported immediately to the Chief Ethics Officer. If determined to have in fact occurred, any act of retaliation will result in appropriate disciplinary action, which may include termination of employment.

B. Exceptions to Reporting to Chief Ethics Officer - The following suspected violations or reports shall not be reported to the Chief Ethics Officer, and instead, shall be reported as set forth below:

- Suspected violations of this Code by the Chief Ethics Officer - Susquehanna's Chief Executive Officer will be responsible for the acceptance, investigation and management of reports of suspected violations of this Code by the Chief Ethics Officer. In such a case, Susquehanna's Chief Executive Officer shall perform the duties of the Chief Ethics Officer set forth in the Complaint Procedure in Section XII.A above.
- Suspected violations of the Special Ethics Guidelines for Senior Financial and Certain Executive Officers and questionable or improper accounting, internal controls or auditing matters - The Audit Committee will be responsible for the acceptance, investigation and management of reports of (a) violations of the Special Ethics Guidelines for Senior Financial and Certain Executive Officers as set forth in Section XI above, and (b) questionable or improper accounting, internal controls or auditing matters. The procedures for receiving and handling such complaints or concerns are set forth in the Company's Policy on Reporting and Investigating Allegations of Suspected Improper Activities (i.e., the "Whistleblower Policy").

Reports by any attorney representing the Company regarding material violations of securities law, fiduciary duties or similar laws -- Reports by attorneys regarding any material violation of

applicable federal or state securities law, a material breach of fiduciary duty arising under federal or state law, or a similar material violation of any federal or state law shall be accepted, investigated and managed in accordance with the Company's separate policy or procedures governing such reporting obligations.

#### XIV. **Waivers and Approvals**

Requests for a waiver of a provision of, or approval required by, the Code of Ethics must be submitted in writing to the Ethics Administration Officer for appropriate review. The Chief Ethics Officer will then forward the request, and consult with, the appropriate executive officer, Board of Directors or Board committee, as set forth below, who will decide the outcome:

- **Directors** - Any waiver of this Code for a Company director may only be implemented by the Board of Directors of which such director is a member.
- **Executive Officers** - For conduct involving a Susquehanna executive officer, only Susquehanna's Board of Directors or its Audit Committee has the authority to waive a provision of this Code. For conduct involving any other executive officer within the Company, only the Board of Directors of the entity for which such person is an executive officer may waive a provision of this Code.
- **Other Officers and Employees** - Any waiver of this Code for officers, other than executive officers, or other employees may only be granted by the Chief Executive Officer of the entity for which such officer or employee is employed, or his or her designee.
- **Required Audit Committee Approval** - Susquehanna's Audit Committee must review and, if required by applicable law, regulation, rule or listing standard, approve any "related person" transaction as defined in Item 404(a) of Regulation S-K.

Statements in this Code of Ethics to the effect that certain actions may be taken only with "the Company's approval" will be interpreted to mean that appropriate officers or members of the appropriate Board of Directors or committee must give prior written approval before the proposed action may be undertaken.

#### XV. **Compliance**

- **Adherence to Code; Disciplinary Action** - All employees and directors have a responsibility to understand and follow this Code of Ethics. In addition, all employees and directors are expected to perform their work or other duties with honesty and integrity in all areas not specifically addressed in this Code. A violation of this Code may result in appropriate disciplinary action, including the possible termination from employment with the Company.
- **Communications; Training; Annual Certification** - The Company strongly encourages dialogue among employees and their supervisors to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations. Employees will receive periodic training on the contents

and importance of the Code of Ethics and related policies and the manner in which violations must be reported and waivers or approvals must be requested. In addition, each employee has an obligation to annually certify that he or she has read and reviewed this Code of Ethics and to the best of his or her knowledge is in compliance with all its provisions.

- Responsibility of Senior Employees - All officers and other managerial employees of the Company shall be responsible for the enforcement of, and compliance with, this Code of Ethics, including necessary distribution to assure employee knowledge and compliance. Officers and other managerial employees are expected to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Managerial employees may be disciplined if they condone misconduct, do not report misconduct, do not take reasonable measures to detect misconduct, or do not demonstrate the appropriate leadership to ensure compliance.

## XVI. Related Policies

This Code of Ethics should be read in conjunction with all of the Company's other policies and procedures, as in effect from time to time.

Adopted October, 2003

Effective December, 2003

Amended December, 2003

Amended March, 2004

Amended May, 2005

Amended January, 2007

Amended April 2007

Amended January 2013

Amended March 2014

Code of Ethics Final

**APPENDIX**

**CHIEF ETHICS OFFICER**

**G.A. DUNCAN, EVP & COO**

**ETHICS ADMINISTRATION OFFICER**

**A. THOMAS, VP-DIR. EMPLOYMENT  
RELATIONS AND EMPLOYMENT COUNSEL**