



CODE OF BUSINESS CONDUCT AND ETHICS



**BMC STOCK HOLDINGS, INC.
and subsidiaries**

**CODE OF BUSINESS CONDUCT AND ETHICS
CERTIFICATION AND ACKNOWLEDGEMENT**

I acknowledge receiving a copy of the Code of Business Conduct and Ethics (the “Code”) for BMC Stock Holdings, Inc. (“BMC” or the “Company”) and its subsidiaries. I have reviewed the Code, understand each of its provisions and will abide by such provisions at all times.

I further understand that I may, at any time, speak with my manager, one of the Company’s officers, Human Resources, or the Company’s legal department about any questions I have regarding the Code.

If my employment commenced prior to the date of my signing this certification, I certify that I have at all times been in compliance with the Code. I agree that I will comply with the Code while I am employed by BMC. I understand that I am obligated to immediately report to my manager any violation, or suspected violation, of the Code.

I UNDERSTAND THAT MY REVIEW OF AND COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT AND ETHICS IS A CONDITION OF MY EMPLOYMENT WITH BMC AND THAT BMC MAY TERMINATE MY EMPLOYMENT AT ANY TIME FOR VIOLATING THE CODE IN WHOLE OR IN PART.

SIGNED

PRINTED NAME

EMPLOYEE ID #

BUSINESS UNIT #

DATE

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Valued Team Members:

We work very hard to deliver outstanding products and industry-leading service to our customers. Together, we go above and beyond to get the job done with tenacity and passion. This hard work has yielded consistent, long-term success. BMC is changing the building industry by delivering innovations, efficiencies and business solutions that make us different and better than our competitors. I'm very proud of our accomplishments and I appreciate your personal contribution. Together, we are making BMC the national leader.

Winning is important. But, more important is the way we achieve our goals. I have deep pride in knowing that we succeed with uncompromising integrity. When we face difficult decisions during the course of our work, we choose the ethical course of action. Honesty, fairness and respect are not sacrificed in pursuit of profits.

In every aspect of our business, BMC and Stock are combining to be "better together." In that spirit, we've created a new Code of Business Conduct for the combined company to ensure that we all operate under a common understanding of our values, everyday. The new Code of Business Conduct makes our guiding principles clear. When circumstances are challenging, this code will help us make the right decisions for our customers, ourselves, and our business. I ask that you read it carefully and keep it accessible for reference at any time.

Each one of us is accountable for upholding and abiding by the BMC Code of Business Conduct. It applies to all employees, at every level, and to all third parties that conduct business on behalf of BMC.

If at any time you suspect that unethical behavior has occurred, the Code of Business Conduct requires you to come forward with your concerns. Contact your manager or your human resources team. It is important to understand that you must not abandon your responsibility due to any fear of repercussion. BMC will not tolerate retaliation against anyone who raises issues in good faith.

BMC has the best team in the industry, because we take great pride in every employee's personal contribution—and in our shared business successes. We expect the highest integrity in every employee, in every decision you make. Each of us should lead by example. Our greatest asset is our reputation.

Thank you for ensuring that our success is built on a foundation of integrity.

Peter Alexander
President and CEO
BMC Stock Holdings, Inc.



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INTRODUCTION

BMC Stock Holdings, Inc. (“BMC” or the “Company”) is committed to conducting its business consistent with all applicable laws, rules and regulations, underscored by a strong sense of business ethics. Honesty, integrity, respect and responsibility are the hallmarks of the way we do business.

You are expected to read and understand the Code of Business Conduct and Ethics (“Code”), and are required to certify your commitment to complying fully with it, just as you must also comply with and certify your commitment to complying fully with the provisions of the Employee Handbook and other Company policies. However, no code can cover all circumstances or anticipate every situation. If you encounter situations not addressed specifically by the Code, you should apply the overall philosophy and spirit of the Code. Where you have questions about the Code or are uncertain about whether certain conduct is permissible, you should err on the side of caution and speak with your manager or someone from the human resources department. It is the personal responsibility of each of us to perform our professional responsibilities with integrity and honesty in accordance with all laws and regulations, and in conformity with the highest ethical standards.

