

DST SYSTEMS, INC.
BUSINESS ETHICS AND LEGAL COMPLIANCE POLICY

I. THE POLICY

DST Systems, Inc. (“DST”) * requires that members of its Board of Directors (“Directors”), officers listed on its Form 10-K Annual Report filed with the Securities and Exchange Commission (“Executive Officers”), its other officers and employees, and its temporary workers and independent contractors and consultants when engaged by or otherwise representing DST and its interests (all persons referenced in this paragraph are referred to collectively herein, and only for purposes of this Policy, as “Associates”) perform their duties and conduct the business of DST in accordance with the highest ethical and legal standards.

II. PURPOSE AND SCOPE OF THE POLICY

One purpose of this Policy ** is to remind Associates that DST has always required and will continue to require them to observe the ethical and legal standards applicable to DST’s business.

Another purpose of the Policy is to summarize certain of those standards. The Policy does not summarize or refer to all laws and ethical rules that govern the conduct of Associates. Rather, the Policy describes at a minimum the conduct expected of Associates. Associates must also comply with the ethical and legal standards applicable to their work but not summarized in this Policy.

Other purposes of the Policy are to protect DST from criticism and litigation and to preserve and enhance DST’s reputation as a good corporate citizen.

The Policy is also to advise Associates that whenever they become aware of occurrences that raise ethical or legal concerns they should contact the “**LOSS LINE**” (an anonymous hotline telephone number **800/326-LOSS*****), the officer in charge of their area or the Executive Vice President of DST Systems, Inc. See Part IV of this Policy for specifics.

Any waiver of this Policy for, or change of this Policy that applies to, DST’s principal executive officer, any senior financial officer including the principal financial officer and principal accounting officer or controller, or any Executive Officer or Director may be made only by DST’s Board of Directors or such Board’s Corporate Governance/Nominating Committee (“Corporate Governance Committee”) and will be promptly disclosed to DST’s shareholders in accordance with applicable New York Stock Exchange listing standards and other applicable laws, rules and regulations.

* For purposes only of this Policy, “DST” includes DST Systems, Inc. and its subsidiaries.

** The Policy is intended solely for DST’s internal use and does not constitute an admission, by or on behalf of DST, as to any fact, circumstance or legal conclusion. Further, this Policy is not intended to form the basis for describing or defining any conduct by a person that should result in such person being liable to any other person, except insofar as the conduct of such person in violation of this Policy may constitute sufficient cause for DST to terminate such person’s relationship to DST. Any conduct by Associates that deviates from the letter and spirit of the Policy shall be deemed to be outside the scope of the Associates’ employment or relationship with DST.

*** Outside the United States, Associates may call collect, 770/409-5025, and refer to the DST Loss Line.

III. POLICY STANDARDS

A. BUSINESS ETHICS

While it is not practical to list all ethical considerations applicable to Associates, it is obvious that they should treat all DST customers and the customers' account holders or shareholders as well as all DST suppliers honestly and fairly. The highlights of certain other ethical considerations follow.

I. *Avoiding a Conflict of Interest*

Associates must act in the best interest of DST to the exclusion of personal advantage, avoiding situations in which their private interests do, may, or even appear to conflict or interfere in any way with DST's interests as a whole. Such situations include without limitation the following:

- a) An Associate:
 - owning a significant financial interest in any outside enterprise which is a competitor of or does or seeks to do business with DST,
 - serving in a key role (i.e. as a director, officer, partner, consultant, etc.) in any such entity, or
 - accepting compensation in any form from any other entity or person for services performed for DST;provided, however, that (i) these prohibitions are inapplicable to a non-employee Director if the interest or activity does not jeopardize Director independence under New York Stock Exchange listing standards or has been determined appropriate by the Board, (ii) merely serving as a director of another entity shall not be deemed a conflict of interest if the entity is not a competitor of DST and the entity's transactions with DST are not material to the Associate, and (iii) a financial interest in an entity that is a competitor to or that has an actual or prospective relationship with DST and that is not a general partnership shall not be deemed significant if it is from the direct or indirect ownership of less than a ten percent equity interest.
- b) An Associate acting for the benefit of a third party in transactions involving DST or its interests.
- c) An Associate accepting entertainment or gifts from, or participating in acts of hospitality of, a third party that, because of the Associate's position with DST and the circumstances, may compromise the integrity of the Associate, DST or any other person or entity, including accepting business-related entertainments or gifts over \$250 in value, unless approved in advance by a DST officer other than the officer involved (or, in the case of a non-employee Director by the Presiding Director for executive sessions of such Directors, or in the case of the Presiding Director by the chair of the Board's Corporate Governance Committee). An officer or non-employee Director asked to approve an Associate's request to accept such entertainment, gifts, or hospitality should apply the standard set forth in this subparagraph.
- d) An Associate acquiring or attempting to acquire real estate the Associate knows DST has an interest in acquiring, or acquiring or attempting to acquire nearby properties for speculation or investment.

