

1st UNITED BANCORP, INC.

CORPORATE GOVERNANCE GUIDELINES

The following corporate governance principles have been approved and adopted by the Board of Directors (the “Board”) of 1st United Bancorp, Inc. (the “Company”) to provide a framework within which the Board and management can effectively pursue the Company’s objectives for the benefit of its shareholders. These guidelines (the “Guidelines”), along with the Company’s Articles of Incorporation, Bylaws, Code of Conduct, Code of Ethics and the charters of the various committees of the Board, provide the foundation for the Company’s governance.

A. Roles of the Board and Management

The Board is elected by the Company’s shareholders to oversee management and promote the long-term interests of the shareholders and the Company. The Company’s management, under the supervision of the Board, conducts the business of the Company. Both management and the Board seek to enhance the long-term value of the Company for the benefit of its shareholders. In so doing, the Company recognizes that the interests of its shareholders also will be advanced by responsibly taking into account the concerns of the Company’s other constituencies, including clients, employees, the communities in which the Company conducts its business, the public at large and the governmental entities that regulate the Company’s business.

B. Board Functions

The Board, directly and through its appropriate committees, shall:

- Review and approve strategic plans;
- Review corporate performance;
- Oversee and evaluate management’s systems for internal control, financial reporting and public disclosure;
- Establish corporate governance standards;
- Select, evaluate and compensate the Company’s Chief Executive Officer;
- Oversee and evaluate senior management performance and compensation;
- Plan for effective succession of the Chief Executive Officer and other senior executives;

- Set a tone for a climate of corporate trust and confidence;
- Set standards for director qualification;
- Set standards for director orientation and continuing education; and
- Undertake an annual performance evaluation of the Board.

C. Director Qualifications

The Board shall have a majority of directors who meet the criteria for independence under the rules of the Nasdaq Stock Market (“Nasdaq”) or the rule of any other market, exchange or listing service on which the Company’s common stock or other securities are traded or the rules of any other applicable regulatory agency. The Corporate Governance Committee is responsible for reviewing with the Board the requisite skills and characteristics of Board members and the independence of Board members. Nominees for directors will be selected by the Corporate Governance Committee in accordance with the policies and principles of its charter and these Guidelines. Any shareholder entitled to vote for the election of directors may propose a candidate for nomination, provided the shareholder meets the conditions of Article I, Section 14 of the Company’s Bylaws. Shareholders should submit their nominations to the Corporate Governance Committee c/o 1st United Bancorp, Inc., One North Federal Hwy., Boca Raton, Florida 33432. Each candidate for nomination submitted in compliance with Article I, Section 14 of the Company’s Bylaws will be evaluated by the Corporate Governance Committee.

Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Company’s shareholders. In selecting candidates for nomination as directors, the Corporate Governance Committee will consider criteria including current or recent experience as a senior executive officer, business expertise currently desired on the Board (with specific attention to the requirements for membership on the Audit Committee), geography, banking industry experience, and general ability to enhance the overall composition of the Board.

The selection process for director candidates may include identification of director candidates by the Corporate Governance Committee based upon suggestions from current directors and executives, nominations received by shareholders and advice received from one or more director search firms engaged by the Corporate Governance Committee; interviews with candidates by the Chairman of the Corporate Governance Committee (or a designee of the Corporate Governance Committee) and the Chairman of the Board; reports on the selection process from the Corporate Governance Committee to the Board; recommendations by the Corporate Governance Committee to the Board; and formal nomination by the Board for inclusion in the slate of directors presented for shareholder vote at the annual meeting.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serving on the Board for an extended period of time. No director may serve on more than three other public company boards of directors. A director must advise the Chairman of the Board and the Chairman of the Corporate Governance Committee before accepting an invitation to serve as a director of another public company. The Corporate Governance Committee will review whether such board membership may unduly impact the ability of the director to fulfill the director’s duties to the Company.

D. Director Independence

In order to qualify as “independent,” a director must be a person other than an officer or employee of the Company or its subsidiaries and must not have a relationship that, in the affirmative opinion of the Board, would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a director. The following persons are considered to not be independent:

- a director who is or has been employed by the Company or by any parent or subsidiary of the Company at any time within the past three years;
- a director who has accepted or who has a family member who has accepted any payments from the Company or any parent or subsidiary of the Company in excess of \$120,000 during any period of twelve consecutive months within three years of the time independence is determined, other than compensation for Board or committee service, payments arising solely from investments in the Company’s securities, compensation paid to a family member who is a non-executive employee of the Company or a parent or subsidiary of the Company, or benefits under a tax-qualified retirement plan or non-discretionary compensation;
- a director who is a family member of an individual who is, or at any time within the past three years was, employed by the Company or by any parent or subsidiary of the Company as an executive officer;
- a director who is, or who has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization, including a non-profit entity, to which the Company has made, or from which the Company has received, payments (other than those arising solely from investments in the Company’s securities or under non-discretionary charitable contribution matching programs) that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, in the current fiscal year or any of the past three fiscal years;
- a director of the Company who is, or who has a family member who is, employed as an executive officer of another entity where any of the executive officers of the Company serve on the compensation committee of such other entity, or if such relationship existed at any time within the past three years; or
- a director who is, or who has a family member who is, a current partner of the Company’s outside auditor, or was a partner or employee of the Company’s outside auditor who worked on the Company’s audit at any time within the past three years.

The following relationships will not be considered to be material relationships that would impair a director’s independence:

1. A director is presumed to be independent despite the existence of one or more extensions of credit between 1st United Bank and the director, or any of the director’s

related interests (as defined in the Federal Reserve Board's Regulation O) ("Related Interests") if, in each such case:

- (a) The extension of credit was made in the ordinary course of business of 1st United Bank, on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with non-affiliated persons and did not involve more than the normal risk of collectibility or present other unfavorable features;
 - (b) The extension of credit was made in compliance with applicable laws and regulations, including but not limited to Regulations O and W of the Federal Reserve Board, Sections 23A and 23B of the Federal Reserve Act and Section 13(k) of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
 - (c) The Board concludes, based on a review of the extension(s) of credit, including without limitation, the amount of the extension(s) of credit in relation to the net worth of the borrower and the borrower's performance, as well as representations of the borrower, as follows: (i) if the borrower is a company or other entity, that a failure to make a proposed extension of credit or the termination of an extension of credit in the ordinary course of business would not reasonably be expected to have a material and adverse effect on the financial condition, results of operations or business of the borrower or (ii) if the borrower is an individual, that a failure to make a proposed extension of credit or the termination of the extension of credit in the ordinary course of business would not reasonably be expected to have a material and adverse effect on the financial condition of the borrower; and
 - (d) The Audit Committee and the Board shall review any extension of credit by 1st United Bank to a director or his or her Related Interests in which a default has occurred or that has become criticized in order to determine the impact that such default or criticism has on the director's independence.
2. A director is presumed to be independent despite the existence of one or more banking or other commercial relationships (other than extensions of credit, but including, without limitation, depository, fiduciary, securities brokerage and insurance relationships) between a subsidiary of the Company, on the one hand, and the director, an immediate family member of the director or a company with which the director or an immediate family member of the director is affiliated by reason of being a director, executive officer or significant shareholder thereof, on the other hand, if in each such case the transaction was entered into in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons.
 3. The fact that a particular relationship or transaction is not addressed by either 1 or 2 above or exceeds the thresholds in those standards does not create the presumption that a director is not independent.

In addition to the general independence criteria set forth above, for purposes of Audit Committee membership, a director must also meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Exchange Act. For Compensation Committee membership, in addition to the general independence criteria set forth above, a director must also meet any heightened independence requirements for Compensation Committee members set forth in the Nasdaq rules, Section 162(m) of the Internal Revenue Code of 1986, as amended, and Section 16 of the Exchange Act.

E. Board Size

The number of directors will be set by the Board of Directors and may be increased or decreased from time to time by action of the Board of Directors. The Corporate Governance Committee will review each director's performance annually to assess attendance and overall performance.

F. Chairman of the Board

The Company has no fixed policy with respect to the separation of the offices of Chairman of the Board and the Chief Executive Officer. The Company believes that this issue is part of the succession planning process and that it is in the best interests of the Company and its shareholders for the Board to make this determination from time to time when selecting a new Chief Executive Officer. When the Chairman is a member of management or is otherwise not independent, the independent directors shall elect a lead independent director.

G. Lead Independent Director

Unless the Chairman of the Board of Directors is independent, the independent directors shall annually elect an independent director to serve in a lead capacity. Although annually elected, the lead independent director is generally expected to serve for more than one year. The lead independent director's duties include presiding at all meetings of the Board of Directors at which the Chairman is not present, calling meetings of the independent directors, coordinating with the Chairman the planning of Board meeting agenda items, and serving as an independent point of contact for shareholders wishing to communicate with the Board of Directors other than through the Chairman.

H. Director Stock Ownership Requirements

All directors are required to hold at least the lesser of \$100,000 or five times their annual director fees at the time they are elected of Company common stock while serving as a director of the Company. New directors will have ten years to attain this ownership threshold. Each director shall hold until retirement from the Board of Directors all shares of Company common stock granted to the director by the Company.

