

included within the definition of “associated with”; however, because general membership in an organization doing business with the Peace Corps can result in problems of the appearance of conflicts of interest, each such general membership should be evaluated by the DAEO);

(3) That the person, his or her spouse, minor child, or other member of his or her immediate household, owns, individually or collectively, any voting shares of an organization;

(4) That the person, his or her spouse, minor child, or other member of his or her immediate household, owns, individually or collectively, either beneficially or as trustee, a financial interest in an organization through stock, stock options, bonds, or other securities, or obligations; or

(5) That a person has a continuing financial interest in an organization, such as a bona fide pension plan, valued at \$10,000 or more, through an arrangement resulting from prior employment or business or professional association; or

(6) That the person’s spouse or other member of his or her immediate household has a personal or nonpersonal services contract or is employed by a Peace Corps contractor and assigned to a Peace Corps contract.

In accordance with the provisions of 18 U.S.C. 208(b) (1) and (2), the DAEO may determine that a financial interest under (e)(3) or (4) of this section is not so substantial as to affect the integrity of the employee’s services, or make a blanket determination by a general rule published in the FEDERAL REGISTER that certain classes of holdings are too remote or inconsequential to affect the integrity of the employee’s services.

The term *associated with* does not include an indirect interest, such as ownership of shares in a diversified mutual fund, bank or insurance company, which in turn owns an interest in an organization which has, or is seeking or is under consideration for a contract or other agreement. Such an “indirect” interest is hereby determined pursuant to 18 U.S.C. 208(b)(2) to be too remote to affect the integrity of the employee’s services.

Subpart B—General Conduct and Responsibilities of Employees

§ 307.735-201 Proscribed actions—Executive Order 11222.

As provided by the President in Executive Order No. 11222, whether specifically prohibited by law or in the regulations in this part, no U.S. regular or special Government employees shall take any action which might result in, or create the appearance of:

(a) Using public office or employment for private gain, whether for themselves or for another person, particularly one with whom they have family, business, or financial ties.

(b) Giving preferential treatment to any person.

(c) Impeding Government efficiency or economy.

(d) Losing complete independence or impartiality.

(e) Making a Government decision outside official channels.

(f) Affecting adversely the confidence of the public in the integrity of the Government.

(g) Using Government office or employment to coerce a person to provide financial benefit to themselves or to other persons, particularly anyone with whom they have family, business or financial ties.

§ 307.735-202 General conduct prejudicial to the Government.

An employee may not engage in criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct prejudicial to the Government (5 CFR 735.209).

§ 307.735-203 Criminal statutory prohibitions: Conflict of interest.

(a) *Regular Government employees.* Regular employees of the Government are subject to the following major criminal prohibitions:

(1) They may not, except in the discharge of their official duties, represent anyone else before a court or Government agency in a matter in which the United States is a party or has an interest. This prohibition applies to both paid and unpaid representation of another (18 U.S.C. 203 and 205).

(2) They may not participate in their governmental capacity in any matter in which they, their spouse, minor child, outside business associate, or persons with whom they are negotiating for employment have a financial interest (18 U.S.C. 208). This restriction shall not apply if an employee advises the official responsible for appointment to his or her position of the nature and circumstances of the matter, fully discloses the financial interest, and receives in advance from the appointing official a written determination that the interest is not so substantial as to affect the integrity of the Peace Corps.

(3) They may not, after Government employment has ended, represent anyone other than the United States in connection with a particular matter in which the United States is a party or has an interest and in which they participated personally and substantially for the Government (18 U.S.C. 207).

(4) They may not for 2 years after their Government employment has ended, represent anyone other than the United States in connection with a matter in which the United States is a party or has an interest and which was within the boundaries of their official responsibility during their last year of Government service. This temporary restraint gives way to the permanent restraint described in paragraph (a)(3) of this section if the matter is one in which the employee participated personally and substantially (18 U.S.C. 207).

(5) They may not receive any salary, or supplementation of their Government salary, from a private source as compensation for services to the Government (18 U.S.C. 209).

(b) *Special Government employees.* Special Government employees are subject to the following major criminal prohibitions:

(1) They may not, except in the discharge of official duties, represent anyone else before a court or Government agency in a matter in which the United States is a party or has an interest and in which they have at any time participated personally and substantially for the Government (18 U.S.C. 203 and 205).

