

HIBERNIA CORPORATION

CODE OF ETHICS

INTRODUCTION

Hibernia's reputation for integrity is its most valuable asset in both the marketplace and among the governmental agencies that regulate financial institutions. Hibernia's activities are subject to continuing review by regulatory agencies and others. Hibernia management is regularly required to make specific reports and to certify various actions and activities of Hibernia and its officers in connection with audits, examinations, tax returns, public reports, contracts with public bodies and filings with the Securities and Exchange Commission.

Because Hibernia's integrity is directly affected by the conduct of its officers and other employees, strict ethical standards are required of all employees and must be enforced.

The business conduct of Hibernia and its employees must always be in full compliance with applicable laws and regulations and with Hibernia Policies. Any employee who violates any section of the Code of Ethics is subject to disciplinary action, up to and including dismissal from Hibernia.

The word "Hibernia" is used throughout this Code to designate Hibernia Corporation and each of its subsidiaries.

The Code of Ethics is not intended to interfere with the private lives of employees. It is designed to provide employees with understandable guidelines and standards of ethics and behavior that are expected of them while on and off the job. Proper "business conduct" or "behavior" applies at all times while on the job, while representing Hibernia in any way or in any capacity and when the consequences of that conduct might discredit or be embarrassing to Hibernia if it became public.

If you believe you are or will be in violation of the Hibernia Code of Ethics, you are required to disclose the facts of the situation to your supervisor or other appropriate Hibernia officer. Failure to do so is a separate violation of the code.

You also must report code violations committed by other Hibernia officers or employees if you have witnessed or have factual knowledge of a violation. These reports may be made either to your supervisor, your department or business unit manager or the General Auditor. All violations of the Code of Ethics must be reported promptly to the General Auditor. Disclosure should always be in writing, and a written response to the employee should be given by senior management. A file of disclosures and responses will be maintained by the General Auditor.

The standards of the Code of Ethics (the "code") apply to every officer and employee of Hibernia Corporation and its subsidiaries. Responsibility for enforcement of the Code of Ethics is that of the Ethics Committee of Hibernia National Bank. In addition, the Ethics Committee will be responsible for:

- writing and interpreting the code,
- reviewing inquiries concerning activities that may require prior approval by or disclosure to the committee,
- providing open-minded and unbiased judgment in all situations relating to the code and
- determining appropriate action when violations of the code become evident or are suspected

For a listing of members of the Ethics Committee see the Ethics sub-directory of the Audit/Compliance directory on InSite.

In addition to the above Code of Ethics, the Chief Executive Officer and designated senior financial officers of Hibernia Corporation are further subject to the provisions of the Code of Ethics for Chief Executive Officer and Senior Financial Officers approved by the Board of Directors. The Code of Ethics for Chief Executive Officer and Senior Financial Officers was adopted to promote honest and ethical conduct, the absence of undue influence over auditors engaged in the performance of an audit or review of the financial statements of the company that are required to be filed with the Securities and Exchange Commission, proper disclosure of financial information in the Company's periodic reports and compliance with applicable laws, rules and regulations by the Company's senior officers who have financial responsibilities.

The full text of the Code of Ethics for Chief Executive Officer and Senior Financial Officers is available in the Corporate Investor and Media Relations directory under Investor Relations/Corporate Governance in the drop-down menu at Hibernia.com and the Ethics sub-directory of the Audit/Compliance directory on InSite.

WAIVERS OF THE CODE OF ETHICS

Except as provided in the following paragraph, any waiver of this Code of Ethics may be made only by the Ethics Committee.

Waivers of this Code of Ethics relating to an Executive Officer of the Company may be made only by the Board of Directors and will be promptly disclosed to the extent required by applicable law or regulation.

CODE OF ETHICS AND POLICY INTERPRETATION

The best working conditions prevail where employees demonstrate consideration for their colleagues and employer. When large numbers of people are brought together to accomplish common goals, guidelines must be established to ensure mutual considerations and to coordinate work procedures, safety practices, personal conduct, security and productivity.

