

First Financial Holdings, Inc.

Code of Business Conduct & Ethics

Executive Message

In 1934, First Federal Savings and Loan Association was established during difficult times to provide the residents of Charleston, SC with the means to own their own homes. Since then, we as First Financial Holdings, Inc. have been able to prosper within the community. Through providing clients with outstanding service and offering employees a family-oriented environment in which to work, we have been able to create a reputation that communicates trustworthiness and high ethical standards.

The First Financial Holdings Code of Business Conduct and Ethics acts as a foundation in which to build and preserve these attributes of trust and ethical behavior. The Code was originally created to provide directors, officers and employees with guidelines of the Company's ethical expectations and continues to do so today. Time and again it has been proven that the ethical behavior displayed by our directors, officers and employees has been a significant contributor to First Financial's overall success; as such, you should be applauded for the high moral standards that you have demonstrated throughout your service to the Company.

It is in the best interests of First Financial and all who possess relation to the Company that directors, officers, and employees thoroughly read and continue to comply with the guidelines set by the Code. Any questions regarding the contents of the Code can be directed to your immediate supervisor or the Corporate Secretary.

Let us continue to prosper as an organization within the communities we serve and uphold the values in which First Financial Holdings, Inc. was founded upon.

R. Wayne Hall

A handwritten signature in black ink that reads "R Wayne Hall". The signature is written in a cursive, flowing style.

Chief Executive Officer and President

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This policy has been created to provide clear guidelines communicating the expectations held for all Company directors, officers and employees. Compliance with the guidelines is essential to the successful operation of the Company; thus, violation of the policy standards may result in disciplinary action up to termination and criminal prosecution.

Introduction

The business of First Financial Holdings, Inc. (“First Financial”)¹ includes a full array of retail banking and related services. During the performance of our duties, it is necessary to interact with customers, suppliers and professional groups such as attorneys, accountants, insurance agents and realtors. These groups place their trust in us and accordingly, we have the responsibility to keep this trust and be in strict compliance with all applicable laws and regulations.

First Financial requires directors, officers and employees to observe a high standard of ethics in business and personal matters. The following Code of Business Conduct and Ethics (the “Code”) specifies certain standards for the guidance of all directors, officers and employees regardless of where they work within the organization. The Code should be considered as illustrative, but not regarded as all-inclusive. The Code is intended to deter wrongdoing and promote:

Ethics Quick Tips:

When struggling with judging the ethicality of a decision consider the following:

- Is it prohibited by The Code?
- Could it endanger the Company’s reputation?
- Would it be illegal?
- Could it look unfavorable in the press?
- Would co-workers, family, shareholders, or the community view it negatively?
- Seeking the counsel of your supervisor.

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in documents that First Financial files with, or submits to, the Securities and Exchange Commission (the “SEC”) and in all other public communications made by First Financial;
- Compliance with applicable governmental laws, rules and regulations;
- Prompt internal reporting to designated persons of violations of the Code; and
- Accountability for adherence to the Code.

Any questions or guidance needed regarding compliance with the Code should be referred to an immediate supervisor or the Corporate Secretary. First Financial’s Board of Directors and management endorse this Code and are personally committed to assuring that all directors, officers and employees adhere to these ethical guidelines.

Requests for a waiver from the Code for employees who are not executive officers should be submitted to the Corporate Secretary who will in turn submit such requests to the Audit Committee. Waivers for executive officers and directors may be granted only by the Board of

¹ The terms “First Financial,” “the Company,” or “the organization” refer to the First Financial Holdings, Inc. and its direct and indirect subsidiaries.

Directors and, if granted, must be promptly disclosed to the public as required by the rules of the SEC and The Nasdaq Stock Market.

