

EMPLOYEES, OFFICERS AND DIRECTORS CODE OF ETHICS

Blue River Bancshares, Inc.

The purpose of this Employees, Officers and Directors Code of Ethics is to outline the conduct policy of Blue River Bancshares, Inc. and its subsidiaries, hereinafter referred to collectively as “Corporation.”

The Corporation is dedicated to four purposes: to manage the institutions owned for the benefit of the shareholders, to provide its customers and the public with superior financial services, to conduct its affairs in a sound and profitable manner, and to contribute to the continuing growth and well being of its communities. This statement establishes and reaffirms our basic tenants of operations and personal conduct: (a) honesty and candor in our activities, including complying with the spirit, as well as the letter, of the law, (b) avoidance of conflicts of interest between personal interests and the interest of the Corporation, or even the appearance of such conflicts, (c) maintenance of our reputation and avoidance of activities which might reflect adversely on the Corporation, and (d) integrity in dealing with Corporate assets.

By way of establishing these appropriate guidelines for directors, officers and employees, the following code of ethics is approved by the Corporation Board of Directors for adoption and implementation by management.

CONFLICTS OF INTEREST

Employment

Employees owe loyalty to the Corporation. There can be no self-dealing or self-interest in any transaction.

Officers and employees should be particularly cautious to avoid compromising their responsibilities to the Corporation by becoming an employee of, investing in, or accepting interest in the Corporation’s customers, suppliers, or their various business activities. As a general rule, a prohibited conflict exists whenever such activity entails an account relationship in which the officer or employee is responsible or influential in exercising control.

Conflicts – Business Activities

Officers and employees shall not engage in the conduct of any business outside the Corporation or have any outside employment unless such business or employment does not interfere with the satisfactory work performance for the company and does not have any real or apparent potential for conflict with the corporate business. The Chief Executive Officer and the President shall have the approval of the Board of Directors, and other Officers and employees must have prior approval from the President of the Corporation before accepting a second position of employment or self-employment.

At no time shall an employee of the Corporation hold a position of employment with a bank, brokerage house or other financial institution that is not controlled by the Corporation while in the employ of the Corporation.

If at such time when a person becomes employed by the Corporation, is elected to an officership, or where there is potential applicability of existing relationships, each officer is required to disclose all such relationships and to obtain prior approval before any such future involvement. Further, disclosure must be made regarding any interest you or your immediate family have in a non-public enterprise, or a material interest in a public enterprise if: (1) the enterprise is a substantial competitor of the Corporation (2) the enterprise borrows or has placed securities with the Corporation (3) the enterprise is a supplier of the Corporation, or (4) you deal directly with the enterprise in its purchased receipts of goods, services, or securities. Whenever an officer or employee finds that he or she is inadvertently placed in a potentially compromising position due to relationships with business associates, customers, suppliers, or competitors, the officer or employee shall report the matter to the President of the Corporation and discontinue any activities associated with the entity until the matter has been resolved.

Conflicts – Non-Business Activities

Officers and employees are encouraged to participate in civic organizations in the communities they serve, provided such participation is not in conflict with the Corporation's objectives and does not unduly interfere with regular duties.

Officers and employees are encouraged to take active interest in the political and government process. Except for registered lobbyists and other officers authorized to act on behalf of the Corporation, officers or employees participating in political activities do so as individuals and not representing the Corporation. Officers and employees are prohibited from making or consenting to political contributions or expenditures of any kind or nature directly or indirectly on behalf of the Corporation. (This does not preclude a Corporate PAC.)

Gifts and Fees

Officers, employees and their families may not solicit or accept gifts, fees, bequests, services or entertainment from customers, suppliers, or prospective customers. A gift is regarded as any type of gratuity, favor, loan, legacy, fee, compensation, or anything of monetary value. All such gifts are prohibited except:

- (1) Business entertainment and other courtesies such as meals, sporting events, and the like, which involve no more than ordinary amenities and can be properly reciprocated by the employee and charged as a business expense. Lavish or extravagant entertainment, such as weekend trips, etc., should not be accepted unless reimbursement is made to the donor.
- (2) Customer or supplier paid travel or lodging where the trip has a legitimate business purpose, and where any such trips are approved in advance by the President.
- (3) Unsolicited advertising or promotional materials that are generally available.
- (4) Gifts received because of kinship, marriage, or social relationships and not because of any business relationship.

All gifts received or extended which are in categories listed above and are valued at more than \$150 should be reported to management. Any officer or employee who believes that the acceptance of a permitted gift might make them feel obligated or improperly influenced should not accept the gift, or turn it over to the Corporation.

No officer or employee may accept a personal gift or fee to arrange a loan from the Corporation or from any other person or lending institution.

No individual representing the company may extend a gift to any existing or prospective customer or supplier that will not meet the same criteria.

Corporate Opportunities

Using confidential information about the Corporation or its businesses, employees, officers, directors, customers, consumers or suppliers for personal benefit or disclosing such information to others outside your normal duties is prohibited.

