EMPLOYEE CODE OF ETHICS AND CONDUCT
OF THE
LONG ISLAND POWER AUTHORITY

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Long Island Power Authority
333 Earle Ovington Boulevard
Uniondale, New York 11553
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LONG ISLAND POWER AUTHORITY
EMPLOYEE CODE OF ETHICS AND CONDUCT

I. Introduction

The Long Island Power Authority (the “Authority”), as a public entity, has a responsibility for maintaining the highest level of honesty, ethical conduct and public trust in all of its activities. To meet this responsibility, the Authority adopted this Code of Ethics and Conduct (the “Code”) to address the ethical and professional standards of conduct expected of the Authority’s Employees.

The Code applies to the Authority's Employees and Former Employees and states in specific form the Authority's position on conflicts of interest. Personal integrity is the cornerstone of the Code. Each Employee has the primary responsibility for avoiding Financial Interests and Other Interests which might create a conflict with his or her job. As Employees of a public entity, Authority Employees are responsible for conducting Authority business solely in the public interest.

The Code is not intended to address all situations or answer all questions related to daily ethical conduct. Employees should inquire of the General Counsel of the Authority if they have questions as to whether or not certain conduct might violate the Code. In addition, Employees who have questions as to whether a prospective personal or business Transaction or assumption of a position of responsibility or trust would violate the Code, may request in writing an advance determination on the matter from the General Counsel of the Authority pursuant to Section VIII of the Code.

Violations of the Code or applicable statutory provisions may subject an Employee to discipline up to and including dismissal and/or expose the Employee to civil and/or criminal penalties.

The Code will be reviewed and updated by the Governance Committee of the Board of Trustees as necessary with a copy distributed to each Employee.

II. Definitions

The following definitions apply to the Code.

A. “Authority” means the Long Island Power Authority and its wholly owned subsidiary, LIPA, as well as any other subsidiaries created by the Long Island Power Authority.

B. "Benefit" means any gain or advantage to, or reduction in the liabilities of, the beneficiary and includes any gain or advantage to, or reduction in the liabilities of, a third person pursuant to the desire or consent of the beneficiary.

C. "Confidential Information" means information which is available to an Employee only because of his or her status as an Employee of the Authority and is not a matter of public knowledge.

D. “Dependent Child” means either (1) any son, daughter, stepson or stepdaughter who is under age eighteen, unmarried and living in the household of the Employee; or (2) a “dependent” of the Employee within the meaning of section 152 of the Internal Revenue Code of 1954.
E. "Employee" means, for the purpose of the Code, any person employed by the Authority and any officer of the Authority.

F. "Employee’s Independent Business" means, for the purposes of Section III (B) (12) of the Code: (1) a firm or association of which an Employee, or an Employee's Spouse or Dependent Child is a member; or (2) a corporation, 10% or more of the stock of which is owned or controlled directly or indirectly by an Employee or an Employee’s Spouse or Dependent Child.

G. "Financial Interest" means any of the following:

1. Ownership or control of 10 percent or more of the stock of any entity (or 1 percent in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity;

2. Ownership of an interest in a business or real property which interest (a) reflects a 10 percent or more ownership of the business, or (b) in the case of an Employee or an Employee's Spouse or Dependent Child, constitutes 10 percent or more of the net worth of the person owning such interest, or the combined net worth of the Employee and his or her Spouse and Dependent Child. In determining net worth, the value of any interest in the Employee's personal residence(s) shall be excluded. In determining the value of an interest, debts, mortgages, liens or other encumbrances thereon are to be disregarded; or

3. Liability or indebtedness to a person or business in excess of $5,000, excluding liabilities owed to relatives and excluding mortgages, liens or other encumbrances on or secured by real property which constitutes the Employee's personal residence(s) or furniture or appliances therein.

H. “Former Employee” means persons who are no longer Employees of the Authority but were Employees in the time period following the Authority’s adoption of a Code of Ethics and Conduct.

I. "Gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of more than nominal value, unless the donor receives consideration of equal or greater value.

