

**REQUIREMENTS AND CONDITIONS FOR A PERMIT AUTHORIZING
PROMOTION OF PRIZE COMPETITION UNDER (SECTION 59A OF THE ACT
CAP 131)**

Prize competition is the promotion of good/products or services owned by the promoter. For any concept to be deemed to be a prize competition it must meet the following criteria:-

- There must be a product or service being promoted
- Entry to the promotion must be based on the consumption of the product/service
- Consumer must get value for money
- Entry into the promotion must be free

The following are the other requirements that must be met

1.0. THE APPLICATION

1.1. Applications should be in the prescribed form

1.2. The Applicant/ Promoter must submit (6) copies of the following: ✖

- Duly completed and signed prize competition forms.
- Artwork.
- Media Schedule.
- Skill testing questions and their Answers where applicable.
- Detailed write up on how members of the public will participate in the competition/promotion.
- Brief description of the product or service being promoted
- A PIN certificate and Tax compliance certificate from Kenya Revenue Authority.

1.3. For all SMS/IVRS based competitions/promotions, the applicant shall submit:

- The name of the value added service provider, which must be in possession of a valid
CAK license valid for not less than six (6) months.
- The short code to be used. (Indicate any other services running on the short code)

Application forms should be submitted to the Board at least thirty (30) ✖ days before the date set to start the competition/promotion.

2.0. THE ARTWORK

2.1 The work must be final, and shall show/indicate;

- All the prizes to be won in each draw.
- The opening and closing date of the competition/promotion
- Date, time and venue(s) of the draw(s)
- Terms and Conditions of the competition/promotion.

- Responsible gaming statement
- 2.2. A soft copy of the artwork and the Radio and TV advertisements must also be submitted.

3.0 MEDIA SCHEDULE

3.1 The media schedule must show the following;

- The media(s) to be used
 - The total number of spots/insertions
 - The space/size of spots/insertions, the time/date of airing/inserting them
 - The cost of each spots/insertions.
 - Total number of Posters/leaflets/Wobblers/Banners/flayers to be printed and the
 - Cost of each.
 - Total number of Bill Boards to be used, the size, location, and the cost of each.
 - The Design and production cost of the promotion material.
- 3.2. The artwork **MUST** clearly show the product being marketed and must not be misleading to the public.
- 3.3. The artwork must also not purport to advertise a product of a third party.
- 3.4. All communication in all Medias about the promotion must carry a responsible gaming message.

4.0. PRIZES

- 4.1. The applicant for a promotion **MUST NOT** offer cash prizes but only the product which the applicant produces/markets.
- 4.2. Where it is not practical to offer the product the applicant produces/markets due to its peculiar nature, then cash prizes may be offered but the prize(s) must be proportional in value to the product which would have been offered if it were possible to offer it as a prize.
- 4.3. Applicant shall be required to show proof of possession of the prizes to be won.
- 4.4. Awarding of the advertised prizes shall not in any way depend upon the success of the competition/promotion
- 4.5. The applicant must attach a bank guarantee from a reputable bank to secure the prizes being offered .The bank guarantee **MUST** be sealed and shall be for a period of not less than six (6) months. Where the

applicant is a bank, then the applicant must secure a guarantee from another bank. A bank must not issue a guarantee to secure its own application.

- 4.6. Where the applicant is offering as prizes products which it produces/markets, then a letter of commitment confirming that the stock is available should be attached.
- 4.7. Where the applicant is offering as a prize a product not ordinarily stocked by the applicant, then in such a case a delivery note must be attached as evidence that the product has been acquired.
- 4.8. Where the prize to be awarded is a vehicle the applicant shall provide the following:-
- Engine and Chassis no's of the vehicle
 - Photographs of the vehicle showing front, back and side views
 - Relevant documents like log book, import documentation and transfer form where applicable.
 - Valuation report of the vehicle.
- 4.9. Where the prize is an Air Ticket or a trip out of the country the following must be indicated in the Artwork;
- The person to take responsibility of travel documents i.e. passport and visa
 - The fate of the winner should he/she fail to obtain travel documents
- 4.10. Where the prize to be awarded is a house, the applicant must submit the following;
- Full details of the house and its location together with the relevant documents for the house
 - The house must be fully build/completed and ready for occupation..
- NB;** Acceptance of the house as a prize shall be subject to inspection by Board officials.
- 4.11. Where land is being offered as a prize, then the title deed, a recent valuation report, an executed but undated transfer instrument, an official search and the relevant Land board/County consent **MUST** be deposited with the advocate for the applicant who shall in turn furnish an irrevocable professional undertaking to the Honorable Attorney General acting on behalf of BCLB an irrevocable Professional undertaking to transfer the parcel of land to the eventual. Alternatively, the applicant must furnish a bank guarantee from a reputable bank securing the full value of the parcel of land as stated in the valuation report.

