

CODE OF ETHICS / BUSINESS CONDUCT

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INVESTORS BANK
CODE OF ETHICS AND BUSINESS CONDUCT FOR
OFFICERS AND OTHER EMPLOYEES

Purpose

The purpose of this document is to establish a Code of Ethics and Business Conduct Policy (the “Code”) for officers and other Employees (“Employees”) of Investors Bank, its parent corporations, subsidiaries and affiliates (“Investors Bank” or “Bank”) in accordance with the Bank Bribery Act, 18 U.S.C. 215 (“Act”). The Act applies to all Directors, Officers, Employees, Agents or Attorneys of a financial institution (defined under the law to include a bank and a bank holding Bank). A separate policy has been adopted for Directors. This Code is intended to deter wrongdoing and promote:

- 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 the Bank files with, or submits to, the Securities and Exchange Commission (“SEC”) and in all public communications made by the Bank;
- Compliance with applicable governmental laws, rules and regulations;
- Prompt internal reporting to designated persons of violations of this Code; and
- Accountability for adherence to this Code.

This Code has been adopted by the Board of Directors of the Bank. All Employees will be required to certify they have received, read and understand this Code and will comply with this Code.

This Code is also intended to ensure that all Employees:

- remain loyal to the Bank and conduct business in a responsible manner;
- avoid conflicts of interest by requiring written disclosures of actual or potential conflicts from all Employees;
- limit gifts and gratuities; and,
- limit the use of confidential information of the Bank and its customers.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

Policy Statement

Public confidence in the Bank's operations is key to the Bank's ability to attract and maintain customers. The Bank's success depends upon its reputation for honesty and integrity. The Bank's reputation must be preserved by the kind of Employee conduct that assures there will be no conflict between the self-interest of an Employee and the Employee's duties to the Bank or its customers. Even the appearance of a conflict should be avoided where possible.

The Bank's policy is that all Employees should conduct their business affairs in such a manner that no conflict of interest, either real or implied, could be construed reasonably to exist. A conflict of interest may exist, for example, whenever an Employee has a material financial interest, direct or indirect, in a customer or supplier doing business with the Bank.

Each Employee is responsible for complying with this Code. All managers are responsible for enforcing this Code within their department. It is the ultimate responsibility of every Employee of the Bank to report questionable activities or practices with full assurance of confidentiality (to the maximum extent permitted and consistent with applicable law) and freedom from unlawful retaliation.

Obtaining Guidance

No code of ethics or business conduct can cover every possible situation or question regarding business practices. When in doubt, ask before you act. If you need additional explanation regarding a particular provision of this Code, or if you need guidance in a specific situation, please contact your immediate supervisor. If you are uncomfortable speaking to your immediate supervisor because, for example, the matter relates to a sensitive personal issue, or if you require additional guidance after having consulted with your supervisor, you are encouraged to contact the Department Head of Human Resources or his/her designee.

Reporting Violations of this Code

Acting with the highest standard of ethics and integrity is critical to the success of our Bank and must be reflected in our daily decisions and actions. Every Employee has the duty and responsibility to understand and adhere to the principles of this Code so that potential issues may be resolved efficiently and the valuable reputation of the Bank preserved. Any known or suspected violation of this Code must be reported promptly. This includes violations or possible violations involving an Employee, including managers or any agent acting on behalf of the Bank. Any violation of law, rule or regulation applicable to the Bank and/or corporate policy is also a violation of this Code. Violations of this Code may result in disciplinary action, including termination of employment.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

If you know of or suspect a violation of this Code, including actions or failures to act, report the matter to your supervisor immediately (as noted above) or if you prefer, please refer to the Bank's Whistleblower Policy included in this document.

All concerns or complaints will be investigated promptly and appropriate action taken. No person expressing concerns or complaints in good faith will be subject to any disciplinary or other adverse action by the Bank absent a knowingly false report. All concerns or complaints may be made anonymously and will remain confidential (to the maximum extent permitted and consistent with applicable law). Please provide sufficient information to allow parties to properly investigate your concerns or complaints. The Bank will retain a record of all concerns and complaints, and the results of its investigations, for seven years.

Conflicts of Interest

Avoid situations in which your personal interests conflict with those of the Bank. All Employees must exercise great care whenever their personal interests conflict with those of the Bank. Extreme caution must be exercised whenever you are faced with the following situations:

1. Self-Dealing

Any time the Bank provides a service or extends credit to an Employee, there is a potential for a conflict of interest. The same potential for conflict exists when the transaction involves an Employee's family. These transactions must be scrutinized and documented carefully in accordance with the Bank's policy. Loans to the Bank's executive officers, directors, their related interests or members of their immediate families will be made only as permitted by statutory and regulatory requirements and the Bank's policy.

2. Outside Activities

As an Employee, you are expected to avoid any outside interest or activity that will conflict with your duties to the Bank. Generally, unless authorized, outside interests or activities should not:

- encroach on time or attention you devote to your duties;
- adversely affect the quality of your work;
- compete with the Bank's activities;
- involve any significant use of the Bank's equipment, facilities or supplies;
- imply the Bank's sponsorship or support (for example, through the use of the Bank's stationery for personal purposes or charitable solicitations); or
- involve accepting a business opportunity from someone doing business with or wanting to do business with the Bank that (1) is not available to other individuals on similar terms or (2) is made available to you because of your position with the Bank.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

3. **Outside Employment**

Without proper authorization, Employees may not accept outside employment with a Bank or firm that prepares, audits or certifies statements or documents pertinent to the Bank's business. Employees may not accept outside employment which can reasonably be expected to prevent the satisfactory fulfillment of their responsibilities to the Bank. Secondary employment may be permitted without specific authority only if no material conflict of interest is created, and it does not interfere with the Employee's duties and responsibilities to the Bank. Please refer to the Outside Employment section of the Policy Manual for details.

