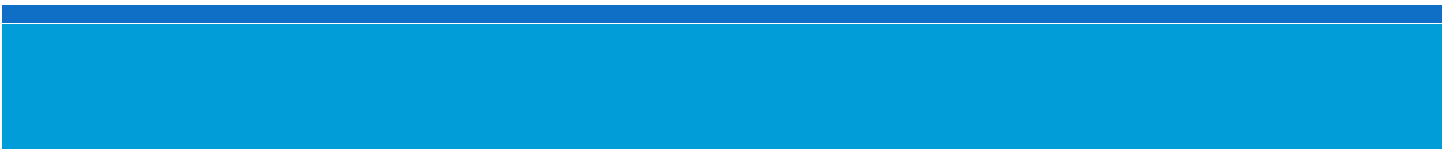




Code of Business Conduct and Ethics



Letter from our CEO

My Fellow Employees,

We annually remind everyone of our Code of Conduct. This Code is a reminder of the commitments we make to our fellow employees, our shareholders, our customers, our business partners, to the communities where we live and work, and to the environment. Our Code describes a culture based on integrity, honesty, accountability and loyalty that we have worked hard to develop. We expect all of our business affairs and interaction with the community to reflect these principles at every level of Heritage.

We all like to work in an environment of trust, honesty, and mutual respect. This requires openness and a willingness to raise issues that you may see as problematic or inconsistent with our responsibility to shareholders, regulators, and each other. Should you find yourself needing to raise a concern about our adherence to our Code, you may rest assured that it will be heard, dealt with, and kept in strictest confidence.

Our Code does not replace common sense or address every possible situation, each of us must use our own good judgment to identify circumstances which are at odds with our core principles. If you aren't sure about the best course of action, ask your supervisor or one of the other points of contact listed in this Code for direction. You will never face retaliation for asking questions or raising concerns in good faith. We can't solve problems unless we know about them, so we rely on each of you to help.

As we look ahead, Heritage's continued growth, strength and sustainability depends on our commitment as individuals to living our values and upholding our core principles in everything we do. Integrate these principles as you go about your work or represent Heritage in our community. If you suspect misconduct, I urge you to come forward so we can investigate your concern.

Thank you for joining me on this vital journey of maintaining an integrity-focused culture, and for your continued commitment to Heritage and those we serve.

Sincerely,

Ernie Garateix
Chief Executive Officer



Contents

Introduction

Compliance with Laws, Rules and Regulations

Conflicts of Interest

Corporate Opportunities

Fair Dealing

Discrimination, Harassment & Anti-Retaliation

Health & Safety / Employee Relations

Record Keeping

Confidentiality

Insider Trading

Protection and Proper Use of Company Assets

Waiver of the Code

Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns



Introduction

The Board of Directors (the “Board”) of Heritage Insurance Holdings, Inc. (the “Company”) has adopted this Code of Business Conduct and Ethics (this “Code”), which reflects our commitment to a culture of integrity, honesty, accountability and loyalty. This Code will help you recognize and deal with ethical issues, provides mechanisms to report unethical or illegal conduct, and helps us all maintain the corporate culture we have all worked so hard for.

This Code is also a guide to help us consistently do the right thing in all our business dealings. While this Code covers a wide range of business situations, it cannot cover every possible issue or replace our judgment and common sense. Rather, it sets out basic principles to guide our actions and help us make sound decisions when facing uncertain circumstances. In those instances where broad principle-based direction is not enough, we may adopt more specific or restrictive practices and procedures to address those particular activities or situations. Our Code applies to all Heritage stakeholders, including our directors, officers and employees (collectively, “associates”) and agents, consultants and third-party administrators. Because we want to avoid even the appearance of improper behavior, we have to inspect the actions of those we do business with as though they were Heritage associates.

In many instances it will be appropriate for an employee to discuss a situation with his or her supervisor or local human resources representative. Where it may not be appropriate to discuss an issue with the supervisor or the local human resources representative, the employee may contact the Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of this Code.

This Code is designed to deter wrongdoing and to promote (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (2) full, fair, accurate, timely and understandable disclosure in reports and documents we file with, or submit to, the Securities and Exchange Commission (“SEC”) and in other public communications made by us; (3) compliance with applicable laws, rules and regulations; and (4) the prompt internal reporting of violations of this Code.