BMC reserves the right in its sole discretion to modify or eliminate any portion of the Code at any time and without prior notice.

The Code is not intended to and does not create an employment contract, and does not create any contractual rights between BMC and its employees or create any express or implied promise for specific treatment in specific situations.

ABOUT US

BMC Stock Holdings, Inc. is one of the nation's leading providers of diversified building products and services to professional builders and contractors in the residential housing market. The company's comprehensive portfolio of products and services spans building materials, including millwork and structural component manufacturing capabilities, consultative showrooms and design centers, value-added installation management and an innovative eBusiness platform capable of supporting all of our customers' needs.

WHAT YOU NEED, WHEN YOU NEED IT.

BMC is leading the building industry into the future by delivering innovations, efficiencies, and business solutions that add game-changing value for our customers and suppliers—all while being the easiest company to do business with.

Our mission is to make customers successful by delivering what they need, when they need it, exactly how they want it – from start to finish. We give unwavering commitment to our customer, supplier and employee relationships; we consistently innovate out-of-the-box products and services; and we maintain laser focus on delivering problem-solving solutions. The future of building is NOW, and BMC is leading the evolution.

Our vision is to be the preferred supplier, employer, partner and distributor in our communities. We want to be known as one of the best companies across any industry, not just the building materials industry.

SERVICE YOU CAN COUNT ON.

Our Values

We will execute our mission by living our core values, day in and day out.

Customer Priority

Customers come first, no matter what.

People Count

Hire the best, win as a team, and support our communities.

Integrity Matters

Protect our trusted reputation; if you say it, do it.

Be the BEST

Innovate, evolve quickly and continuously improve.

Dedicated Safety

Be safe in everything you do.

BUSINESS ETHICS

EQUAL EMPLOYMENT OPPORTUNITY

BMC promotes a cooperative and productive work environment by supporting the diversity of its workforce and is committed to providing equal employment opportunity to all qualified employees and applicants. BMC does not unlawfully discriminate on the basis of race, color, gender, gender orientation, sexual orientation, religion, national origin, marital status, age, disability, genetic information or military or veteran status in any personnel practice, including recruitment, hiring, training, promotion or discipline. BMC strives to maintain a healthy, safe, and productive work environment that is free from discrimination or harassment.

WORK ENVIRONMENT

BMC will not tolerate sexual advances, actions or comments, racial or religious slurs, jokes or any other comments or conduct in the workplace that create, encourage or permit an offensive, intimidating or inappropriate work environment. Physical, psychological or verbal harassment of any kind is prohibited. You are not permitted to maintain a close personal or private relationship where the employment relationship is of a supervisor/subordinate nature, involves financial or audit oversight or control or constitutes a possible conflict of interest. Should such a relationship arise, you are expected to report it to the Chief Financial Officer. The Company will endeavor to exercise discretion in its review of the matter and the Company may elect to arrange for a suitable change in the working relationship, subject to the approval of the Company's management. In the event that the Company elects not to arrange for a suitable change in the working relationship or one cannot be implemented within a period of time acceptable to the Company, the Company reserves the right to require resignation of one or both of the employees from the Company.

Employees should not be on BMC premises or in the BMC environment if they are under the influence of or affected by illegal drugs, controlled substances used for non-medical purposes or alcohol.

EMPLOYEE PRIVACY

Personal items, messages, or information that you consider private should not be placed or kept anywhere in the BMC workplace, such as in telephone systems, office systems, electronic files, desks, credenzas, lockers, vehicles owned or leased by BMC, or offices. BMC management has the right to access those areas and any other BMC furnished facilities. Additionally, in order to protect its employees and assets, BMC may ask to search an employee's personal property and bags, located on or being removed from BMC locations; the employee is expected to cooperate with such a request. Employees, however, should not access another employee's work space, including electronic files, without prior approval from management.