4. **Management Interlocks**

In view of the potential conflicts of interest, Directors are urged to be cautious when considering service as an officer, general or limited partner or Director of any nonaffiliated depository institution. "A management official of a depository organization may not serve at the same time as a management official of an unaffiliated depository organization if the depository organizations in question (or a depository institution affiliate thereof) have offices in the same community. In addition, a management official of a depository organization may not serve at the same time as a management official of an unaffiliated depository organization if the depository organizations in question (or a depository institution affiliate thereof) have offices in the same RMSA (relevant metropolitan statistical area) and each depository organization has total assets of \$20 million or more. Further, a management official of a depository organization with total assets exceeding \$2.5 billion (or any affiliate of such an organization) may not serve at the same time as a management official of an unaffiliated depository organization with total assets exceeding \$1.5 billion (or any affiliate of such an organization), regardless of the location of the two depository organizations. Any such activity should be presented to the Board of Directors for approval prior to accepting the position. For purposes of this section, "management official" is defined as a Director, an advisory or honorary Director of a depository institution with total assets of \$100 million or more, a senior executive officer as defined in 12 CFR 303.101(b), a branch manager, a trustee of a depository organization under the control of trustees, and any person who has a representative or nominee serving in any of these capacities.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

5. **Improper Payments to Employees**

A person who has a business relationship with the Bank may not give, offer or promise anything of value to a Bank Employee with intent to corruptly influence the conduct of the Employee. A Bank Employee may not seek, accept or agree to accept anything of value, as an inducement to violate Bank policy or in return for preferential treatment from a person who has or is seeking a business relationship with the Bank (account holder, vendor, etc.).

This Code does not prohibit the acceptance of reasonable business amenities made during the ordinary course of business; however, no Employee may, under any circumstances, directly or indirectly solicit any form of gratuity or entertainment. The acceptance of gifts that do not fall within the exceptions noted here is strictly forbidden unless approval has been obtained. Gifts valued up to \$50 may be accepted without approval. In no event shall any Employee accept a cash gift.

The following are items of value Employees generally can accept:

- Meals, travel arrangements, or entertainment paid for in the ordinary course of business **if** the expense would have been paid for by the Bank as a reasonable business expense had the third party not paid;
- Holiday season gifts or gifts that relate to commonly recognized events or occasions such as a promotion, new job, new baby, wedding, retirement, etc. from a person who has a business relationship with the Bank, provided those gifts are of reasonable value;
- Gifts from a person who has a business relationship with the Bank, provided the acceptance is based on a family or personal relationship existing independent of the business of the Bank and where the circumstances clearly indicate the business of the Bank was not the motivating factor;
- Benefits available to the general public under the same conditions from persons having a business relationship with the Bank (e.g., advertising or promotional materials, and discounts or rebates on merchandise or services);
- Civic, charitable, educational or religious organizational awards for recognition of service or accomplishment.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

6. **Relationships With Suppliers**

Employees who deal with the Bank's suppliers have a special position of trust, which requires them to exercise caution. As a general rule, no Employee should ever receive a payment or anything of value in exchange for a purchasing decision. Employees may not borrow, in any form, from the Bank's customers or suppliers. The Bank recognizes, however, that some gifts may fall into the category of exemptions outlined in Section 5 of this Code and the Bank Bribery Act.

7. **Accepting Fiduciary Obligations**

A fiduciary position may require you to administer property or affairs on behalf of another person or entity. Fiduciary obligations arise, for example, when an Employee is appointed a guardian, trustee, administrator, or attorney in-fact. Employees should not accept fiduciary obligations that involve accounts maintained at the Bank without authorization unless they are acting on behalf of family members. This includes any banking relationship a customer may have, including custody of safe deposit items. Moreover, any time an Employee acts as a fiduciary, such conduct clearly must be separate from the Employee's employment with the Bank. An Employee should not infer that he or she will have access to any services available at the Bank.

8. **Rebates or Refunds to Bank**

Payments to or by Employees in the nature of a bribe or kickback are strictly prohibited. Any rebate, refund or any form of compensation not specifically provided or authorized by the Bank that is received either directly or through a third party and paid either to or by Employees is prohibited. Bank policy permits Employees to retain miles or points earned from airlines, hotels, car rental agencies, etc., for personal use and, therefore, miles or points are excluded from the requirements of this provision.

9. **Referrals**

The Bank encourages Employees to refer customers to the Bank. Such referrals represent an important part of our business development. All Employees must remain watchful for two problems that may arise in the context of referrals. First, without proper authorization, no potential individual customer should be promised preferential treatment (such as rates paid or received) as an inducement to doing business with the Bank. The Employee should merely emphasize the services that can be provided by the Bank. Second, there are limits on the incentives the Bank may offer for referrals by Employees and others affiliated with the Bank. Any incentives or bonuses paid must be within the approved guidelines for the relevant program.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

10. **Dealing With Government Officials**

Never offer a government official anything of value in an effort to seek a favorable result for the Bank. Bribery of government officials is unlawful and can lead to serious sanctions. Such charges can end your career. Regulators have settled bribery charges in the past with consent decrees that bar the defendants from employment with any financial institution without regulatory approval. Bribery also can lead to significant criminal penalties. For these reasons, all Employees coming in contact with government officials must maintain the highest professional standards.

11. **Money Laundering**

All Employees must participate in the Bank's effort to eliminate illegal money laundering activities. Large cash transactions often facilitate the illegal drug trade and other criminal activities. The Bank and all other financial institutions are under increasing pressure to take steps to identify such transactions to bolster government enforcement efforts. The Bank has developed a program to comply with these requirements. The Bank Secrecy Act Policy details all of the reporting requirements. Any questions should be referred to the Bank Secrecy Act Officer.

