

**INVESTORS FINANCIAL SERVICES CORP.
INVESTORS BANK & TRUST COMPANY
CODE OF CONDUCT**

This Code of Conduct covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees of Investors Financial Services Corp. and its affiliated companies (collectively, the “Company”). We expect that all of our directors, employees, consultants and agents will conduct themselves at all times in an honest and ethical manner. It is critically important that all of our directors, employees, consultants and agents know and understand these rules and guidelines for conducting business. All references to “employee” in this policy shall apply equally to consultants, outside legal counsel, and other agents of Investors Financial Services Corp. and its affiliated companies.

This Code of Conduct is subject to modification and will be reviewed and approved by the Board of Directors at least annually. All of our directors and employees are expected to study, pledge personal commitment to, and annually sign, this policy to evidence understanding and compliance.

Anyone who violates this Code of Conduct Policy will be acting outside the scope of his or her employment and will be subject to disciplinary action, up to and including termination.

If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section 15 of this Code. We will not retaliate in any way against an employee making a good faith report under this or any other of our policies.

1. Compliance with Laws, Rules and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which our ethical standards are built. All employees must respect and obey the laws of the cities, states and countries in which we operate. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

The following paragraphs provide additional detail regarding some of the laws that affect our business. It is important to understand that these paragraphs are NOT an exhaustive list. If you have any questions regarding compliance with laws, speak to your supervisor or manager, or contact the legal department directly.

A. Bank Bribery Act

Neither directors nor employees may:

- solicit for themselves or for a third party anything of value from any person or organization in return for any business, service, or confidential information; or
- accept anything of value (other than bona fide salary or wages from the Company) from any person or organization in connection with our business, either before or after a transaction is discussed or consummated.

The following is a list of exceptions to this general prohibition regarding acceptance of things of value in connection with our business.

- Gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those between the parents, children or spouse of employees) may be accepted where the circumstances make it clear that it is those relationships, rather than our business, are the motivating factors.
- Meals, refreshment, entertainment, sporting events, accommodations or travel arrangements may be accepted, as long as they are of reasonable value, (and in the case of accommodations or travel arrangements, are pre-approved by our Legal Department),, offered in the course of a meeting or other occasion, the purpose of

which is to hold bona fide business discussions or to foster better business relations; and provided that the expense would be paid for as a reasonable business expense if not paid for by another party.

- Loans from other banks or financial institutions may be accepted if made on customary and nonpreferential terms to finance proper and usual activities, such as home mortgage loans.
- Advertising or promotional material of reasonable value, such as pens, pencils, note pads, key chains, calendars, reasonably modest mementos of transactions, and similar items may be accepted.
- Gifts of reasonable value (less than \$150) that are related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement, holiday or birthday may be accepted.

In addition, employees and directors are prohibited from self-dealing or otherwise trading on their position with Investors Financial Services Corp. and its affiliated companies.

Any items of valued offered to and/or accepted beyond our Code of Conduct limits, should be reported to our Legal Department.

B. Entertainment of Public Officials

Neither employees nor directors may offer or give anything (entertainment, gifts, lodging, etc.) of substantial value (greater than \$50), to public officials (including but not limited to federal, state or other municipal government officers and employees), to influence an official action or influence that public official in the performance of his or her official duties related to Investors Financial Services Corp. or any of its affiliated companies.

In addition, employees may not offer, promise, or authorize the payment of anything of value to any foreign official, political party, or candidate for foreign political office, in order to influence an official action or the performance of official duties related to Investors Financial Services Corp. or any of its affiliated companies.

C. Political Contributions and Political Activities

It is unlawful for a bank to make any political contributions. As an employee or director it is also unlawful to make, consent or promise to make any such contribution on behalf of Investors Financial Services Corp. or any of its affiliated companies, directly or indirectly. Employees and directors are encouraged to keep themselves well informed concerning political issues and candidates and to take an active interest in all such matters; however, in all such cases employees and directors who participate in political activities do so as individuals, and not as representatives of Investors Financial Services Corp. or its affiliated companies. To avoid any appearance of sponsorship or endorsement of political matters, no corporate name or address of Investors Financial Services Corp. or its affiliated companies may be used in mailed material or fund collection, or be identified in any advertisement or literature.

D. Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act ("FCPA") has two basic parts: anti-bribery provisions and accounting and recordkeeping requirements. The anti-bribery section prohibits payment of a bribe to a non-U.S. official or non-U.S. political party, party official or candidate for political office. The FCPA defines a bribe as anything of value given or offered to a non-U.S. official for the purpose of influencing an act or decision to obtain cash, retain business or direct business. Employees and directors are prohibited from paying bribes.

