

INTRODUCTION

The Bank's Code of Ethics ("Code") reaffirms our basic commitment to the tenets of ethical conduct for directors, officers and other employees of the Bank. The foundation of our Code consists of basic standards of business as well as personal conduct:

(a) honesty and candor in our activities, including observance of the spirit as well as the letter of the law; (b) avoiding conflicts between personal interests and the interests of the Bank, and even the appearance of such conflicts; (c) maintaining the confidentiality of information about the Bank, our customers and our suppliers; (d) avoiding activities which might reflect adversely on the Bank's reputation; (e) integrity in dealing with the Bank's assets and liabilities; (f) full, fair, accurate, timely and understandable disclosure in reports and documents filed with regulatory authorities and in other public communications made by the Bank; (g) compliance with applicable laws, rules and regulations; (h) prompt internal reporting to appropriate persons identified in the Code of violations of the Code and (i) accountability for adherence to the Code.

There may be times when one of us may be considering taking action that would fall within the terms of an activity prohibited by this Code, but which we might regard as being too minor to forego or to report to the appropriate office. The Bank is very serious about enforcing this Code, and will not tolerate even minor violations. If you need guidance on any matter, consult your department head or the Director of Human Resources or the Office of the General Counsel, as appropriate.

I. DEFINITIONS

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| A. Bank | Bank Leumi USA, its parent holding company Bank Leumi le-Israel Corporation, and any of their subsidiaries. |
| B. Employee | Any director, officer, and other persons employed by the Bank on a full or part-time or contract or temporary basis. |
| C. Organization | Any corporation, partnership, association, joint venture, club, pool or other society or entity, formal or otherwise, including sole proprietorships. |

- D. Personal Appointment
A person who has undertaken an obligation to act primarily for another's benefit. This relationship implies the exercise of trust and good faith in matters concerning the undertaking. Examples of personal appointment are persons named to act as attorney in fact, administrator, trustee, executor, custodian or guardian.
- E. Customer
Any person, organization or legal entity and its representatives (i) to whom, or on whose behalf, the Bank provides credit or services; or (ii) who has a deposit relationship with the Bank.
- F. Supplier
Any person or organization, professional or otherwise, and its representatives who supplies goods or services to the Bank.
- G. Director
A member of the board of directors of the Bank.

II. APPLICABILITY

This Code of professional and personal conduct is applicable all Employees and Directors. No Employee or Director should effect or participate in any arrangement or transaction which will directly or indirectly result in any action prohibited by the Code.

III. HONESTY AND CANDOR AND OBSERVANCE OF LAWS

A. VIOLATIONS OF THE CODE

Violations of the Code may constitute grounds for dismissal or other disciplinary action. This could include a range of action including an employee written warning, employment suspension or termination. The proper course of action to be administered will include the involvement of the CEO, General Counsel and the Director of Human Resources.

(revised May, 2007)

Employees and Directors are expected to act fairly and honestly in all transactions with the Bank and with others and to maintain the high ethical standards of the Bank in accordance with the Code. If a situation arises wherein an Employee or a Director is unsure whether there may be a violation of the Code, he or she should consult either the department head or the Director of Human Resources or the Office of the General Counsel, as appropriate, for guidance.

B. DISCOVERY AND REPORTING OF VIOLATIONS OF THE CODE OR ILLEGAL, FRAUDULENT, QUESTIONABLE OR UNETHICAL CONDUCT

The Bank is committed to administering the Code fairly, objectively and conscientiously. The identity of Employees about whom or against whom a violation of the Code has been made will remain confidential to the extent possible. If it is determined that the identity of the Employee must be disclosed, it will only be disclosed on a need-to-know basis. The identity (if known) of Employees who report a violation will remain confidential to the extent possible.

Conduct of an illegal, fraudulent, questionable or unethical nature or which appears to be in violation of the Code must be promptly reported by an Employee or Director in accordance with the Code. Failure to report apparent or suspected violations of the Code will constitute a violation of the Code.

The Bank will not retaliate against an Employee who in good faith makes a report of any conduct the Employee reasonably believes is illegal, fraudulent, questionable, unethical, or in violation of the Code. Retaliation by any Employee or Director will not be tolerated.

It is a violation of the Code to make a report knowing it to be false.