Title 18 U.S. Code, Section 215, makes it a criminal offense for any Corporation officer or employee to corruptly:

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

Employees, officers and directors are prohibited from:

- (1) Personally benefiting from opportunities that are discovered through the use of Corporation property, contacts, information or position.
- (2) Accepting employment or engaging in a business (including consulting or similar arrangements) that may conflict with the performance of your duties or the Corporation's interest.
- (3) Soliciting, demanding, accepting or agreeing to accept anything of value from any person in conjunction with the performance of your employment or duties at the Corporation.
- (4) Acting on behalf of the Corporation in any transaction in which you or your immediate family has a significant direct or indirect financial interest.

INSIDER TRADING

It is both unethical and illegal to buy, sell, trade or otherwise participate in transactions involving the Corporation's common stock or other security while in possession of material information concerning the Corporation that has not been released to the general public, but which when released may have an impact on the market price of the Corporation's common stock or other equity security. If there is any situation where a potential conflict of interest exists regarding normal trading activity or there is a question regarding specific trades in the Corporation's stock, the Chief Executive Officer and the President shall report such conflict or question to the Board of Directors. All other officers and employees who have any questions concerning the propriety of participating in a Corporation or other company stock or other security transaction should be directed to the President of the Corporation. It is also unethical and illegal to buy, sell, trade or otherwise participate in transactions involving the common stock or other security of any other company while in possession of similar non-public material information concerning such company. Officers and employees are to comply with all regulations, both within the letter and the spirit of the regulations in regard to trading and non-publicly disclosed information.

FIDUCIARY RELATIONSHIPS

Officers and employees may not accept appointment as an administrator, trustee, executor, guardian, or any similar fiduciary capacity without the prior approval of the President, except when acting at the request of the Corporation or as a fiduciary on a family account.

PROTECTION AND PROPER USE OF CORPORATION PROPERTY

All employees, officers, and directors should protect Corporation property and assets and ensure their efficient and proper use. Theft, carelessness and waste can directly impact the Corporation's profitability, reputation and success. Permitting the Corporation's property (including data transmitted or stored electronically and computer resources) to be damaged, lost or used in an unauthorized manner is

strictly prohibited. Employees, officers and directors may not use corporate, bank or other official stationary for personal purposes.

PURCHASING OF CORPORATION AND FIDUCIARY ASSETS

No employee, officer or director shall purchase any assets owned by the Corporation or in which the Corporation has a security interest or other lien, unless prior approval has been obtained, full value is paid for the asset, and the transaction is completely and properly documented on the books of the Corporation.

No employee, officer or director of the Corporation and no member of the immediate family of the employee, officer or director, whether acting individually or in a fiduciary capacity, shall purchase or borrow any assets from or sell assets to any estate, trust or other fiduciary account being administered by the Corporation except in accordance with laws and regulations governing such transactions.

INSURANCE AND REAL ESTATE TRANSACTIONS

Except for personally owned property, owned by you or your immediate family, prior approval of the Board of Directors is required before any employee or officer may:

- (1) Act as an insurance broker or agent.
- (2) Engage in any real estate transaction as a broker, contractor or agent, including the sale of mortgages.
- (3) Make investments for others.
- (4) Act as an appraiser.
- (5) Act as an agent for the collections of rents or
- (6) The like.

Because the Corporation may be engaged in real estate activities, any real estate transaction of employees or officers should be performed in a manner so as not to be in competition with the Corporation, specifically: Officers and employees should not acquire real estate interests from their customers, officers and employees should not purchase property on which any subsidiary of the Corporation is foreclosing or contemplating foreclosure or is known to be contemplating foreclosure, or property which may be considered to have attractive potential to the Corporation.

PERSONAL INVESTMENTS

Every officer and employee is expected to manage his or her personal finances in a manner consistent with his or her position as an officer, employee or representative of the Corporation. Officers and employees shall avoid situations that might influence the officer or employee's judgment in affairs involving the Corporation.

Officers and employees shall not accept offers that come to them because of their position to buy or sell securities at terms more favorable than those available to the general public.

No director, officer or employee of the Corporation at the same time as they serve as a director, officer or employee of the Corporation may serve as a director, officer, staff member or partner of an organization primarily engaged in the issue, underwriting, public sales or distribution at wholesale or retail or through syndicate participation in stocks, bonds, or other similar securities except in such limited cases as may be allowed by all appropriate regulatory agencies, and with the approval of the Board of Directors of the Corporation.

If the Corporation should engage in the administration of security trading, trust, or other such accounts for customers, the officers who make investment recommendations or decisions for the accounts of customers must report to the Board within 10 days after the close of the calendar quarter all transactions in securities made in any account in which they have a beneficial interest or over which they have control or influence (excluding mutual fund transactions or transactions in government securities).

