

[LCDFI Letterhead]

SPECIAL ORDER NO. _____

Series of 2015

LCDFI NO GIFT POLICY

A. OBJECTIVE

The following guidelines on solicitation and acceptance of gifts and donations are issued in line with the commitment of LANDBANK Countryside Development Foundation, Inc. (LCDFI) to uphold the highest standards of ethics and moral values and as an embodiment of its social duty, as well as comply with the specific provisions of Republic Act No. 6713 (An Act Establishing a Code of Conduct and Ethical Standards for Public Officials and Employees, to Uphold the Time-Honored Principle of Public Office Being a Public Trust, Granting Incentives and Rewards for Exemplary Service, Enumerating Prohibited Acts and Transactions and Providing Penalties for Violations Thereof and for Other Purposes) and RA No. 3019 (Anti-Graft and Corrupt Practices Act).

B. COVERAGE

These guidelines shall cover all LCDFI employees as defined under item C. 1 hereof.

C. DEFINITION OF TERMS

1. **LCDFI Employee** shall refer to the members of the LCDFI Board of Directors, officers and rank-and-file employees, whether permanent, temporary, co-terminus or directly hired contractual.
2. **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.
3. **Family of LCDFI employees** means their spouses and children.
4. **Gift**
 - a. refers to a thing or a right to dispose of gratuitously, or any act or liberality, in favor of another who accepts it, and shall include an unsolicited gift of nominal or

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- insignificant value not given in anticipation of, or in exchange for, a favor from an LCDFI employee;
- b. the term "gift" is used interchangeably with "donation".
5. **Gift of monetary value** refers to a thing which is evidently or manifestly excessive by its very nature.
 6. **Gift of nominal or insignificant value** shall depend on the circumstances of each case taking into account the salary of the LCDFI employee, the frequency or infrequency of the giving, the expectation of benefits, and other similar factors.
 7. **Pecuniary gain or benefit** shall refer to monetary or financial gain/benefit.
 8. **Person** includes natural and juridical persons unless the context indicates otherwise.
 9. **Receiving any gift** includes the act of accepting directly or indirectly, a gift from a person other than a member of his family or relative as defined in these guidelines, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is neither nominal nor insignificant, or the gift is given in anticipation of, or in exchange for, a favor.
 10. **Relatives** refer to any and all persons related to a Bank employee within the fourth civil degree of consanguinity or affinity, including *bilas*, *inso* and *balae*.
 11. **Excessive** would include offers of gift or entertainment that are over-frequent; or part of a pattern of invitations that, taken together, appears inappropriate; or disproportionately lavish considering the relationship between or the position of the giver and the recipient.

D. GENERAL GUIDELINES/ POLICIES AND PROCEDURES

1. As a general rule, solicitation and acceptance of gifts and donations is strictly prohibited. The following acts or omissions shall constitute the prohibited acts on solicitation and acceptance of gifts and donations:
 - a. Soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, commodatum or anything of monetary value in the course of the LCDFI employee's official duties or in connection with any operation being regulated by or any transaction which may be affected by the functions of his office.
 - b. Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between LCDFI and any other party, wherein the LCDFI employee in his official capacity has to intervene under the law or existing policies of LCDFI.
 - c. Directly or indirectly requesting or receiving any gift, present, or other pecuniary or material benefit, for himself or any other party, from any person for whom the LCDFI employee, in any manner or capacity, has secured or obtained, or will

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secure or obtain, any LCDFI product or service, in consideration for the help given or to be given.