1.1 Reporting Code Violations

Any violation or suspected violation of the Code must be promptly reported to the Corporate Secretary at 843.529.5931 or 843.729.7005. This includes violations or possible violations involving you, another employee (including officers) or a director. Any violation of law, rule or regulation applicable to First Financial and/or corporate policy also is a violation of the Code. *No retaliation can be taken against an employee reporting an instance of unethical behavior in good faith.*

1.2 Accounting Ethically

All officers and employees are expected to observe and comply with generally accepted accounting principles, as well as the system of internal controls and disclosure controls and procedures established by First Financial. These principles require that the corporate books and records accurately and fairly reflect in reasonable detail First Financial's financial condition and results of operations. First Financial policies are intended to promote full, fair, accurate, timely and understandable disclosure in reports and documents filed with or submitted to the SEC and in First Financial's public statements. In furtherance of these requirements, officers and employees must practice the following:



- 1) No false, misleading or artificial entries shall be made on corporate books, records and reports for any reason.
- 2) No undisclosed or unrecorded corporate funds or assets shall be established for any purpose.
- 3) No payments from corporate funds or other assets shall be approved or be made with the intention or understanding that any part of such payment will be used for any purpose other than that described by the documents supporting the payment. All payments must be supported with appropriately approved purchase orders, invoices or receipts, expense reports or other customary documents, all in accordance with established policy.

Concerns regarding questionable accounting, internal accounting controls, or auditing matters may be directed to the Chairman of the Audit Committee

c/o Corporate Secretary,
First Financial Holdings, Inc.,
2440 Mall Drive, Charleston, SC 29406.

Employees may also utilize Report It, a third party anonymous hotline, to report any unethical or illegal activity that can potentially harm our employees, the Company, or its shareholders.

Report It can be accessed via the Company's employee portal page.

Compliance with the Law

Directors, officers and employees are expected to abide by all local, state and federal laws, regulations and guidelines. Individuals engaged in activities found to be in conflict with and against these laws, regulations or guidelines will be subject to termination of employment or directorship. Examples of illegal activity include, but are not limited to:

- sexual harassment or discrimination;
- money laundering;
- frauds such as forgery, counterfeiting and check kiting;
- unauthorized use of funds, revenues and fees;
- abuse of expense, asset and liability accounts;
- embezzlement; and
- unauthorized sale of information.

2.1 Undesirable Business

Officers and employees may not discriminate in the acceptance of business brought to us by reputable persons. However, keep in mind that accounts or loans requested from known controversial or unsavory persons or firms should generally be declined. Such relationships could lead to loss and embarrassment for First Financial and should be very carefully considered

Acting with Honesty, Integrity, and Trustworthiness

In order to establish and maintain an organization that is deserving of client trust, it is vital that directors, officers and employees exemplify the characteristics of honesty, integrity, and trustworthiness in all Company duties, as well as in their personal lives. Through the demonstration of these characteristics, First Financial will be able to operate under the highest ethical standards and provide unmatched quality of service.

3.1 Demonstrating Workplace Respect

First Financial officers and employees are expected to conduct themselves in a respectful and professional manner at all times. Interactions with co-workers, clients, potential clients, suppliers, and communities the Company serves should be considerate and courteous, creating a culture that is conducive to extraordinary service and a high level of performance. Open discussion of job-related issues is encouraged; however, communication is expected to be conducted in an orderly and professional fashion. Officers and employees are responsible for representing First Financial in a way the positively reflects upon the Company.

3.2 Supporting Workplace Diversity

First Financial actively seeks to employ a diverse workforce. As such, officers and employees are expected to demonstrate a positive attitude and to show appreciation for diversity.

Message to Company Leaders

As leaders of the Company, managers are held accountable for consistently exemplifying the highest ethical standards and enforcing the guidelines set forth in this document. To assist in inspiring ethical behavior in others, leaders should create a culture where individuals feel comfortable asking questions regarding ethical matters.

If you have questions or need assistance contact the Corporate Secretary.

Through valuing diversity, officers and employees will be able to more effectively serve customers and achieve everyday work tasks.