12. **Copyright/Trademark Violations**

It is the Bank's policy to honor all valid copyright and trademark-protected materials. For example, no Employee should make an unauthorized copy of computer software for business or personal use.

13. **Political, Governmental and Non-Profit Activities**

a. **General**

The Bank acknowledges it is important for citizens to take an active interest in the political process, and the Bank's Employees may engage in political activities of their own choice using their own money and time. In such cases, Employees participating in political activities do so solely in their personal capacity and not as representatives of the Bank, and such activities must not use the Bank's facilities, personnel or assets or interfere with such person's responsibilities to the Bank.

Federal and state laws and regulations prohibit the Bank from making direct political contributions and expenditures. The Bank and its trade groups are permitted to sponsor a political action committee, which may be funded by voluntary contributions from the Bank's Employees, for the purpose of making political contributions or expenditures. No Employee may make a contribution on behalf of the Bank or offer the use of Bank facilities, equipment or personnel in connection with any political party, candidate or election, whether partisan or non-partisan.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

b. Political Activity

Political activity should be an exercise of individual discretion and decision. The Bank encourages all Employees to participate actively in the political process. The vitality of our public institutions depends on such participation.

Employees, however, must take two precautions with respect to such political activity. First, the activity should not occur on Bank premises and should not interfere with Employees' job performance. Second, all Employees should be careful not to associate the Bank with their political activity. This precludes the use of the Bank's facilities for campaign purposes. In addition, Employees should take care to ensure no one can confuse their personal activities with those of the Bank.

c. Holding Public Office

Employees may be permitted to serve in either an elected or appointed capacity for a political or governmental office so long as those duties do not conflict with the Employee's duties and responsibilities with the Bank. Employees who wish to run for an elected political office or be appointed to a government position must obtain the Bank's written approval. If approval is granted, the following guidelines will apply:

- Any Employee also serving as a public official will not be reimbursed by the Bank for any expense incurred in seeking or holding public office;
- Any Employee also serving as a public official may not use the Bank's facilities or resources, including Bank time, to perform any activity related to the Employee's public office, including activities related to election and campaigning; and
- Any Employee also serving as a public official, or seeking to be elected or appointed to any public position, must exercise reasonable care and judgment in avoiding the appearance of sponsorship or endorsement by the Bank, including using the Bank's names, trademarks or servicemarks in advertising or campaign materials, or in any other form of communication or correspondence.

d. Participation in Non-Profit Organizations

Employees are encouraged to actively participate in non-profit organizations that support the communities and customers served by the Bank. The Bank provides many opportunities for Employees to participate in non-profit services and events, and also encourages Employees to participate in activities beyond those sponsored or promoted by the Bank.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

When engaged with the non-profit, Employees must not represent they are making decisions on behalf of the Bank. Any pledge or gesture of the Bank's support or participation in a non-profit organization must receive advance approval from the Chief Executive Officer of the Bank.

14. **Competitors and Unfair Trade Practices**

a. **Antitrust**

The Bank's business decisions must reflect our independent business judgment, not an agreement with our competitors. Antitrust and fair trade laws help preserve a competitive economy. There are civil and criminal penalties for violations of these laws and violations of antitrust or unfair trade laws can have serious negative impact on the Bank. Employees must avoid behavior that would have even the appearance of an effort to limit competition. Avoid any discussion with competitors about interest rates, loan conditions, charges, hours of operation or any other business practice. Agreements with competitors on any of these items are strictly forbidden.

b. **Tying Arrangements**

The Bank may not offer credit, property, or services on the condition that a customer obtain additional credit, property, or services from the Bank (except as specifically permitted by law). It is also unlawful to condition services on an agreement that a customer will not obtain credit, property, or services from another institution. However, certain bank products may be tied to certain other bank products, such as a loan, discount, deposit or other services (referred to as traditional banking services).

c. **Disparaging Competitors**

Never discredit the Bank's competitors. While it is acceptable to highlight product and service differences, it is contrary to Bank policy to discredit a competitor. This may possibly tarnish our reputation and integrity. To preserve the Bank's integrity, we prefer to compete by offering superior service and personal attention.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

15. **Diversion of Bank Assets**

Employees may not, without authorization, use or divert any Bank assets or services for personal use, benefit, or advantage. Employees must help maintain the integrity of the Bank's financial records.

a. **Use of Bank Property and Bank Time**

In order to maintain our efficient operation, all Bank property should be closely protected and be used primarily for business-related purposes. This limitation includes, but is not limited to, the following:

- Employees' use of Bank technology, including voicemail, electronic mail, facsimiles, internet and other electronic communication should be primarily for business-related purposes and in a manner that does not adversely affect the Bank's reputation or that of its Employees;
- Employees should exercise caution in safeguarding all electronic programs and technology, data and communications, including any and all information accessed inadvertently or in error;
- Employees should exercise a reasonable amount of caution in ensuring the physical security of Bank property, including laptop computers, mobile telephones, pagers and other mobile equipment belonging to the Bank, especially when such property is used off Bank premises;
- Employees should not use, modify or provide access to Bank property, including facilities, records technology, data and documentation, except as authorized in the course of employment;
- Employees are prohibited from creating or using unlicensed copies of computer software programs, whether proprietary or standard; and
- Employees use of Bank credit cards, expense account reimbursement, equipment and supplies should be for business-related purposes only.

b. **Use of Intellectual Property**

Employment with the Bank requires the full attention of our Employees. By accepting employment with the Bank, Employees waive any rights to and agree to assign, and hereby do assign, any work of authorship, invention, discovery, development or improvement made or conceived by the Employee, either alone or jointly with others, during the time the Employee is employed by the Bank that (a) pertains to the business of the Bank, (b) arises out of the Employee's employment with the Bank, (c) is aided by the use of time, materials, property or facilities of Bank or (d) is at Bank's request and expense (collectively, "Intellectual Property"). Any and all innovations created by a Bank Employee in his/her capacity as an Employee become the exclusive property of the Bank and cannot be used for