The Hibernia Code of Ethics and human resources policies are designed to both protect Hibernia and to maintain a good working atmosphere for its employees. Since Hibernia's policies generally follow accepted principles of good conduct, its workers generally understand and respect the Code of Ethics.

Employees who have questions about whether specific activities or relationships violate the Code of Ethics should seek advice from their department or business unit manager, the Employee Relations

Manager or the Regional Human Resources Representative. They also may contact the Ethics Committee directly through its chairman, the General Auditor. Written requests for interpretations may be submitted directly to the committee, in care of the General Auditor, NEW/Audit.

CONFLICTS OF INTEREST

The basic premise of the Code of Ethics is that each employee represents Hibernia and is obligated to act in the best interest of Hibernia, its customers and stockholders. Employees must never use their positions for private gain, to advance personal interests or to obtain favors or benefits for themselves, members of their families, other individuals, corporations or business entities.

Employees are expected to be able to recognize and avoid situations where personal or financial interest or relationships might influence or appear to influence the employee's judgment on matters affecting Hibernia. When such situations occur, Hibernia may, in its discretion, take action which it deems appropriate in response to a conflict or potential conflict of interest.

Employees should understand that the appearance of a conflict of interest may arise when there is a mere opportunity for conflict to occur. Although employees may not intend to create a conflict of interest, they should manage their affairs to avoid even the appearance of such a conflict.

If you have any doubt about a particular situation, contact your supervisor to discuss it immediately. (*See also: "Gifts Offered to Employees"*)

CONFIDENTIAL INFORMATION

Our business is just that -- our business! It should be held in the strictest confidence. Customers, suppliers, shareholders and employees have a right to expect Hibernia and its employees to keep their personal and business information in strict confidence at all times. Confidential information regarding Hibernia, its customers, prospective customers, suppliers, shareholders and employees should be used solely for corporate purposes and should never be discussed with or divulged to unauthorized people. This need for confidentiality extends to everyone including family, friends and acquaintances.

You should immediately refer questions or requests for information about employees, customers, procedures, etc., to your supervisor, the Employee Relations Manager or your Regional Human Resources Representative, or the Chairman of the Ethics Committee (the General Auditor), as appropriate.

The unauthorized use or release of confidential information, at any time, during or after employment with Hibernia is a breach of the Code of Ethics. Any unauthorized release of confidential information may lead to disciplinary measures up to and including termination. Unauthorized use includes (but is not limited to) personal gain, providing advantage to others, and decreasing the competitive position of Hibernia.

Requests for verification of employment should be referred to the Human Resources Division in New Orleans at (504) 533-5813.

Requests for other information concerning an employee should be referred to the Employee Relations Manager or Regional Human Resources Representative.

Examples of confidential information include (but are not limited to):

- customer, supplier, shareholder or employee business relationships, loans, accounts, balances, credit ratings, experiences or any other transaction with Hibernia,
- corporate policies, objectives, goals and strategies,
- lists of clients, customers or vendors,
- employee records,
- other materials such as graphs, memoranda, documents, manuals, reports, records,
- computer hardware or software for use in computer or word processing equipment and
- training materials, bulletins and similar originals or copies of records, whether or not you have contributed to their creation.

When you leave Hibernia, you may be required to sign a statement that you do not have any confidential information in your possession.

INSIDER TRADING

It is the policy of the Company that no director, officer or other employee of the Company who is aware of material nonpublic information relating to the Company may, directly or through family members or other persons or entities, (a) buy or sell securities of the Company (other than pursuant to a pre-approved trading plan that complies with SEC Rule 10b5-1), or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside the Company, including family and friends. In addition, it is the policy of the Company that no director, officer or other employee of the Company who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not excepted from the policy. The securities laws do not recognize such mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

The Company's Board of Directors has adopted a policy and procedure entitled Policy Regarding Securities Trades by Company Personnel both to satisfy the Company's obligation to prevent insider trading and to help Company personnel avoid the severe consequences associated with violations of insider trading laws. The full text of the Insider Trading policy and procedure is available in the Ethics sub-directory of the Audit/Compliance directory on InSite. Every employee is responsible for reviewing that policy.