J. “Honorarium” means:

(1) a payment, fee or other compensation to a covered individual for services rendered by an Employee related to the Employee’s official duties, which payment, fee or other compensation is made as a gratuity, or as an award or honor; e.g., for delivering a speech, writing or authoring an article or publication or attending a meeting or conference; and

(2) a payment, whether to a lodging site or a provider of transportation, for travel expenses made to or on behalf of an individual, or reimbursement made to the covered individual for travel expenses incurred, for such services rendered by a covered individual not related to the covered individual's official duties.

K. “Nominal” means trifling or insignificant.
L. “Management Services” means the management of the daily operation of the Authority’s electric transmission and distribution system and the management of the Authority’s power supply resources.

M. "Other Interest" means holding a position in a business such as an officer, director, trustee, partner, proprietor, executor, employee, or a position of management, or acting as a consultant, agent or representative therefore in any capacity.

N. “Policy-Making Position” means those management and non-management positions designated as Policy-Making Positions by the Authority, because the individual holding the position exercises responsibilities of a broad scope in the formulation of plans for the implementation of goals or policy for the Authority or acts as an advisor to an individual in such a position.

O. “Relative” shall mean an Employee’s Spouse, child, stepchild, stepparent, or any person who is a direct descendant of the grandparents of the Employee or of the Employee’s Spouse.

P. “Spouse” shall mean the husband or wife of the Employee unless living separate and apart from the Employee with the intention of terminating the marriage or providing for permanent separation or unless separated pursuant to: (i) a judicial order, decree or judgment, or (ii) a legally binding separation agreement. Individuals who enter into same sex marriages legally performed in jurisdictions within or outside of New York are “Spouses” of one another for the purposes of this definition.

Q. "Trading" means, in reference to securities, the buying and selling of securities, or the buying and selling of options, calls, puts, or any other right relating to a security.

R. "Transaction" means buying, selling, renting (as lessor or lessee), or otherwise acquiring or disposing of services, materials, supplies, equipment, or property having a value of one hundred dollars or more or an interest having a value of one hundred dollars or more in such services, materials, supplies, equipment or property; borrowing or investment of money; preparing, requisitioning, ordering, approving, advising on, administering or otherwise acting in reference to a contract having a value of one hundred dollars or more; or the promulgation of rules and regulations affecting such activities.

III. Standards and Principles of Conduct

The following standards and principles of conduct are to be followed to assure compliance with the Code. A breach of these standards and principles constitutes a violation of the Code.

A. General Standards

1. Employees are subject to New York State Ethics Laws including New York Public Officers Law Sections 73, 73-a, 74, and the rules and regulations promulgated thereunder as may be amended or modified by the New York State Legislature. (Public Officers Law Sections 73, 73-a and 74 are annexed as Appendices A, B and C respectively)

2. Employees should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to engage in acts that are in violation of the public trust.
B. **Specific Standards and Principles**

1. An Employee shall not have any interest or incur any obligation, financial or otherwise, direct or indirect, or engage in any business or Transaction or professional activity, which is in conflict with the proper discharge of his or her duties in the public interest.

2. An Employee shall avoid any action, whether or not specifically prohibited by the Code, which might result in or create the appearance of:

   (a) using his or her official position for private gain;
   (b) giving preferential treatment to any person, including himself or herself or any Relative;
   (c) lacking independence or impartiality;
   (d) affecting adversely the confidence of the public in the integrity of the Authority; or
   (e) violating any provision of the Code.

3. No Employee shall use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others.

4. An Employee shall not by his or her conduct give reasonable basis for the impression that any person may improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.

5. No Employee shall be involved in any Transaction as representative or agent of the Authority with, or be involved in any evaluation of, any business entity in which the Employee, the Employee's Spouse or Dependent Child has a direct or indirect Financial Interest. Prior to becoming involved in any Transaction as representative or agent of the Authority with, or becoming involved in any evaluation of, a business entity in which the Employee, the Employee’s Spouse or Dependent Child holds a Financial Interest, the Employee, the Employee’s Spouse or Dependent Child must sell or transfer such Financial Interest.