PROTECTING BMC'S ASSETS

BMC has a large variety of assets, including information, inventory, equipment, materials, supplies, intellectual property and proprietary information, facilities, software, and other assets owned or leased by BMC. Many are of great value to BMC's competitiveness and success as a business.

You are personally responsible for protecting BMC's property entrusted to you and for helping to protect the Company's assets in general. You should be alert to any situations or incidents that could lead to the loss, misuse, or theft of Company property. You should report all such situations to your manager as soon as they come to your attention.

BMC's physical assets, such as inventory, equipment, systems, facilities, corporate charge cards, and supplies, must be used only for conducting BMC's business or for purposes expressly authorized by management.

BMC INFORMATION AND COMMUNICATION SYSTEMS

BMC's information and communication systems, including connections to the Internet, are vital to BMC's business. You should only use them for BMC's business purposes or for other incidental purposes authorized by BMC management. You should not use BMC's systems to visit Internet sites that feature sexual content or that advocate intolerance of others. It is also inappropriate to use them in a manner that interferes with your productivity or the productivity of others. You are responsible to ensure that your use of BMC's systems is appropriate. Inappropriate use of BMC's systems is a misuse of BMC's assets. At all times, all employees use of communications systems is subject to the Policy Regarding Monitoring and use of Electronic Communications.

If you use blogs, social networks or other forms of social media, you must not claim or imply that you are speaking on behalf of BMC unless you are so authorized. If you post personal views on a public policy issue in which the Company may have an interest, you must include a disclaimer that the views are your own and not those of BMC.

Proprietary Information

BMC's proprietary information is any information that is owned by BMC, including information in BMC information system databases. Much, but not all of, BMC's proprietary information is confidential. It may also be subject to copyright, patent, trade secret or other intellectual property or legal rights. Proprietary information includes, but is not limited to, BMC's business or marketing plans or projections; earnings and other financial data; personnel information, including executive and organizational structures and changes; customer lists; manufacturing procedures; and software.

BMC's proprietary information is the result of the ideas and hard work of many of your fellow employees and of substantial investments by BMC in planning and development. This information gives BMC a competitive advantage in the marketplace, and BMC could be damaged if its competitors were briefed in these areas.



In all contacts with competitors, do not discuss pricing policy, contract terms, costs, inventories, marketing and product plans, market surveys and studies, production capabilities or any other proprietary or confidential information. Discussion of these subjects or collaboration on them with competitors can be illegal. If a competitor raises any of them, even lightly or with apparent innocence, you should object, stop the conversation immediately, and tell the competitor that under no circumstances will you discuss these matters. If necessary, you should leave the meeting.

In summary, disengage yourself and BMC from participation in any possibly illegal activity with competitors, and confine your communication to what is clearly legal and proper. Finally, immediately report any incident involving a prohibited subject to BMC's legal department or to a senior officer.

RECORDING AND REPORTING INFORMATION

Every employee records information of some kind and submits it to the Company. For example: a sales employee reports orders, an accountant records revenues and costs, etc. Each employee must accurately and honestly record and report all such information.

Regardless of whether reporting is required by law, dishonest reporting within BMC, for example, to BMC management, to BMC auditors, during an internal investigation, or to organizations and people outside the Company, is strictly prohibited. This includes not only reporting information inaccurately, but also organizing it in a way that is intended to mislead or misinform those who receive it. Employees must ensure that they do not make false or misleading statements on financial reports, environmental monitoring reports, or other documents. Dishonest reporting can lead to disciplinary measures including dismissal, or even civil or criminal liability for you or BMC. Every BMC employee is required to cooperate with any internal investigation commenced by an authorized officer of the Company. Except where specifically permitted by the Company's record retention procedures and not prohibited by a litigation hold notice issued by the Company's legal department, you may not destroy or conceal documents or other evidence.

