



North Shore-LIJ Health System is now Northwell Health

POLICY TITLE: Insider Trading Policy	ADMINISTRATIVE POLICY AND PROCEDURE MANUAL
POLICY #: 800.61	CATEGORY: Compliance and Ethics
System Approval Date: 9/15/16	Effective Date: 10/14
Site Implementation Date: 10/28/16	Last Reviewed/Approved: 10/14
Prepared by: Office of Corporate Compliance	Superseded Policy(s)/#/Notations: N/A

GENERAL STATEMENT of PURPOSE

It is the policy of Northwell Health to comply with federal and state securities laws. Such compliance is critical to Northwell Health’s commitment to operating pursuant to the highest ethical standards. This policy sets forth the prohibition against the buying or selling of Securities while in possession of Material, Non-Public Information as well as the communication of such information to another person who may buy or sell Securities. The intent of this policy is to deter and prevent Insider Trading.

POLICY

Northwell Health and its employees have relationships with many companies and individuals that publicly trade securities. Further, Northwell Health and its affiliates issue Bonds that are subject to certain provisions of the securities laws. It is Northwell Health’s policy that no trustee, officer, or member of the Northwell Health workforce who possesses Material, Non-Public Information obtained in the course of that individual’s relationship with Northwell Health may (1) buy or sell Securities of Northwell Health, its affiliates, or Partners, or (2) communicate such non-public information to any other person, such as family, friends or business partners, who may buy or sell Securities.

SCOPE

This policy applies to all members of the Northwell Health workforce including, but not limited to: employees, medical staff, volunteers, students, physician office staff, and other persons performing work for or at Northwell Health; faculty and students of the Hofstra Northwell School of Medicine conducting Research on behalf of the School of Medicine on or at any Northwell Health facility; and the faculty and students of the Hofstra Northwell School of Graduate Nursing & Physician Assistant Studies.

DEFINITIONS

Bonds: Debt instruments whereby investors loan money to the issuer of the instrument for a defined period of time at a fixed interest rate. For purposes of this policy, the Bonds are issued by Northwell Health or its affiliates, may be taxable or tax-exempt and are publicly traded securities.

Insider: Insiders of a corporation include officers, directors, trustees and employees. For purposes of this policy, Insider also includes “constructive insiders,” such as outside lawyers, consultants or other persons who receive legitimate Material, Non-Public Information from a corporation in the course of providing services to the corporation.

Insider Trading: Buying or selling, directly or indirectly, a Security while aware of Material, Non-Public Information about the Security, in breach of a fiduciary duty or other relationship of trust and confidence to either the employer or the source of the information.

Material, Non-Public Information: Information is material if a reasonable investor might consider it important in making an investment decision (such as whether to buy, sell or hold a Security). Information is non-public if it has not been previously disclosed and is not otherwise available to investors generally. For example, filings with the SEC and press releases are considered public information. Information should be considered non-public until the second full Trading Day after such information has been disclosed to the general public through press releases, newspaper items, financial reports, or other widely disseminated means.

Examples of some types of material information are:

- financial and operating results for the month, quarter or year;
- financial forecasts, including proposed or approved budgets;
- utilization statistics such as occupancy rates, payor mix, and the number of discharges and ambulatory visits;
- receipt or loss of significant research funding;
- possible or actual mergers, acquisitions, joint ventures and other purchases and sales involving corporations or other entities, and investments in such entities;
- receipt or loss of important contracts;
- important product developments;
- major personnel or medical staff changes;
- positive or negative developments in significant outstanding litigation;
- new debt offerings;
- events that may result in a significant reserve or write-off or other significant adjustment to financial statements;
- actual or threatened significant litigation or inquiry by a governmental or regulatory authority; and
- any other information that is likely to affect the price or rating of a Security.

Partner: Any person, company, partnership, government entity, corporation, or other entity with whom Northwell Health does business at any time or if considering doing business with delegate for strategic ventures et al also reveals information but the deal may not go forward.

Security: Any investment instrument that represents an ownership or debt interest in the company, partnership, government entity, corporation, or other entity that issues the instrument. A Security includes, but is not limited to, stocks, bonds, and notes. For purposes of this policy, a Security includes Bonds and any Securities issued by a Partner of Northwell Health.