6. Employees should abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.

7. No Employee, Employee's Spouse or Dependent Child shall acquire, except by Gift, inheritance or the dissolution of a trust, any Financial Interest in any business entity which the Employee has reason to believe may be directly involved in decisions to be made by him or her which will create conflict between his or her duty in the public interest and his or her private interest. If an Employee, an Employee's Spouse or Dependent Child receives such a Financial Interest by Gift, inheritance, operation of an automatic dividend reinvestment plan or the dissolution of a trust, the interest shall be promptly sold or transferred. If an Employee's Spouse or Dependent Child receives or retains such a Financial Interest in violation of the foregoing provisions, it will be deemed to be a violation by the Employee of this provision.

8. No Employee shall (l) accept other employment or engage in any business, professional or other activity which will impair his or her independence of judgment in the exercise of his or her official duties.
or which involves a matter in which the Authority has a substantial interest, or (2) receive or enter into any agreement for any compensation for the appearance or rendition of services against the interest of the Authority in relation to any case, proceeding, or matter.

9. If any Employee shall have a Financial Interest, either direct or indirect, in any Transaction to which the Authority is, or is to be, a party, such interest shall be promptly disclosed in writing to the General Counsel of the Authority.

10. No Employee shall accept employment or engage in any business, professional or other activity which will require him or her to disclose Confidential Information which he or she has gained by reason of his or her official position or authority.

11. No Employee shall disclose Confidential Information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests or the interests of any Relative.

12. No Employee, Employee’s Spouse or Dependent Child, or an Employee’s Independent Business shall (1) sell any goods or services having a value in excess of twenty-five dollars to the Authority, or (2) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by the Authority or any of its officers, unless such goods or services are provided pursuant to an award of contract let after public notice and competitive bidding. If an Employee's Spouse or Dependent Child engages in the conduct described in the preceding sentence, it will be deemed to be a violation by the Employee of this provision.

13. (a) No Employee may take part in any hiring or employment decision relating to a Relative including any decision to hire, promote, discipline or discharge a Relative, for any compensated position at, for or within the Authority. If such a Relative is hired, no employee shall be permitted to supervise such Relative. If a hiring or employment matter arises relating to a Relative, then the Employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

(b) No Employee may take part in any contracting decision: (i) relating to a Relative, (ii) relating to any entity in which a Relative is an officer, director or partner, or in which a Relative owns or controls 10% or more of the stock of such entity, (iii) involving the payment of more than $1,000 dollars to the Employee, any Relative of that Employee, or any entity in which that Employee or any Relative has a Financial Interest, or (iv) to invest public funds in any security of any entity in which that Employee or any Relative of that Employee has a Financial Interest, is an underwriter, or receives any brokerage, origination or servicing fees. If a contracting matter arises relating to a Relative, then the Employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the contracting matter.

14. (a) No Employee, Employee's Spouse or Dependent Child shall, directly or indirectly, solicit, accept or receive any Gift having more than a nominal value\(^1\), whether in the form of money, service, loan,

\(^1\) Items of insignificant value, as, for example, a regular cup of coffee or a soft drink, are considered nominal. Nominal value would not include a meal, nor would it include an alcoholic beverage. (State of New York Commission on Public...
travel, lodging, meals, refreshments, entertainment, hospitality, thing, discount, forbearance or promise, or in any other form, from any person or entity which is regulated by, negotiates with, appears before on other than a ministerial matter, does business with or seeks to do business with or has contracts with the Authority (including, but not limited to, vendors, bidders, proposers, contractors, subcontractors or consultants), as well as anyone, whether or not a registered lobbyist, who attempts to influence the Authority's decisions; or

(b) No Employee, Employee's Spouse or Dependent Child shall, directly or indirectly, solicit, accept or receive any Gift or gratuity of more than nominal value where the circumstances would permit the inference that: (i) the Gift was intended to influence the Employee in the performance of official business; or (ii) the Gift constituted a tip, reward, or sign of appreciation for any official act by the Employee.