ACCOUNTING AND FINANCIAL REPORTING LAWS

As a public company, BMC is required to follow strict accounting principles and standards, to report financial information regarding assets and liabilities accurately and completely, and to have appropriate internal controls and processes to ensure that accounting and financial reporting complies with law. Each employee of BMC must abide by these requirements and do what is needed to help BMC comply with these requirements as a company.

The rules for accounting and financial reporting require the proper recording of, and accounting for, revenues and expenses. If you have responsibility for or any involvement in these areas, you must understand and adhere to these rules. Also, these rules prohibit anyone from assisting others to account improperly or make false or misleading financial reports. Therefore, you must accurately and completely record and report all information,



and you must not assist anyone to record or report any information inaccurately or in a way that could be misleading. All employees should provide other employees, consultants, and advisors who are engaged in the preparation of the Company's financial statements information that is accurate, complete, relevant, timely and understandable and endeavor to ensure full, fair, timely, accurate and understandable disclosure in the Company's financial statements, including through adherence to and evaluation of the Company's disclosure controls and procedures, and particularly such reports and documents that the Company files with, or submits to, the Securities and Exchange Commission.

Additionally, you must never provide advice to anyone outside of BMC, including customers, suppliers, and business partners, about how they should be recording or reporting their own revenues and expenses.

CONDUCTING BMC BUSINESS

BMC is engaged in a variety of business relationships with other companies and organizations. No matter what type of organization you are dealing with, or what its relationship is to BMC, you should always observe the following general standards:

- In negotiating contracts, employees must ensure that all statements, communications, and representations made during the course of such negotiations are accurate and truthful.
- Never make misrepresentations or dishonest statements to anyone. If you believe that the other person may have misunderstood you, promptly correct any misunderstanding. Honesty based on clear communication is integral to ethical behavior.
- Laws governing competition are meant to prevent interference with the functioning of a competitive market system. Under these laws, companies may not enter into agreements, formal or informal, with other companies (including their distributors) that unreasonably restrict the functioning of the competitive system, such as price fixing or dividing customers or territories. For additional information please see the Company's policy on antitrust compliance.
- In the normal course of business, it is not unusual to acquire information about other organizations, including competitors. Doing so is a normal business activity and is not unethical in itself. The Company also collects information on competitors from a variety of legitimate sources to evaluate the relative merits of its own performance, products and services, and marketing methods. This activity is proper and necessary in a competitive system. There are, however, limits to the ways that information should be acquired and used; especially information about competitors. No one should use improper means to acquire a competitor's trade secrets or other confidential information. Illegal practices such as trespassing, burglary, wiretapping, bribery, and stealing are obviously wrong. Attempting to acquire a competitor's confidential information from hiring their employees is also wrong. Improper solicitation of confidential data from a competitor's employees or from BMC's customers is wrong. BMC will not tolerate any form of questionable intelligence gathering.

BRIBES, GIFTS AND ENTERTAINMENT

Gifts offered to employees of different companies vary widely, ranging from widely distributed advertising novelties of nominal value, which you may give or accept, to bribes, which you unquestionably may not give or accept.

Gifts include not only material goods, but also services, promotional premiums, and discounts.

The following are BMC's general guidelines on giving and receiving gifts and business amenities. Under these guidelines, senior management may also approve giving or receiving higher value gifts and business amenities.

BUSINESS AMENITIES

You may give or accept customary business amenities, such as meals and entertainment, provided the expenses involved are kept at a reasonable level and are not prohibited by law, rule or regulation or known customer business practice. Suppliers, including BMC, frequently find it appropriate to provide educational and executive briefings for their customers. You can provide or accept some services in connection with this type of activity, such as transportation in a supplier's airplane, and food and lodging.

