



Code of Conduct for Directors

2009

OUR GOALS

Provide Customers with the financial services they want and need.
Provide all segments of our communities with access to financial services.
Provide our employees with opportunities for professional growth and recognition.
Set a standard of conduct which reflects positively on the Company.
Protect the Company against financial loss.
Preserve a climate of trust with our customers.

OUR VALUES

Comply strictly with all laws and regulations.
Strive to uphold the highest ethical standards.
Provide prompt, courteous and helpful customer service.
Continue to enjoy the trust of our customers and communities.
Improve on what we do each day.

SHAREHOLDER VALUE

The Company's directors and employees shall endeavor to act in the best interest of the Company and its stockholders.

Introduction

NewAlliance Bancshares, Inc. and its subsidiaries (the "Company") are committed to the highest standards of ethical conduct in the fulfillment of our Goals and Values. Our reputation for integrity and honesty must be preserved and strengthened as we grow into new markets. Our reputation provides us with a competitive advantage in the financial services industry and it is fundamental to the way we do business.

This Code of Business Conduct ("Code") provides guidance on how you, as a director, uphold these ethical standards.

In this Code we:

- Establish general rules for acceptable conduct.
- Define and prohibit conflicts of interest.
- Provide for a system of compliance.

The Code consists of an outline of policies regarding conduct. It also consists of specific information and guidance that is provided in company-wide policies and procedures to which you agree as a requirement of your directorship with the Company (collectively referred to as "Company policies"). Company policies may be published in paper or electronic media. You are responsible for reviewing the Code and all Company policies applicable to you, and for acting in compliance with the Code. You may obtain Company policies from the Company's Compliance Department.

The Code is not comprehensive. It provides guidance for carrying out your responsibilities on behalf of the Company and observing the highest standards of ethical conduct. The Code does not address every possible situation that may arise and you are responsible for exercising good judgment, applying ethical principles, and raising questions when in doubt.

General Corporate and Personal Standards of Conduct

As a Director you have a responsibility to act in a manner in which we earn the public's trust and confidence. Your conduct is guided by our values, which are to:

- Comply strictly with all laws and regulations.
- Strive to uphold the highest ethical standards.
- Provide prompt, courteous and helpful customer service.
- Continue to enjoy the trust of our customers and communities.
- Improve on what we do each day.

Corporate Conduct

The following general principles guide our corporate conduct:

- We will act in accordance with applicable laws and regulations and will not tolerate behavior that is otherwise.
- We will make public disclosures as required by law and regulation and as deemed appropriate to enable reasonable evaluation of the Company.
- We will strive to improve shareholder value.

- We will provide products and services designed to help customers achieve their financial goals.
- We will conduct business competitively, but fairly.
- We will provide employment and advancement opportunities to attract and retain diverse professional employees.
- We will support the communities in which we operate.

Individual Conduct

The following general principles guide your individual conduct:

- You will not take any action that will violate any applicable law or regulation.
- You will adhere to the highest standards of ethical conduct.
- You will maintain the confidentiality of all information you obtain in the course of your directorship.
- You will raise at the Board level issues which you reasonably believe may place the Company at risk, and report any behavior you reasonably believe is wrong.
- You will not abuse or take the Company's assets or use them for your personal gain.
- You will not engage in any activities that create a conflict of interest between you and the Company, unless properly disclosed.
- You will comply with this Code.

The responsibilities of a Director are generally defined to require the duty of loyalty and the duty of care. This Policy is intended to outline those responsibilities to enable Directors to properly and objectively discharge their duties.

The interests of the Company are served only if this Policy is complied with by Directors of the Company and by Directors of the Company's subsidiaries as well. Unless clearly inapplicable under the circumstances, this Policy will apply to all Directors of all Company subsidiaries. This Policy will also apply to activities at the Company's subsidiaries as well as at the Company itself.

A Director shall discharge his/her duties as a Director, including his/her duties as a member of a committee:

- in good faith;
- with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- in a manner he/she reasonably believes to be in the best interest of the Company.

A Director is responsible for administering his/her duties with care and loyalty and making reasonable business judgments on a fully informed basis after proper deliberations.

In discharging his/her duties, a Director is entitled to rely on information, opinions, reports, or statements, including financial data if prepared or presented by:

- an Officer or Employee of the Company who the Director reasonably believes to be reliable and competent in the matters presented; or
- legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person's professional or expert competence.

A Director does not act in good faith if he/she has knowledge concerning the matter in question that makes his/her reliance unwarranted.

THE DUTY OF CARE

A Director's decision must be based on his/her best judgment as a prudent business person after careful consideration of all relevant facts reasonably available at the time the decisions were made. As described above, the Director may rely on information prepared and presented by others, but is obligated to inquire further if the information raises a question as to its completeness or reliability.