2. Exceptions

The following shall be excluded in the prohibition on solicitation and acceptance of gifts/ donations:

- a. Unsolicited gifts or presents of small/ nominal or insignificant value offered or given as a mere ordinary token of gratitude or friendship according to local customs or usage, not given in anticipation of, or in exchange for, a favor from the LCDFI employee or given after the transaction is completed, or service is rendered;
 - b. A gift from a member of the family, relative or friends on the occasion of a family celebration, and without any expectation of pecuniary gain or benefit;
 - c. Gifts offered in a public forum where refusal would cause embarrassment, subject to the provisions under items D.6 to D.7 hereof;
 - d. Nominal gifts or grants from persons with no regular, pending, or expected transactions with the department or unit with which the LCDFI employee is connected, and without any expectation of pecuniary gain or benefit; and
 - e. Gifts or grants coming from government entities or private organizations whether local or foreign, which are considered and accepted as humanitarian and altruistic in purpose and mission
3. The determination of the propriety or impropriety of soliciting or accepting gifts shall consider the value of the gift, kinship or relationship between the giver and the receiver, the frequency or infrequency of the giving, and motivation of the parties or the expectation of the benefits.
 4. Any offer of gift or entertainment which is considered excessive, or will put the recipient under an obligation, or influence a decision, or be in doubtful taste or be liable to bring LCDFI's name into disrepute should be declined or returned to the giver.
 5. LCDFI employees are required to professionally inform any individual or organization with any actual or potential business with LCDFI of this "No Gift Policy", the reasons LCDFI has adopted this policy, and request that such individual or organization respect such policy. Notices informing walk-in clients and visitors of the Policy shall likewise be posted in conspicuous areas within LCDFI premises.
 6. Gifts and all packages shall continue to be scanned by the security guard as part of their security and monitoring functions. The receiving area or front desk shall be responsible in recording the general description of the gift as well as the name and Unit of the recipient.
 7. In cases where it is considered inappropriate or impractical to decline or return a gift:
 - a. The LCDFI employee concerned shall immediately turn over the gift to the Deputy Executive Director (DED) for its disposition through a memo duly noted

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- by the Unit Head concerned indicating thereon the name, office and address of the giver, the description of the gift, estimated cost and the date of receipt.
- b. Upon receipt of the turned-over gift, the DED shall:
- 1) Record the following details in the Gift Registry and issue an acknowledgement receipt to the employee or Unit who/which turned-over the gift:
 - a) Date/time of receipt of turned-over gift;
 - b) Name, position and Unit of the recipient;
 - c) Name, office and address of the giver;
 - d) Description of the gift; and
 - e) Estimated cost of the gift.
 - 2) Keep the turned-over gift in an insulated filing cabinet with cash safe or in a cash box placed in a locked drawer/ cabinet inside a locked room, whichever is available, pending proper disposition of the same. The key shall be handled by the DED who will be accountable for the safekeeping of the same. For high priced/ valuable items worth Php 10,000.00 and above, the same shall be placed in a safety deposit box under the custody of the DED. These items shall be disposed via public auction, and the proceeds shall be disposed in accordance with item D.7.b. (3) hereof.
 - 3) Dispose the turned-over gift within six (6) months from receipt thereof, as follows: Gifts in cash or kind which are not high-priced shall be donated to charitable institutions or organizations, indigent communities or families, public schools, libraries or museums with a report on the disposition of the same.
 - 4) Formally acknowledge the gift and inform the giver of the manner of disposition of the same, copy furnished the concerned recipient.
8. If not practicable to turn-over the gift to the DED due to the kind of gift received (e.g. perishable items), and taking into consideration the distance of the concerned employee/Unit to the Head Office, the concerned recipient shall submit to the DED a written report on its disposition (e.g., consumed or donated to charitable institutions/organization, indigent communities/families, public schools, libraries or museums) duly noted by the concerned Head of Unit, in accordance with item D.7.b.(3),(b) of these guidelines.
9. Queries relating to the implementation of these guidelines shall be directed to the Executive Director.

E. PENALTIES/ SANCTIONS

Any violation of this policy shall be a ground for filing an administrative case in accordance with the pertinent provisions of Executive Order No. 43, s. 2006, Rules on Administrative Disciplinary Cases.

F. REPEALING CLAUSE

All previous issuances inconsistent herewith are deemed suspended/amended.

G. EFFECTIVITY

This Order shall take effect upon approval.

PETER ANDREW S. GUTIERREZ
Executive Director

***Note : LCDFI Corporate Governance Manual subject for confirmation/
approval of the LCDFI Board of Trustees and the Governance
Commission for GOCCs (GCG)***