



**CODE OF BUSINESS CONDUCT AND ETHICS  
OF  
ARMOUR RESIDENTIAL REIT, INC.**

**1. Introduction**

The Board of Directors (the "Board") of ARMOUR Residential REIT, Inc. has adopted this code of business conduct and ethics (this "Code"), which is applicable to all directors and officers of the Company (as defined below), to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote the full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the "SEC"), as well as in other public communications made by or on behalf of the Company;
- promote compliance with applicable governmental laws, rules and regulations;
- deter wrongdoing; and
- require prompt internal reporting of breaches of, and accountability for adherence to, this Code.

This Code may be amended only by unanimous resolution of the Board. In this Code, references to the "Company" means ARMOUR Residential REIT, Inc.

**2. Honest, Ethical and Fair Conduct**

Each person owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest, fair and candid. Deceit, dishonesty and subordination of principle are inconsistent with integrity. Service to the Company should never be subordinated to personal gain and advantage.

Each person must:

- Act with integrity, including being honest and candid while still maintaining the confidentiality of the Company's information where required or in the Company's interests;

- Observe all applicable governmental laws, rules and regulations, including insider trading laws;
- Comply with the requirements of applicable accounting and auditing standards, as well as Company policies, in order to maintain a high standard of accuracy and completeness in the Company's financial records and other business-related information and data;
- Adhere to a high standard of business ethics and not seek competitive advantage through unlawful or unethical business practices;
- Deal fairly with the Company's personnel, partners, counterparties, underwriters, placement agents, brokers, dealers, auditors, legal counsel, and competitors;
- Refrain from taking advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice;
- Protect the assets of the Company from theft, waste, carelessness and neglect and ensure their proper use;
- Refrain from taking for themselves personally opportunities that are discovered through the use of Company assets or using Company assets, information or position for general personal gain outside the scope of employment with the Company or competing with the Company; and
- Avoid conflicts of interest, wherever possible, except under guidelines or resolutions approved by the Board (or the appropriate committee of the Board). Anything that would be a conflict for a person subject to this Code also will be a conflict if it is related to a member of his or her family or a close relative. Examples of conflict-of-interest situations include, but are not limited to, the following:
  - any significant ownership interest in the Company's partners, counterparties, underwriters, placement agents, brokers, dealers, auditors, legal counsel, or competitors;
  - any consulting or employment relationship with the Company's partners, counterparties, underwriters, placement agents, brokers, dealer, auditors, legal counsel, or competitors;
  - any outside business activity that detracts from an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company;
  - the receipt of any money, non-nominal gifts or excessive entertainment from any party with which the Company has current or prospective business dealings;

- being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any close relative;
- selling anything to the Company or buying anything from the Company, except on the same terms and conditions as comparable officers or directors are permitted to so sell of purchase; and
- any other circumstance, event, relationship or situation in which the personal interest of a person subject to this Code interferes — or even appears to interfere — with the interests of the Company as a whole.

Loans from the Company to directors, officers or their family members or close relatives, or the Company's guarantee of an obligation of any of these individuals is strictly prohibited.

### **3. Disclosure**

The Company strives to ensure that the contents of and the disclosures in the reports and documents that the Company files with the SEC and other public communications shall be full, fair, accurate, timely and understandable in accordance with applicable disclosure standards, including standards of materiality, where appropriate. Each person must:

- not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators, self-regulating organizations and other governmental officials, as appropriate; and
- in relation to his or her area of responsibility, properly review and critically analyze proposed disclosure for accuracy and completeness.

In addition to the foregoing, the Chief Executive Officer and the Chief Financial Officer of the Company (or persons performing similar functions), and each other person that typically is involved in the financial reporting of the Company must familiarize himself or herself with the disclosure requirements applicable to the Company as well as the business and financial operations of the Company.