(c) No Employee, Employee's Spouse or Dependent Child shall (i) solicit, accept, or receive any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law, attached hereto as Exhibit 1, unless under the circumstances it is not reasonable to infer that the gift was intended to influence him, or (ii) permit the solicitation, acceptance or receipt of any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law to a third party including a charitable organization, on such official’s designation or recommendation or on his or her behalf, under circumstances where it is reasonable to infer that the gift was intended to influence him. For purposes of this paragraph (d) only, the term gift is given the meaning defined in section one-c of the legislative law, and is attached hereto as Exhibit 2.

(d) An Employee may not solicit, accept or receive a Gift of any value if to do so would constitute a substantial conflict with the proper discharge of his or her duties in the public interest.

(e) If an Employee's Spouse or Dependent Child engages in the conduct prohibited by paragraph (a), (b), or (c) above, it will be deemed to be a violation by the Employee of such provisions.

15. Employees are prohibited from using Authority supplies, equipment, computers, personnel and other resources for non-Authority purposes, including for personal purposes or for outside activities of any kind and from making campaign contributions to the Governor. See Executive Order No. 7 “Prohibition of Personal Use of State Property and Campaign Contributions to the Governor” (issued by Governor Paterson and continued by Governor Andrew M. Cuomo) attached hereto as Appendix E and incorporated herein by reference.

16. (a) No Employee involved in the awarding of grants or contracts may ask a current or prospective grantee or contractor, or any officer, director or employee thereof, to disclose (i) the party affiliation of such grantee or contractor, or any officer, director or employee thereof; (ii) whether such grantee or contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such grantee or contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party.

(b) No Employee may award or decline to award any state grant or contract, or recommend, promise or

Integrity Advisory Opinion No. 08-01; See Appendix D)
threaten to do so, in whole or in part, because of a current or prospective grantee’s or contractor’s refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

17. (a) No Employee may during the consideration of an employment decision ask any applicant for public employment to disclose: (i) the political party affiliation of the applicant; (ii) whether the applicant has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this paragraph shall not apply where (1) such inquiry is necessary for the proper application of any state law or regulation; or (2) such inquiry is consistent with publicly disclosed policies or practices of any state agency or public authority, whose purpose is to ensure the representation of more than one political party on any multi-member body.

(b) No Employee may decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any state official or Employee, or applicant for employment, or promise or threaten to do so, based upon a refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or for giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

(c) No Employee shall, directly or indirectly, use his or her official authority to compel or induce any other Employee to make or promise to make any political contribution, whether by gift of money, service or other thing of value.

18. Employees may hold outside employment as long as it is not in conflict with their Authority duties, they meet the performance standards of their job with the Authority and have received prior, written approval from the President and Chief Executive Officer. If an employee designated as a “Policy Maker” is earning in excess of $4,000 in his or her outside employment, approval is also needed from the Joint Commission on Public Ethics (the “Commission”).

19. (a) An Employee interested in running for elective office shall give written notice of his or her intentions to the President and Chief Executive Office and General Counsel, so that it may be determined whether, and upon what conditions, the Employee would be permitted to seek elective public office.

(b) Employees shall not conduct political activities during work hours.

(c) Employees holding Policy-Making Positions shall not serve as: (1) officers of any political party or political organization; (2) members of any political party committee, including political party district leaders or as members of a political party national committee. “Political organization” means any organization affiliated with a political party but does not include a judicial nominating committee, an organization supporting a particular cause with no partisan activities, a campaign or fundraising committee, or serving as a delegate to a state or national party convention.

(d) Consistent with this Code, Employees are otherwise free to participate in the political process on their own time, but there must be a clear separation between their political activities and the discharge of their duties as Employees of the Authority.
20. (a) Employees may not solicit a post-government employment opportunity with any entity or individual that has a specific pending matter before the Employee; and only may, 30 days from the time a matter is closed or the Employee has no further involvement because of recusal or reassignment, solicit an employment opportunity.

(b) Employees who receive an unsolicited employment-related communication from such an entity or individual (i) cannot pursue employment with the entity or individual or (ii) must recuse themselves from the matter and any further official contact with the entity or individual and wait 30 days from such recusal before entering into post-government employment communications with the entity or individual.

(c) Employees must promptly notify their superiors and ethics officers of such employment-related communications whether or not they intend to pursue the employment opportunity.