The FCPA accounting and recordkeeping requirements restate generally accepted accounting principles. Strict documentation and reporting is required. No employee or director shall make any improper payments, including those which violate applicable laws or regulations,

are falsified, unrecorded, or undocumented in our accounting records, or whose source is off-the-record-funds or which aid and abet another party to make or receive illegal payments.

Any employee or director who is convicted of violating the FCPA is subject to substantial fines and/or imprisonment. If convicted, we may also be subject to substantial fines.

E. Anti-Money Laundering

Each employee whose duties are associated with the Bank Secrecy Act (the "Act") as amended by the International Money Laundering and Anti-Terrorism Financial Act of 2001 is expected to know the requirements of the Act and regulations affecting his or her job responsibilities. It is the affirmative duty of all such employees to carry out these responsibilities in a manner that complies with the requirements of the Act. Please refer to our Bank Secrecy/Anti-Money Laundering Compliance Policy for more details.

F. Insider Trading

Employees and directors are prohibited from engaging in securities transactions or enabling others to do so as a result of material nonpublic information obtained as an employee, director or otherwise. We maintain a detailed Insider Trading Policy which all employees and directors are required to read and certify annually.

H. Public Reporting and Communications

We are dedicated to ensuring that we make full, fair, accurate, timely and understandable disclosure in the reports and documents that we file with, or submit to, the Securities and Exchange Commission and in our other public communications. If any employee has a reason to believe that any report, document or other public communication does not meet these standards, that employee should follow the guidelines in Section 15.

G. Antitrust Compliance

All employees and directors are expected to observe the highest standards of ethical conduct in relationships with competitors. As such, employees and directors are prohibited from entering into arrangements with competitors for the purpose of setting or controlling prices, rates, trade practices, marketing policies, or disclosing to competitors our future plans which have not been disclosed generally to the public.

2. Conflicts of Interest

A “conflict of interest” exists when a person’s private interest interferes in any way with the interests of the Company. A conflict situation can arise when an employee or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an employee or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, directors, employees or their family members may create conflicts of interest. Employees who are directly involved in purchasing or selling securities for the Company and use the same broker for their personal use, create a conflict of interest and should report such activities to our Legal Department.

It is almost always a conflict of interest for an employee to work simultaneously for a competitor, customer or supplier. You are not allowed to work for a competitor as a consultant or board member. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on our behalf.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management or our Legal Department. Any employee or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section 15 of this Code.

3. Corporate Opportunities

Employees and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No employee or director may use corporate property, information, or position for improper personal gain, and no employee or director may compete with the Company directly or indirectly. Employees and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

4. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and director should endeavor to respect the rights of and deal fairly with the Company’s customers, suppliers, competitors and employees. No employee or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair dealing practice.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Company employee, director or family member of an employee or director unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or regulations. Please discuss with your supervisor any gifts or proposed gifts which you are not certain are appropriate.

5. Outside Employment

Any outside activity must not interfere with the duties of the employee or the interests of our stockholders. Acceptance of outside employment, directorship and participation in the affairs of outside organizations carries possible conflict with the employee’s primary responsibilities. Accordingly, employees should obtain prior approval of the Corporate Compliance Officer before accepting any outside employment, directorship, fiduciary appointment, or civic responsibility that involves a potential conflict of interest or which would require a significant amount of time during normal working hours.

6. Protection and Proper Use of Company Assets

All employees and directors should endeavor to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Our equipment, computers, e-mail, internet access and voicemail systems should not be used for non-Company business, though incidental personal use may be permitted. Use of our information assets are subject to the requirements of our Information Assets Protection Policy which all employees are required to read and certify annually.

The obligation of employees and directors to protect our assets includes our proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate our policy. It could also be illegal and result in civil or even criminal penalties.

7. Use of Company Name

Employees and directors may not use our company name in connection with personal activities, except as part of biographical summaries of work experience or except as otherwise approved in writing by the Chief Executive Officer or President.

8. Record-Keeping

We require honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor or your controller. See our Travel and Entertainment policy for more details.

All of our books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect our transactions and must conform both to applicable legal requirements and to our system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to our record retention policies. In accordance with those policies, in the event of litigation or governmental investigation please consult our Legal Department.

9. Confidential Information

Each employee is required to sign a Non-Disclosure and Inventions Agreement upon their employment with us. The Non-Disclosure Agreement provides that under no circumstances may confidential information with respect to us, our clients, prospective clients, or suppliers be revealed to unauthorized persons. Employees should be careful not to inadvertently disclose information through conversations or careless handling of sensitive documents.