The procedure for making a report as to all matters except complaints involving accounting, internal accounting controls, or audit matters is:

1. Submission Generally.

The report shall be submitted to the Manager of the Employee reporting the conduct or to the Director of Human Resources. If the Manager is notified of the conduct, the Manager shall notify the Director of Human Resources. However, if the conduct involves:

- The Director of Human Resources, an Executive Vice President or a Senior Executive Vice President, the Employee or Director shall report the event directly to the Chief Executive Officer.
- The Chief Executive Officer, the Employee or Director shall report the matter to the General Counsel, who shall report the matter to the Chairman of the Examining Committee of the Board of Directors.

If an Employee or Director is uncomfortable reporting or discussing conduct in violation of the Code with management identified in the preceding paragraph, such Employee or Director instead may report a matter to the General Counsel.

2. Special Procedures for Complaints and Concerns Regarding Accounting, Internal Accounting Controls, and Audit Matters.

Any complaint regarding accounting, internal accounting controls or audit matters shall be reported to the General Counsel, who shall receive, validate and investigate the complaint in accordance with procedures approved by the Examining Committee of the Board of Directors. All such complaints will be reported by the General Counsel to the Chairman of the Examining Committee of the Board of Directors. A concern regarding questionable accounting or auditing matters may be submitted anonymously and confidentially by an Employee to the General Counsel who will report the matter to the Chairman of the Examining Committee of the Board of Directors. If an Employee believes it necessary to communicate directly with the Chairman of the Examining Committee, the Employee may do so in writing sent to the General Counsel for forwarding to the Chairman of the Examining Committee.

Contact information for reporting any conduct that may constitute a violation of the Code is as follows:

Director of Human Resources
John P. McGann
Bank Leumi USA
420 Lexington Avenue-10th Floor
New York, NY 10170
Phone: 917 542-2345
Fax: 917 542-2352
john.mcgann@leumiusa.com

Chief Executive Officer
Mr. Uzi Rosen
Bank Leumi USA
579 5th Avenue
New York, NY 10017
Phone: 212 407-4400
Fax: 212 407-4455
uzi.rosen@leumiusa.com

General Counsel
Wendi G. Glassman
Bank Leumi USA
562 Fifth Avenue
New York, NY 10036
Phone: 212 626-1266
Fax: 212 626-1195

Confidential and Anonymous Hotline: 212 768-8319
wendi.glassman@leumiusa.com

A report of a violation or a possible violation may be made by telephone, e-mail, in person or in writing by fax or by regular mail. A report may be made anonymously. A sufficiently detailed description of the factual basis for the allegations should be provided in order to allow for an appropriate and thorough investigation. The investigation will be handled in a timely fashion. Unless there are unusual circumstances, the investigation should be completed within 30 business days. The report and all the details will be treated as discreetly as possible. The Bank will do the utmost to protect the privacy of the Employee.

As to all matters, any report received will be immediately recorded in a log book. The report will be assigned a number, and the date of receipt, date of completion of the investigation and the date the matter is closed will be noted. A file will be maintained for each matter.

The Director of Human Resources or the General Counsel will conduct the investigation as to matters received by each of them, unless the Examining Committee of the Board of Directors directs otherwise. If the violation or possible violation involves the Director of Human Resources, an Executive

Vice President, a Senior Executive Vice President or the Chief Executive Officer, the Examining Committee shall direct the manner of the investigation. Any Employee identified in the report will be contacted and interviewed. Any documents related to the violation or possible violation will be examined and analyzed. After review of all the materials collected in the course of the investigation, the person conducting the investigation will prepare a summary of the findings of the investigation and any recommended disciplinary action, and present it to the Chief Executive Officer, providing such investigation does not involve the Chief Executive Officer. The Chief Executive Officer will make the final decision regarding the disposition of the matter. If the matter involves the conduct of the Chief Executive Officer, the General Counsel will receive instructions from the Chairman of the Examining Committee, who will direct the investigation and disposition of the matter.

On a semi-annual basis, a report will be submitted to the Examining Committee of the Board of Directors of all reports received and the status of any matters pending or resolved during the period.

As to any matter, if necessary, a special meeting of the Committee will be called. The Examining Committee of the Board of Directors will make the final decision regarding action to be taken and may, in its discretion, conduct its own investigation.

C. ACKNOWLEDGING COMPLIANCE WITH THE CODE

At least annually, every Employee and Director will be required to sign a written acknowledgement confirming that the Employee or Director has received, reviewed and understands the Code.

D. COMPLIANCE WITH LAWS AND REGULATIONS

Compliance with laws and regulations is an integral element in the successful conduct of the Bank's business. If there is any question about the applicability of any law or regulation, Employees and Directors should seek advice from the Compliance Department.