21. Section §73-a of the Public Officers Law requires the filing of an annual statement of financial disclosure by Policy Makers (as determined by the Authority) and Employees with an annual salary rate in excess of the job rate of SG-24 CSEA equivalent (the 2011 rate was $88,256), and were previously not exempted from the filing requirement (See Appendix B). This disclosure statement is an annual disclosure of the financial holdings and associations of filers and their Spouses. The purpose of the financial disclosure is to highlight potential conflicts of interest.

The Commission can assess penalties for late and delinquent filings.

22. Honoraria - Employees must comply with the Commission’s regulations concerning limitations on the receipt of Honoraria from outside parties. A detailed statement of all of the circumstances under which an Employee may accept Honoraria from a third party are set forth in Part 930 of the Commission on Public Integrity’s regulations. (See Appendix F). An Employee cannot accept an Honorarium for services related to his or her Authority duties. The following is a summary of the rules relating to Honoraria:

**Permitted Honoraria.** An Employee may accept an Honorarium under certain circumstances, including where the individual or organization offering the Honorarium is not involved with the Long Island Power Authority in any context other than in ministerial matters.

**Prohibited Honoraria.** An Honorarium to any Employee from any individual or organization that (i) does any business with the Long Island Power Authority, (ii) is regulated by the Long Island Power Authority, (iii) is involved in litigation adverse to the Long Island Power Authority, (iv) receives funds from the Long Island Power Authority, or (v) lobbies before the Long Island Power Authority is prohibited.

**Payment in Lieu of Honoraria.** A payment in lieu of an Honorarium that is offered for services related to an Employee’s official duties cannot be accepted by the Employee and must be paid by the granting organization directly to the Long Island Power Authority.

**Disclosure.** Each year the Long Island Power Authority is required to file a report with the Commission, which lists Honoraria received by its Employees. Therefore, every Employee who has received one or more Honoraria during the reporting period must file a report with the Long Island Power Authority’s Compliance Officer using the form provided at Appendix F of this Code.
C. Applicable New York Law

These standards do not replace and are in addition to the requirements of law, particularly Sections 73 and 74 of the New York Public Officers Law, which, among other things, govern the business activities of Employees and Former Employees and set forth the State Code of Ethics. Copies of Sections 73 and 74 of the Public Officers Law are attached to and made a part of this Code as Appendices A and C, respectively.

Under the New York Penal Law it is a felony for Employees to solicit, accept or agree to accept any Benefit from another person upon an agreement or understanding that their vote, opinion, judgment, action, decision or exercise of discretion as public servants will thereby be influenced. It is also a felony for Employees to solicit, accept or agree to accept any Benefit from another person for having violated their duties as public servants. It is a misdemeanor for Employees to solicit, accept or agree to accept any Benefit for having engaged in official conduct which they were required or authorized to perform, and for which they were not entitled to any special or additional compensation.

IV. Trading of Securities of Companies Providing Management Services to the Authority and Certain Energy Companies

The acquisition or trading of securities issued by companies that provide Management Services to the Authority, the parent corporations of such companies and other subsidiaries or affiliates of such parent corporations, if any, presents a possible area of conflict of interest for all Employees.

To protect against the potential of a conflict of interest with respect to Transactions involving companies that provide Management Services to the Authority, it is the Authority’s policy that an Employee, an Employee’s Spouse or Dependent Child may not Trade in or otherwise acquire securities in any companies, including parent corporations and other subsidiaries or affiliates of such parent corporations, if any, that provide Management Services to the Authority. An Employee, an Employee’s Spouse or Dependent Child who has acquired the securities, not including such securities that are included within a mutual fund or pension fund investment, of such companies must sell or transfer the securities within one year of (i) the Employee’s date of employment with the Authority, or (ii) the date of such receipt, whichever is later.