- e) An Associate receiving an improper personal benefit as a result of the Associate's position with DST.
- f) An Associate receiving from DST loans or guarantees of any of the Associate's obligations, or any extensions or arrangements for extensions of credit, either (i) if prohibited by law or (ii) (except for loans through a tax qualified benefit plan to persons who are not Executive Officers of DST) if not pre-approved in accordance with applicable laws, rules, regulations and standards by the DST Legal Department, which can be reached at 816/435-4636.
- g) An Associate knowingly engaging in any conduct or activities that are inconsistent with DST's best interest, or disrupting or impairing DST's relationship with any person or entity with which DST has or proposes to enter into a business or contractual relationship.
- h) An Associate taking an action or having an interest that may make it difficult to perform his or her work for DST objectively and efficiently.

The above conduct by any members of an Associate's family may also be a conflict of interest for the Associate. Associates should report any situation that may involve a conflict of interest so that DST may determine whether the situation is proper. (See Part IV of this Policy.)

2. ***Corporate Opportunities***

Associates owe a duty to DST to advance its legitimate interests when the opportunity to do so arises. Unless approved by an Executive Officer in advance, Associates shall not:

- a) personally take for themselves opportunities that are discovered through the use of DST property, information, or the Associate's position;
- b) use DST's property, information or position for personal gain; or
- c) compete with DST directly or indirectly for business opportunities.

3. ***Proper Accounting, Recordkeeping and Disclosure***

DST has certain prescribed accounting and reporting procedures, including procedures for expense account and other payment systems, which Associates must follow. DST and its Associates shall comply with applicable laws and regulations regarding retention of records, and Associates are expected to become familiar with and adhere to any DST policy regarding records retention that are applicable to the records in their custody, care or control. Associates are to notify the DST Legal Department at 816/435-4636 if they learn of a subpoena or pending, imminent or contemplated litigation or government investigation and, until notice or direction from the DST Legal Department, shall not destroy, pursuant to a records policy or otherwise, any records that are or may be relevant to such subpoena, litigation or investigation.

DST requires compliance with Generally Accepted Accounting Principles and DST's internal accounting and auditing controls. Associates must maintain and present DST's accounting and financial records, as well as reports produced from those records, in accordance with the laws of each applicable jurisdiction. Such records and reports must accurately and fairly reflect, in reasonable detail, DST's

assets, liabilities, revenues and expenses. All transactions must be recorded in the proper accounting period and be supported by reasonably detailed documentation.

In all accounting records and reports as well as supporting documentation, Associates must accurately reflect and describe corporate transactions. Associates must not falsify or alter the recordation of data to conceal or distort assets, liabilities, revenues, expenses, or performance measures.

DST strives to make full, fair, accurate, timely and understandable disclosures in public communications and in documents filed with or submitted to the U.S. Securities and Exchange Commission.

4. *Fair Dealing*

Associates shall deal fairly with other Associates and with customers, suppliers and competitors. No Associate will take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices.

5. *Safeguarding the Property of DST and the Confidential Information and Trade Secrets of DST and Others*

Associates must protect DST property and the intellectual property, confidential information and trade secrets they use, access, develop or obtain in their work.

- a) **Property.** With respect to DST property, each Associate is reminded that the Associate must not, without authorization, use the equipment, funds, services, or property of DST (such as, for example, computer software and hardware, e-mail and other messaging facilities) for purposes unrelated to DST business. For legitimate business purposes, DST may review and audit the Associate's use of the DST computer system, including all networks, programs, Internet access and e-mail, and may intercept, access, or disclose any information, documents or messages created, sent, received or retrieved by an Associate.
- b) **Intellectual Property.** Each Associate is reminded, and by acknowledging that he or she has reviewed this policy, expressly agrees that:
 - (i) The exclusive property of DST includes:
 - everything the Associate creates or develops during the course of employment, either individually or jointly with others, whether or not during normal working hours or on DST's premises, and relating to or used in the current or prospective business or operations of DST (collectively, "works made for hire" or "Works"); and
 - all discoveries, improvements and inventions relating to or used in the current or prospective business or operations of DST, whether or not patentable, which are created, made, conceived or reduced to practice by the Associate or under the Associate's direction or jointly with others during the course of employment, whether or not during normal working hours or on DST's premises ("Inventions").