Our Code is based on the enduring principles of honesty, integrity, accountability and loyalty, however, how we apply these values to our actions change over time as a result of changing laws and regulations. So our Code is an evolving set of conduct and ethics standards, subject to refinement as circumstances and our business environment warrant.



Compliance with Laws, Rules and Regulations

It is important to remember that the ethical standards discussed in this Code are enforced by laws in virtually every instance, everywhere we do business. Without exception, our business is conducted in accordance with applicable laws, rules and regulations and in an ethical manner. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built and is non-negotiable. We strive for the highest ethical standards, even where laws do not exist or may not be enforced or observed.

We expect our associates, as well as all other stakeholders, to respect and obey the laws governing where we do business. Although we do not expect all of our associates to know the details of all laws applicable to their activities, it is important to know enough to determine when to seek advice from a supervisor, the human resource representative or other appropriate Company personnel. Transactions between our group of affiliate companies are no exception and all of these transactions must meet all applicable insurance, securities and antitrust regulations.

Our political and charitable contributions are made in compliance with all applicable federal, state, local and foreign laws and regulations and, to the extent legal, in conformity with (foreign) local custom. We restrict the size of our contributions to eliminate any appearance that we seek special consideration through our financial support.

Strict adherence to state and federal laws is non-negotiable. If a law conflicts with a policy in our Code, we must comply with the law; however, if a local custom or practice conflicts with this Code, we must comply with our Code. If an employee has any questions about potential conflicts, the employee should seek assistance from his or her supervisor or other appropriate Company personnel pursuant to this Code. Any questions regarding applicable legal requirements should be referred to the Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.

In reports and documents filed with or submitted to the SEC and other regulators of the Company, and in other public communications made by the Company, the Chief Executive Officer, Chief Financial Officer and any other senior financial officers and other associates, if any, involved in the preparation of such reports and documents must make disclosures that are full, fair, accurate, timely and understandable. Where applicable, these individuals must provide thorough and accurate financial and accounting data for inclusion in such disclosures. They must not knowingly conceal or falsify information, misrepresent material facts or omit material facts necessary to avoid misleading the Company's independent public auditors or investors.



Conflicts of Interest

Heritage associates have a duty to make decisions that promote our goals and to avoid situations where personal activities, investments, or relationships can create a conflict of interest between personal and professional relationships. A conflict of interest occurs when our personal interests (or those of our immediate family members) interfere, or even appear to interfere, with our ability to make unbiased decisions on behalf of Heritage. Conflicts of interest may also arise when our associates' family members receive improper personal benefits as a result of that associate's position at the Company. For example, loans to, or guarantees of obligations of, our associates and/or their respective family members by a person or entity which transacts business with the Company (an "Interested Party") or by the Company may create a conflict of interest or the appearance of a conflict of interest and are prohibited.

Actual or potential conflicts call into question our objectivity and integrity and can have a broad range of negative effects on our stakeholders and our business. If you think you may have a conflict, or have identified one, disclose it to your manager or the Compliance team immediately.

It is a conflict of interest for a Heritage associate to work, either as an employee, consultant or director, simultaneously for a competitor or an Interested Party. Our directors are free to serve as a board member (or in an equivalent position) of an Interested Party, provided that:

- It would not affect his or her status as an "independent" director under the listing requirements of the New York Stock Exchange ("NYSE"), and
- Our director provides notice to the Board of the directorship.

An officer or employee of the Company (other than the Chief Executive Officer) may serve as a board member of an Interested Party with the approval of the Audit Committee. The Chief Executive Officer may serve as a board member of an Interested Party with the approval of the Board. The best policy is to avoid any direct or indirect business connection with Heritage's significant Interested Parties or competitors, except on behalf of Heritage.



Conflicts of Interest (continued)

No associate can participate in, or seek to influence, decisions regarding the selection of a particular vendor, agent or third party if that associate, or any member of his or her family living in the same household, has any financial interest or investment in such party, other than investments of less than 1% of any class of publicly-traded securities, investments in diversified mutual funds and other immaterial investments or financial interests.

A conflict involving an executive officer (other than the Chief Executive Officer) will be reviewed by the Corporate Governance and Nominating Committee of the Board. A conflict involving the Chief Executive Officer or a director will be reviewed directly by the Board. Conflicts involving any other employee of the Company will be reviewed by the employee's supervisor or local human resources representative and Company executive (and, if necessary, the Board) after full disclosure by the employee.