No Employee or officer of the Authority may Trade in or, except as permitted below, otherwise acquire securities in any company engaged in the generation, transmission or sale of electric energy or gas or the provision of fuel to generation facilities, if that Employee’s responsibilities include (i) representing the Authority in Transactions involving such companies; (ii) participating in the evaluation of, or Authority decisions with respect to, Transactions with such companies, or (iii) representing the Authority before regulatory agencies or independent system operators (or their successors) on matters in which such companies have a potential financial interest. Excepted from this provision are those securities that are included within a mutual fund or pension fund investment.

There is no prohibition against the ownership or Trading of Authority bonds and notes which are publicly held and traded subject to the limitations set forth below in Section V.
V. Use of Material, Nonpublic and Confidential Information

It is the policy of the Authority to prohibit all Employees and Former Employees from (1) Trading in securities based on material, nonpublic information derived from or relating to Authority activities; (2) disclosing Confidential Information to unauthorized third parties; and (3) communicating with the media regarding the Authority and any/all Authority-related matters without the consent of the President and Chief Executive Officer or the head of the Authority’s Communications department or his or her designee.

A. Trading of Securities Based on Material, Nonpublic Information

1. Employees and Former Employees shall not Trade in bonds or other securities issued by the Authority based on material, nonpublic information derived from any source and shall not disclose such information for the purpose of allowing third parties to profit from Trading in Authority securities.

2. Employees and Former Employees shall not Trade in stocks, bonds or other securities issued by other business entities based on material, nonpublic information obtained in the course of their duties for the Authority and shall not disclose such information for the purpose of allowing third parties to profit from Trading in securities issued by other business entities based on such information.

Information is material if there is a substantial likelihood that a reasonable investor would consider the information important in making his or her investment decision concerning the securities in question.

Information is nonpublic if, in the case of Authority securities, it has not been publicly disseminated by the Authority. Information is nonpublic if, in the case of securities issued by other business entities, it has not been publicly disseminated by those business entities.

B. Disclosure or Use of Confidential Information

Employees and Former Employees shall not disclose Confidential Information obtained in the course of their duties at the Authority to any third party not authorized to receive such information and shall not profit from the use of such information.

Information is confidential if it has been expressly designated as confidential or reasonably should be treated as confidential because of the nature of, or circumstances surrounding, such information. If an Employee or Former Employee has a question concerning the confidential status of any information, he or she should consult with the General Counsel of the Authority regarding such information.

Employees and Former Employees who violate the provisions of this section may be subject to civil and criminal penalties under Federal and State laws, including fines and/or imprisonment. In addition, Employees who violate the provisions of this section may be subject to disciplinary action by the Authority, including termination of employment.
VI. Restrictions on Post-Employment Activities of Former Employees

The post-employment activities of persons who are Former Employees are governed by the restrictions set forth in Section 73(8) of the Public Officers Law. (See Appendix A). **These restrictions consist of a two year bar and a lifetime bar and apply to virtually all Employees.**

**Two Year Bar**
Former Employees may not, within a period of two years after leaving State service, appear or practice before their former agency or receive compensation for any services rendered in relation to any case, proceeding, application or other matter before their former agency. The Commission defines “appear” to include making a telephone call, as well as sending a letter, fax or e-mail. For the two year bar, the determining inquiry is whether the appearance is before the Former Employee’s former agency, regardless of the nature or subject of the appearance.

**Lifetime bar**
Former Employees may not appear, practice, communicate or otherwise render services before any State agency, or receive compensation for such services in relation to any case, proceeding, application or transaction with which they were directly concerned and in which they personally participated while in public service, or which was under their active consideration.

**Exceptions**
1. The government-to-government exception: Allows someone who goes to work for another government entity, at any level, to appear before the former agency, regardless of how much time has elapsed since the individual left State service.

2. Exception for “ministerial matters”: i.e. matters that the agency handles by the thousands, if not millions of times a day. For example, a former employee of the Department of Motor Vehicles may still renew his or her driver’s license.