RECEIVING GIFTS

Neither you nor any member of your family may pay, loan, solicit or accept from a supplier or customer money or a gift that could influence, or reasonably give the appearance of influencing, BMC's business relationship with that supplier or customer or otherwise compromising the conduct of the recipient. However, unless BMC has specified to the contrary, you may accept promotional premiums and discounts offered by transportation companies, hotels, auto rental agencies, and restaurants if they are based upon membership in bonus programs for individuals and are offered to travelers generally.

Furthermore, you may accept a gift of nominal value, such as an advertising novelty, when it is customarily offered to others having a similar relationship with the customer or supplier. If you have any doubts about a particular situation, you should consult your manager.

If you are offered a gift that has more than nominal value or which is not customarily offered to others, or money, or if either arrives at your home or office, tell your manager immediately. Appropriate arrangements will be made to return or dispose of what has been received, and the supplier or customer will be reminded of BMC's gift policy.

U.S. GOVERNMENT OFFICIALS

Notwithstanding anything herein to the contrary, there are a number of federal and state laws and regulations regarding business gratuities which may be accepted by U.S. or state government personnel. The promise, offer or delivery to an official or employee of the U.S. government or a state government of a gift, favor or other gratuity in violation of these



rules would not only violate Company policy but could also be a criminal offense. Local governments, as well as foreign governments, may have similar rules. You must consult with the Chief Financial Officer prior to making any such gifts.

FOREIGN GOVERNMENT

Notwithstanding anything herein to the contrary, the U.S. Foreign Corrupt Practices Act prohibits giving or promising anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to induce the foreign official or candidate to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person. It is strictly prohibited to make illegal payments to government officials of any country.

POLITICAL CONTRIBUTIONS

No Company funds or assets will be contributed, loaned, or made available directly or indirectly to the campaign of any candidate for a political office.

The Company encourages its employees to become involved in civic affairs and to participate in political activities. Employees must recognize that their involvement and participation in political activity must be on an individual basis, on their own time, at their own expense and consistent with federal and state laws.

CONFLICTS OF INTEREST

A conflict of interest occurs when an individual's private interest interferes in any way, or even appears to interfere, with the interests of the Company as a whole. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform Company work objectively and effectively. Conflicts of interest also arise when an employee or a member of the employee's family, receives improper personal benefits as a result of such person's position in the Company. Loans to, or guarantees of obligations of, such persons are of special concern.

Your private life is very much your own. Still, a conflict of interest may arise if you engage in any activities or advance any personal interests at the expense of BMC's interests. It is up to you to avoid situations in which your loyalty may become divided. Each individual's situation is different and you will have to consider many factors when evaluating your own situation. The most common types of conflicts are addressed here to help you make informed decisions.

If a conflict of interest or the appearance of a conflict of interest arises, the employee should immediately notify his or her supervisor of the issue and take appropriate action to resolve the issue or seek to obtain a written waiver of the conflict through the toll free number provided below.



COMPETING AGAINST BMC

Employees should be careful to avoid activities that conflict with BMC's business interests.

SUPPLYING BMC

You may not be a supplier to BMC, represent a supplier to BMC, work for a supplier to BMC, or be an officer or member of the board of directors of a supplier while you are an employee of BMC. In addition, you may not accept money or benefits of any kind for any advice or services you may provide to a supplier in connection with its business with BMC.

USING BMC'S TIME AND ASSETS

You may not perform non-BMC work or solicit such business on BMC premises or while working on BMC time, including time you are given with pay to handle personal matters. Also, you are not permitted to use BMC's assets, including equipment, telephones, materials, resources, or proprietary information for any outside work.

PERSONAL FINANCIAL INTERESTS

If you are considering investing in a supplier, competitor, customer, distributor or alliance company of BMC, great care must be taken to ensure that these investments do not present a conflict of interest. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company. You should not have a financial interest in any organization that BMC does business with or competes with if that interest would give you, or would appear to give you, a conflict of interest with BMC, except where approved by either the Chief Financial Officer or General Counsel of the Company or the Audit Committee.

