

**[PNP MEMORANDUM CIRCULAR NO. 1217, S.
2010, December 17, 2010]**

**AMENDING RULE IV OF 2003 IRR OF RA 5487, AS AMENDED
GOVERNING THE STATUS AND VALIDITY OF LICENSE TO
OPERATE (LTO)**

Pursuant to Section 17, RA 5487, as amended, Paragraphs b & c of Section 8, Rule IV of its 2003 Implementing Rules and Regulations is hereby amended so that the said paragraphs shall now read as follows:

"b. Temporary LTO - initial and conditional issuance to new private security agencies and to PSAs holding regular LTO not able to maintain the minimum number of security personnel or conform to standards, for them to be able to attain the 200 minimum number of security personnel or comply with licensing standards, prior to issuance/ re-issuance of regular LTO. ***The PNP, thru CSG-SOSIA, may grant extension of temporary license based on the following requirements and limitations:***

1. Following its issuances for an initial period of full two (2) years, new/ temporary LTO may be extended for one (1) year (First Extension) if it has, as shown in the MDRs, an increasing number of security personnel during the validity of its license and reached at least 100 at the time of the supposed filing of application for new regular LTO or attained such number at any given instance during the validity of new/temporary LTO. If not, the issuing authority shall cancel the new/temporary LTO and, subsequently, the Chief, SOSIA must issue the corresponding Cease to Operate (CTO) order;

2. Following its first extension, new/temporary LTO may be extended again for one (1) more year (Second and Last Extension) if it has, as shown in the MDRs, an increasing number of security personnel during the validity of its license and reached at least 150 at the time of supposed filing of application for new/temporary LTO or attained such number at any contracts given instance during the validity of new/temporary LTO. If not, the issuing authority shall cancel the new/temporary LTO and, subsequently, the Chief, SOSIA must issue the corresponding CTO order;

3. Following its second extension, new/temporary LTO may be upgraded to new regular LTO based on Section 10(b), Rule IV (License to Operate), 2003 IRR of RA 5487, as amended. Should the PSA fail to conform with the regular licensing standards, the issuing authority shall cancel the new/temporary LTO and, subsequently the Chief, SOSIA must issue the corresponding CTO order;

4. All applicants whose new/temporary LTOs are expiring in 2010, including those that have already applied for extension earlier and prior to the date of effectivity of this Circular, may be granted extension of their temporary licenses; provided, these new/temporary LTOs have not yet been extended since its initial/conditional issuance. Should the concerned PSA still fail to attain the required number of 200 security personnel despite the total number of four years given it within which it has to operate and conform with the licensing standards, the agency's right and capacity to transact security business or enter into contracts in its name are hereby revoked/lost with finality.

5. An operator, owner, manager, authorized representative or licensee of PSA with expired new/temporary LTO and who failed to get extension under this Circular and within the same period given to applicants for renewal of regular LTOs, and whether or not he/she was issued cancellation order and/or CTO order, is barred from getting another new/ temporary LTO;

6. An applicant for extension of new/temporary LTO must submit a written request stating the reasons therein, and the following supporting documentary requirements, including other documents for a regular license application: (6.a) updated proof of SSS/VAT payments and DOLE clearance; (6.b) national registration and license fees, and surety bond; (6.c) updated Firearms Records Verification (FRV), Master List of Firearms and/or Certification; and (6.d) revised/amended Feasibility Study, focusing on specific/realistic activities that will be undertaken by the PSA to conform to the licensing standards or attain the 200 minimum required number of employed/deployed security personnel;

7. All applicants for extension of their new/temporary LTOs are required to pay the same applicable fees/penalties that are being collected from applicants for new regular LTOs or renewal of regular LTOs.