IMPROPER INFLUENCE

It is also a federal crime for any Hibernia officer, director, employee, agent or attorney to corruptly solicit, demand or accept for the benefit of any person anything of value from anyone in return for any business, service or Hibernia confidential information. The law applies whether the person intends to be influenced or rewarded either before or after a transaction is discussed or consummated. Although all transactions and businesses are covered, some examples include:

- extensions of credit,
- underwriting transactions,
- investment advice,
- trust matters,
- checking accounts and
- purchases from suppliers.

The person who improperly offers or promises something of value under these circumstances is guilty of the same offense. The penalty for a violation is as follows:

- If the value of what is offered or received exceeds \$100, the offense is a felony punishable by up to five years' imprisonment and a fine of \$5,000 or three times the value of the bribe or gratuity.
- If the value does not exceed \$100, the offense is a misdemeanor punishable by up to one year's imprisonment and a maximum fine of \$1,000.

For loan transactions, the penalties are as follows:

- If the value of what is given, offered, received, solicited or demanded exceeds \$1000; the offense is a felony punishable by imprisonment of up to 30 years, a fine of up to \$1,000,000 or three times the value of the thing given, offered, received, solicited or demanded, which ever is greater, or both.
- If the value of what is given, offered, received, solicited or demanded is less than \$1000; the person shall be fined under the same provisions as above, or imprisoned for not more than one year, or both.

GIFTS OFFERED TO EMPLOYEES

In the course of Hibernia business, an employee may not receive for purely personal benefit, or for the personal benefit of anyone other than Hibernia, items of value that serve no demonstrable business purpose. Gifts of cash in any amount are expressly prohibited.

Although accepting items of value in connection with Hibernia business is generally prohibited, an employee may accept:

- meals, refreshments, travel arrangements or accommodations, or entertainment, all of reasonable value, in the course of a meeting or other occasion where the purpose is to hold bona fide business discussions or to foster better business relations,
- advertising or promotional material of nominal value, such as pens, pencils, note pads, key chains, calendars and similar items,
- discounts or rebates on merchandise or services that do not exceed those available to other customers,
- gifts of modest value that are related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement, Christmas, or bar or bat mitzvah and
- civic, charitable, educational or religious organizational awards for recognition of service and accomplishment.

Items of value exchanged between a Hibernia employee and family members or social friends are not covered by this Code of Ethics if they are exchanged solely because of the family or social relationship and not in connection with a Hibernia transaction or Hibernia business. However, the exchange of any items of value that may create the appearance of a conflict of interest should be avoided.

On a case-by-case basis, Hibernia may approve other circumstances in which employees accept something of value in connection with Hibernia business. Senior management approval may be given, after consultation with the General Auditor, in writing on the basis of a full written disclosure of all relevant facts submitted by the employee, provided there is compliance with federal law.

For the full text of Hibernia's Gift Policy, as well as some additional gift policy guidance and procedure for requesting approval see the Ethics sub-directory of the Audit/Compliance directory on InSite.

ITEMS OFFERED BY EMPLOYEES

Employees may not, on behalf of Hibernia in connection with any Hibernia transaction or business, directly or indirectly give, offer or promise anything of value to any individual, business entity, organization, governmental unit, public official, political party or other person for the purpose of influencing the action of the recipient.

This standard of conduct is not intended to prohibit normal business practices as long as they are of nominal and reasonable value under the circumstances, are consistent with the value levels described under "*Gifts Offered To Employees*", comply with Hibernia's expense policy and promote Hibernia's legitimate business development. Such nominal gifts would include:

- meals, refreshments, travel arrangements, accommodations
- entertainment,
- tickets to cultural and sporting events,
- promotional gifts or favors,
- discounts or price concessions and
- gifts given as tokens of friendship

ESTATE MATTERS

No employee or member of an employee's family may accept any benefit, or consent to any provision naming them a beneficiary or otherwise providing them with a benefit, under a will or trust instrument of a Hibernia customer with a value greater than \$1,000 unless senior management has approved, after consultation with the General Auditor.