(2) They may not, except in the discharge of official duties, represent any-

one else in a matter pending before the agency they serve unless they have served there no more than 60 days during the past 365. They are bound by this restraint despite the fact that the matter is not one in which they have ever participated personally and substantially (18 U.S.C. 205). (See §307.735-303(b) for additional nonstatutory Agency restrictions on a special employee representing any other person or organization in a matter pending before the Agency.) The restrictions described in paragraphs (b) (1) and (2) of this section apply to both paid and unpaid representation of another.

(3) They may not participate in their governmental capacity in any matter in which they, their spouse, minor child, outside business associate, or persons with whom they are negotiating for employment have a financial interest (18 U.S.C. 208).

(4) They may not, after their Government employment has ended, represent anyone other than the United States in connection with a particular matter in which the United States is a party or has an interest and in which they participated personally and substantially for the Government (18 U.S.C. 207).

(5) They may not, for 2 years after their Government employment has ended, represent anyone other than the United States in connection with a matter in which the United States is a party or has an interest and which was within the boundaries of their official responsibility during their last year of Government service. This temporary restraint gives way to the permanent restriction described in paragraph (b)(4) of this section if the matter is one in which they participated personally and substantially (18 U.S.C. 207).

(c) *Senior Employees.* Employees in positions for which the basic rate of pay is specified in subchapter II of chapter 53 of title 5, United States Code (Executive Schedule Pay Rates), or a comparable or greater rate of pay under other authority; and employees in positions which involve significant decision-making or supervisory responsibility for which the basic rate of pay is equal to or greater than the basic rate of pay for GS-17 (FE-2), are Senior Employees.

(1) Senior Employees are subject to the criminal conflict-of-interest statutes at 18 U.S.C. 203, 205, 207 (a), (b), and (c), 208 and 209. Within 2 years after his or her employment has ceased, no Senior Employee may knowingly represent or aid, counsel, advise, consult, or assist in representing any other person (except the United States) by personal presence at any formal or informal appearance before:

(i) Any department, agency, or court, or any officer or employee thereof,

(ii) In connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, or other particular matter involving a specific party or parties in which the United States or the District of Columbia is a party or has a direct and substantial interest, and

(iii) In which he or she participated personally and substantially as an officer or employee.

(2) Any Senior Employee, other than a special Government employee who serves for less than 60 days in a calendar year, who, within one year after his or her employment has ceased, knowingly acts as an agent or attorney for, or otherwise represents, anyone other than the United States in any formal or informal appearance before, or, with the intent to influence, makes any oral or written communication on behalf of anyone other than the United States, to

(i) The Peace Corps, or any of its officers or employees,

(ii) In connection with any judicial, rulemaking, or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, or other particular matter, and

(iii) Which is pending before the Peace Corps or in which the Peace Corps has a direct and substantial interest shall be fined not more than \$10,000, or imprisoned for not more than 2 years, or both.

Subpart C—Outside Employment, Activities, and Associations

§ 307.735-301 In general.

(a) There is no general prohibition against Peace Corps employees holding outside employment, including teaching, lecturing, or writing, but no employee may engage in outside employment or associations if they might result in a conflict or an appearance of conflict between the private interests of the employee and his or her official responsibility. As provided in 5 CFR 735.203(a), incompatible activities include, but are not limited to, acceptance of a fee or anything of monetary value when acceptance may result in an actual or apparent conflict of interest, and outside employment which tends to impair the employee's mental or physical capacity to perform Government duties and responsibilities in an acceptable manner. Any employee planning to engage in outside employment shall so notify his or her supervisor and the DAEO of the name of the proposed employer and the nature of the proposed duties. The DAEO will acknowledge receipt of this information to the employee and supervisor. If the DAEO believes that the information raises a question of conflict of interest, the DAEO shall submit the information for review and resolution to the Committee on Conflict of Interest in accordance with §307.735-101.

(b) An employee shall not receive any salary or anything of monetary value from a private source as compensation for his or her services to the Government (18 U.S.C. 209).

(c) An employee shall not have a direct or indirect financial interest that conflicts substantially or appears to conflict substantially with his or her Government duties and responsibilities. Nor may an employee engage in, directly or indirectly, a financial transaction as a result of or primarily relying on information obtained through his or her Government employment.