3.3 Quality of Service

Service, as the first of First Financial’s Core Values, has played a crucial role in the overall success of the Company and is expected to continue as a strong component of First Financial’s competitive advantage. The First Financial Quality of Service should be built upon the following elements:

<i>Care</i>	Your employment or directorship should reflect both your commitment to your position and to First Financial. Employees are also shareholders in First Financial and should be continuously working to improve its operation whether or not problems fall under their job function or department responsibilities. If problems are noted or improvements can be made, do not hesitate to communicate these to supervisors. First Financial encourages its directors, officers and employees to identify and pursue solutions to problems or inefficiencies, which affect customers, officers or employees.
<i>Attitude</i>	Money obtained from one financial institution is just as spendable as it is from another. The differential is a little “extra something” at First Financial that is reflected in the attitudes of its employees. The efficiency and courtesy with which each transaction is completed makes or breaks us. It should be foremost in the minds of all staff members that we are First Financial to our customers, and our reputation and prestige depend entirely on our conduct.
<i>Integrity</i>	First Financial presents its organization honestly to its employees, and in turn, expects employees to be honest in their dealings with First Financial, its customers and fellow employees. We expect people to be honest in their handling of money, merchandise and property with which they are entrusted. Employees are also expected to be honest with respect in regard to the time, effort and complete performance of their jobs as well as when dealing with others.
<i>Teamwork</i>	Although day-to-day responsibilities are delegated to specific departments and individuals, First Financial actively supports and promotes teamwork. Cooperation, which helps any part of First Financial, serves to strengthen our entire organization.
<i>Direction and Guidance</i>	Policies and procedures are developed within First Financial to ensure consistency in ongoing operations throughout the Company. Individual directors, officers or employees do not have the authority to change or disregard First Financial’s policies. Policies should be followed even if the individual is not in complete agreement with them. Policies and procedures are reviewed and modified as often as necessary to keep pace with changing conditions or advancing knowledge or technology. First Financial encourages its employees to suggest changes when warranted through discussions with supervisors or other Company representatives

3.4 Competitor Relations

The competition between First Financial and other financial institutions must always be positive. The best possible service and personal interest in our customers are much more effective than the criticism of a competitor. Such criticism is not in keeping with the character of First Financial and should have no place in the conversation of directors, officers and employees.

Anti-Trust- Charges and Pricing

Interest rates on deposits and loans, terms of loans, service charges and other similar matters will be determined solely on the basis of what is in the best interest of First Financial and its customers. Under no circumstances should any agreements or understandings be established with any other financial institution concerning such charges. First Financial is individually responsible for its policies and operating procedures. This should always be kept in mind when dealing with customers.

It is important that no comments be made or actions taken by directors, officers or employees that could be misinterpreted as an agreement to cooperate with competitors in following a common course of action as to rates of interest paid, the terms on which loans are made, hours or the price or services offered to customers. Situations where discussions with competitors are permissible are strictly limited to circumstances where action by a banking group is warranted, such as an extension of a term loan by a group of banks or a potential bad loan situation where cooperation among lenders is necessary to assist the borrower in working out financial problems.

3.5 Approaching Sales Ethically

It is encouraged through First Financial incentive programs that officers and employees challenge themselves to meet and exceed their sales goals. However, sales should be pursued and achieved with the utmost integrity, placing the client or potential client's well-being as the primary focus. As such, officers and employees should take cautionary action against:

- inappropriate sales;
- gaming; or
- sales to relatives or friends

Inappropriate Sales

Attempting to persuade a client or potential client to purchase a product or service that is unnecessary or inappropriate with the sole objective of receiving incentive rewards is considered to be harmful to the client. This behavior goes against First Financial's standard of service and violates the intention of incentive-based programs.



Gaming

Gaming is any misrepresentation of sales or sales reporting in order to receive desired compensation. Participation in gaming directly violates this Code by acting in a manner that conflicts with demonstrating honesty, integrity, and trustworthiness.