An employee may never demand, request or solicit any benefit under a will or trust instrument of a Hibernia customer.

No employee or member of an employee's family may act in any fiduciary capacity under a will, trust or other instrument unless prior senior management approval has been obtained after consultation with legal counsel. Such approval is given with the understanding that the employee will turn over any commission or fees to Hibernia.

The provisions of this section do not apply to a will, trust or other instrument established by a member of the employee's family.

PERSONAL FINANCES

By keeping your financial affairs in order, you will help ensure customer confidence in Hibernia. Should you be unable to meet your financial obligations, it will reflect on Hibernia's reputation and affect your own work performance. The following guidelines, though not a complete list, are provided to help you maintain your finances in an acceptable manner:

- Employees should comply with Hibernia's Overdraft Policy for employees and avoid any personal defaults or delinquencies in payments. If you find yourself in serious financial difficulty, you must advise your immediate supervisor. See the Overdraft Policy in the Appendix of the Employee Handbook for further discussion.
- Avoid check kiting in any form. Check kiting by Hibernia employees is prohibited and may be grounds for immediate dismissal. Check kiting for this purpose is the creation of fictitious balances by one or more transactions between two or more accounts, whether those accounts are kept at Hibernia or other financial institutions, or both. Kiting is generally a method by which a depositor utilizes the time required for checks to clear or items (such as ATM deposits) to be processed to obtain an unauthorized loan without interest charges. Kiting is considered criminal activity and subject to prosecution at the state and federal level. See the section entitled Check Kiting in the Appendix of the Employee Handbook for further discussion.
- Do not engage in highly risky or speculative transactions unless you are sure you can absorb the complete loss of the investment. Examples are gambling, short sales of stock and buying stocks on margin.
- Do not incur any financial obligations that you cannot fulfill.

- Consult in advance with the General Auditor for advice regarding possible violation of the Code of Ethics if you or a family member, are offered an opportunity to buy securities of other companies on unusual or extraordinarily favorable terms. Also consult with Corporate Law regarding possible violations of securities laws.

Example: It is generally against the law for you to accept securities on terms more favorable than those available to the general public, or to purchase securities before they become available to the public.

- You and members of your immediate family:
 - a) Should not borrow from Hibernia customers or suppliers, except those normally engaged in the lending business with lending terms similar to those offered to others.
 - b) Should not accept any special treatment regarding interest rates, terms, security or the like, and there should be no element of concealment in the transaction.
 - c) Should not engage in substantial transactions with a Hibernia customer or supplier when any part of the transaction might be construed as a favor or a bribe.

Examples:

- You should not purchase a house in a development you have been involved in financing.
- You should not borrow money from a loan company you have been involved in financing.

Purchases or borrowings such as these are prohibited if the terms are more favorable than those offered to the general public.

- Comply with the restrictions and reporting and disclosure rules of Regulation O with respect to incurring indebtedness to other financial institutions, if you are an executive officer. Officers subject to Regulation O are separately advised about compliance requirements.
- Tell the brokerage firm or stock exchange that you are a Hibernia employee if you intend to enter into a margin transaction, since the New York Stock Exchange and other national securities exchanges prohibit their members from entering into margin transactions with certain employees of banking institutions. You may apply for a waiver of the rules by sending the Ethics Committee a confidential written request explaining all pertinent circumstances.

A margin transaction is one in which a minimum amount is deposited with a broker to purchase securities. The remainder of the money is advanced by the broker, who charges a fee for the transaction.

Advise your supervisor, department or business unit manager or any member of the Ethics Committee of any problems related to the instances described in this Personal Finances Section. If you feel you need assistance in handling your financial situation, you may contact Hibernia's Employee Assistance Program.

