

## **[ FED PNP CIRCULAR NO. 9, February 14, 2008 ]**

### **POLICY ON FIREARMS AND AMMUNITION DEALERSHIP/REPAIR**

#### 1. References:

- a. Presidential Decree 1866 dated 29 June 1983 as amended by Republic Act Number 8294 dated 06 July 1996 "Codifying the Laws on Illegal/Unlawful Possession, Manufacture, Dealing In, Acquisition or Explosives or Instruments Used in the Manufacture of Firearms, Ammunition or Explosives and Imposing Stiffer Penalties for Certain Violations Thereof, and For relevant Purposes (TAB "A").
- b. Executive Order No. 256 dated 21 December 1995 revising E.O. No. 58 By Rationalizing the Fees and Charges on Firearms, Ammunition, Spare parts, Accessories, Components, Explosives, Explosives Ingredients, Pyrotechnic and Devices (TAB "B").
- c. Section 878, RAC entitled Unlawful Manufacture. Dealing In, Acquisition. Disposition, or Possession of Firearms, or Ammunition Therefore, or Instrument Used or Intended to be Used in the Manufacture of Firearms and Ammunition (TAB "C").
- d. Memorandum Circular Number 03-2006 dated March 08, 2006 entitled Export of defense/Military items. Commercial Firearms. Ammunition and Explosives. (TAB"D")
- e. HPC Circular Number 2 dated 11 September 1990 "Annual Verification of Fire arms (TAB "E").
- f. HPC SOP Number 4 dated Nov. 02, 1972 Safe of Firearms to Police Forces & Security Agencies (TAB "F").
- g. Memorandum Circular 99-009 dated March 16, 1999 entitled new Policy on Firearms and Ammunition Dealership (TAB "G").

#### 2. Rationale:

This Circular will correct the awkward situation where the main license, to operate of a gun dealer has expired or ceased while its branch license is still valid.

This Circular will reduce the volume of new applications and renewal of Licenses to Operate Dealership, Licenses to Repair and Licenses of Inventor in firearms and ammunition, spare parts and accessories and related matters.

#### 3. Purpose:

This Circular prescribes the procedures in the issuance of the various new licenses

and authorities mentioned herein and the general provisions in the control on the sales of firearms, ammunition, spare parts and other related matters. The procedure herein established shall also govern the renewal of the licenses and authorities granted under this Circular.

#### 4. Definition of Terms:

- a. License to Deal - License authorizing the purchase, sale and general business in handling firearms and ammunition, spare parts and accessories, airguns, airsofts, reload ing machine and components, and bullet-proof vest.
- b. License to Repair - License authorizing the repair of defective firearms to restore its original composition or to enhance or upgrade firearms.
- c. Indent License to Deal - License authorizing the importation and sales of firearms, ammunition, spare parts, etc., for the AFP, PNP and other government entities.
- d. Authority to Import - Official document authorizing the importation of firearms, ammunition, spare parts, accessories, raw materials, etc.
- e. Authority to Export-Official document authorizing the exportation of firearms, ammunition, spare parts, accessories, raw materials, etc.
- f. Accessories - is an optional firearm part which may enhance or increase the operational efficiency or accuracy of a firearm.
- g. Refurbishment/refurbish - the process by which a licensed gun repair shop or manufacturer restores the original features of a firearm.
- h. Major Firearms Parts - Frame, slide and barrel
- i. Conversion Kit - is the upper assembly by pistol which is used to change a firearm from one caliber to another (barrel, slide, firing pin spring, extractor and firing pin block).
- j. Bodega Transfer - transfer of firearms from one dealer to another inside the FED Bodega.
- k. Authority to Display - Official document issued to legitimate dealers authorizing them to display firearms for commercial purposes.
- l. Mother License-refers to the main license issued to a particular dealer to operate a primary store.
- m. Branch License - refers to the license issued to particular dealer operating in a different address to that of the mother license.

#### 5. Processing of Applications:

- a. All Licenses to Operate whether for new applications or renewal shall be valid for a period of five (5) years. Application for renewal thereof shall be filed at Headquarters FED- CSG, Camp Crane, Quezon City not later than ninety (90) days

before expiration of the LTO regardless of the place of business. Upon expiration of the LTO, the dealer, indenter, or gun repair shop should automatically stop its operation. However, in the event that an application for renewal is duly filed prior to its expiration, the licensee may request for a certification from FED-CSG certifying that their application is on process. The validity of the certification shall be thirty (30) days only but it can be renewed whenever necessary.

b. In addition, all applications for issuance of license to operate, whether new or renewal, covered by this policy shall be grouped and combined according to their business activity.