- (ii) To protect DST's title and rights to its intellectual property, the Associate has an obligation to assist DST to obtain and vest its title to all Inventions and Works, and any patent or copyright applications or patents and copyrights, in any country, by executing all necessary or desirable documents, including applications for patents or copyrights and assignments of patents or copyrights during and after employment without charge to DST, at DST's request and expense.
 - (iii) The Associate must comply with all procedures disseminated by DST with respect to records of all Inventions and Works developed or written while employed by DST and provide such records to DST periodically and/or upon request by DST.
 - (iv) The Associate must return all Works and Inventions to DST in any tangible form, and copies thereof in the Associate's custody or possession, and all originals and copies of analysis, compilations, studies or documents pertaining to any Works and Inventions in whatever form or media, upon DST's request or upon termination of employment.
 - (v) The Associate must not use Works or Inventions for any purpose without the prior written approval of a DST officer, except as required to discharge duties assigned to them by DST.
- c) **Confidential Information and Trade Secrets.** Confidential information and trade secrets include non-public information about DST (such as, for example, business strategies, pending contracts, unannounced services or products, computer source and object code, programming sequences and formats, financial projections, real estate DST is interested in acquiring, and customer lists) and internal documents and communications including information, documents and communications that might be of use to competitors or harmful to DST or its customers if disclosed. Confidential Information and trade secrets also include non-public information obtained about others as a consequence of employment at DST or during previous employment (such as, for example, information about customers and their funds and other products, about the customers, members, account holders or shareholders of customers, and about Associates, suppliers or competitors of DST and of former employers of Associates). DST confidential information and trade secrets are the exclusive property of DST.

With respect to confidential information and trade secrets, each Associate is reminded that:

- (i) The Associate must not give or release DST confidential information and trade secrets to others (including posting any DST information on the Internet or speaking on behalf of DST) unless the Associate has proper authorization from DST Media Relations or a DST officer, and, upon such authorization, the Associate must give or release the information only to a person with a need and right to know it for legitimate business reasons.
- (ii) The Associate must not give or release confidential information and trade secrets of others obtained as a consequence of DST employment unless the Associate has proper authorization from DST and such other entity, and, upon such authorization, the

Associate must give or release the information only to a person with a need and right to know it for legitimate business reasons.

- (iii) The Associate must not use, destroy or alter data of DST or of clients, shareowners, policyholders, brokers or others except as specifically authorized by DST or as required by a written agreement to which DST is a party.
- (iv) The Associate must appropriately restrict access to and take reasonable measures to protect confidential information and trade secrets of DST and others. With respect to files, this requires at a minimum that the Associate keep confidential information and trade secrets organized and in secured file cabinets. With respect to personal computers, this requires at a minimum that:
 - The Associate must not access DST's computer system other than as a specifically assigned part of the Associate's DST job duties and must not leave a workstation unattended that is accessing the mainframe.
 - The Associate must obtain permission from a DST officer to access DST's computer system from home or another remote site, must follow DST's instructions and rules with respect to such access, and must not allow any other person to access DST's computer system using the identification of the Associate and/or the equipment of or made available to the Associate.
 - The Associate must follow DST procedures to establish and change passwords and must not (a) divulge computer passwords to another person unless that person has a legitimate need to know it and the Associate has obtained a supervisor's permission, or (b) use another person's computer identification (user id) or allow another person to use the Associate's user id.

B. LEGAL COMPLIANCE

The failure of Associates to strictly adhere to the letter and the spirit of the law in performing their duties could result in both corporate and personal civil and criminal liability. Associates should understand the governmental laws, rules and regulations which apply to their work for DST and ensure that DST's operations with which they are involved conform to those laws.

Associates should obviously not encourage or participate, directly or indirectly, in such activities as theft, fraud, embezzlement, bribery, misappropriation or conversion of property, or false statements to the government.

The following is a brief outline of several other areas of the law which are the most frequent sources of personal or corporate civil and criminal liability.

1. Antitrust Laws

Basically, the antitrust laws promote competition among companies. The following are some very basic tenets of this complex body of law.

