

RULE X GROUNDS FOR ADMINISTRATIVE DISCIPLINARY ACTION

SECTION 1. In addition to the grounds for administrative disciplinary action prescribed under existing laws, the acts and omissions of any officials or employee, whether or not he holds office or employment in a casual, temporary, hold-over, permanent or regular capacity, declared unlawful or prohibited by the Code, shall constitute grounds for administrative disciplinary action, and without prejudice to criminal and civil liabilities provided therein, such as:

- (a) Directly or indirectly having financial and material interest in any transaction requiring the approval of his office. Financial and material interest is defined as a pecuniary or propriety interest by which a person will gain or lose something;
- (b) Owning, controlling, managing or accepting employment as officer, employee, consultant, counsel, broker, agent, trustee or nominee in any private enterprise regulated, supervised or licensed by his office, unless expressly allowed by law;
- (c) Engaging in the private practice of his profession unless authorized by the Constitution, law or regulation, provided that such practice will not conflict or tend to conflict with his official function;
- (d) Recommending any person to any position in a private enterprise which has a regular or pending official transaction with this office, unless such recommendation or referral is mandated by (1) law, or (2) international agreements, commitment and obligation, or as part of the function of his office;

These acts shall continue to be prohibited for a period of one (1) year after resignation, retirement, or separation from public office, except in the case of paragraph (C) above, but the professional concerned cannot practice this profession in connection with any matter before the office he used to be with, within one year after such resignation, retirement, or separation provided that any violation hereof shall be a ground for administrative disciplinary action upon re-entry to the government service.

- (e) Disclosing or misusing confidential or classified information officially known to him by reason of his office and not made available to the public, to further his private interests or give undue advantage to anyone, or to prejudice the public interest;
- (f) Soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value which in the course of his official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of, his office. The propriety or impropriety of the foregoing shall be determined by its value, kinship or relationship between giver and receiver and the motivation. A thing of monetary value is one which is evidently or manifestly excessive by its very nature.

Gift refers to a thing or a right disposed of gratuitously, or any act of liberality, in favor of another who accept it, and shall include a simulated sale or an ostensibly onerous disposition thereof.

Loan covers both simple loan and *commodatum* as well as guarantees, financing arrangement or accommodation intended to ensure its approval. *Commodatum* refers to a contract whereby one of the parties delivers to another something not consumable so that the latter may use the same for a certain time and return it.

This prohibition shall not include:

- (1) Unsolicited gift of nominal or insignificant value not given in anticipation of or exchange for, a favor from a public official or employee or given after the transaction is completed, or service is rendered. As to what is a gift of nominal

value will depend on the circumstances of each case taking into account the salary of the official or employee, the frequency of the giving, the expectation of benefits, and other similar factors.

- (2) A gift from a member of his family or relative as defined in the Code on the occasion of a family celebration, and without any expectation of pecuniary gain or benefit.
- (3) Nominal donations from person with no regular, pending, or expected transaction with the department, office or agency with which the official or employee is connected, and without any expectation of pecuniary gain or benefit.
- (4) Donation coming from private organization whether local or foreign, which are considered and accepted as humanitarian and altruistic in purpose and mission.
- (5) Donation from government to government entities.

As to gift or grants from foreign governments, the congress consents to

- (i) The acceptance and retention by public official or employee of a gift of nominal value tendered and received as a souvenir or mark of courtesy;
- (ii) The acceptance by a public officials or employee of a gift in the nature of a scholarship or fellowship grant or medical treatment; or
- (iii) The acceptance by a public official or employee of travel grant or expensed for travel taking place entirely outside the Philippines (such as allowance, transportation, food and lodging) of more than nominal value if such acceptance is appropriate or consistent with the interest of the Philippines, and permitted by the head of office, branch, or agency to which he belongs.

Nothing in the Code shall be construed to restrict or prohibit any educational, scientific or cultural exchange program subject to national security requirements;

- (g) Obtaining or using any statement filed under the Code for any purpose contrary to morals or public policy of any commercial purpose other than by news
- (h) Unfair discrimination in rendering public service due to party affiliation or preference;
- (i) Disloyalty to the Republic of the Philippines and to the Filipino people;
- (j) Failure to act promptly on letters and request within fifteen (15) days from receipt, except as otherwise provided in these Rules;
- (k) Failure to process documents and complete action on documents and papers within a reasonable time from preparation thereof, except as otherwise provided in these Rules;
- (l) Failure to attend to anyone who wants to avail himself of the service of the office, or to act promptly and expeditiously on public personal transaction;
- (m) Failure to file sworn statement of assets liabilities and net worth and disclosure of business interest and financial connections; and
- (n) Failure to resign from his position in the private business enterprise within thirty(30) days from assumption of public office when conflict of interest arises, and/or failure to divest himself of his shareholdings or interest in private business enterprise within (60) days from such assumption of public office when conflict of interest arises: Provided, however, that for those who are already in the service and a conflict of interest arises, the official or employee must either resign or divest himself of said interest within the period herein-above provided, reckoned from the date when the conflict of interest had arisen.