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

any other purpose without the express prior written consent of the Bank. Intellectual Property belongs exclusively to the Bank and includes but is not limited to, the following examples:

- Innovations in products and services, whether actually developed or implemented during the Employee's tenure with the Bank;
 - All forms of expression prepared by Employees of the Bank in the course of employment, including those committed to paper, e-mail, facsimile transmissions, computer memory, audio, video or other tangible medium;
 - Any work product of an Employee created or developed in the course of employment that qualifies as an invention for patent protection;
 - All confidential information such as computer software programs, manuals, handbooks, documentation, customer lists or databases, client profiles or marketing strategies and plans; and
 - All Bank names, trademarks, service marks, product names, program names and other forms of identification.
 - Works of authorship created within the scope of an Employee's employment with the Bank are owned by Bank as "works for hire."
- c. In the event an Employee currently owns rights in any inventions or technologies (such as financial models, trading strategies or software programs) that pertain to Bank's business ("Other Technologies"), the Employee is required to notify his/her manager of the existence and nature of such items prior to employment with the Bank (or, in the case of current Employees, they must notify their manager immediately). Unless an Employee obtains a signed written agreement from an authorized representative of the Bank providing otherwise prior to commencement of employment with the Bank, all Employees agree to assign, and hereby do assign, to the Bank any interest they have in such Other Technologies. Additionally, Employees agree to assist the Bank in connection with (a) any effort to perfect the assignment of Intellectual Property, including Other Technologies, (b) any controversy or legal proceeding relating to Intellectual Property and (c) obtaining domestic and foreign patents, copyright or other protection covering Intellectual Property. Employees also must irrevocably waive author's moral rights relating to Intellectual Property and not exercise such rights in any manner.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

d. Removal of Bank Property

The removal of Bank property from the Bank premises is prohibited unless specifically authorized. This includes unauthorized disclosure or transmittal of Bank information or Bank records or materials to customers or any outside parties.

Upon termination of employment with the Bank, Employees are required to return all Bank property to the Bank. This includes Intellectual Property, described in Section 15b above, all hard copy and computer stored information, data and documentation, whether originals or copies, customer lists and databases, computer hardware and software, statistical or other scientific analysis, product pricing information, including formulas and models, financial data and analysis, cellular telephones and pagers, corporate credit cards and telephone access cards, facilities access cards and keys, and any other Bank information or property obtained or acquired during an Employee's tenure with the Bank. To the extent permitted by applicable law, the Bank reserves the right to withhold compensation or other payments until all property has been returned.

e. Use of Bank Time

During working hours and during any period of time that an Employee is using Bank facilities or equipment, substantially all of the Employee's time should be devoted to his/her employment duties.

16. Accounting Practices

All Employees are expected to observe and comply with generally accepted accounting principles, the system of internal controls and disclosure controls and procedures established by the Bank and provisions of the federal securities laws requiring that corporate books and records accurately and fairly reflect in reasonable detail the financial condition and results of operations of the Bank. Bank 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 the Bank's public statements. In furtherance of these requirements, Employees must practice the following:

- No false, misleading or artificial entries shall be made on corporate books, records and reports for any reason;
- No undisclosed or unrecorded corporate funds or assets shall be established for any purpose; and
- 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.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

In accordance with the rules promulgated by the SEC under the Sarbanes-Oxley Act of 2002, it is unlawful for any officer of the Bank or any other person acting under the direction of such person, to take any action to fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant engaged in the performance of any audit of the Bank's financial statements for the purpose of rendering such financial statements materially misleading.

17. **Confidentiality of Information**

a. **General**

Every Employee has a strict responsibility to safeguard all confidential Bank information entrusted to (or known by) him or her. Each Employee must respect and maintain confidentiality regarding the transactions and affairs of the Bank.

A customer's financial or personal information is strictly confidential and must never be used or disclosed in an improper or inappropriate manner. This information may not be used as a basis for personal investment decisions. Employees must treat confidential customer information in accordance with the provisions of this Code as well as the *Bank's Privacy Policy*.

Financial information about the Bank may not be given to persons or entities outside the Bank unless it has been reported to our stockholders or has otherwise been made available to the public. Exceptions to this general policy include disclosure to attorneys, accountants and other professionals working on behalf of the Bank as well as regulatory examiners or as required by law.

Please note nothing in this policy or any other policy of the Bank is intended to interfere with, restrain or coerce any Employee's lawful exercise of his or her rights under federal, state or local law or regulation.

All Employees must also comply with the provisions of the Bank's Insider Trading Policy, which details the responsibilities of all Employees of the Bank arising from the Bank's status as a public Bank under the federal securities laws. Employees possessing information that may influence decisions regarding the purchase or sale of Bank stock must take precautions to ensure that this information is not inappropriately shared with others, including other Employees. Employees with material nonpublic information may not buy or sell Bank stock except during certain designated windows of time. For a more detailed explanation of your obligations, please refer to the Bank's Insider Trading Policy. This section also applies to information inadvertently received by Employees, including e-mails, facsimile transmissions, all types of mail, including inter-office mail, and all other forms of written, verbal or electronic communications.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

b. Examples of Confidential Information

Employees must never use (except when necessary for their employment with the Bank) or disclose to any unauthorized person within the Bank or anyone not affiliated with the Bank any personal, proprietary, confidential and/or secret information the Employee obtains as a result of his/her employment with the Bank, including such information of or regarding (a) the Bank, its business, products and services, methods, systems, and business plans and information (including but not limited to personal information) and (b) current, former and prospective Employees, clients or vendors the Employee may have access to or acquire during the course of his/her employment with Bank (collectively, “Confidential Information”). This applies both while the Employee is employed with the Bank and after that employment ends. If the Employee leaves the Bank’s employ, the Employee may not access, disclose, use, retain or take any Confidential Information or any writing or other record that relates to Confidential Information.