3. Exception dependent on date of termination: The two-year bar is inapplicable to State officers and employees whose employment is terminated between January 1, 2009 and April 11, 2011 “because of economy, consolidation or abolition of functions, curtailment of activities or other reduction in the state workforce.” On or before the date of such termination of employment, the state agency shall provide to the terminated Employee a written certification that the Employee has been terminated because of economy, consolidation or abolition of functions, curtailment of activities or other reduction in the state workforce, and that such employee is covered by the provisions of this paragraph. The written certification shall also contain a notice describing the rights and responsibilities of the Employee pursuant to the provisions of this section. The certification and notice shall contain the information and shall be in the form set forth in Appendix A. An Employee deemed a Policy Maker is required to obtain the approval of the Commission in addition to receiving the required certification from his or her agency.

**Penalties**
Individuals who violate certain provisions of Public Officers Law §73 are subject to a civil penalty not to exceed $40,000, for each appearance. In lieu of a civil penalty, the Commission may refer violations to an appropriate prosecutor for prosecution as a Class A misdemeanor.
VII. Annual Certification of Absence of Conflict of Interest

All Employees are required to certify annually that they have read the Code, that they understand and agree to comply with the provisions thereof and that they have no known conflict of interest. The Annual Certification Form is attached hereto as Appendix G. These certifications shall be timely submitted to the Authority’s Compliance Officer.

Any Employee who knowingly fails to complete, sign and submit the required Annual Certification Form is in violation of the Code and may be subject to disciplinary action.

VIII. Requests for Interpretation, Clarification or Waiver of the Code

A. Interpretation and Clarification

An Employee or Former Employee may submit a written request to the General Counsel of the Authority for an interpretation or clarification of one or more provisions of the Code.

B. Waivers

An Employee or Former Employee may submit a written request to the President and Chief Executive Officer of the Authority for a waiver of any restriction contained in the Code, provided that the restriction is not otherwise required by State or Federal law. All waiver requests shall include a description of the nature of the restriction or prohibition for which waiver is sought; the nature of the Employee’s or Former Employee’s interest involved; the effect on the Employee or Former Employee of the restriction or prohibition for which the waiver is sought; and the reasons why the waiver should be granted. A copy of the written request shall be provided to the General Counsel of the Authority.

IX. Remedies for Breaches of the Code

In addition to any other remedies, civil or otherwise, which the Authority may have, an Employee or Former Employee who violates the Code may be disciplined under the Code. Remedies or disciplinary action may be imposed by the President and Chief Executive Officer or by the Trustees as applicable only upon the basis of a written statement of findings and recommendations by the General Counsel of the Authority, and may include one or more of the following:

1. Issuance of written warnings;

2. Direction of corrective action to eliminate and/or ameliorate the conflict of interest;

3. Restitution;

4. Changes in assigned duties or suspension or termination of employment; provided, however, that solely the President and Chief Executive Officer or the Trustees as applicable may impose the remedies specified in this subdivision.

A Former Employee found to have violated the Code is subject to one or more of the following in
addition to any other remedies, civil or otherwise, that the Authority may have: warnings; termination of existing Transactions involving the individual in question to the extent permitted by law; disqualification or suspension from future Transactions of the Former Employee and/or the person on whose behalf he or she is participating in Transactions with the Authority; and notification to appropriate persons that a conflict exists.

X. Reporting of Violations of the Code

Employees and Former Employees are encouraged to promptly report any violations of the Code to the President and Chief Executive Officer or General Counsel of the Authority and shall cooperate in any official investigation of such violations. Retaliation against Employees or Former Employees who in good faith report violations of the Code, other provisions of law or policies, or the public trust, is prohibited. (See the Authority’s Anti-Retaliation Policy, attached hereto as Appendix H.)

The General Counsel of the Authority will inform the Authority’s Governance Committee of the Board of Trustees about the status and disposition of official investigations and issues thereof raised under the Code of Ethics and Conduct.
EXHIBIT 1

Section 1-M of the Legislative Law

Prohibition of gifts. No individual or entity required to be listed on a statement of registration pursuant to this article shall offer or give a gift to any public official as defined within this article, unless under the circumstances it is not reasonable to infer that the gift was intended to influence such public official. No individual or entity required to be listed on a statement of registration pursuant to this article shall offer or give a gift to the spouse or unemancipated child of any public official as defined within this article under circumstances where it is reasonable to infer that the gift was intended to influence such public official. No spouse or unemancipated child of an individual required to be listed on a statement of registration pursuant to this article shall offer or give a gift to a public official under circumstances where it is reasonable to infer that the gift was intended to influence such public official. This section shall not apply to gifts to officers, members or directors of boards, commissions, councils, public authorities or public benefit corporations who receive no compensation or are compensated on a per diem basis, unless the person listed on the statement of registration appears or has matters pending before the board, commission or council on which the recipient sits.
Section 1-c of the Legislative Law

