

**ARRHYTHMIA RESEARCH TECHNOLOGY, INC.
INSIDER TRADING AND DISCLOSURE POLICY**

Formally Approved by Board of Directors April 16, 2004
(Updated July 22, 2015)

This Statement represents the policy of Arrhythmia Research Technology, Inc. (the “Company”) with respect to the receipt and use of material, nonpublic information. This Statement applies to all employees and directors of the Company.

As part of your work at or for the Company, you may have access or exposure to information that has not been disclosed to the investing public. By virtue of your access or exposure to this information, the federal securities laws impose upon you certain duties and prohibitions.

In general, it is illegal to buy or sell securities if you have knowledge of material information about the company that has not been publicly disclosed (so-called inside information). It is also illegal to recommend trading to others or to pass inside information along to others who may trade in the securities (so-called tipping). Violations may result in disciplinary action, including termination as well as civil and criminal penalties, including fines and jail sentences under federal law. Furthermore, insider trading violations may expose the Company to civil liabilities and penalties for the actions of employees under its control who engage in insider trading violations.

In light of the severity of the possible consequences, the Company has adopted this Insider Trading and Disclosure Policy (the “Policy”) to assist all of us in complying with our obligations under the federal securities laws concerning trading while in possession of material, nonpublic information. This Policy applies to all employees, officers and directors of the Company and to family members who reside in your household. Officers, Directors and certain additional employees of the Company whom the Company considers to be likely, as a result of their respective positions with the Company, to have access or exposure to material, nonpublic information from time to time (collectively, “Officers, Directors and Selected Employees” as further defined below) are subject to the pre-clearance rules set forth herein. As a condition of your employment with the Company, you are required to comply with the Policy and to sign the attached form verifying that you understand and will comply with it.

Each person is individually responsible for complying with the securities laws and this policy. The matters set forth in this Policy are guidelines only and appropriate judgment should be exercised in connection with all securities trading.

If there is any question in your mind, now or in the future, as to the applicability or interpretation of these standards or the propriety of any Trading or disclosure, the issue should be discussed prior to Trading or disclosure with our Reporting Officer (as named below), who will consult as appropriate with the Company’s legal counsel.

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The Insider Trading Policy

No Trading While in Possession of Material, Nonpublic Information.

Trading Restrictions. In order to ensure full compliance with federal securities laws, it is the policy of the Company that:

- * Trading (as defined below) in the Company's securities while in possession of Material, Nonpublic Information (as defined below) is prohibited.
- * Trading in the Company's securities during a Blackout Period (as defined below) is prohibited, whether or not such person is in possession of Material, Nonpublic Information.
- * Trading in the securities of another company by employees at any time when they have Material Non-Public Information about that company including without limitation, any company we follow in the ordinary course of our business and any of our customers, vendors or suppliers, when that information is obtained in the course of services performed on our behalf, is prohibited.
- * Trading in the Company's securities by Officers, Directors and Selected Employees **must be cleared at least two business days in advance** of the proposed transaction by the Company's Reporting Officer, who will evaluate pre-clearance requests in consultation with the Company's legal counsel as appropriate.
- * Selling the Company's securities by Officers, Directors and Selected Employees is prohibited unless such securities have been fully paid for (i.e. they may not be sold short or against the box);
- * Trading in a put or call option in respect of the Company's securities by Officers, Directors and Selected Employees is prohibited (i.e. the right to purchase or require delivery of shares of stock at a given price and time may not be sold to a third party); and
- * Officers and Directors and holders of 10% or more of our securities may not effect a purchase and sale (or sale and purchase) of the Company's securities within a period of six months or less.

Identifying Material, Non-Public Information. Before Trading in the securities of a company about which you may have potential Material, Non-Public Information, you should ask yourself the following questions:

- Is the information Material? Is this information that a reasonable investor would consider important in making his/her investment decision? Is this information that may affect the market price of the securities if disclosed?
- Is this information Non-Public Information? To whom has this information been provided? Has the information been effectively communicated to and circulated in the marketplace by press release or been published in a newspaper or other publication of general circulation?

The above insider trading restrictions shall also apply to family members and others living in the household of employees and Directors.

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The Disclosure Policy

No Disclosure of Material, Nonpublic Information.

Disclosure Restrictions. In order to ensure full compliance with the federal securities laws, it is the policy of the Company that:

- * Employees possessing Material, Nonpublic Information (as defined below) concerning the Company shall keep such information confidential and shall not, directly or indirectly, communicate (tip) such information to any person.
- * Employees possessing Material, Nonpublic Information may not, directly or indirectly, recommend or suggest to any person that such person purchase, sell or hold the Company's securities even if the recommendation or suggestion does not disclose any information about the Company.
- * No Employee may comment on stock price movement or rumors or other corporate developments that are of possible significance to the investing public unless it is part of his or her job (such as Investor Relations) or he or she has been specifically authorized by the CEO, CFO or Reporting Officer in each instance.