Examples of Confidential Information include but are not limited to the following:

- The identity of customers and potential customers and their personal, business and financial information;
- Non-public business and financial information of the Bank;
- Personal information regarding any Employee when it relates to financial or personal information derived from records of the Bank;
- Personal or non-public business information regarding any supplier, vendor or agent of the Bank when it relates to financial or personal information derived from records of the Bank;
- Information related to, including the identity of, potential candidates for mergers and acquisitions;
- Information regarding the Bank’s business strategies, plans or proposals;
- 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;
- Manuals, processes, policies, procedures, compositions, opinion letters, ideas, innovations, inventions, formulas and other proprietary information belonging to the Bank or related to the Bank’s activities;

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

- Security information, including without limitation, policies and procedures, passwords, personal identification numbers (PINs) and electronic access keys;
- Communications by, to and from regulatory agencies;
- Certain communications with or from attorneys for the Bank, whether internal or external; and
- Any other information which may be deemed confidential, or which may be protected according to the Bank's Privacy Policy.
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c. **Examples of Material Inside Information**

Generally, material inside information is defined as any information that is confidential in nature, and that a reasonable investor would likely consider important in deciding whether to buy, sell, or hold the Bank's stock. The following types of information, if not generally known or publicly announced, should be considered material inside information and treated according to the provisions of this Code and the Bank's Insider Trading Policy:

- Proposals or plans for mergers and acquisitions;
- Earnings estimates or results, whether for the month, quarter or year;
- Determinations as to cash or stock dividends to be paid by the Bank;
- New product innovation, development or implementation;
- Major litigation, adverse regulatory proceeding or material threat of either event;
- Significant operational issues, including changes in the allowance for loan losses and related provisions for loan losses;
- Significant expansion of operations, whether geographic or otherwise, or the curtailment of current or future planned operations; and
- Any other information which, if known, would likely influence the decisions of investors

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

18. Personal Conduct

a. General

Employees are one of the Bank's most valuable assets, and the proper conduct of Employees is essential to the success of the Bank. It is imperative that all Employees conduct their daily activities, transactions and interactions with customers, fellow Employees, our regulators and others with the highest standard of integrity and professionalism. Employees should act in a courteous and considerate manner at all times, and should be respectful of the rights of others. Employees are expected to refrain from any dishonest or inappropriate act in connection with their employment. The Bank has the sole discretion to determine what types of conduct are improper, and what, if any, action will be taken in instances in which Employees exhibit improper or inappropriate behavior. Inappropriate behavior includes but is not limited to any activity that reduces or destroys the Employee's effectiveness, the effectiveness of a fellow Employee, or the ability of the Bank to serve its customers.

Employees are required to maintain eligibility for coverage under the Bank's fidelity bond under federal law and as a condition of employment. Employees are also expected to exhibit appropriate behavior outside of the workplace because improper behavior beyond the confines of one's employment may also reflect negatively on the Bank.

b. Corporate Policies

All Employees are required to comply with the requirements of all policies of the Bank that apply to them. Employees must also comply with the procedures implementing and effectuating the provisions of these policies.

This section applies to all Bank policies, including, but not limited to, human resource policies, legal and compliance policies, privacy and security policies, corporate governance guidelines, as well as this Code. Failure to comply with Bank policies and procedures (including this Code) may result in disciplinary action, up to and including termination of employment.

Code of Ethics and Business Conduct for Officers and Other Employees- cont.

19. **Penalties for Non-Compliance**

A misstep by any Employee can have significant adverse consequences for the Bank. Therefore, violations of this Code may lead to significant penalties. Any Employee who compromises or violates the law, Bank policies relating to the conduct of its business, or the high ethical standards contained in this Code will be subject to dismissal and any criminal or civil action under applicable laws.

20. **Policy Administration**

It is recognized that no set of guidelines can cover every situation that may arise in the Bank. Questions as to the propriety of a given action not covered in this document should be referred to your immediate Supervisor or the Department Head of Human Resources.

21. **Documentation**

Each officer and Employee will sign a written acknowledgement of receipt of a copy of this Code of Ethics and Business Conduct.

22. **Waivers and Amendments**

Any requests for waivers of the Code must be directed through your supervisor to the Department Head of Human Resources or their designees. Only the Board of Directors may waive the applicability of the Code for an executive officer. Any waiver granted to executive officers, including the principal executive officer and the principal accounting officer, and the reasons for granting the waiver, and any change in the Code applicable to executive officers, including the principal executive officer and the principal accounting officer, will be promptly disclosed to the public as required by law or by the listing rules of the NASDAQ.

Any amendments to the Code must be approved by the Board of Directors of the Bank.

23. **Miscellaneous**

It is the Bank's intention that this Code of Ethics and Business Conduct be the written code of ethics under Section 406 of the Sarbanes-Oxley Act of 2002, complying with the standards set forth in SEC Regulation S-K Item 406.

INVESTORS BANCORP, INC.

CONFIDENTIALITY OF CUSTOMER AND CORPORATE INFORMATION

PRIVACY POLICY STATEMENT

The Bank's policy is to recognize and respect the privacy expectations of all our customers and to make our privacy policy notice available to all customers. The financial records of our customers, as well as the relationship between the Bank and our customers, are confidential. The Bank values the trust our customers place in us, and customers value and rely on our commitment to maintain the confidentiality of their information. Accordingly, no Employee of the Bank may divulge personally identifiable financial information of a customer or discuss the business or affairs of a customer with anyone who is not an Employee of the Bank or affiliated with the Bank. Each Employee is responsible for preserving the confidentiality of customer and corporate information. In the conduct of ordinary business, Employees have access to a variety of confidential personal and business information about the Bank, its Employees, and customers. This policy addresses our philosophy regarding confidentiality and sets forth standards designed to protect the proprietary information of our customers and Employees.