(j) The term "gift" shall mean anything of more than nominal value given to a public
official in any form including, but not limited to money, service, loan, travel, lodging,
meals, refreshments, entertainment, discount, forbearance, or promise, having a monetary
value. The following are excluded from the definition of a gift:

(i) complimentary attendance, including food and beverage, at bona fide charitable or
political events;

(ii) complimentary attendance, food and beverage offered by the sponsor of a widely
attended event. The term "widely attended event" shall mean an event: (A) which at least
twenty-five individuals other than members, officers, or employees from the
governmental entity in which the public official serves attend or were, in good faith,
invited to attend, and (B) which is related to the attendee's duties or responsibilities or
which allows the public official to perform a ceremonial function appropriate to his or her
position. For the purposes of this exclusion, a public official's duties or responsibilities
shall include but not be limited to either (1) attending an event or a meeting at which a
speaker or attendee addresses an issue of public interest or concern as a significant
activity at such event or meeting; or (2) for elected public officials, or their staff attending
with or on behalf of such elected officials, attending an event or a meeting at which more
than one-half of the attendees, or persons invited in good faith to attend, are residents of
the county, district or jurisdiction from which the elected public official was elected;

(iii) awards, plaques, and other ceremonial items which are publicly presented, or
intended to be publicly presented, in recognition of public service, provided that the item
or items are of the type customarily bestowed at such or similar ceremonies and are
otherwise reasonable under the circumstances, and further provided that the functionality
of such items shall not determine whether such items are permitted under this paragraph;

(iv) an honorary degree bestowed upon a public official by a public or private college
or university;

(v) promotional items having no substantial resale value such as pens, mugs,
calendars, hats, and t-shirts which bear an organization's name, logo, or message in a
manner which promotes the organization's cause;

(vi) goods and services, or discounts for goods and services, offered to the general
public or a segment of the general public defined on a basis other than status as a public
official and offered on the same terms and conditions as the goods or services are offered
to the general public or segment thereof;

(vii) gifts from a family member, member of the same household, or person with a
personal relationship with the public official, including invitations to attend personal or
family social events, when the circumstances establish that it is the family, household, or
personal relationship that is the primary motivating factor; in determining motivation, the
following factors shall be among those considered: (A) the history and nature of the
relationship between the donor and the recipient, including whether or not items have
previously been exchanged; (B) whether the item was purchased by the donor; and (C)
whether or not the donor at the same time gave similar items to other public officials; the
transfer shall not be considered to be motivated by a family, household, or personal
relationship if the donor seeks to charge or deduct the value of such item as a business expense or seeks reimbursement from a client;

(viii) contributions reportable under article fourteen of the election law, including contributions made in violation of that article of the election law;

(ix) travel reimbursement or payment for transportation, meals and accommodations for an attendee, panelist or speaker at an informational event or informational meeting when such reimbursement or payment is made by a governmental entity or by an in-state accredited public or private institution of higher education that hosts the event on its campus, provided, however, that the public official may only accept lodging from an institution of higher education: (A) at a location on or within close proximity to the host campus; and (B) for the night preceding and the nights of the days on which the attendee, panelist or speaker actually attends the event or meeting;

(x) provision of local transportation to inspect or tour facilities, operations or property located in New York state, provided, however, that such inspection or tour is related to the individual's official duties or responsibilities and that payment or reimbursement for expenses for lodging or travel expenses to and from the locality where such facilities, operations or property are located shall be considered to be gifts unless otherwise permitted under this subdivision;

(xi) meals or refreshments when participating in a professional or educational program and the meals or refreshments are provided to all participants; and

(xii) food or beverage valued at fifteen dollars or less.