INAPPROPRIATE TRANSACTIONS

Because of our position of trust in the community, all of the Hibernia's financial transactions should be managed with prudence. Transactions should be conducted in such a manner as to be above regulatory or auditing criticisms or concerns.

No employees shall make or approve loans to any bank, partnership, estate, trust, association, or other entity or person in which they have an interest directly or indirectly. Any such request for credit extension is to be referred to another bank officer with no connection or affiliation to the potential borrower.

All employees should assume the position of a regular customer when handling their personal bank business. All transactions should be handled in the normal over-the-counter procedure. No employees will be permitted to transact independent transactions for themselves or a relative's bank business.

Any violation of Hibernia's policy may lead to discipline up to and including termination.

INTEGRITY OF ACCOUNTING AND FINANCIAL INFORMATION

Hibernia maintains the highest standards in developing accounting and financial information that is disclosed to the public. No publication should ever be issued that is false, misleading or incomplete or that would lead to mistrust by the public, customers or shareholders. All accounting records must be compiled accurately, with appropriate accounting entries properly classified when entered on the books.

Complaint Policy and Procedures for Accounting and Auditing Matters

If an employee/non-employee becomes aware of a matter involving the publication of false, misleading or incomplete financial information, they are to report the matter to the appropriate personnel.

Definition:

Matters Considered "Accounting Matters"

This policy relates to employee/non-employee complaints about any questionable financial reporting or accounting matter, including, without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of Hibernia;
- Fraud or deliberate error in the recording and maintaining of financial records of Hibernia;
- Deficiencies in or noncompliance with Hibernia's internal accounting controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of Hibernia; or
- Deviation from full and fair reporting of Hibernia's financial condition.

Submitting a Complaint Regarding Accounting Matters

Hibernia's General Auditor and the Chairman of Hibernia's Audit Committee are the designated contacts for the submission of employee/non-employee complaints or concerns regarding Accounting Matters and for complaints that an employee has been retaliated against for submitting or attempting to submit a complaint regarding Accounting Matters.

Any person with such a complaint regarding Accounting Matters may report their complaint to the General Auditor by U.S. mail addressed as follows:

General Auditor
Hibernia Corporation
P.O. Box 61540
New Orleans, LA 70161

Any such complaint may instead be submitted to the Chairman of the Audit Committee as follows if the General Auditor is not deemed to be independent of the matter being reported:

Chairman, Audit Committee
Hibernia Corporation
c/o Chief Regulatory Officer
P.O. Box 61540
New Orleans, LA 70161

The Chief Regulatory Officer will forward to the Chairman of the Audit Committee all communications addressed in this fashion received by her that address Accounting Matters. She will forward such communications that do not address Accounting Matters to appropriate individuals or departments depending upon the type of complaint involved.

Employees may submit any such complaints on a confidential or anonymous basis.

The full text of the above procedure is included in the Complaint Policy and Procedures for Accounting and Auditing Matters available in the Corporate Investor and Media Relations directory under the Investor Relations/Corporate Governance drop-down menu at Hibernia.com and in the Ethics sub-directory of the Audit/Compliance directory on InSite.

EMBEZZLEMENT, THEFT AND MISAPPROPRIATION OF FUNDS OR ASSETS

Hibernia holds each officer and employee responsible for maintaining accurate and complete records. Anyone who embezzles, steals or willfully misappropriates any property, monies, fund or credits of Hibernia, or who aids or abets these illegal acts, is subject to fine, imprisonment or both. Hibernia's prosecution and restitution policy will apply in all cases.

OUTSIDE EMPLOYMENT

As an employee of Hibernia, you are discouraged from engaging in outside employment, particularly if a second job might interfere with your impartiality or efficiency or the productivity of Hibernia.

If you find it necessary to take a second job, you must inform and obtain written approval from your manager and the Ethics Committee prior to accepting the position. You must prepare a memo to your manager stating all information relative to the second job, including position, salary, hours, company, etc. Your manager, if she or he approves, should submit the memo to the Ethics Committee through its Chairman, the General Auditor, who will notify you in writing of the status of your request. Employees failing to report outside employment will be subject to disciplinary action which could include termination.

