

Terms of Reference for Appointment of Dzongkhag Lottery Agent(s)

Background:

Bhutan Lottery Limited (BLL) was officially launched by the Hon'ble Prime Minister on 8th April 2016 in Phuentsholing. BLL was established as a State Owned Enterprise under the Ministry of Finance. BLL continues to work responsibly towards changing people's lives and maximize funds to be able to contribute to the revenue of the government. We continue to promote transparency and accountability in lottery business while promoting the interests of the players, stakeholders and the general public.

1. Eligibility Criteria for Lottery Agent

- i) Bhutanese citizen above 18 years holding any Business License.
- ii) Applicant must have an established business in the particular Dzongkhag that they apply.
- iii) Must have a proper office (owned or hired) with communication facilities (Internet, printer etc. as required) in a designated location.
- iv) An applicant shall not be eligible to apply for more than one Dzongkhag.
- v) The applicant's place of business activity should not be near any educational institutions.
- vi) Should not hold any criminal records

2. Sales of Lottery

- i) Must maintain a minimum stock level at all times for sale.
- ii) Should be sold at the printed price.
- iii) Agent(s) shall by any means try to achieve the sales as per the target drawn.

3. Issuance/ Lifting of Tickets

- (i) Each Agent shall be provided with minimum quantity of paper lottery to be sold in their respective Dzongkhag projected based on the past sale's assessment maintained with BLL.
- (ii) The scratch tickets shall be issued based on the requisition considering the selling capacity of the Agent(s).

4. Commission

- i) 10.5 % commission is paid on the sale of Instant Scratch Card and 15% on the sale of Paper Lottery.

5. General Terms and Conditions

- (i) The Agent(s) shall be the sole agent to procure Lottery Tickets from Bhutan Lottery Limited (BLL) Head Office and sell in the designated area.
- (ii) The Agent(s) shall not be permitted to sell beyond the designated market unless permitted by the management in writing.
- (iii) BLL shall conduct Agent's meet as and when required in consultation with the Agent(s).
- (iv) Stock/store the tickets at Agent's own cost and risk.
- (v) BLL may inspect the facilities, office set up before the finalization of deal with the intended Agent(s).
- (vi) Agent(s) shall ensure that BLL's interest of promoting its products is protected and strive to increase its market share.
- (vii) Agent(s) shall not disclose or communicate to any person whatsoever of any confidential information or trade secrets belonging to or relating to BLL, at all times.

6. Commercial Terms and Conditions:

- i) The prices of the Tickets in the market shall be fixed based on the scheme which will be subject to change.
- ii) The Agent(s) shall be offered a onetime credit at the time of first stock issuance. However, the credit facilities shall be offered based on the amount of Bank Guarantee submitted by the Agent(s).
- iii) Applicants shall furnish performance security in the form of bank guarantee/demand draft/cash warrant as per the BG slab (Annexure I) in favor of the Chief Executive Officer, BLL at the time of signing the contract.
- iv) Promotional programs may be offered to promote products.

7. Selection and Appointment of Agents

- i) The principle guiding in selection and appointment of Agent(s) shall be based on the selection criteria set by Bhutan Lottery Limited.

8. Documents Required

- i) Dully filled BLL Lottery Agent's Application Form
- ii) Valid Trade License Copy
- iii) Valid CID Copy
- iv) Online Security Clearance
- v) Tax Clearance Certificate
- vi) Detailed Business Proposal (Refer **Annexure II** for Guideline)
- vii) Bank Guarantee as per **Annexure I** (BG Slab).