In addition, we conduct certain informational and training programs on a regular basis. All of the data and information, including but not limited to all written materials provided at these sessions are confidential and proprietary to us and are governed by your Non-Disclosure and Inventions Agreement. All employees are expected to use these materials for internal purposes only. All materials must be returned to us upon termination of employment and may not be disclosed or transferred to any third party without the express written permission of the Chief Executive Officer or President.

10. Contracts and Binding Agreements

Employees are prohibited from signing any contracts or binding agreements on our behalf without first receiving approval from the Legal Department and the Chief Financial Officer.

11. Media Relations

Employees and directors should not respond to inquiries from the media, but rather refer the media to our Investor Relations Department at 6-3900.

12. Maintaining a Respectful Workplace

A. Equal Employment Opportunity

We are an equal opportunity employer. It is our policy to administer all human resources actions and policies without regard to race, color, religion, creed, sex, national origin, ancestry, age (40 and above), mental or physical disability, sexual orientation, any veteran status, any military service or application for military service or membership in any other category protected under the law. All employment decisions and personnel actions, including, without limitation, recruiting, hiring, promotion, compensation, benefits, and terminations, are and will continue to be administered in accordance with, and to further the principle of, equal employment opportunity. Performance of supervisors and employees alike will be evaluated on the basis of their equal opportunity efforts as well as other criteria.

B. Harassment Free Workplace

We have a fundamental commitment to treat our employees and directors with respect and dignity. The support of equal employment opportunity includes the recognition that all employees and directors have the right to work in an environment free of harassment, whether on account of race, color, sex, national origin, ancestry, age, religion, physical or mental disability, veteran status, military service or application for military service, sexual orientation or any other category protected by state and federal laws. We will not tolerate harassment or discrimination, whether by directors, management, supervisory personnel, other employees or third-parties with whom we do business. Accordingly, we will not tolerate derogatory racial, ethnic, religious, sexually oriented, sexual orientation related, disability related or other inappropriate advances, remarks, slurs, jokes or physical conduct.

Because we take complaints of harassment and discrimination in the workplace seriously, we will respond promptly to all reported complaints of sexual harassment. Where it is demonstrated to its satisfaction that harassment and/or discrimination did in fact occur, we will respond promptly and impose such corrective action as is necessary, including disciplinary action where appropriate. For further guidance please see the policy prohibiting harassment in the Human Resources Manual Section 2.2, Employee Guidelines, which can be found on our intranet.

C. Workplace Violence Prevention

The safety of all of our employees and directors in the workplace is very important to us. For that reason, violence and threats of violence in the workplace will not be tolerated. For further guidance please see the Human Resources Manual Section 3.3, Employee Guidelines, which can be found on our intranet.

D. Drug Free Workplace

It is our policy to maintain a productive and safe workplace free from the influence of illegal drugs. We wish to alert our employees to the dangers of drug abuse in the workplace. This includes the serious threat to the health and safety of the employee and others. Drug abuse affects an employee's reliability, stability and good judgment necessary in the performance of their job duties. Problems with productivity, reliability and absenteeism can reduce an employee's work effectiveness and can result in termination.

For further guidance please see the Human Resources Manual Section 3.6, Employee Guidelines, which can be found on our intranet.

F. Gambling

Neither directors nor employees are allowed to use our resources, equipment or time to engage in or facilitate any form of gambling or betting, including pools or lotteries. For example, gambling related activities are not permitted on our E-mail, computers, Internet, telephones, copiers, the mail system or bulletin boards, during working and non-working hours. For further guidance, please see the policy prohibiting gambling in the Human Resources Manual Section 3.1, Employee Guidelines, which can be found on our intranet.

13. Waivers of the Code of Conduct

Any waiver of this Code for executive officers or directors may be made only by the Board or a Board committee and will be promptly disclosed as required by law or stock exchange regulation.

14. Reporting any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is our policy not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

15. Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations, it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it locally with your office manager or your Human Resources manager. You may make a confidential or anonymous report to our toll-free Compliance and Ethics Hotline by calling (800) 601-2168. If you prefer to write, address your concerns to: John E. Henry, Senior Vice President and General Counsel, Mail Code EXL35, Investor Bank & Trust Company, 200 Clarendon Street, Boston, MA 02116.
- You may report ethical violations in confidence and without fear of retaliation. To the extent practical and appropriate under the circumstances, we will not disclose the identity of anyone who reports a suspected violation. We do not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

**INVESTORS FINANCIAL SERVICES CORP.
INVESTORS BANK & TRUST COMPANY**

**CODE OF CONDUCT
CERTIFICATION**

I hereby certify that I have read and understand the Investors Financial Services Corp. Code of Conduct and I agree to comply with the Policy.

I also certify that I understand that this Code of Conduct does not create any obligation on the Company or any other person to continue my employment at the Company.

Date: _____

Signature: _____

Name: _____

(Please print)