E. CANDOR AMONG EMPLOYEES AND IN DEALING WITH AUDITORS AND COUNSEL

Senior Management of the Bank must be informed at all times of matters which might adversely affect the reputation of the Bank. No Employee or Director shall conceal information that may have a material adverse affect on the Bank's relations with its Customers or Suppliers. Complete candor and cooperation is required in dealing with the Bank's independent and internal auditors, investigators and attorneys.

IV. CONFLICTS OF INTEREST

A. CONFLICTS OF INTEREST, GENERALLY

A conflict of interest occurs when an Employee or Director's private interest interferes in any way, or even appears to interfere, with the interests of the Bank as a whole. The personal gain or interest of an Employee or Director may never conflict or appear to conflict with the interests of the Bank or its Customers.

No Employee or Director may act on behalf of the Bank in any transaction in which such Employee or Director has a personal interest. Employees and Directors must always be alert and sensitive to possible conflicts of interest.

No Employee or Director shall request or receive a benefit from a Customer or Supplier which benefit is available to the Employee or Director as a result of his or her position in the Bank or is not available to the public generally. No Employee or Director shall trade on his or her position with the Bank.

In the event an Employee or Director has any doubt concerning a possible conflict of interest, the Office of the General Counsel should be consulted for guidance.

B. RECEIPT OF GIFTS, GRATUITIES, AND ENTERTAINMENT

1. Prohibition

No Employee or Director shall solicit anything of value from anyone in return for any business, service, or confidential information of the Bank. No Employee or Director shall accept anything of value (other than a bona fide salary) from anyone in connection with the business of the Bank, whether before or after a transaction is discussed or consummated.

The only exceptions to this prohibition are:

The value of the gift does not exceed \$50 and its receipt is in accordance with written advice of the Director of Human Resources, including the circumstances set forth in an annual “holiday season memorandum” to Employees.

Acceptance is based on a family or personal relationship that exists independently of any business of the Bank.

The benefit is available to the general public under the same conditions on which it is available to the Employee or Director.

Acceptance of meals, refreshments, entertainment, accommodations, or travel arrangements, all of a reasonable value, 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, provided that the expense would be paid by the Bank as a reasonable business expense if not paid for by another party. Included is attendance at corporate-sponsored entertainment attended by other business representatives such as golf outings, sporting events, or an evening at the theater. If a prize is awarded at the entertainment, the value of the prize received may not exceed \$50, when aggregated with any other prizes received by the recipient during the prior three-month period.

Any gift which is prohibited shall be (1) refused or returned promptly by the Employee or Director to whom it is offered or by whom it is received, and (2) reported in writing to the Director of Human Resources. In unusual circumstances where return of the prohibited gift is impractical or awkward, the Director of HR may direct that the gift be donated, without tax deduction, to a charitable organization selected by him or her and shall inform the presenter in writing of the donation.

C. SELF-DEALING

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

D. CORPORATE HOSPITALITY TO PUBLIC OFFICIALS

Acts of hospitality toward public officials should never be on such a scale or of such a nature as might compromise (or give the impression of compromising) the integrity or the reputation of either the public official or the Bank. When appropriate hospitality is extended, it should be with the expectation that it will become a matter of public knowledge.

E. DEALING WITH SUPPLIERS

Employees must award orders, contracts and commitments to suppliers of goods or services without favoritism. Bank business of this nature must be conducted strictly on the basis of merit and in accordance with the Bank's written procedures.

F. FAIR COMPETITION

Under no circumstances shall Employees or Directors enter into arrangements with competitors affecting the pricing or marketing policies of the Bank or its competitors nor should Employees or Directors discuss any pricing or marketing information with anyone who is or might be a competitor.

G. BORROWING

Except for borrowing from a financial institution on non-preferential terms, no Employee may borrow money from anyone who is a supplier or customer of the Bank, or from any financial institution with which the Bank has a correspondent or other business relationship.

H. SERVICE WITH OUTSIDE ORGANIZATIONS

1. Businesses Organized for Profit

An Employee must never become a director, officer, partner, employee, or agent of a business organized for profit without first obtaining a written statement from the head of his or her division, stating that there is no objection to such service. Officers should submit a request to the Office of the General Counsel to obtain such a statement from the Executive Committee of the Board of the Directors of the Bank.

A Director must disclose in writing any affiliation with a business organized for profit to the Office of the General Counsel.