- a) **Joint Conduct Among Companies.** Companies may not enter into agreements with each other that unreasonably restrain trade. For instance, companies may not engage in “price fixing” by making agreements with competitors on prices or on other terms affecting price, participate in a group boycott or refusal to deal with a third party, or divide up a market geographically or otherwise. Associates must never behave in a way, or have a discussion with others, that could be viewed as an attempt to restrain trade. Associates must never provide or exchange price, sales terms or customer information with any competitor.
- b) **Other Prohibited Conduct.** If a company has “market power”, or control over a market, the antitrust laws may prohibit it from refusing to deal with a customer or refusing to sell a particular product or service unless the customer buys another of the company’s products or services (a “tying arrangement”). Associates must never take unfair advantage of any market power DST may have.
- c) **International Operations.** U.S. antitrust laws may apply to international operations and transactions relating to imports to, or exports from, the United States. Moreover, the international activities of DST may be subject to antitrust laws of foreign countries. Associates involved in DST’s international operations should be familiar and comply with the specific laws that apply to DST’s international activities.

2. ***Equal Employment Opportunity, Accommodation of Disabilities, Prohibition of Discrimination and Harassment***

DST strives to provide Associates with equal employment opportunities, accommodation of disabilities, and a professional environment free of discrimination and harassment. Associates should comply with DST’s separate policy on Equal Employment Opportunity, which also covers disability accommodation and prohibits discrimination and harassment. A copy of the current version of the policy is in the employee handbook.

3. ***Environmental Laws***

Virtually all waste materials, whether solid or hazardous waste, including but not limited to waste film, empty containers, used solvents, spent toner cartridges, materials laden with oil or heavy metals, and waste developing fluids and condensates, must be disposed of properly to avoid violating laws that prohibit the contamination of air, land or water. Associates dealing with hazardous wastes, air emissions, wastewater discharge and toxic substances should be familiar and must comply with various governmental reporting, permit, and program requirements and with emergency planning and community and employee right-to-know requirements. Associates involved in or working around the construction, renovation, or maintenance of facilities should be familiar with the environmental concerns and must comply with the environmental laws applicable to such work.

4. ***Improper Payments or Rebates***

Associates must not offer or receive gratuities, bribes, kickbacks, or improper rebates from public officials, officials of foreign governments, competitors or suppliers.

5. ***Intellectual Property***

- a) **Copying.** Associates must not copy or otherwise use the legally protected works, products, names or trademarks of others without proper permission. Works protected by copyright include most publications, computer software and databases. Products and software may also be covered by patents. DST has a license to copy and internally distribute certain works of other persons or entities, and you may contact the Legal Department to determine if a particular work is covered by the license.
- b) **Software Licenses.** Associates must comply with the terms of the applicable licenses in utilizing the software of others in DST's business, including restrictions on the use, installation, sharing, alteration, modification, distribution to clients or others, copying, or retention of old versions after installation of new versions of such software. Such restrictions generally prohibit the loading of software purchased by DST on home computers and on unauthorized workstations. Associates must be especially sensitive to the terms of others' license, software, and service agreements because DST obviously expects its clients and customers to comply with the terms of DST's license, software, and service agreements. Not only could failure to abide by the agreements of others subject DST to breach of contract claims, it could constitute illegal infringement of the intellectual property rights of others.
- c) **Purchase of Computer Software and Hardware.** Associates must comply with DST procedure in purchasing or utilizing computer software or hardware. You may contact Contract Procurement for details.

6. *Insider Trading Laws*

Associates may obtain material, non-public information ("Inside Information") about DST or other companies during the course of their employment. Material information is information a reasonable investor is substantially likely to consider important in making investment decisions, or information that is reasonably certain to have a substantial effect on the price of a company's securities. Information is non-public unless it has been effectively communicated to the marketplace.

Associates and their families and persons who reside with them must not trade in the securities of DST while the Associate is aware of Inside Information about DST, and must not trade in the securities of another company while the Associate is aware of Inside Information about such company obtained as a result of DST employment. Associates also must not communicate Inside Information about DST or its clients to others outside DST, or to others within DST who do not have a legitimate need to know it.

Associates must not engage in any securities transactions that have even the appearance of impropriety or are speculative in nature. Speculative transactions include but are not limited to (a) the writing of a call option and the purchase of a put option on DST securities if the amount of securities underlying the option exceed the securities otherwise owned, (b) sales against the box of DST securities (selling borrowed securities while owning sufficient shares to cover the sale), and (c) transacting in the securities of a DST client for which an Associate has direct responsibility or the securities of any entity with which DST is discussing significant business matters.