#### Group I-License to Operate Dealership

- a) Firearms and Ammunition
- b) Firearm spare parts & accessories
- c) Air gun
- d) Ammunition Reloading Components
- e) Bullet Proof Vests (Level I, II, and III only)
- f) Bomb Suit/Bomb Blanket
- g) Airsoft Rifle/Pistol

#### Group II - License to Operate Gun Repair Shop

#### Group III - License to Operate as Indenter

c. Application to operate several licenses of new applicant - for mother license - with the same business activity will be processed as one and will be issued with only one (1) license to operate indicating therein the type of business applied subject to the approval of the Chief. PHP. The License to Operate issued shall authorize the licensee concerned to engage in business only in the given address as indicated in the license. However, the amount of license fee to be collected shall depend on the number of business activities applied in accordance with Executive Order No. 256. Considering that the LTO had been previously approved/issued by Chief. PNP, succeeding renewal thereof shall be issued at the level of D, CSG unless certain amendments/changes in the license is needed which require the approval of C, PNP a new.

d. Applicant to operate a new branch store shall be approved by D, CSG. The succeeding renewal of branch license shall be approved at the level of Cr FED unless certain changes in the license will be made which will require the approval of D, CSG anew.

e. Effective ninety (90) days upon approval of this Circular, all effectivity date of License to Operate branch shall be the same with that of the effectivity date of the mother license. In no case, shall an applicant to operate new branch store by any firm be allowed without mother license. The payment of renewal fee shall be computed in accordance with the provision of Executive Order 256 in a proportionate manner.

f. The following documentary requirements shall be necessary for the application for License to Operate dealership (New and Renewal):

NEW

1. The applicant shall submit the following in three (3) copies each.

a. Location plan of the proposed gun store or repair shop showing distance from the nearest Police Headquarters (in meters).

b. Sketch of the firearms and ammunition vault showing inside dimension and construction materials used and the kind of door and locking device.

c. Copy of Business Registration of the firm with the Securities and Exchange Commission (Articles of Incorporation and By-Laws) and/or the Department of Trade and Industry.

d. Clearances of the Manager/Proprietor/Person who will manage the Firearm/ Ammunition Dealership or perform the repair of firearms from the City/Municipal Mayor, Metropolitan/Municipal Chief of Police in the place of his/her residence, NBI Clearance and DI Clearance or Regional Intelligence and Investigation Division (R1ID) Clearance for provincial applicants.

e. The applicant will accomplish Application for License deal in Firearms and Ammunition (Form 1).

2. Basic letter from the applicant addressed to the Chief, PNP (thru: Channels) requesting issuance of License to Deal in Firearms and Ammunition/Gun Repair and also stating among other things, the following:

a Certification or Affidavit of the Corporate Treasurer and bank Statement stating therein the Paid-up capital stock of P500,000.00 as proof of capitalization.

Gun dealer, established as Sole Proprietorship shall submit a certification from the bank stating therein a bank deposit of at least P500,000.00 in the name of the store.

b. Location of the gun store/gun repair whether it is properly constructed of strong materials and safely located. Whether it is provided with burglar and fire proof vault enough to safely accommodate the quantity of firearms and ammunition applied for.

c. Name of the Proprietor/manager who will actually manage the gun store and his/her corresponding qualification in the business. A certification from licensee is needed certifying therein that the gunsmith to be employed has a technical know how of the job and possesses sufficient experience in doing repair jobs.

d. Picture of gun store/repair shop with captions during ocular inspection showing the following:

1. exterior view

2. interior view

3. display cabinet/counters
  4. vault
  5. equipment/machines use if any
- e. Certification from Provincial Director/City Director that the gun store/repair shop is secured and safe from insurgents and other form of lawless elements.
  - f. Tax Identification Number Re-Revenue Regulations No. 11-99. Such other information that will justify the application. Secure Order of Payment and Special Bank Receipt (SBR) for License Fee and Surety Bond.

3. Submit all papers to the Police Provincial City Director for inspection, comment and recommendation. If the gun store/gun shop is located in Metropolitan Manila, the application shall be submitted to the Chief, FED, Camp Crame, Quezon City.

4. From the Provincial Director/City Director thru their respective FESAGSs of the Police Provincial Offices, the application will be forwarded to the Chief, FED which after processing will be forwarded to the C, PNP (thru: channels) pursuant to PNP Memo Cir No. 99-009 dated 16 March 1999.

5. If the application is approved by the C, PNP, License to Deal in Firearms and Ammunition/License to Repair Firearms is issued by C, FED after submission of Dealer's Bond by the applicant.

NOTE: Applicant for Indentor's License to deal in Firearms & Ammo and other related items to PNP. AFP and other Government Entities for commercial purposes shall disregard the requirements in paragraph 1 a and 1 b and paragraph in 2a, 2b, 2c. 2e and 2f.

#### RENEWAL

- 1 Letter Request
2. Xerox Copy of old LTO
- 3 Mayor's Permit
4. Original Directorate for Intelligence (DI) Clearance or Regional intelligence and Investigation Division (RIID) Clearance for provincial applicants & NBI Clearance!
5. DTI/SEC Registration (with Articles of Incorporation and By-Laws)
6. Special Bank Receipt (SBR)-Dealer's Fee
7. Dealer's Firearms Bond
8. Summary of Transaction (24 months) including List of Individuals to whom fire arms were sold
9. Picture of Gun Store with captions during Ocular Inspection showing the ft:
  - a. exterior view
  - b. interior view
  - c. display cabinet/counters