Trading Day: A day on which the NASDAQ is open for trading.

PROCEDURE/GUIDELINES

INSIDER TRADING POLICY

Personnel should not, either directly or indirectly, buy or sell any Securities of Northwell Health or a Partner while in possession of Material, Non-Public Information about Northwell Health or the Partner. It is also generally illegal to communicate Material, Non-Public Information about Northwell Health or a Partner to another person who may trade Securities or who pass the information on to someone who trades.

Neither you nor anyone acting on your behalf nor anyone who learns the information from you may trade for as long as the information continues to be material and nonpublic. Personnel should not buy or sell Securities of Northwell Health or a Partner about which they possess Material, Non-Public Information until the second full Trading Day after the information becomes public.

Example 1: Trading of Northwell Health Bonds

When you know Material, Non-Public Information about Northwell Health, you are prohibited from the following activities:

- trading in the Bonds for your own account, for the account of another (including any trust of which you are a trustee), or having anyone else trade for you (such as a mutual fund); or
- disclosing the Material, Non-Public Information to any person who might trade in Bonds or in turn “tip” the information to another person who trades in Bonds.

Personnel who are considering buying or selling Bonds and have a question as to whether they possess Material, Non-Public Information, or to request prior approval to trade in Bonds, should contact the Office of Legal Affairs. Consultation with your own attorney is also strongly encouraged.

Example 2: Boards and Expert Consultants

Personnel that have a relationship with an outside company, whether as a director or trustee for a company board, an expert consultant, or any other role, are in a unique position to access or communicate material, non-public information. Such individuals have a duty to refrain from transmitting to such outside company any non-public information about Northwell Health or a Partner.

Example 3: Research

This policy applies to material, non-public information about research conducted by or for Northwell Health, regardless of its source of funding. Personnel involved in research may also be liable for Insider Trading if they use information concerning a corporation sponsoring research to trade in Securities of that or any other corporation. Personnel involved in research must abstain from buying or selling Securities based on Material, Non-Public Information including, but not limited to, information about an actual or proposed study, clinical trial, protocol, study drug or device, or about a company proposing or actually sponsoring research, and any proprietary or confidential information of such company, until the second full Trading Day after the information becomes public. This duty to abstain from trading Securities encompasses: (1) trading in the Securities of a corporation sponsoring the research; and (2) using the information to trade in the Securities of any other corporation.

Individuals with access to non-public information concerning research must keep such information strictly confidential and adhere to the terms of any confidentiality agreements governing such information. No individual with access to such information may disclose it to a third party for the purpose of gaining a direct or indirect personal or reputational benefit from the disclosure. Examples of prohibited disclosures include, but are not limited to, disclosing the information to a family member, friend or colleague who might use it for personal gain, selling the information, or giving it in exchange for other information.

PENALTIES

Personnel found liable for Insider Trading may face penalties of disgorgement plus interest, civil fines up to three times the profit gained or loss avoided by the trading, a criminal fine of up to \$5 million and imprisonment for up to twenty years. The individual may also be liable to other individuals who are damaged by the trading. In addition, Northwell Health could face civil and criminal penalties. Without regard to the civil or criminal penalties that may be imposed, willful violation of this Policy may constitute grounds for dismissal.

PROTECTING NONPUBLIC INFORMATION

Be aware, when appropriate, that outsiders may be listening to conversations and may be able to hear any non-public information which you discuss. Personnel should not, for example, discuss Northwell Health's affairs in places where others might overhear them, such as corridors, elevators, the cafeteria and other restaurants. Personnel should also be careful about the handling and disposal of documentation containing non-public information.

If you have any questions about the application of this policy to any particular case, please contact the Office of Legal Affairs at (516) 465-8090.

REFERENCES to REGULATIONS and/or OTHER RELATED POLICIES

15 U.S.C. 78a et seq.

17 CFR 240.10b-5 – Employment of Manipulative and Deceptive Devices

CLINICAL REFERENCES

N/A

FORMS

N/A

ATTACHMENTS

N/A

APPROVAL:	
System Administrative P&P Committee	8/25/16
System PICG/Clinical Operations Committee	9/15/16

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