Through the Bank's everyday operations, we compile and maintain a substantial amount of confidential information on our customers. Maintaining the confidentiality of consumers' personal information is key to their trust and confidence in the Bank. Our policy is to protect the privacy of this information, especially in light of increasing attempts from outside sources to obtain this information without the consent of the customer. We have implemented strong internal controls, ongoing training, and strict adherence standards to ensure customer privacy. Our policy is to collect, retain, and use the information about customers only when we believe such information is useful and permissible by law to administer our business of providing products, services, and other financial opportunities to our customers. We have established procedures to ensure the accuracy and completeness of customers' financial information in accordance with reasonable commercial standards. Our policy (and your responsibility) is to address any requests to verify and/or correct any inaccurate information in a timely manner. Further, our policy is to maintain updated, complete, and accurate information on our customers. Any necessary corrections conveyed by customers shall be made as soon as practicable.

The Bank and Employees must comply with federal and state laws and regulations affecting consumer privacy, including the Fair Credit Reporting Act and the Right to Financial Privacy Act. In this respect, all Employees may use, collect, and retain information on consumers only when there is an appropriate business purpose to do so. Specific information about customer accounts or other personally identifiable data may not be disclosed to unaffiliated third parties, except as permitted or required by law. If personally identifiable customer information is provided to an unaffiliated third party to market the Bank's products or services (or products and services offered under a joint marketing agreement), the Bank will insist that the third party agree in writing to adhere to similar privacy principles that protect the information and use it only for the purposes intended.

Confidentiality of Customer and Corporate Information Privacy Policy Statement- cont.

Our policy is to limit Employee access to personally identifiable information to those with a business reason for knowing such information. The Bank has a training program to educate Employees so that they will understand the importance of confidentiality and customer privacy. We also maintain appropriate security standards and procedures regarding unauthorized access to customer information. If an unaffiliated third party attempts, by fraudulent means, to obtain confidential customer information from the Bank, the Bank will file an appropriate Suspicious Activity Report. The Bank's policy is to take disciplinary measures to enforce Employee privacy responsibilities. In addition, if an Employee of the Bank suspects an unlawful attempt to obtain a customer's confidential information, management should be informed immediately so that appropriate action can be taken, which may include filing a Suspicious Activity Report and notification to appropriate law enforcement officials and regulatory agencies.

The Bank maintains procedures that enable us to assist customers by telephone or other electronic means concerning their accounts and, at the same time, protect their privacy. In order to protect customer privacy, we limit the information provided and the circumstances under which that information will be provided. Customers must positively identify themselves before they can be provided any information pertaining to their accounts. They are also encouraged to utilize the alternative methods of easy access to balance information, such as our automated telephone system and our Internet Banking service.

Each department maintains its own policies and procedures regarding information and data protection in specific operations. In addition, there are Bank-wide policies on privacy, security, data security, and the like. Department managers are responsible for ensuring that each Employee is informed of the policies and procedures governing information that pertains to the Employee's position. The following is an overall policy statement:

- Employees are prohibited from disclosing any confidential business or customer information made known to them through their employment to other Employees or third parties, except as required to conduct normal business. Examples of information that must be kept confidential include but are not limited to financial statements and other information provided with loan applications, payment status, account balances, and customer relationship data. Documents that contain customer identification, addresses, account numbers and other confidential data must be shredded in accordance with the Bank's Information Security Policy. An Employee may not disclose or use any confidential information, either during or after employment.
- Employees must maintain the confidentiality of private information affecting other Employees, such as personal and payroll data, benefit elections, loan application and performance information, performance appraisals, medical conditions or treatment and continued employment status.
- Department managers are responsible for observing policies and procedures relating to mainframe (database) access and personal computer use in accordance with existing procedures, and to relay information to Employees on the observance of these policies, as appropriate.

Confidentiality of Customer and Corporate Information Privacy Policy Statement- cont.

- Teller numbers, system access codes, building entry cards, codes and/or passwords (access device) must be kept in strict confidence. Use of another Employee's access device to process transactions is strictly prohibited. Employees may be held accountable for errors or fraudulent transactions committed by other users of their confidential access device. Employees are prohibited from processing transactions affecting their own personal accounts or those of family members.
- Confidential information must be securely stored during non-business hours. This may include building security and alarms, locks on personal computers, desks and file cabinets, and restrictions on the removal of materials for work at home.
- Bank staff will use shredding machines to discard computer printouts, or other documents containing customer information. The Bank will discard any information that is not needed and will maintain private information in a form that protects the customer information to the extent possible.

There are certain circumstances in which disclosure of customer information is authorized or required. Disclosure to government authorities may be required when the information is sought through a valid subpoena or search warrant. Improper disclosure of information regarding subpoenas or the contents of subpoenas issued in criminal investigations is a criminal offense and violators are subject to fines or imprisonment or both. It is unlawful for any Employee to directly or indirectly notify a customer that his/her records have been requested by a grand jury or to tell anyone named in the subpoena that his/her records have been subpoenaed. All requests for disclosure of Bank information to government authorities or questions regarding subpoenas or search warrants should be directed to the appropriate department manager.

In order to notify our customers of our commitment to guarding their privacy, this policy is available for public review. The Bank will provide a privacy notice to all of customers (1) at the time a customer relationship is established, (2) annually, for as long as a customer maintains a continuing relationship with the Bank, and (3) any time there is a significant change to the policy that would affect whether information is shared and/or the type of information that is shared with unaffiliated third parties.