EMPLOYMENT OF RELATIVES/PERSONS HAVING CLOSE PERSONAL RELATIONSHIPS

To minimize security risks and avoid conflicts of interest, the employment of relatives is closely monitored and controlled by the General Auditor and the Employee Relations Manager.

For purposes of this policy, a relative is defined as a:

Spouse	Parent	Child
Grandchild	Sibling	Uncle/Aunt
First Cousin	Grandparent of either spouse or	
Corresponding in-law/step-relative		

With some exceptions, Hibernia policy allows the hiring of employees' relatives for full-time and part-time employment if there is no apparent conflict. However, relatives or other persons with whom an employee has close personal relationships:

- may not work in the same department. The Ethics Committee, in its sole discretion, may waive this requirement provided certain conditions are met.
- may not be placed in positions where one may supervise the other.
- may not be placed where one may be in a position to handle the same banking transaction within Hibernia or another affiliate.

If two current employees plan to marry, the General Auditor and the Employee Relations Manager or Regional Human Resources Representative will review each position to ensure that no apparent conflict exists. If a conflict does exist, Hibernia will attempt to transfer one of the employees to another position or area. Otherwise, the two employees will be given an option to decide which of the two will leave the employ of Hibernia. If the two employees fail to decide which one will leave the employ or take another assignment, the employee with the most seniority will be retained by Hibernia, and the other employee will be reassigned, if appropriate, or terminated.

No relatives of the CEO, or other Hibernia officers who report directly to the CEO and are in an executive decision-making role, may be employed without prior approval of the Ethics Committee.

OUTSIDE ACTIVITIES

You are encouraged to take an active part in non-profit organizations such as educational, religious, health and human services, art and cultural, and civic and community groups. You are also encouraged to help your communities and schools by serving on committees and boards. However, those outside activities should conform to the Code of Ethics and they:

- should not materially interfere with the time and attention that should be devoted to Hibernia duties
- should not adversely affect the quality of your Hibernia work
- should not involve any activity which competes with Hibernia's business
- should not involve any significant use of Hibernia's equipment, supplies or facilities without approval of your manager or the Ethics Committee
- should not imply sponsorship by or the support of Hibernia unless Hibernia has made a decision to directly or indirectly sponsor activities or groups

RUNNING FOR POLITICAL OFFICE AND LOBBYING

Hibernia participates in lobbying through the Government Relations office and contributions to political parties and/or candidates are accomplished through HPGG (Hibernia's People for Good Government). Individual employees may enjoy other political membership and contribute to political parties, trade associations, and similar organizations, strictly on their own time and their own expense. Employees interested in running for political office must submit a request to the General Auditor.

DRUG/ALCOHOL ABUSE POLICY

Hibernia's goal is to provide a safe workplace and to promote high standards of employee productivity, health and safety. Hibernia is also committed to assisting employees in overcoming problems which may directly or indirectly affect their performance, safety and health. These objectives apply to all employees of Hibernia Corporation and all of its subsidiaries.

Employee involvement in illegal drugs and improper use of other substances - on and off the job - can be damaging to the workplace in terms of increased absenteeism, lower employee productivity and morale, and by undermining the safety of fellow workers and customers. Illegal or improper use of drugs and other substances increases the potential for accidents, loss of and damage to company property, and damages the reputation of Hibernia. It can seriously impact the ability to operate our business in the best interest of our customers and employees. The illegal or improper use of drugs and substances poses a serious threat to the integrity of our workforce and jeopardizes our ability to protect the assets of Hibernia and its customers.