I. Chief Executive Officer Stock Ownership Requirements

The Chief Executive Officer is required to hold at least the lesser of \$100,000 or one times his or her annual base salary of Company common stock while serving as Chief Executive

Officer of the Company. New Chief Executive Officers will have six years to attain this ownership threshold.

J. Functioning of the Board

1. *Number of Meetings.* The Board will have no fewer than six scheduled meetings each year, and will hold such additional special meetings each year as circumstances may require.
2. *Meeting Attendance and Preparation.* Each director is expected to attend all Board meetings and all meetings of Board committees on which the director serves. Directors are expected to devote the amount of time and effort necessary to properly discharge their responsibilities. Information and data that are important to the directors' understanding of the business to be conducted at a meeting of the Board will be distributed to the directors at least two business days before the meeting. Each director should review these materials in advance of the meeting.
3. *Executive Sessions.* The independent directors shall meet in executive sessions as and when any of them deem appropriate, without the Chief Executive Officer or any other member of management present.
4. *Board Committees.* The Board will maintain an Audit Committee, a Compensation Committee, and a Corporate Governance Committee, and such other committees as it deems appropriate. All of the members of the Audit Committee, the Compensation Committee and the Corporate Governance Committee shall be independent directors under the criteria set forth in these Guidelines and the independence requirements set forth in applicable Securities and Exchange Commission ("SEC") rules and for listing on Nasdaq or the rules of any other market, exchange or listing service on which the Company's common stock is traded.
5. *Committee Charters.* The Board will approve a charter for each of the Audit, Compensation, and Corporate Governance Committees. The duties assigned to each committee are reviewed annually by the committee and by the Corporate Governance Committee, and any recommended changes are presented to the Board for consideration. Committees are empowered to act on the Board's behalf with respect to those matters that the Board has prescribed.
6. *Meeting Agendas and Conduct.* Board agendas are set by the Chairman, with input from the other Board members and members of management. Committee agendas are set by the committee chairs, in consultation with committee members and appropriate members of management. The Board believes that Board and committee meetings should be conducted in a manner that ensures open communication, objective and constructive participation and timely resolution of issues.
7. *Board Access to Management.* Directors shall have full and free access to the Company's officers and employees. The Board encourages the Chief Executive Officer and the President, from time to time, to bring to Board meetings members of management who can provide additional insight on matters to be discussed at those

- meetings. Any other meetings or contacts with officers or employees that a director wishes to initiate may be arranged through the Chief Executive Officer, the President, the Company's Secretary or by the director directly with the officer or employee. Directors will use their judgment to ensure that contact with the Company's officers or employees is not disruptive to the Company's operations.
8. *Interplay with Bank Board Committees.* Certain committees of the Company's Board may meet simultaneously as committees of 1st United Bank, although separate meetings will be held if necessary to address issues that are relevant only to one entity or to consider matters where the Company and 1st United Bank may have different interests. Additionally, any such committee should consult with appropriate counsel if, in the committee's opinion, any matter under consideration by the committee has the potential for any conflict between the interests of the Company and those of 1st United Bank or the Company's other subsidiaries in order to ensure that appropriate procedures are established for addressing any such potential conflict and for ensuring compliance with the Company's policies regarding Sections 23A and 23B of the Federal Reserve Act. The Company's Audit Committee shall also act as the audit committee of 1st United Bank.
 9. *Board and Committee Access to Advisers.* The Board and each of the Audit, Corporate Governance and Compensation Committees have the power to hire, at the Company's expense, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the advance approval of any Company officer. Directors are expected to use their best judgment in determining when such engagements are necessary and shall consider the qualifications and fees to be charged by such advisors when making their selection.
 10. *Director Resignations, Retirements and Refusals to Stand for Re-Election.* A director who intends to resign or retire or refuses to stand for re-election to the Board must submit written notice to the Chairman. For resignations and retirements, the director must state the effective date of the resignation or retirement. For resignations, the director also must state that the director has no disagreement with the Company's operations, policies or practices or, if the director has such a disagreement, the director must describe the disagreement.
 11. *Advance Resignation to Address Majority Voting.* Director nominees are required to execute an agreement with the Company that would obligate the director to submit an irrevocable written resignation to the Corporate Governance Committee upon the failure of the nominee to receive the requisite vote for his or her election as set forth in Section 11(d) of the Company's Bylaws.
 12. *Annual Meeting Attendance.* All Board members are expected to attend the Company's Annual Meeting of Shareholders unless a valid reason prevents them from doing so.