Sales to Relatives or Friends

Receiving referrals and new clientele through the means of relatives or friends of directors, officers and employees is permitted; however, precautionary measures should be taken to insure that a conflict of interest does not occur.

3.6 Personal Reputation

Loyalty, fidelity and good morals are assumed qualities of those who represent First Financial but, nevertheless, need to be emphasized. It is imperative that each individual display conduct at all times so as to reflect credit on First Financial and its directors, officers and employees. A

reputation for good morals, ethics and integrity is within the reach of all, and directors, officers and employees must remain above reproach throughout their directorship/business career.

Confidentiality

The confidential nature of customer information and company resources in general is a fundamental precept in financial services. It is important that directors, officers and employees be constantly alert to the responsibility of maintaining confidentiality. Access of employee and customer accounts must be substantiated by a business need.

All information obtained by virtue of employment with or service as a director of First Financial should be held in strictest confidence. This includes the following information:



- Financial and personal information of customers (including fellow employees);
- Information regarding suppliers, vendors and agents;
- First Financial's financial information and information related to its internal affairs, specific lending or trading decisions, competitive position, strategic planning, regulatory actions and communications to and from regulatory agencies, communications to and from First Financial's attorneys;
- Information related to computer software programs, whether proprietary or standard, information related to documentation systems, information databases, customized hardware or other information systems and technological developments;
- Any other proprietary information belonging to First Financial or related to its activities.

Confidential information pertaining to First Financial or its customers, suppliers, shareholders and employees is to be used solely for corporate purposes and not as a basis for personal gain by directors, officers or employees. You should not discuss confidential information within the hearing range of outsiders, including friends and relatives. It is particularly important to exercise care and refrain from discussing confidential information in public places, such as elevators, trains, taxis, airplanes, lavatories, restaurants and other places where the discussions might be overheard.

Confidentiality Rule of Thumb:

Confidential information must not be disclosed to anyone except as required for business transactions or as required by law. When disclosing confidential information, if at all possible, do so in a manner that does not risk violating confidentiality.

Conflicts of Interest

All directors, officers and employees should avoid situations which could result in, or give the appearance of, a conflict of interest concerning either First Financial or its shareholders, or any affiliate or its customers. In those cases where a conflict exists or may appear to exist between the personal interests of an officer, employee or director and his or her duties and responsibilities to

First Financial, an employee should disqualify himself or herself and permit other members of our staff to handle the transaction, and a director should disqualify himself or herself and abstain from discussion and voting on the matter. Employees may not process transactions on their own accounts, on accounts where they serve as a signer and on accounts where a close personal or business relationship exists. Directors, officers and employees must avoid conflicts involving business opportunities which may arise as a result of their service to or employment with First Financial. Examples of improper conflicts of interest involving business opportunities include the following:

- Accepting a business opportunity from someone doing business with or wanting to do business with First Financial that (1) is not available to other individuals on similar terms; or (2) is made available to you because of your position with First Financial;
- Personally accepting, whether directly or indirectly, a business opportunity which belongs to First Financial;
- Using corporate property, information or position for personal gain;
- Engaging in a business opportunity that competes with First Financial, whether directly or indirectly; and
- Engaging in a business opportunity with First Financial through an entity in which the officer, employee or director has an undisclosed interest.

The above list does not represent the only situations which may involve a conflict of interest. In determining whether a conflict of interest could exist, directors, officers and employees should remember that the rules also apply to their spouses and adult children, where appropriate. For example, a conflict of interest would arise where the spouse of an employee was offered a business opportunity on account of the employee's position at First Financial.

5.1 Financial Conflicts of Interest

Investing with Competing Companies

An employee shall not invest directly or indirectly in an organization, business or firm which does business with or is reasonably likely to do business with, or is in competition with, First Financial if this interest would give the appearance of a conflict of interest. However, ownership of less than 1.0% of the outstanding stock in such a company which is publicly traded on a national securities exchange or the over the counter market would not be considered a possible conflict of interest. Investments in such public companies above this threshold and in such private companies regardless of ownership level require the prior approval of the Chief Executive Officer in the case of any officer (other than the Chief Executive Officer) or employee, and of the Board of Directors in the case of the Chief Executive Officer or any other director.