All personal finances should be managed in a manner consistent with employment with a fiduciary institution. This obligation requires the exercise of prudent avoidance of all financial situations which might influence judgment made or advice given on behalf of the Corporation in the course of business.

CONFIDENTIAL INFORMATION

Information as to any customer, or any system, design, program or product of the Corporation gained from any sources in the course of employment is deemed proprietary and the property of the Corporation. Such confidential information shall not be used for personal gain or revealed to any person outside the Corporation without the consent of the individual, the organization, or the Corporation, or as otherwise permitted by law.

Non-public information acquired as a result of serving as a director or officer of the Corporation which might favorably or adversely relate to the investment value or future value of any business enterprise shall not be used by any employee for personal advantage or to provide advantage to others.

Financial information and performance data may not be released to anyone outside the company other than Corporation counsel, independent auditors and regulatory examiners, unless it has been published in reports to shareholders or otherwise made generally available to the public in accordance with applicable disclosure rules, or to be publicly distributed to certain groups approved by the Board of Directors, Chief Executive Officer or the President of the Corporation.

LEGAL AND FINANCIAL ADVICE

In many cases, discussions with customers lead to a request that the officer or employee make statements which may relate to the legality or financial advisability of a proposed transaction. The Corporation recognizes the exclusive authority of attorneys to practice law and to give legal advice. Officers and employees cannot practice law or give legal advice. Further, rendering of financial advice should only be by those employees of the Corporation engaged in specific advisory or consulting activities.

Therefore, extreme caution must be exercised; nothing should be said that might be interpreted as the giving of legal or financial advice.

BORROWING FROM THE CORPORATION OR ITS SUBSIDIARIES

Employees, officers and directors and their related interest, may borrow from the Corporation or its subsidiaries. Employee and officer loans shall be governed by a separate Employee Loans Policy Statement.

Loans to executive officers and directors, and their related interests shall be approved and maintained within both the spirit and the letter of Regulation O and other specific and applicable regulatory requirements and guidelines. Executive officers and directors shall be provided with specific written requirements and restrictions regarding insider lending and subsequent reporting requirements and such lending shall be governed by a policy statement as incorporated into the policies and procedures for any subsidiary governed by Regulation O or other similar governing regulations.

OTHER BORROWING

Officers are not to borrow from customers or suppliers of the Corporation except those who engage in lending in the usual course of business and then only on terms offered to others in similar circumstances. This prohibition does not preclude borrowing from anyone related to the employee by blood or marriage. Reports on borrowings by officers will be requested from time to time from all levels of the Corporation to meet both regulatory requirements and corporate policy.

OUTSIDE DIRECTORSHIPS

Prior approval of the Board of Directors must be received before the Chief Executive Officer or the President accept a position as an officer or director for a “for-profit” organization. Prior approval of the

President of the Corporation is required before all of other officers or employee accept a position as an officer or director of a corporation, becomes a member of a business partnership, or becomes the sole proprietor of a corporation or business. Notification to the Board, Chief Executive Officer or President is necessary for acceptance of a position as an officer or director of any corporation that is for social, fraternal, professional, educational, charitable, civic or religious purposes.

When an officer or employee serves on a board of directors at the request of the Corporation, fees and other remuneration shall be turned over to the Corporation. When serving not at the request of the Corporation, remuneration may be kept.

REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

All directors, officers, and employees are expected to demonstrate the ability to properly manage their personal finances, particularly the prudent use of credit. The Corporation recognizes that its customers must have faith and confidence in the honesty and character of its directors, officers and employees. Fraud is an element of business that can significantly affect the reputation and success of the Corporation. The Corporation requires its directors, officers and employees to talk to supervisors, managers or other appropriate personnel to report and discuss any known or suspected criminal activity involving the Corporation or its employees. If, during the course of employment, you become aware of any suspicious activity or behavior including concerns regarding questionable accounting or auditing matters, you must report violations of laws, rules, regulations or this code of ethics to the Director of Internal Audit or the Chairman of the Audit Committee of the Corporation.

ADMINISTRATION AND WAIVER OF CODE OF ETHICS

This code of ethics shall be administered and monitored by the Corporation's Human Resource function. Any questions and further information on this code of ethics should be directed to this department.

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

It is also the responsibility of Human Resources to biennially reaffirm compliance with this code of ethics by all directors, officers and employees, and to obtain a signed certificate that each director, officer and employee has read and understands the guidelines and will comply with them.

Generally there should be no waivers to this code of ethics, however, in rare circumstances conflicts may arise that necessitate waivers. Waivers will be determined on a case-by-case basis by the President of the Corporation. However, waivers for directors and executive officers must be determined by the Board of Directors. For members of the Board of Directors and executive officers, the Board of Directors shall have sole and absolute discretionary authority to approve any deviation or waiver from this code of ethics. Any waiver and the grounds for such waiver by directors or executive officers shall be promptly disclosed to stockholders in the Blue River Bancshares, Inc. Annual Proxy Statement.

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