7. *Political Contributions*

Associates must not use DST funds, directly or indirectly, for contributions of any kind to any political party or committee or to any candidate for or holder of any federal, state or local office (except where specifically authorized by an officer and permitted by applicable law).

8. *Safety of Associates*

A safe workplace is important to DST. Associates must immediately report all accidents or injuries involving an Associate or others, regardless of how minor it may seem, to a supervisor in charge of their work areas. Associates must also vigilantly monitor the safety of their work environments and immediately report unsafe or unhealthy conditions to their supervisor or to Human Resources. Associates must also help DST comply with the numerous safety laws and regulations which apply to it. In output and production areas, such laws and regulations may involve without limitation machine guards, walking/working surfaces, means of exit, protective equipment, hazard communication, lockout/tagout of electrical machinery being serviced, emergency preparedness and hearing conservation. Associates should participate in and heed any safety training offered in physical job duties such as lifting, forklift operation, and chemical handling.

IV. VIOLATIONS OF THE POLICY AND REPORTING

A. ANONYMOUS HOTLINE

DST has arranged for an outside company unaffiliated with DST to conduct the **LOSS LINE** by receiving 24 hours a day, seven days a week reports from Associates of any conduct which could be considered inconsistent with the letter or spirit of this Policy, or any law or ethical standard, regardless of whether summarized in this Policy. Associates may make the reports anonymously. **The LOSS LINE number is 800/326-LOSS⁺.**

B. INQUIRIES ABOUT COMPLIANCE WITH THE POLICY

Associates should direct any questions they have about the legality or propriety of any activity, conduct or condition to the Executive Vice President of DST Systems, Inc. or to officers in charge of their areas.

C. VIOLATIONS OF THE POLICY

Associates must immediately report to the officer in charge of their area, to the Executive Vice President of DST Systems, Inc., to the President of a DST subsidiary for which they work, or to the **LOSS LINE 800/326-LOSS⁺**, any conduct which could be considered inconsistent with the letter or the spirit of this Policy or with any law or ethical standard, regardless of whether summarized in this Policy; provided that:

- If the violation involves access to a computer system, Associates should report it to Data Security (or like department within a DST subsidiary for which they work) or the LOSS LINE.
- If the violation involves discrimination, harassment, or failure to provide equal employment opportunities or to accommodate disabilities, Associates should report it as instructed in the policy on Equal Employment Opportunity.
- If the violation involves accounting, internal accounting controls, or auditing matters, Associates may report it either through the LOSS LINE or to the Audit Committee of DST's Board of Directors or DST's Chief Financial Officer by writing to Clarence M. Kelley & Associates, Inc., Attention Tom Dupriest /DST, [7945 Flint, Lenexa, KS 66214](#).

DST will not retaliate against any person who in good faith reports a violation of this Policy, brings inappropriate conduct to DST's attention, assists another Associate in making a good faith report, or cooperates in an investigation of or files an administrative claim with a state or federal governmental agency. Any Associate who engages in retaliatory conduct in violation of DST's policies will be subject to disciplinary action. Notwithstanding the foregoing, DST reserves the right to discipline any Associate for a Policy violation.

D. QUESTIONNAIRE

Officers and some Associates may periodically receive a questionnaire covering the Policy and must promptly answer and return it.

⁺ Outside the United States, Associates may call collect 770/409-5025, and refer to the DST Loss Line.

E. CONFIDENTIALITY

All inquiries received, violations reported, and questionnaire responses will be treated in a confidential manner except to the extent necessary to protect DST's interests or to adequately investigate a potential Policy violation.

F. INVESTIGATIONS

All Associates must cooperate by being truthful and forthcoming in any investigation of a potential violation of this Policy or of any law or ethical standard, and it will be a violation of this Policy to fail to do so.

G. ENFORCEMENT

The Executive Vice President of DST Systems, Inc. or the appropriate officer of a DST-related company shall consider disciplinary action, including possible termination of employment, for any violations of the letter or spirit of this Policy or of any laws or ethical standards, regardless of whether summarized in this Policy.

H. LEGAL RIGHTS AND OBLIGATIONS

Nothing in this Policy shall be construed to alter any "at will" employment arrangement or doctrine applicable to DST or any other legal right or obligation DST has with respect to an Associate.