The Office of the General Counsel will review such requests and disclosures to determine whether any conflict of interest would exist or appear to exist as a result of the proposed outside service and whether the proposed outside service may reflect adversely on the Bank or is limited or prohibited by law or regulation. A conclusion that there is no objection to the proposed outside service (i) should not be construed by the Employee as equivalent to the Bank's approval of the proposed outside service, and (ii) will not bar the Bank from objecting to such service at a later time for justifiable reasons. This rule becomes increasingly important with changes in the Bank's business over time and resulting potential conflicts of interest. If there is any question, the Employee or Director should contact the Office of the General Counsel for further information and advice.

As to any permissible employment outside the Bank, Employees should not allow such employment to interfere with their job performance or require such long hours as to affect their physical or mental effectiveness. An Employee is expected to devote his or her full time to the Bank's interest during regular hours of employment.

2. Not-For-Profit Organizations

The Bank strongly encourages Employees to participate in civic and charitable activities. These include, but are not limited to, service with charities, trade organizations, economic groups, colleges, universities, and governmental units. In some cases, business relationships between the Bank and such entities may exist. To ensure that conflicts of interest do not exist, Employees should review involvement in civic and charitable organizations with the department head, the General Counsel, or the Director of Human Resources.

In addition, service with a governmental unit requires that adequate written assurances are first given to the Bank that business relationships between the Bank and the governmental unit would not be prohibited or limited because of statutory or administrative requirements regarding conflicts of interest.

3. At the Request of the Bank

For business reasons, it is sometimes desirable for an Employee to become a director, officer, or employee of a business organized for profit or of a not-for-profit organization. In these situations, a background memorandum from the department head should be submitted to the Director of Human Resources. The Director of Human Resources, in turn, will prepare a memorandum for the signature of the division head requesting that the Employee serve in such position at the request of the Bank.

Any compensation earned by an Employee for service to an organization at the request of the Bank shall be remitted to the Bank.

I. PERSONAL FIDUCIARY APPOINTMENTS

No Employee shall accept any personal appointment by or on behalf of a Bank Customer or Supplier, except an appointment by a family member.

J. PERSONAL FEES AND COMMISSIONS

No Employee or Director shall accept compensation from a Customer, prospective Customer, Supplier or prospective Supplier for consulting or other services without obtaining the prior approval of the Board of Directors of the Bank. An Employee or Director shall submit a written request to the Office of the General Counsel.

K. WORK RELATIONSHIPS

No Employee shall give or receive any special considerations in respect of conditions of employment of another Employee or prospective Employee due to a family or personal relationship. All personnel decisions must be based on sound management practices without regard to family or personal relationships.

L. WRITING FOR PUBLICATION; PUBLIC SPEAKING

No Employee or Director shall suggest in written materials authored by, or attributed to, the Employee or Director that views expressed are those of the Bank unless the Employee or Director has been expressly authorized to submit those views on behalf of the Bank. A suggestion that views expressed are those of the Bank arises where the Employee or Director is identified as a Bank Employee or Director. If the Employee or Director is identified as a Bank Employee or Director, the suggestion may be avoided by a note to the effect that views expressed are not necessarily those of the Bank.

Other than in meetings attended by an Employee or Director on behalf of the Bank, no Employee or Director shall suggest in oral presentations that views expressed are those of the Bank unless the Employee or Director has been expressly authorized to submit those views on behalf of the Bank and the views submitted are consistent with the authorization. A suggestion that views expressed are those of the Bank arises where the Employee or Director is identified as a Bank Employee or Director without a statement that views expressed are not necessarily those of the Bank.

No Employee shall allow writing for publication or public speaking to interfere with the Employee's job performance or require such long hours as to affect the Employee's physical or mental effectiveness.

V. CONFIDENTIALITY

A. GENERALLY

Confidentiality is a fundamental principle of the financial services business. The principle is equally applicable to non-public information concerning the Bank and to similar information received by the Bank from a Customer or Supplier for an express business purpose.

B. CONFIDENTIAL INFORMATION CONCERNING THE BANK

Employees and Directors must not divulge any nonpublic information regarding the Bank to any outsider except for a legitimate business purpose and with the express understanding that the information is confidential and is to be used solely for the limited business purpose for which it was given and received.

Certain information concerning the Bank, such as new products, capital and profit plans, is confidential and should only be disseminated within the internal structure of the Bank on a need-to-know basis.

C. CONFIDENTIAL INFORMATION CONCERNING CUSTOMERS

Employees must maintain the confidential relationship between the Bank and each of its Customers. Confidential information such as account balances, financial information obtained from the Customer, or anticipated changes in the management or financial condition of the Customer, must never be divulged to outsiders unless such disclosure is legally permissible. Internally, such information should be utilized only for the express business purpose for which it was given and restricted within the Bank to those who need to know.