Each person must promptly report any information he or she may have concerning (a) significant deficiencies in the design or operation of internal and/or disclosure controls which could adversely affect the Company's ability to record, process, summarize and report financial data, or (b) any fraud, whether or not material, that involves management or other personnel who have a significant role in the Company's financial reporting, disclosures or internal controls. Such matters can be reported anonymously using ARMOUR's Whistleblower Hotline managed by Syntrio Lighthouse Services. Syntrio Lighthouse Services' toll-free number and other methods of reporting are available 24 hours a day, 7 days a week. Reporting of complaints may be submitted in the following ways:

1. **Website:** <https://report.syntrio.com/armourcap>
2. **Anonymous Reporting App:** Keyword: armourcap
  - a. Detailed app instructions can be downloaded [here](#)
3. **Toll-Free Telephone:**
  - a. English-speaking USA and Canada: 833-380-8900
  - b. Spanish-speaking USA and Canada: 800-216-1288
  - c. Spanish-speaking Mexico: 800-681-5340
  - d. French-speaking Canada: 855-725-0002
4. **E-mail:** [reports@syntrio.com](mailto:reports@syntrio.com) (must include company name with report)
5. **Fax:** 215-689-3885 (must include company name with report)

Syntrio Lighthouse Services promptly forwards to members of the Audit Committee and the Company's external legal counsel, Holland & Knight LLP ("H&K"), any reports that it has received.

#### **4. Compliance**

It is the Company's obligation and policy to comply with all applicable governmental laws, rules and regulations. It is the personal responsibility of each person to, and each person must, adhere to the standards and restrictions imposed by those laws, rules and regulations, including those relating to insider trading, accounting and auditing matters.

#### **5. Reporting and Accountability**

The Audit Committee of the Company is responsible for applying this Code to specific situations in which questions are presented to it and has the authority to interpret this Code in any particular situation. Any person who becomes aware of any existing or potential breach of this Code is required to report it promptly using the ARMOUR Whistleblower Hotline. Failure to do so is itself a breach of this Code.

Specifically, each person must:

- Promptly submit a report of any existing or potential violation of this Code to the ARMOUR Whistleblower Hotline using any methods previously stated.
- Not retaliate against any other person for reports of potential violations that are made in good faith.

The Company will follow the following procedures in investigating and enforcing this Code and in reporting on the Code, subject to the Audit Committee's discretion provided for in the Company's Whistleblower Policy and Procedures with respect to investigating any whistleblower complaints:

- The Audit Committee will take all appropriate action to investigate any breaches reported to it.

- If the Audit Committee, in consultation with H&K and/or any special advisors it has retained, determines (by majority decision) that a breach has occurred, it will inform the Board.
- Upon being notified that a breach has occurred, the Board (by majority decision) will take or authorize such disciplinary or preventive action as it deems appropriate, after consultation with the Audit Committee and H&K and, if not the subject of the breach, the Company's Chief Executive Officer or Chief Financial Officer, up to and including dismissal or, in the event of criminal or other serious violations of law, notification of the SEC or other appropriate law enforcement authorities.

No person following the above procedure shall, as a result of following such procedure, be subject by the Company or any director or officer thereof to discharge, demotion, suspension, threat, harassment or, in any manner, discrimination against such person in terms and conditions of employment.

## **6. Waivers and Amendments**

Any waiver (defined below) or an implicit waiver (defined below) from a provision of this Code for any director, the principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions or any amendment (as defined below) to this Code is required to be approved by the Company's Board and must be disclosed in the Company's Annual Report on Form 10-K, in a Current Report on Form 8-K filed with the SEC, or on the Company's website.

A "waiver" means the approval by the Company's Board of a material departure from a provision of the Code. An "implicit waiver" means the Company's failure to take action within a reasonable period of time regarding a material departure from a provision of the Code that has been made known to an officer or director of the Company. An "amendment" means any amendment to this Code other than minor technical, administrative or other non-substantive amendments hereto.

All persons should note that it is not the Company's intention to grant or to permit waivers from or to amend to relax the requirements of this Code. The Company expects full compliance with this Code.

## **7. Other Policies and Procedures**

Any other policy or procedure set out by the Company in writing or made generally known to officers or directors of the Company prior to the date hereof or hereafter are separate requirements and remain in full force and effect.

## **8. Inquiries**

All inquiries and questions in relation to this Code or its applicability to particular people or situations should be addressed to the Company's Corporate Secretary, or such other compliance officer as shall be designated from time to time by the Company.

## **9. Confidentiality**

Officers and directors should maintain the confidentiality of information entrusted to them by the Company, the Company's subsidiaries, or its stakeholders, including those with which the Company may be negotiating major transactions, such as an acquisition, merger, investment or sale, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might be of use to competitors or harmful to stakeholders.

**CERTIFICATION**

The undersigned, officer or director of ARMOUR Residential REIT, Inc., or of the Company's subsidiaries and/or related corporations, hereby certifies that he/she has carefully read and understands and agrees to comply with the Company's Code of Business Conduct and Ethics, a copy of which was distributed to the undersigned along with this Certification.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)