Conducting Transactions

Employees should not approve or conduct personal transactions, including but not limited to:

- Loans or credit extension;
- Checks and withdrawals;
- Changes of address;
- Deposits; and

- Changing overdraft limit codes.

Any employee who is directly involved in purchasing and selling securities for First Financial is prohibited from engaging in personal securities transactions with the same securities firm which First Financial uses for its transactions without the specific approval of the Board of Directors.

Speculative Investing

Speculative investing such as playing the commodities market, highly margined purchases of investment securities, excessive puts, calls, or combinations are not prudent for persons affiliated with a financial institution and are strongly discouraged

Financial Advising

Employees who are not licensed broker/dealers shall not advise customers in securities matters but shall refer these customers to appropriate investment counselors for assistance. These employees will not provide customer financial information to the broker/dealer without the express written consent of the customer.

Insider Trading

There may be occasions when, in the course of your normal duties, you become aware of

Material Non-public Information:

Information that has not been publicly released and which a reasonable person would consider important in determining whether to buy, sell or hold securities.

confidential information that is also “*material non-public information*” within the meaning of federal and state securities laws. While it is impossible to list all types of information that might be deemed material under particular circumstances, the following types of information, if not generally known or publicly announced, should be considered material non-public information: earnings estimates and results; dividends; potential mergers, acquisitions and tender and exchange offers; potential sales of substantial assets; changes in debt ratings; significant write downs of assets or additions to reserves for bad debts or contingent liabilities; liquidity problems; extraordinary management developments; public securities offerings; major price or marketing changes; labor negotiations; changes in auditors; and significant litigation or investigations by governmental bodies; or other situations which may reasonably be expected to be important to the

investing public or affect the price of First Financial’s stock. Information that has not been disclosed to the public generally is non-public. This includes information available only to a select group of analysts, brokers or institutional investors and undisclosed facts that are the subject of rumors, even if the rumors are widely circulated.

Trading while in possession of material non-public information or disclosing such information to others who may in turn trade on the basis of that information could result in substantial civil and criminal penalties for all persons involved. Until such information is disseminated to the general public through a press release or other public announcement, such as in a filing with the SEC, employees and anyone else residing in their household are prohibited from either purchasing or selling First Financial’s stock, and employees must be extremely cautious in discussing the corporate affairs of First Financial with its customers or with other outsiders, including shareholders of First Financial. **Note that this prohibition also applies to trading in the securities of other companies about which you may be in possession of material non-public information, such as a potential party to a merger or acquisition transaction or a customer or vendor.**

Employees are encouraged to acquire and maintain ownership in the stock of First Financial. Active buying and selling of First Financial’s common stock in order to make short term profits is

strongly discouraged, however. Because of the severity of the potential consequences of a violation of the insider trading laws, an employee who desires to trade in First Financial stock but is unsure as to whether he or she is in possession of material non-public information should consult the Corporate Secretary before proceeding with the trade and abide by this simple rule: *when in doubt, don't trade*.

Directors and other designated employees are reminded that they are subject to First Financial's Policy and Procedures Governing Trading in Securities and Confidentiality of Inside Information for Directors and Designated Employees.

5.2 Outside Activities

Involvement with organizations outside of First Financial is encouraged for directors, officers and employees to experience personal development; however, involvement should not in any way conflict with the interest of the Company. Examples of possible conflicts of interest due to employee involvement in outside activities include but are not limited to Secondary employment, serving on the Board of an organization, participation in political activities, and media relations.

Secondary Employment

Having a business or other employment outside First Financial is permissible provided that it does not conflict with the director's, officer's or employee's duties or the time and attention required of his or her position at First Financial. Also, the business or employment cannot be directly competitive with First Financial.