In certain limited cases, activities giving rise to potential conflicts of interest might not be harmful to Heritage and may be permitted. Our Board and Chief Executive Officer will evaluate these situations on a case by case basis and provide direction to the associate involved.

Heritage associates should not accept gifts, credits, payments, services, excessive entertainment or anything else of value unless the gift is customary and in the ordinary course of business. Occasionally having your meal or admission to an event paid for is acceptable so long as Heritage business was discussed and there is no suggestion of undue or unfair influence. If you are presented a gift, or other service of significant value, report the offer to your supervisor so that Heritage or you can respond appropriately.

Please remember, however, that local, state and federal laws, including the Foreign Corrupt Practices Act, often impose special rules on relations with government entities which may differ from commercial relations. An executive officer must review and approve any payments for expenses of government representatives.

Conflicts of interest may not always be apparent. If you have a concern that a conflict exists, whether you are directly involved or not, consult your supervisor, local human resources representative or executive officer, who will help resolve your concern. Prompt and full disclosure is always the appropriate first step towards identifying and resolving any potential conflict of interest. When communication with a supervisor or local human resource representative appears inappropriate, refer your concern directly to our Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.



Corporate Opportunities

We owe a duty to Heritage to advance its legitimate interests when the opportunity to do so arises. Our commitment to integrity prohibits us from:

- taking for ourselves personally, or through a third-party, including for the benefit of family members or friends, opportunities that are discovered through the use of Heritage's assets, property, information or position without the consent of the Board.
- using Heritage assets, property, information, or position for personal gain (including for the gain of family members or friends), and
- competing with Heritage directly or indirectly. This Corporate Opportunities section is qualified in all respects by the provisions of the Company's charter and bylaws, as amended from time to time.

Q:

Jorge, one of our water mitigation professionals, is approached by an insured that wants a break on the reconstruction work relating to his claim. Can Jorge take on the work, after hours and using his personal tools?

A:

Although Jorge's employment with Heritage does not prohibit his working a second job, his commitment to our team requires him to perform the work on behalf of Heritage.



Fair Dealing

Our associates are prohibited from stealing or illegally appropriating proprietary information, possessing trade secret information improperly obtained, or inducing disclosures of this nature by past or present employees of other companies. Our associates respect the rights of Heritage's competitors, vendors, associates and employees.

To maintain Heritage's valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services be designed and manufactured to meet our customer obligations. All inspection and testing documents must be handled with appropriate confidentiality restrictions and in accordance with all applicable regulations and Company procedures.

We only purchase products and services from reputable and qualified individuals or firms based upon appropriate commercial considerations. Prudence dictates that we should never give the impression to a third-party that he or she has the authority to legally bind us when he or she is not authorized to do so. All agreements with third parties should be memorialized in writing. If oral agreements are the local custom, the arrangement needs executive officer or Board pre-approval and the situation should be described to your immediate supervisor and the Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.

We engage in business entertainment and give gifts to create good will and sound working relationships, not to gain an unfair advantage. You, or your immediate family, should never accept a gift or entertainment unless it:

- is consistent with customary business practices;
- is not excessive in value;
- cannot be construed as a bribe or payoff; and
- does not violate any laws or regulations.

Heritage associates may never accept a "gift" in the form of cash. If you are concerned that a gift is inappropriate, discuss it with your supervisor or an executive officer.

We only pay commissions or fees, to agents or other representatives which are in accordance with sound business practice, for legitimate commercial reasons, and reasonably related in value to the services performed. If you suspect that all or part of any commission or fee paid by the Company may be used for improper payments, promptly report the matter to your immediate supervisor and the Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.



Discrimination, Harassment & Anti-Retaliation

The diversity of our associates is a tremendous asset and we worked hard to create and maintain an environment that fosters collaboration, interaction, tolerance and respect. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment or any kind, including harassment on the basis of race, gender, color, national origin, disability or sexual orientation. Harassment comes in many forms and includes derogatory comments based on race, gender or ethnicity and unwelcome sexual advances.

Associates making a good faith report of discrimination, harassment or other unlawful treatment should not be concerned about action being taken against him or her because of the report. We will not tolerate retaliation of any kind against those who report potential problems in good faith. Associates are encouraged to report problems as outlined in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section to report instances of discrimination or harassment.

Q:

Bill asks Jennifer to join him for drinks on a couple of occasions. Jennifer has made it clear that she's not interested, but the invitations keep coming and she feels uncomfortable. What to do?