The following policies and procedures have been developed to establish and maintain a drug-free workplace:

1. POLICIES

a. Possession, Sale, Distribution, Use or Manufacture of Drugs or Alcohol on Bank Property:

The unlawful manufacture, distribution, possession, sale, dispensation, or use of controlled substances (including, but not limited to, heroin, LSD, opium, cocaine, marijuana, amphetamines, etc., and/or paraphernalia) or alcohol by an employee on Hibernia property is considered a Guideline I violation, and may result in the employee's immediate termination.

b. Arrest and/or Conviction for a Criminal Drug Offense:

Employees convicted of a criminal drug or substance abuse offense may be terminated immediately. Employees arrested for any reason may be placed on suspension without pay until written proof is received stating that the charges have been dropped or dismissed. Employees must promptly report the arrest to management and to the General Auditor.

Drunken and disorderly conduct, abuse of alcohol or drugs, consumption of alcoholic beverages where prohibited by law or at any time Hibernia premises is a violation of the Hibernia Corporation Code of Ethics. However, at certain special events, Hibernia may approve consumption of alcohol.

Employees who are aware of such violations must promptly report them to the Director of Human Resources, Employee Relations Manager or Regional Human Resources Representative, or General Auditor.

c. Drug Testing

Pre-employment Testing: Applicants for positions with Hibernia must complete a drug screening prior to being offered employment. The test screens for opiates, benzodiazepines, cocaine, amphetamines, barbiturates, propoxyphene, methadone, other illegal drugs (i.e., methaqualone, PCP, THC, etc.) and other substances.

Applicants testing positive for any illegal substances are rejected for employment. Positive results for other drugs are reported to a qualified medical review officer who will make a recommendation as to whether the applicant will be rejected or may be further considered.

"For Cause" Testing: Hibernia employees may be required to submit to a drug or alcohol test on an individual basis when, in the judgment of management, there is a *reasonable suspicion* that illegal or improper use of drugs, inhalants or alcohol - on or off Hibernia premises - impairs that employee's job performance, damages Hibernia's reputation, or jeopardizes the safety of that employee or others.

Examples of reasonable suspicion include, but are not limited to, the following:

- abnormal behavior;
- marked changes (not otherwise explained) in personal behavior, moods, or appearance;
- accidents or other activities or conduct that indicates the employee may be under the influence of drugs or alcohol.

A confidential review and approval process is conducted by the Employee Relations Manager or Regional Human Resources Representative, employee's supervisor and business unit manager when testing is being considered "For Cause." Any employee who is required to submit to the testing will be advised of the purpose and possible consequences of the testing.

All testing and results will be handled in a confidential manner.

When it is determined that a drug or alcohol test is to be administered, the employee will be asked to sign a consent form for such testing. Refusing to submit to testing or to sign the consent form is cause for discharge from employment. A confirmed positive result on a test indicating the presence of substances that have not been prescribed by a physician for medical reasons is also cause for immediate termination.

Employees who are required to submit to testing *will be placed on suspension* without pay until the results are reviewed.

All drug tests will be performed off-site by a National Institute on Drug Abuse (NIDA) approved laboratory. The laboratory will confirm each positive test by a second screening method.

Hibernia may also conduct a search of the employee's person, property or work area (including desk, files, furniture, locker, purse, briefcase, etc.).

Performance problems, whether or not they are the result of substance abuse will be subject to Progressive Discipline.

d. *Rehabilitation:*

An Employee Assistance Program (EAP) is available to assist Hibernia and its employees in pursuit of a drug-free workplace. Employees and their dependents who need assistance in dealing with drug and alcohol problems should contact the EAP counselors. (See Flexible Security Plan, Section F, or call Human Resources Benefits in New Orleans or your Regional Human Resources Representative for a list of locations and telephone numbers for agencies in your area.)

Employees have the responsibility to correct any problems which affect their performance and influence their employment status. The Employee Assistance Program may assist employees in maintaining the level of performance expected of the entire Hibernia staff.

Employees should avoid drug and alcohol abuse and should seek assistance if they have a substance abuse problem. Hibernia will attempt to cooperate in the treatment of such a disorder, but it is the employee's responsibility to seek help from his or her supervisor, or from Employee Relations or your Regional Human Resources Representative. Failure to do so may be grounds for dismissal.