The duty of care also encompasses diligence on the part of the Director in selecting, monitoring and evaluating competent management; regularly attending meetings, carefully reviewing meeting materials, asking questions and requesting explanations; establishing and monitoring adherence to policies and procedures required by statutes, regulation and principles of safety and soundness and making business decisions on the basis of fully informed and meaningful deliberations; being familiar with audits and regulatory communications and requiring the prompt response to supervisory criticism; and pursuing problems that arise and ensuring that steps are taken to solve them.

A Director should also strive to maintain the independence of the Board of Directors; stay abreast of general industry trends and any statutory and regulatory developments pertinent to the Company's operations; avoid all preferential transactions involving insiders or their related interests; and establish a mechanism for independent third party review and testing of compliance with Board policies and procedures and applicable laws and regulations and of information provided by management.

THE DUTY OF LOYALTY

The duty of loyalty requires a Director to administer the affairs of the Company with candor, personal honesty and integrity.

The duty of loyalty generally prohibits a Director from putting his/her personal or business interests, or those of others, above the lawful interests of the Company. A Director is responsible for dealing fairly with the Company in business transactions, and ensuring that personal or business interests do not bias Board decisions.

A Director must ensure that neither he/she, nor others, abuse his/her position to benefit personally at the Company's expense, and he/she should take appropriate precautions in structuring his/her business and personal ties to the Company to avoid even the appearance of a conflict of interest. If a Director has a potential conflict of interest in any matter, he/she should promptly disclose the conflict to the Company's general counsel, refrain from discussion, voting, and other involvement in the matter, and all of this should be so documented in the minutes of the meeting.

Identifying actual or potential conflicts of interest is sometimes difficult. As a general rule, disclosure at an early stage is preferred. Although individual Directors may be concerned that disclosure of a particular circumstance may infringe on personal privacy, compromise professional confidentiality standards, violate family confidentiality, expectations or the like, he/she must provide sufficient disclosure so that the Board of Directors as a whole may make determinations in an informed manner.

The Company benefits from the business, civic, governmental, charitable and personal experiences of its Directors, and such activity is generally encouraged. However, continued involvement in any activity that conflicts with the interests of the Company is inappropriate and is grounds for removal or ineligibility for election if not resolved.

Investments in entities that are not publicly traded may cause a conflict where an investment is shared by both the Company and a Director. Company Management will make a list of the Company's investments in entities that are not publicly traded available to Directors on a quarterly basis. That list will include the names of entities which are themselves investments of any venture capital fund in which the Company is both invested and represented on an investment or management committee. As a general rule, Directors should refrain from making such investments unless prior disclosure is made and approval is provided by the Directors who are not investors in the subject entity. While not an exhaustive list, the following are guidelines to be followed in this regard:

- This restriction shall apply to investments by the Director him/herself, by his/her spouse, or in the name of his/her minor children.
- This restriction shall apply to any entity in which the Director participates in or otherwise influences investment decisions.
- If a Director should become aware that the Company is considering investing in any non-publicly traded entity in which the Director or any of the foregoing already has invested, the Director shall promptly disclose the fact of his/her investment to the Board of Directors and shall refrain from participating in any matters involving such entity at the Company.

Directors generally shall not be restricted from investing in the equity of publicly-traded companies (defined as any entity registered under the Securities Exchange Act of 1934).

The Company may restrict such investments in unusual circumstances by written notice to the Board.

SPECIFIC POLICIES

Laws, regulations and policies ("Rules") specifically affecting the conduct of Directors of Companying institutions are promulgated from time to time. Company Management will provide the Directors with educational opportunities from time to time by which Directors may become acquainted with specific Rules. Such Rules include Regulation 0, which restricts borrowings by Directors (and others), the Federal Bank Bribery Law, which restricts gifts and gratuities to Directors (and others) and Insider Trading Law which restricts securities trading based on nonpublic information. The Company has a separate "Regulation 0 Policy" and "Insider Trading Policy", and the Standards of Conduct Policy-Employees contains Company bribery guidelines (see "Gifts and Fees From Customers and Suppliers"), which are applicable to Directors and incorporated by reference in this Policy.

AMENDMENT, MODIFICATION AND WAIVER OF THE POLICY

This Policy shall be publicly available and may be amended, modified or waived by the Board of Directors.

COMPLIANCE

Each Director will be expected to read and understand the contents of this Policy and to review it periodically in order to be alert to situations which could create a conflict of interest. Any questions regarding the guidelines may be discussed with the Company's Chief Executive Officer or the Chairperson of the Governance Committee.

Each Director is required to complete an Annual Statement of Compliance with the Policy which will be filed with the Corporate Secretary. This Policy will be published with the Employee Policy and Standards of Conduct Policy-Senior Executive Financial Officers. The Board of Directors as a whole, excluding the Director in question, shall take appropriate action with respect to the failure of any Director to comply with this Policy.