A:

Repeated personal advances are a form of harassment and Jennifer should consult with her human resource representative.

Q:

Andre regularly makes jokes revolving around race or ethnicity. His humor isn't directed at anyone specifically, but it sometimes makes those around him uncomfortable.

A:

Andre's humor could be harassment, but at a minimum it is at odds with our core principles. Any associate subjected to it should ask him to refrain and consult human resources if this behavior continues.



Health and Safety/Employee Relations

We strive to provide a safe and healthful work environment where our team can collaborate freely and perform their responsibilities with creative flair. We are all responsible for maintaining our superior environment by following safety and health rules and practices, as well as reporting accidents, injuries, unsafe equipment, practices or conditions.

Violence or threatening behavior is not permitted under any circumstances in our workplace. Employees should report to work in condition to perform their duties and must be free from the influence of illegal drugs and alcohol. The use of illegal drugs or the misuse of alcohol or legally prescribed drugs in the workplace will not be tolerated. In addition, weapons are prohibited on Heritage's premises.



Record Keeping

Heritage has an obligation to its shareholders, regulators and other stakeholders to maintain books, records, accounts and financial statements that are in reasonable detail and accurately reflect our assets, liabilities and transactions. In many instances, we are conforming to applicable legal requirements and internal financial policies and procedures. However, we strive for financial transparency by ensuring that the substance of our transactions is never intentionally obscured or recorded improperly.

Many of our associates spend our funds in order to advance our business interests. We expect that the costs incurred by our associates on our behalf are always for a valid business purpose and reasonable in light of the business objective they address. If you are uncertain whether a cost you are considering incurring has a valid business purpose or is reasonable in light of the expected benefit, consult your supervisor before incurring the cost. This approach demonstrates good judgment and reflects our responsibility to protect Heritage resources.

If you have concerns with accounting and auditing matters, report them to your supervisor or the local human resources representative. In those instances where speaking to your supervisor or human resource are inappropriate, you should refer your concern directly to our Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.

Our business records and communications may become public, and we should avoid exaggeration, derogatory remarks, guesswork, or improper characterizations of people, events and companies. This prohibition applies equally to e-mail, internal memoranda, formal reports as well as business letters. Our E-mail systems and information technology systems are in place to advance our legitimate business purposes; however, incidental personal use may be acceptable as long as we apply the same standards expected of our professional communications.

Destruction of any of our records could result in unnecessary costs, legal liability or regulatory actions. Consequently, our records should always be retained or destroyed according to our record retention policies. In no event should you destroy records that relate to an existing dispute or investigation. You should consult your supervisor or an executive officer with any questions concerning the destruction of records or our record retention policies.



Confidentiality

Heritage associates share an obligation of loyalty, and the disclosure of confidential information could result in financial loss, legal liability or criminal or civil violations. Absent authorization by our Board, Chief Executive Officer, or legal counsel, we expect Heritage associates to never disclose confidential information or what you suspect may be confidential information.

Confidential information includes all non-public information that might be of use to competitors, or harmful to Heritage or the parties with which we have relationships, if disclosed. Confidential information also may include information that a third party has entrusted to Heritage. Our obligation to preserve confidential information continues after our employment with Heritage ends. You should not discuss internal matters or developments with anyone outside of Heritage, except as required in the performance of your regular responsibilities and in compliance with any applicable laws and confidentiality agreements.

Our responsibility to protect confidential information applies specifically to inquiries which may be made by the media, investment analysts or others. It is important that all communications of this nature on behalf of Heritage be made through an appropriately designated officer. Unless you are expressly authorized to comment or respond to media, analyst or other external inquiries, you should decline comment and refer the inquiry to our Chief Executive Officer.

The consequences of our failure to protect Heritage's confidential information could be severe.



Insider Trading

Insider trading, insider dealing and stock tipping are criminal offenses. We have adopted an insider trading policy that our employees, officers, directors, agents and consultants must follow. Our employees, officers, directors, agents and consultants are responsible for making sure that the purchase or sale of any Heritage security complies with the insider trading policy.



Protection and Proper Use of Company Assets

The value Heritage places on its trade secrets, internal processes and other intellectual property is second only to the value of our people. We are all responsible for protecting the Company's assets and ensuring their efficient use.