Confidential information concerning Customers must never be exchanged between Employees performing fiduciary or investment management services and those engaged in rendering commercial banking services, such as credit. The Bank's policy requires that a "trust wall" must be maintained between the commercial and the trust sides of the Bank. The primary purpose is to prevent trust and investment officers from making investment decisions based upon confidential information received from the commercial side of the Bank.

D. CONFIDENTIAL INFORMATION CONCERNING SUPPLIERS

Confidential or sensitive information, such as pricing, submitted to and maintained by the Bank in connection with the purchasing of equipment, supplies and services, must be maintained in strictest confidence in order to avoid giving or removing any competitive advantage with respect to any of several suppliers. Disclosure of such information will be considered a violation of the Bank's policy even if the Bank appears to be benefiting from such disclosure.

E. REQUESTS BY REGULATORY OR GOVERNMENTAL AGENCIES

Requests by regulatory or governmental agencies for information other than that required for bank examinations and required reports should be referred to the Office of the General Counsel.

VI. SECURITIES TRANSACTIONS; EXCESSIVE BORROWING AND GAMBLING

Securities transactions engaged in by Employees shall be in conformity with (i) the highest ethical standards and in compliance with all statutory and regulatory provisions relating to insider trading, and (ii) the Bank's Policy Statement and Procedures Relating to Insider Trading.

Borrowing and legal gambling beyond one's financial means and illegal gambling are not consistent with an Employee's employment with the Bank.

VII. DEALING WITH THE ASSETS OF THE BANK

A. PROPRIETARY INFORMATION, PRODUCTS, SERVICES AND OTHER PROPERTY

All Employees are expected to protect the Bank's property, both tangible and intangible, including without limitation, information, products, services, furnishings, equipment and supplies as well as property created, obtained or copied by the Bank for its exclusive use such as client lists, files, reference materials and reports, computer software, data processing systems, and data bases.

The misuse of the Bank's property is prohibited and the removal thereof from Bank facilities for purposes other than Bank business is also prohibited unless specifically authorized. Neither originals nor copies may be used for purposes other than Bank business without the Bank's authorization. The integrity of the computer programs and data that comprise the information assets of the Bank must not be compromised. Care must be exercised to protect these against intentional or unintentional corruption.

The Bank's products and services are its property, and the contributions an Employee makes to their development and implementation while employed by the Bank are the Bank's property and remain its property even if the Employee leaves the Bank's employ.

If an Employee detects or suspects that Bank property is being illegally or improperly used or retained, the Employee must file a Report as described in Section III (B).

B. BRIBES AND PREFERENTIAL TREATMENT

No bribes, kickbacks, or other similar remuneration or consideration shall be given to any person or organization in order to attract business. In addition, no Employee shall make any preferential extension of credit to any executive officer, director or principal shareholder of the Bank or another bank or bank holding company.

C. POLITICAL CONTRIBUTIONS

Federal law prohibits corporations from making contributions directly or in kind to candidates for federal office or to national political parties. Some states allow corporations to make direct contributions to candidates for state or local elected office and to state and local political parties. The Bank will make political contributions only under circumstances approved in advance by the Chief Executive Officer.

D. ACCOUNTING FOR BUSINESS EXPENSES

No Employee shall incur a business expense which is not in accordance with existing policies. All Employees of the Bank who are authorized to incur business expenses are responsible for the accurate and timely reporting of such expenses. If an Employee detects or suspects improper incurring or reporting of business expenses, the Employee must file a report in accordance with Section III (B).

E. PROPER ACCOUNTING

The Bank has established internal accounting controls and record keeping policies in order to meet the legal and the business requirements of the Bank. Employees are expected to maintain and adhere to these controls and policies.

The accounting records of the Bank must be complete, accurate and reflect in reasonable detail transactions and dispositions of assets. Such records include books of original entry and other financial information used for internal management decision-making and external reporting. The underlying transactions must be properly authorized and recorded on a timely basis in order to permit preparation of financial statements in accordance with generally accepted accounting principles and to maintain accountability of assets.

No Employee or Director shall act in any manner that may have the effect of assisting a Bank Customer or Supplier in improperly recording the Customer or Supplier's assets or liabilities in a manner that is not consistent with generally accepted accounting principles.

No Employee or Director shall take any action to fraudulently influence, coerce, manipulate, or mislead the Bank's independent auditors.

Code of Ethics December 17, 2003 (revised May, 2007)