Investor Questions. In complying with the Company's obligations as a public company, the Company keeps an open door to inquiries from shareholders, reporters, financial analysts and others who have a legitimate interest in its affairs. Nevertheless, in order to guard against the release of Material, Nonpublic Information, inquiries should be referred to the CEO or Reporting Officer, who will respond appropriately (and if necessary), after consultation with the Company's legal counsel.

Inadvertent Disclosures. If Material, Nonpublic Information is inadvertently disclosed by any employee of the Company, the person making or discovering the disclosure should immediately report the facts to the Reporting Officer for a decision regarding appropriate remedial steps.

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Certain Definitions

The following definitions apply to the terms used above:

Blackout Periods are designated periods throughout the year when trading in the Company's securities is prohibited for Officers, Directors and Selected Employees. Scheduled Blackout Periods begin fifteen (15) days prior to the end of the then-current fiscal quarter and extend through close of business of the second business day after the Company publicly announces detailed financial results for such financial quarter, generally through the issuance of an earnings press release. In other words, Officers, Directors and Selected Employees may not commence trading until the *third business day after such announcement*. The Company will use its best efforts to remind Officers, Directors and Selected Employees of all Blackout Periods; however, those persons are subject to the Policy whether or not the Company issues reminders. Throughout any particular financial quarter of the fiscal year, there could be circumstances that would necessitate exceptions to the timing and/or the duration of a Blackout Period. Any change in the scheduled Blackout Period or the imposition of additional Blackout Periods will be issued through the Reporting Officer, and Officers, Directors and Selected Employees will be advised of any such change or imposition.

Material Information is any information that is likely to be considered important by reasonable investors in determining whether to buy, sell, exercise or hold securities. Information that affects the price of the Company's securities is likely to be deemed Material Information. Material Information may be about the Company, an activity of the Company, the market for the Company's stock, a customer, or an event outside the Company's control (such as publication of a report). While it is not possible to identify in advance all information that will be deemed to be Material Information, some information would include:

- * Financial announcements including periodic results and forecasts especially earnings releases and estimates of earnings;
- * Significant changes in the Company's business prospects or operations;
- * Merger or acquisition proposals, negotiations, or agreements;
- * Significant new products, services, or contracts;
- * Extraordinary borrowings, sales of securities or assets;
- * Major litigation (civil or criminal), or government investigation involving the Company, an officer, director or significant customer;
- * Significant market changes;
- * Extraordinary management developments or changes;
- * Significant copyright, patent or trademark applications, issuance or contests; and
- * Significant changes in the Company's financial statements, earnings, or changes in previously released earnings estimates or unusual gains or losses.

Material Information includes both historic or current facts and information concerning prospective developments. Whenever any doubt exists, the presumption should be against Trading in the stock until approval has been obtained through the Reporting Officer.

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Nonpublic Information is any information which has not been disclosed generally to the investing public. Information would generally be deemed widely available to the investing public three full business days after it has been disclosed in press releases, wire services or reports or other documents filed with the SEC which are publicly available (including e.g., the Company's annual and quarterly reports and proxy statement). Similarly, information received about another company which is contemplating or is engaging in a transaction with the Company, under circumstances indicating that the information is not yet in general circulation should be considered Nonpublic Information.

Officers, Directors and Selected Employees means all (i) members of our Board of Directors; (ii) executive officers and (iii) certain employees who have been notified by the Reporting Officer that, as a result of their position with the Company they are likely to have access to Material, Nonpublic Information. Occasionally, certain individuals may have access to Material, Nonpublic Information for a limited period of time. During such period, such persons may be notified that they are also subject to the pre-clearance procedure.

Reporting Officer means Derek T. Welch, Chief Financial Officer. We may in our sole discretion, change the Reporting Officer from time to time. He can be reached at (978) 345-5000 extension 1443 or dwelch@arthrt.com.

Trading means buying or selling a security or any interest in a security (including those acquired through the exercise of options). Trading does not include:

- (i) the buying or selling of the Company's securities pursuant to a trading plan created in compliance with Rule 10b5-1 (a "10b5-1 Plan") of the Securities Exchange Act of 1934; or
- (ii) exercise of stock options for cash under our stock option plans (but the sale of any such shares is subject to this Policy); or
- (iii) purchase of stock through any Company-sponsored employee stock purchase plan or 401(k) plan through regular payroll deductions (elections to transfer funds in or out of any stock fund is subject to this Policy).

However, it does include:

- (a) creation of a Rule 10b5-1 Plan,
- (b) disposition of the Company's securities purchased through any employee stock option, stock purchase or other benefit plan; and
- (c) pledges of the Company's securities.