Do not loan, borrow, donate, sell or otherwise dispose of the Company's property unless specifically authorized by an individual who has been specifically authorized to approve such action. The Company's systems and equipment should not be used for non-Company business, though incidental personal use is permitted. The theft, carelessness, and waste of our assets have a direct impact on our profitability. If you suspect any incident of fraud, theft or misuse of our assets, refer your concern directly to our Board in the manner described in the **Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns** section of our Code.

Our obligation to protect Heritage's assets includes its proprietary information. Proprietary information includes intellectual property such as:

- trade secrets,
- patents,
- trademarks,
- copyrights and know-how,
- business, sales, marketing and service plans,
- engineering and manufacturing ideas and practices,
- designs,
- databases,
- records,
- salary and other compensation/benefit information, and
- any unpublished financial data and reports.

Unauthorized use or distribution of our proprietary information could result in financial loss, the loss of a valuable competitive advantage or may be illegal and result in civil or criminal penalties.



Waivers of the Code of Business Conduct and Ethics

Our Board, or an appointed committee, may grant a waiver of this Code for our executive officers or directors and will disclose this action to the extent required by law or the listing requirements of the NYSE. Our Chief Executive Officer may grant a waiver for all other Heritage associates.



Reporting any Illegal or Unethical Behavior or Accounting or Auditing Concerns

We encourage any Heritage associate observing, or believing they have observed illegal, unethical or inappropriate behavior or accounting or auditing concerns or if in doubt about the best course of action in a particular situation to talk to supervisors, managers or other appropriate personnel.

You will never face retaliation for asking questions or raising concerns in good faith. We expect your cooperation in internal investigations of alleged misconduct.

If you observe or become aware of what you believe to be illegal, unethical or inappropriate behavior or have accounting or auditing concerns, you should report the behavior:

- to your immediate supervisor,
- to your human resources representative or,
- if you feel it would be inappropriate to discuss the matter with your immediate supervisor or human resources representative, to the Board as follows: 1401 N. Westshore Blvd., Tampa, FL 33607, Attention: Rich Widdicombe, and finally,
- If you would prefer to make an anonymous report, we provide a single mechanism for reporting all workplace issues. Our hotline is available 24 hours around the clock, 365 days a year and your report will be confidential. You can call our toll-free number, **833.845.8802**, where your report will be taken and held in the strictest confidence. Your call will be taken by an independent interviewer to protect the confidentiality of your call. The call center receiving your call will ask for contact information in order to follow up with you, but your identity will not be forwarded to Heritage.

Your concerns as they relate to financial irregularities and other Code violations will be reported directly to your company's President, Compliance Officer and Audit Committee Chair. Concerns revolving around harassment, discrimination or other issues impacting our workplace environment, will be reported to our Director of Human Resources and corporate counsel, as well. You will not be subjected to disciplinary action, in any form, for providing good faith information or otherwise assisting in an investigation of fraud, unethical practices or violation of Company policies or procedures.



Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to determine if an action will result, or has resulted, in a violation of this Code. Since we cannot anticipate every situation that will arise, it is important that we have a way to address the applicability of this Code to particular situations.

Keep these steps in mind as you evaluate how to proceed:

Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use good judgment and common sense. If something seems unethical or improper, it probably is.

Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem or situation.

Discuss the problem with your supervisor or your local human resources representative. This is the basic guidance for all situations. In many cases, your supervisor or your local human resources representative will be more knowledgeable about the situation and circumstances. Remember that it is the responsibility of your supervisor and your local human resources representative to help solve problems.

When to report matters to the Board. In the case where it may not be appropriate to discuss an issue with your supervisor or your local human resources representative, or where this Code requires the approval of the Board, you may report the matter to the Board. Any report to the Board should be made to 1401 N. Westshore Blvd., Tampa, FL 33607, Attention: Rich Widdicombe.

Seek help from the Company's Confidential Reporting Service. In the case where (i) the matter has been reported to your supervisor or your local human resources representative and the Board and remains unresolved, (ii) it would be inappropriate to report such matter to either your supervisor or your local human resources representative or the Board, or (iii) your concern involves accounting or auditing matters, our hotline is available 24 hours around the clock, 365 days a year and your report will be confidential. You can call our toll-free number, **833.845.8802**, where your report will be taken and held in the strictest confidence. Your call will be taken by an independent interviewer to protect the confidentiality of your call. The call center receiving your call will ask for contact information in order to follow up with you, but your identity will not be forwarded to Heritage.

You will never face retaliation for asking questions or raising concerns in good faith. If your situation requires that your identity be kept secret, your anonymity will be protected.

Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