CODE OF ETHICS / BUSINESS CONDUCT

ACKNOWLEDGEMENT

I acknowledge that I have read and understand the provisions of the Code of Ethics and Business Conduct, which is contained in the Personnel Policy Manual. This document includes the policies of Investors Bank, its parent corporations, subsidiaries and affiliates (collectively the Bank) regarding Customer Confidentiality/Privacy, Confidentiality and Security of Customer and Corporate Information and the Bank's Privacy Policy Notice.

By signing below, I accept and will abide by the Bank's Code of Ethics and Business Conduct. I further understand that violation of the terms of the Code of Ethics and Business Conduct may lead to dismissal for cause.

Name (Print)

Signature

Date

INVESTORS BANCORP, INC.

WHISTLEBLOWER POLICY

General Policy Statement

Investors Bancorp, MHC, Investors Bancorp Inc., Investors Bank, and its subsidiaries and affiliates (hereafter referred to as “the Bank”) are committed to conduct the business of the Bank in a safe and sound manner. The Bank’s policies are found in the Bank’s Personnel Policy Manual. The Bank’s Whistleblower Policy enables Employees and others to raise concerns about unethical or illegal behavior within the Bank. The Bank is committed to a workplace that protects Employees from unlawful retaliation and discrimination for reporting illegal or unethical conduct. This Whistleblower Policy establishes a mechanism for dealing with such issues.

The Bank hereby establishes policy and procedures for dealing with (A) the receipt, retention, and treatment of complaints received by the Bank regarding accounting, internal accounting controls, auditing matters, or unethical or illegal behavior; and (B) the confidential anonymous submission by Employees of the Bank regarding the aforementioned. Any complaints received will be forwarded directly to the Audit Committee of the Board of Directors for investigation. The Audit Committee may utilize any resources from within the Bank, legal counsel, outside auditing firms or elsewhere as it determines necessary to carry out its investigation. Investigations will be kept confidential as the law permits.

Whistleblower Protection

Retaliation against an Employee who brings forth a confidential, anonymous submission of concern in good faith under this policy is strictly prohibited. Any Employee who believes he or she has been subjected to treatment in violation of this policy should report such treatment to the Manager of Human Resources.

Whistleblower Policy- cont.

Submitting Whistleblower Concerns

The Bank has established a Whistleblower Hotline through Shareholder.com for Employees to submit confidential, anonymous concerns. This hotline provides toll-free calling, e-mail or secure Internet connection. Shareholder.com is an independent third party that protects the anonymity of anyone pressing concerns. All concerns expressed through Shareholder.com are documented in a confidential, anonymous manner. No information is collected to identify a whistleblower. The voice messages of callers are electronically altered to disguise the caller's identity.

The procedure for submitting whistleblower concerns is attached to this policy as Appendix A.

Retention of Complaints and Documents

The Audit Committee will retain all reports and findings under this policy for at least seven (7) years.

Employee Communications

The "Whistleblower Policy" will be incorporated into the Bank's Code of Ethics Policy section in the Bank's Personnel Policy Manual. The "Whistleblower Policy" will be included in all new Employee orientation programs. The Human Resources Department is responsible for communicating this policy to all Employees and retaining a signed copy of this policy from each Employee.

WHISTLEBLOWER POLICY BOARD READOPTED JANUARY 28, 2014

Appendix A

Whistleblower Hotline Procedures

Your message, delivered directly to the Audit Committee, may be left using any one of three methods listed below:

1. Toll-Free Telephone Call (Voicemail)

Call [\(866\) 276-3102](tel:8662763102) to leave a message for the Audit Committee. Your voice will be electronically altered to disguise your identity.

2. E-mail

Send an e-mail to ISB@openboard.info to leave a message for the Audit Committee. Be advised that sending a message from your work or home computer may not necessarily protect your anonymity. Using a non-identifiable e-mail address, like a Hotmail, Juno, or Yahoo account may be the most confidential way of leaving a message.

3. Secure Internet Web Page

Visit <http://www.openboard.info/ISB/> to access an Internet-based message interface that will deliver a message directly to the Audit Committee. To use this system with complete anonymity, you may wish to send the message from an unidentifiable location such as a public library terminal.

INVESTORS BANCORP, INC.
POLICIES AND PROCEDURES REGARDING INSIDER TRADING
AND CONFIDENTIALITY OF INFORMATION

I. PURPOSE

Investors Bancorp, Inc. (the "Company") is a public company, the common stock of which is quoted on the Nasdaq National Market and registered under the Securities and Exchange Act of 1934 (the "Exchange Act"). Pursuant to the Exchange Act, the Company files periodic reports and proxy statements with the Securities and Exchange Commission (the "SEC"). Investors Bank (the "Bank") is the Company's wholly-owned subsidiary.

As a public company, the directors, officers and employees of the Company have a responsibility not to participate in the market for the Company's common stock while in possession of "material information" about the Company that has not been publicly disclosed. Under the Insider Trading and Securities Enforcement Act of 1988 ("the Act"), the Company can be held liable for employee violations of the insider trading laws, unless it has adopted policies and procedures to prevent insider trading. Recent efforts by the SEC to police insider trading laws have highlighted the need for awareness of the responsibilities and potential liability in this area.

Upon the advice of counsel, the following policy and procedures have been adopted with respect to insider trading and the confidentiality of information for the employees, officers and directors of the Company. **This policy applies to all employees, officers and directors of the Company and the Bank.** The insider trading policy also applies to your family members who reside with you, anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Company securities). You are responsible for the transactions of these and other persons and therefore should make them aware of the need to confer with you before they trade in the Company's securities.

This policy will be reviewed periodically to ensure that it remains current. Subsequent changes will be submitted to the Board of Directors for readoption.

II. PROHIBITION AGAINST TRADING WHILE IN POSSESSION OF UNDISCLOSED MATERIAL INFORMATION

If you are aware of material information relating to the Company that has not been publicly disseminated for at least two business days, you are prohibited from purchasing or selling the Company's common stock, directly or indirectly, and also from disclosing such information to any other persons that may trade in the stock.