Membership on Outside Boards

Acceptance of membership on outside boards involves possible conflicts of interest. Directors, officers and employees are encouraged to participate in civic, charitable and religious organizations; any other such organization, or position therewith, should be authorized by appropriate management. Situations which might be in conflict with this policy should be discussed with the Corporate Secretary, and directors are reminded of the limitations on outside board service under First Financial's Corporate Governance Principles.

Political Activity

As an institution, First Financial cannot and should not engage in politics. Employees, however, are encouraged to stay well informed on local, state and national affairs and to meet their responsibility to vote in all elections.

Employees should ensure that their participation in political activities in no way reflects unfavorably on First Financial. Community and political activities by employees are encouraged, provided that participation:



- is accomplished in a legal manner;
- does not interfere with work performance for First Financial;
- is not deemed to be divisive in the community; and
- occurs in such a manner which clearly indicates that the director, officer or employee does not speak for First Financial.

Before running for an elected political office or accepting an appointment to a federal, state or local government office, the director, officer or employee must discuss the position with First Financial's Chief Executive Officer.

Federal law prohibits First Financial from making political contributions to parties or candidates. Loans to political parties or candidates are also generally prohibited. The use of any corporate funds, supplies, special services, equipment or labor for political purposes must be avoided as such use is illegal. Additionally, no reimbursement will be made to any individual for political contributions or for the cost of attendance at any political function. Fund-raising efforts for any purpose should be avoided if there is any possibility of an adverse effect on the reputation of First Financial.

Media Relations

How companies are portrayed in the media has a significant impact on the perceptions of the community. Therefore, it is important that First Financial strives to create the most positive image possible by providing consistent and accurate information to the press. To achieve this, employees are asked to refrain from providing information on or off-the-record regarding the company. Employees who have been contacted by the media should refer the press to the SVP of Marketing.

Media Relations Procedure:

1. Gather the individual's name, affiliation, and contact information
2. Let individual know that you are unauthorized to provide information to the media, but you will inform the appropriate individual.
3. Provide the SVP of Marketing with the information you collected.

5.3 Gifts and Entertainment

In the matter of gifts and gratuities to officers and employees, circumstances must govern. Substantial gifts and excessive entertainment offered because of the affiliation of a director, officer or employee with First Financial should be courteously and tactfully declined. Commissions, fees or propositions involving personal gain to an officer or employee in connection with the handling of a transaction are highly improper and in some cases, illegal.

No employee or member of his or her immediate family should give or accept cash, gifts, special accommodations or other favors from anyone with whom the person is negotiating, soliciting or doing business with on behalf of First Financial. Similarly, directors, officers and employees may not solicit or accept personal fees, commissions or other forms of remuneration because of any transaction or business involving First Financial.

The preceding prohibitions are not applicable to entertainment or hospitality of a *reasonable* value, or gifts (but never cash) which do not have a value in excess of \$100. Whenever possible, First Financial should pay the employee's expenses. Frequent invitations from customers or vendors for meals or entertainment should be declined or handled with firm insistence that the employee pays for alternate meals. The acceptance of gifts of more than a nominal value (\$100) could be considered as an attempt at bribery and could subject both the giver and the recipient to felony charges as well as the penalties prescribed under the Bank Bribery Act, 18 U.S.C. § 215. The Bank Bribery Act also covers agents or attorneys of a financial institution.

Questions about Giving or Receiving Gifts...

If you give or receive gifts, entertainment, or hospitality exceeding \$100 in value full and timely (within 10 days) disclosure to the Corporate Secretary must be made. Any question or doubt as to the appropriateness of their receipt should be referred to and resolved by the Ethics Committee on a timely basis. If necessary, direction from personnel in the human resources or audit areas should also be sought. The tactful communication of the limitations of this policy to the donors of gifts is also strongly encouraged.