K. Director Compensation

The form and amount of non-employee director compensation will be recommended by the Compensation Committee to the Board in accordance with policies and principles set forth in its charter. The Compensation Committee will conduct an annual review of non-employee director compensation. The Compensation Committee understands that the independence of directors may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliate, or if the Company enters into consulting contracts with (or provides other indirect compensation to) a director or an organization with which the director is affiliated.

L. Reliance on Others; Liability Insurance

In discharging their obligations and responsibilities, the Company's directors are entitled to rely on the honesty and integrity of fellow directors, the Company's management, independent auditors and outside advisors. Further, to promote the ability of each director to act in accordance with the director's reasonable, good faith business judgment without undue concern for the substantial risk of personal liability faced by public company directors, the Company shall purchase and maintain at all times directors' and officers' liability insurance in amounts deemed reasonably appropriate.

M. Director Education

The Company will establish, or identify and provide access to, appropriate orientation programs, sessions or materials for newly elected directors and appropriate continuing education for all directors. The program or materials will include information to acquaint new directors with the Company, including its strategy, long-range plans, financial statements, properties and operations, corporate governance guidelines, and the Code of Conduct. As part of the orientation, new directors will be introduced to the Company's senior management, its general auditor and its independent auditor. From time to time, directors will receive information and updates on legal and regulatory changes that affect the Company and the directors.

N. Ethics and Conflicts of Interests

Directors, as well as officers and employees, must act ethically at all times and should acknowledge their adherence to the policies described in the Company's Code of Conduct and in these Guidelines. If an actual or potential conflict of interest exists for a director, the director should promptly inform the Chief Executive Officer, and if it involves the Chief Executive Officer, to the Chairman of the Corporate Governance Committee. If a significant conflict exists and cannot be resolved, the director should submit his or her resignation to the Board. All directors shall recuse themselves from any discussion or decision affecting their personal or professional interests.

O. Annual Performance Evaluations

The Board will conduct an annual evaluation of itself and its committees to determine whether they are functioning effectively individually, and as a whole. The Corporate

Governance Committee will survey and receive comments from each director and report annually to the Board with an assessment of the Board's performance.

P. Succession Planning

The Board shall approve and maintain a succession plan for the Chief Executive Officer and senior executives, based upon recommendations from the Corporate Governance Committee. The Board views Chief Executive Officer selection and management succession as one of its most important responsibilities. In coordination with the Corporate Governance Committee, the Board: (1) develops criteria for the Chief Executive Officer position that reflects the Company's business strategy; (2) routinely reviews and discusses succession planning; and (3) identifies potential internal successors for the Chief Executive Officer. The Board also maintains an emergency succession plan that is reviewed periodically.

Q. Shareholder Communications

The Board of Directors welcomes inquiries from shareholders. Shareholders who wish to communicate with the Board, a Board committee, or any other directors or individual directors may do so by sending their inquiries to the Chairman of the Board, the Lead Independent Director, or the Corporate Secretary at One North Federal Highway, Boca Raton, Florida 33432. Communications will be compiled by the recipient and submitted to the Board, Board committee, or the appropriate group of directors or individual directors, as appropriate, no later than the next regular meeting of the Board. All communications received will be forwarded, excluding those items that are not related to Board duties and responsibilities, such as: mass mailings, job inquiries, resumes, advertisements, solicitations, and surveys.

R. Board Communications

To foster open discussions, the proceedings and deliberations of the Board are strictly confidential. Each director will maintain the confidentiality of non-public information received from the Company or its advisors. In addition, the Board believes that it is Company management's responsibility to speak for the Company.

S. Hedging and Pledging Transactions

Hedging or monetization transactions that permit a director or Section 16 officer of the Company to continue to own the securities of the Company, but without the full risks and rewards of ownership, may result in a director or Section 16 officer no longer having the same objectives as the Company's other shareholders. The Board believes that directors and Section 16 officers must not engage in any hedging or monetization transactions with respect to the Company's securities, including, but not limited to, through the use of financial instruments such as exchange funds, prepaid variable forwards, equity swaps, puts, calls, collars, forwards and other derivative instruments, or through the establishment of a short position in the Company's securities. For purposes of clarity, the foregoing prohibitions do not apply to the grant or exercise of stock options.

Directors and Section 16 officers are prohibited from holding any securities of the Company in a margin account or pledging any securities of the Company as collateral for a loan.

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged as collateral for a loan may be sold in foreclosure if the borrower defaults. A margin or foreclosure sale might occur at a time when the pledgor is aware of material, nonpublic information or otherwise is not permitted to trade in securities of the Company.