- It is difficult to describe exhaustively what constitutes "material" information, but you should assume that any information, positive or negative, that may be significant to an investor in determining whether to buy, sell or hold the Company's common stock would be material. Information may be significant for this purpose even if it alone would not determine an investor's decision.
- Examples of material information include a potential business acquisition, internal financial information that departs in any way from recent data or trends, or an important financing transaction. It must be emphasized that this list is merely illustrative.

Policies and Procedures Regarding Insider Trading and Confidentiality of Information – cont.

- The prohibition on direct and indirect purchases and sales will apply to a person's spouse, children and relatives living in the same household as the director or officer, as well as to any arrangements or agreements with other persons, family members or otherwise, as to the purchase or sale of shares.

III. CONFIDENTIALITY

A. General

Serious problems could be caused for the Company by unauthorized disclosure of internal information about the Company or the Bank, whether or not for the purpose of facilitating improper trading of the common stock. Personnel of the Company may not discuss nonpublic internal matters or developments with anyone outside of the Company, except as required by law or the performance of regular corporate duties.

B. Third Party Disclosure

Personnel of the Company may assume that its legal counsel, accountants, consultants and other advisors will not disclose to third parties or trade on inside information given to them in confidence. However, with regard to negotiating with third parties at arms-length for various transactions, including the sale of assets such as loans, material confidential information should not be given to such third party unless the third party enters into a confidentiality agreement with the Company. Such agreement should expressly address the issue of trading in the Company's common stock.

C. Disclosure to Others in the Company

Personnel of the Company with knowledge of material nonpublic information should only disclose such information to other such personnel on a need-to-know basis. The group of individuals with knowledge of the material information should therefore be kept as small as possible.

D. Third Party Inquiries

This prohibition applies specifically (but not exclusively) to inquiries about the Company and the Bank that may be made by the financial press, investment analysts or others in the financial community.

- It is important that all such inquiries and responses thereto be channeled through Executive Management under carefully controlled circumstances.
- Unless you are expressly authorized to the contrary, if you receive any inquiries of this nature, you should decline to comment and refer the inquirer to Executive Management.

If you have any doubt as to your responsibilities under these guidelines, seek clarification from your immediate supervisor or Executive Management before you act.

The Company expects the strictest compliance with these procedures by all personnel at every level. Failure to follow these procedures may result in severe legal difficulties for you, as well as for the Company. A failure to follow both the letter and the spirit of this policy shall be considered a matter of extreme seriousness and may be grounds for termination of employment or other disciplinary action.

Policies and Procedures Regarding Insider Trading and Confidentiality of Information – cont.

IV. APPLICABILITY OF POLICY TO INSIDE INFORMATION REGARDING OTHER COMPANIES

This policy and the guidelines described herein also apply to material nonpublic information relating to other companies, including the Company's customers, vendors, suppliers or acquisition candidates ("business partners") when that information is obtained in the course of employment with, or other services performed on behalf of, the Company. Civil and criminal penalties and termination of employment may result from trading on inside information regarding the Company's business partners. All employees should treat material nonpublic information about the Company's business partners with the same care required with respect to information related directly to the Company.

V. ADDITIONAL RESTRICTIONS ON PURCHASES AND SALES OF COMPANY STOCK

The following additional procedures with respect to the participation in the market for the Company's common stock by directors, executive officers and certain other officers and employees of the Company have been adopted by the Board of Directors in order to decrease the likelihood of violation of the federal securities laws. It should be emphasized that these procedures are designed to: (i) avoid even the appearance of trading on insider information, (ii) as a cautionary matter, eliminate the ongoing question of when knowledge of unreported quarterly and year-end financial information may be considered "material" under the insider trading laws, and (iii) enable the Company to monitor stock trading to some extent. *These procedures are in addition to the general prohibition against participation in the market for the Common Stock while in possession of material, nonpublic information, regardless of the time period.* The additional officers and employees to whom these procedures apply will be set forth in an addendum to this Policy developed (and modified from time to time as appropriate) under the direction of the Chief Financial Officer, and communicated to these additional employees.

- A. During the period commencing with the sixteenth day of the third month of each calendar quarter (March 16, June 16, September 16 and December 16), and ending at the beginning of the second business day after the financial results of the quarter/year end have been publicly announced, directors and executive officers should refrain from participating, directly or indirectly, in the market for the common stock.
- B. Prior to the execution of, or the placing of an order with respect to, any trades in the Company's common stock, the Filing Coordinator of the Company should be notified.
- C. Options may be exercised at any time if the exercise price of the option is paid for in cash.
- D. Shares of common stock received from the exercise of options should not be sold except during the window period.
- E. In order to avoid the appearance of impropriety, the gifting of shares to relatives other than during a window period is discouraged if the grantor knows or has reason to believe that the recipient of the common stock intends to sell the shares other than during a window period.
- F. Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material, nonpublic information or is not permitted to trade in Company securities, directors or executive officers may not hold Company securities in a margin account or pledge Company securities as collateral for any other loan. An exception to this prohibition may be granted, in the sole

Policies and Procedures Regarding Insider Trading and Confidentiality of Information – cont.

discretion of the Board and in limited circumstances, after giving consideration to, among other factors, the number of shares proposed to be pledged as a percentage of the director's or executive officer's total shares held. If Company securities are pledged as collateral for margin purchases or a loan by a director or executive officer, the Filing Coordinator must be informed. The SEC requires annual proxy statement disclosure as to the number of shares pledged by directors and executive officers.

POLICIES AND PROCEDURES REGARDING INSIDER TRADING AND CONFIDENTIALITY OF INFORMATION – BOARD READOPTED FEBRUARY 25, 2014