4.12. For any winner to be presented with a prize he or she has won, the following documents must be produced: -

- Original letter from the promoters to the participant informing him/her of his/her winning.
- Original ID card/valid driving license/passport.

NB: The Board may require production of additional documentation should it deem it necessary.

4.13. For prizes of below 5000 in cash, the promoters should make mailing/sending arrangements to the winner.

4.14. In case a prize is won posthumous the Board shall determine with the assistance of the Attorney General the administrator of the deceased's estate and the proceeds shall be handed over to the same.

4.15. Prizes won must be claimed within three (3) months after the draw

4.16. All unclaimed prizes three (3) months after the final draw must be surrendered to the Board. The Board shall also require proof of claim of all the prizes collected by the winners.

5.0. FEES

5.1. Application Fee Kshs 500 non refundable.

5.2. The permit fee for a prize competition is six percent (6%) of the total competition/promotion budget i.e. the cost of advertising and that of all the prizes.

5.3. The fee must be paid prior to the commencement of the competition/promotion.

5.4. The mode of payment shall either be by a banker's cheque or Direct transfer/deposit

5.5. Upon approval of an application and after payment of the requisite fees, a permit shall be issued, and the permit number must be quoted in all media communication to the public regarding the competition/promotion

6.0. COST OF ENTRY TO A PROMOTION

6.1. The cost of entry into a promotion shall be free other than the cost of mailing a coupon through the post office.

6.2. Where the mode of entry is via sms, the cost of entry for all **SMS/IVRS** based promotion shall charge normal **SMS/CALL** rates.

7.0. DURATION OF COMPETITION/PROMOTION

7.1. The competition/promotion must be conducted within the authorized period. (Three (3) months)

7.2. During the validity of the permit, the Board may vary/suspend or cancel it, if the permit holder fails to conduct the competition/promotion as per the requirements of the permit..

8.0. DRAWS

8.1. In any competition/promotion where the winners are determined through draws, all the draws must be:-

- Conducted in public and in the presence of an official from the Board.
- In case of competitions/promotions in which prizes are won through scratch cards, the total number of scratch cards to be printed must be declared to the Board, indicating those with prizes and those without prizes.
- The same case shall apply to those competitions/promotions in which winning is determined through numbers.

NB: *In both cases, officials from the Board shall supervise the seeding of the prizes where applicable.*

8.2. The dates, venues and times of the draw(s) must be communicated in writing to the Board at least seven (7) days before the dates set for the draws.

8.3. For manual competitions/promotions winning entry/coupon must have: -

- Full name and ID card number of the participant.
- Full address/cell phone no
- Correct answers where applicable

8.4. For SMS/IVRS draws a soft copy of the entries must be submitted to the presiding BCLB officer before the draw.

8.5. Draw results must be published in the media within seven (7) days and the winners contacted within fourteen days (14) after the draw

9.0. RETURNS

9.1. All applicants must submit returns of competition/promotion within three months after the final draw.

9.2. The returns must indicate the following:-

- Names of winners and the prizes won.
- Proof of collection for the prizes to be won.
- List of all unclaimed prizes.

9.3. All unclaimed prizes three (3) months after the final draw must be surrendered to the Board.

9.4. The Board shall also require proof of claim of all the prizes collected by the winners.

9.5. No applicant/promoter shall be issued with a permit to conduct/promote a new competition/promotion, unless returns from all previous competition conducted by the applicant/promoter have been submitted to the Board.

10. CUSTOMER CARE

Every promoter of a prize competition shall be required to set up in a place an elaborate customer care centre to handle all matters pertaining to the promotion during the 'live' of the permit issued by the board.

11. TERMS AND CONDITIONS

11.1. Every promoter shall publish all the terms and conditions for the promotion.

11.1.1. The terms and conditions must indicate but not limited to the following:-

- The name and full/physical address of the organizer
- The name of the promotion
- The product/service being promoted
- Mechanics of the promotion/mode of entry
- Eligibility to enter the promotion
- Duration of the promotion
- Draw date and method of selection
- Prizes to be won in each draw
- Method of contacting winners
- Duration within which prizes must be claimed
- Dispute resolution path.

NOTE: *Giving false information to the board in an application is an offence under section 5 (4) of the betting lotteries and gaming act cap 131 laws of Kenya*

The Board may require further details merited to finalize an application request in conforming to the regulations as per the Betting Lotteries and Gaming Act, Cap 131 Laws of Kenya.

Meeting the above requirements does not guarantee issuance of a license; the issuance of the license will also be subject to the Board and Government of Kenya prevailing policies on the business whose license is being applied for and Gaming in general.