CORPORATE OPPORTUNITIES

Employees are prohibited from taking for themselves personal opportunities that are discovered through the use of corporate property, information or position; using corporate property, information, or position for personal gain; and competing with the Company. Employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

RECORDING ACKNOWLEDGEMENT OF CODE

All employees shall receive a copy of the Code. Each employee shall be required annually to sign, manually or electronically, an acknowledgment evidencing his or her receipt and understanding of, and compliance with, the Code, and his or her commitment to abide by the standards contained therein. Failure to sign such acknowledgment is grounds for disciplinary action up to and including termination.

CONSEQUENCES OF VIOLATIONS

Each employee is responsible for ensuring that his or her conduct, and the conduct of all employees reporting to him or her, complies fully with the policies governing the Company's business dealings.

Compliance, both individually and by subordinates, will be a factor in employee performance appraisals. Any employee who violates the Code is acting outside the scope of his or her employment and is subject to disciplinary action, including, without limitation, oral reprimand, written reprimand, suspension or termination. In addition, violations of this Code may also constitute violations of law, which may expose offending employees to civil or criminal charges and penalties, including imprisonment. However, the Company is under no obligation to follow a particular progression of discipline and the Company will take the disciplinary action it deems appropriate under a given circumstance. Individuals who have willfully failed to report known violations of the Code will also be subject to disciplinary action up to and including termination.

COMMUNICATIONS CHANNELS, WHISTLEBLOWER POLICY AND NON-RETALIATION

BMC complies with all applicable whistleblower statutes and laws. The Company's policy is to ensure that employees report actual or potential wrongdoings and to not feel that they will be subjected to termination, harassment, or other forms of retaliation for reporting their concerns. Therefore, the whistleblower policy was established to encourage employees to report compliance concerns, so they can be investigated, without fear of retaliation. Reporting individuals may be expected to cooperate in internal investigations of the report.

You should never fear retaliation. The Company's complete whistleblower policy is available on the Company's intranet site. As that policy makes clear, our Company does not tolerate acts of retaliation such as being fired, coerced to resign, or other forms of retaliation, for any legally protected activity against anyone who makes a good faith report. Making a report in "good faith" does not mean an individual making a report has to be right, but it does mean that the information you provide is complete and accurate, and you have reasonable grounds for believing it to be truthful.

You should report instances in which you believe in good faith you may have been retaliated against to your supervisor, your Human Resources Representative, the Vice President of Human Resources, the General Counsel, the Company's toll free hotline or other published whistleblower hotline number or methods described in the whistleblower policy on the intranet. Your report will be objectively investigated promptly.

- Anonymous Hotline for reporting work-related issues not related to financial fraud: 888-485-4646
- NASDAQ Whistleblower Hotline for reporting financial fraud or financial compliance issues: 866-207-4726



The employee may choose to give his or her name or remain anonymous when calling the hotline numbers provided above. Investigations will be conducted discreetly, as appropriate under the circumstances. Those investigating do not act as personal representatives or lawyers for employees. Parties to an investigation shall not discuss the matter with other employees. Retaliation in any form against an individual who reports a violation, or assists in the investigation, of the Code or of law, even if the report is mistaken, is itself a serious violation of this Code and will not be tolerated. Acts of retaliation should be reported immediately and will be disciplined appropriately. Employees who submit a complaint in bad faith may face disciplinary action, including termination.

You should contact your BMC Human Resources Representative for additional information.

CONCLUSION

The Company's board of directors and its senior management are absolutely committed to compliance with the spirit and intent of this Code. The Company not only expects, but requires, the same commitment from all its employees. The Company will support and assist all employees' efforts to comply with these standards and, furthermore, expects competitors, customers, and suppliers to subscribe to similar ethical requirements.

This Code is only a start. It is not possible to list all conflicts of interest and other unethical business practices. The best guidelines are individual conscience, common sense, and a careful and unwavering compliance with all applicable laws, rules and regulations and the spirit of this Code.