Employees should not possess, distribute, sell, consume or engage in unauthorized use of intoxicants, illegal drugs or controlled dangerous substances *anywhere or anytime*. The possession, distribution, sale, consumption or use of medication without medical approval on Hibernia premises is grounds for immediate termination. (This does not apply to the lawful use or possession of drugs or controlled substances that have been prescribed by a licensed medical practitioner for lawful use by the employee for whom the drug or controlled substance was prescribed.)

Employees should avoid drunken and disorderly conduct, abuse of alcohol or drugs, and the consumption of alcoholic beverages on Hibernia premises or where prohibited by law. These actions violate the Code of Ethics, could be considered an embarrassment to Hibernia, and may result in disciplinary action.

2. NO CONTRACT RIGHTS

This Drug/Alcohol Abuse Policy is not to be construed as a limitation on the right of Hibernia to test any applicant or employee for the presence of drugs or alcohol in his or her system at any time or for any reason. Hibernia reserves the right to alter, amend, modify, terminate or withdraw this Policy, or any portion hereof, at any time. This Policy shall not be construed as a contract between Hibernia or any of its subsidiaries and any employee.

REPORTING ARRESTS

Guidelines:

1. If you are arrested for any reason, or if you enter into a diversionary or deferred adjudication program, you must immediately report the date, circumstances and reason for these issues to your immediate supervisor. Supervisors are to report the issues to Employee Relations or Regional Hibernia Representative. Security will conduct an investigation and render a report of its findings with a recommended disposition to the Employee Relations Department or Regional Human Resources Representative.
2. If a warrant is issued for your arrest and/or you are arrested while at work, or if you enter into a diversionary or deferred adjudication program, you will be placed on investigatory suspension without pay or benefits until written proof is received stating that the charges have been dropped or dismissed.
3. If you are arrested or enter a diversionary or deferred adjudication program and do not report these issues to the General Auditor of Hibernia and management, you will be subject to termination.
4. Employees who are arrested or enter a diversionary program or a deferred adjudication program as a result of an arrest may be placed on suspension without pay until it is proved that the charges have been dropped or dismissed. **Employees who fail to report their involvement in illegal actions are subject to immediate termination.**
5. Employees who are aware of any of the above personal conduct violations or fraudulent acts against Hibernia must report the violations or acts to management, the Director of Human Resources or the Employee Relations Manager. **Failure to do so is a violation of the Code of Ethics and could result in termination of employment.**

Security may conduct an investigation of reports and may report its findings and recommendations to the Employee Relations Manager or Regional Human Resources Representative and management for disposition. The findings and recommendations also will be reported to the Ethics Committee.

Violation of any federal, state or local laws may be grounds for dismissal.

USE OF CORPORATE NAME AND LETTERHEAD

Hibernia's name, logo or corporate letterhead must never be used for any purposes other than in the normal course of official Hibernia business, unless officially sanctioned by senior management.

COMMUNICATIONS WITH THE NEWS MEDIA

Hibernia's communications with the news media affect its reputation in the community and also may affect its employees, stockholders and customers. Like other aspects of its business, Hibernia media contacts must be handled by professionals experienced in such communications. Therefore, to ensure information consistency and accuracy and to prevent incorrect statements and perceptions on the part of customers, shareholders, other banks and interested parties, employees must refer all news media questions and requests to Hibernia's Corporate Communications Department (504) 533-5482.

The only persons authorized to act as spokespersons for Hibernia are the Hibernia Chairman, CEO, Chief Public Affairs Officer, Corporate Communications Manager, employees of the Corporate Communications Department, or individuals authorized by them.

No other employee should answer questions, make comments to, contact or communicate with any member of the news media on behalf of Hibernia without approval from one of the above officers. If contacted by the media refer them to Corporate Communications at (504) 533-5482, *and advise Corporate Communications.*

(As approved by the Audit Committee on February 18, 2004)