

Application and requirements for license

[SPORTS BETTING]

12/4/2018

NATIONAL LOTTERY REGULATORY COMMISSION





THE PRESIDENCY

NATIONAL LOTTERY REGULATORY COMMISSION
LICENSE/PERMIT APPLICATION FORM

PART A- PARTICULARS OF APPLICANT

1. Company Name: _____
2. Company's Registration Number: _____
3. Brand/Trade name: _____
4. Administrative Office: _____

5. Address for service if different from administrative office: _____
6. Branch Office (if any): _____
7. Company's Website: _____
8. Company's email/phone No: _____
9. Class of licence (please tick the correct box)
Core Lottery { } Sport Betting { } Consumer Sales Promo { } Mobile Lottery { }
Scratch Card/Interactive Games { }

PART B- CONTACT PERSON

The contact person is the intermediary and main representative of the Company during the licence process
(Please note that all correspondences relating to this application will be addressed to this person)

10. Name: _____
11. Designation: _____
12. Phone No: _____
13. E-mail: _____
14. Contact address: _____
15. Identification: _____

PART C- PROFILE OF SHAREHOLDERS/DIRECTORS

SHAREHOLDERS

16. Number of shareholders: _____

17. Provide details of shareholders: _____

18. Is any shareholder a political office holder or in the public/Civil service? Yes () or No ()

DIRECTORS

18. Number of Directors (Executives & Non- Executives): _____

19. Provide details of each Director (Name, occupation, position, phone no, nationality):

20. Is any Director a political office holder or in the public/civil service? Yes () or No()

SHAREHOLDERS/DIRECTORS

21. Has any of the Directors /Shareholders previously been convicted? Yes () or No ()

22. If Yes give details of conviction/sentence: _____

23. Has the applicant previously applied for a sport betting permit in any jurisdiction? Yes () or No () If yes provide details: _____

24. Does the applicant, its Director(s) or any company in which the Director(s) acts as a Director or shareholder or organizations connected with it currently hold, previously held or have any application pending for a lottery license or permit with the National Lottery Regulatory Commission Yes () or No () If yes provide details:

PART D- UNDERTAKING

I/We hereby make an undertaking for and on behalf of the applicant to conduct the business of a National Lottery/ Gaming Scheme and understand that any misrepresentation or failure to reveal information or grant any authorization requested or failure to notify the National Lottery Regulatory Commission of any information contained herein may be deemed to be sufficient cause for the refusal/revocation of the permit.

We also undertake to conduct our business with all due propriety, corruption free, accountability, transparency, and to ensure the protection of the interests of stakeholders and the general public.

We certify to the best of our knowledge that the information given in this application is complete, correct and true in every aspect and that all material information has been included.

Dated: This _____ day of _____, 20_____

Name & Signature

DIRECTOR

Name & Signature

COMPANY SECRETARY

COMPANY COMMON SEAL

GUIDELINES FOR LICENCE/PERMIT APPLICATION

1. Anyone who wishes to conduct any form of lottery by whatever name called must apply for a license/permit from the Commission
2. There are 3 classes of licence granted by National Lottery Regulatory Commission (NLRC) namely:
 - Lottery Licence
 - Sports betting Permit
 - Promotional
3. The application/ licence process for each class of licence differs and applicant must abide by the requirements relevant to its proposed scheme.
4. Application forms for different class of licence can be downloaded from NLRC website www.nlrc.gov.ng/docs/ or obtained at any National Lottery Regulatory Commission office across the nation.
5. All correspondence should be addressed to the Director General of the National Lottery Regulatory Commission
6. All payments to NLRC must be through Remita platform or bank draft payable to National Lottery Regulatory Commission
7. Application fee and duration for all categories is N2,000,000 (Two Million Naira)
 - Lottery: N2,000,000
 - Sports betting: N2,000,000
 - Promotions:
8. The applicable licence fee and duration of licence granted by NLRC:

| S/N | CLASS OF LICENCE | LICENCE FEE | DURATION |
|-----|------------------|------------------|----------------------|
| 1 | Lottery | N100,000,000 | 10 years |
| 2 | Sports Betting | N50,000,000 | 5 years |
| 3 | Promotional | To be calculated | Maximum of 12 months |

9. Licence process comprise of 3 phases: Application stage, Pre-licence/ Approval in principle phase and Post- licence phase
10. Applicants must submit an application letter with a completed application form, comprehensive proposal and application fee to NLRC.
11. All relevant sections of the form should be filled in **CAPITAL LETTERS** except when signing or providing an email address.
12. Duly Completed forms (signed by a Director and Company Secretary) and supporting documents should be submitted to the Commission.
13. Upon receipt of the application, NLRC will review the application within 21 business days; where necessary, the applicant may be asked to provide additional information/ documentation which may extend the review period.
14. Applicant will be notified of the status (approved or rejected) of the application at the end of the review period. Successful applications will proceed to the licensing process.
15. Approved applicants will be invited to make a presentation to NLRC on the proposed gaming scheme following which an approval in principle is granted to successful applicants to move to the licence phase.
16. Inspection: NLRC delegates will inspect the facilities- server center, providers, head office, model outlets- of prospective licencees to ensure compliance with approved standards.
17. The Approval in principle period shall be 90days from the day of approval. Applicant must fulfill all approval conditions within the stipulated period.
18. During the Approval in principle period, applicant will be required to submit additional documents in support of the proposed operation, fulfill inspection requirement and pay licence fee in full.
19. Successful applicants must execute Terms & Conditions of operation as part of the licencing process.
20. Contact details of applicants who successfully complete the licence process will be uploaded on NLRC website.

21. NLRC must be notified of changes in business structure, details, and proposed operations of applicants during the application review/licence period.
22. Misrepresentation or supply of false information to the Commission is a ground for revoking a license/ permit
23. Licencees/Permit holders are not allowed to modify/alter/amend the particulars/modalities of an approved lottery scheme or promotional lottery without prior approval of NLRC.
24. Pre- incorporation: For applicants who are yet to incorporate their company, the promoters will apply for approval to incorporate a lottery/ betting/ gaming company in Nigeria. Documents required:
 - An application letter for approval to register a Company with lottery/ betting/ gaming objectives in Nigeria.
 - Copy of the Name reservation approval issued by Corporate Affairs Commission.
 - A bank draft in the sum of N10, 000 (Ten Thousand Naira) in the name of National Lottery Regulatory Commission.
25. Persons holding political office or in the public service are prohibited from having financial interest in a national licensee or licence.
26. Persons under the age of 18 years are prohibited to be registered as a Director of a lottery/sport betting Company.
27. Persons under the age of 18years are prohibited from participating in any lottery event.
28. Promotional Permit Applicants that are quoted companies are not required to provide details of all their shareholders.
29. A Permit holder seeking for reissuance or extension for the commencement of its permit must notify the Commission in due time and such reissuance or extension shall be at the discretion of the Commission.

REQUIREMENT FOR SPORT BETTING PERMIT

Stage 1: Application requirement

Applicants must submit a proposal to National Lottery Regulatory Commission (“The Commission”) with the following information/ documents.

- A. Completed National Lottery Regulatory Commission application form
- B. An application letter stating intention of the applicant
- C. Non-refundable Application and Processing fee of N2,000,000 (Two Million Naira) payable to the Commission
- D. General Business Information
 - a. Incorporation documents: Certificate, MEMART and Application Form 1.1 (or Form CAC2 and CAC7)
 - b. Applicant company must have a Minimum share capital of N30,000,000.00 (Thirty Million Naira)
 - c. Evidence of filing annual returns to date with Corporate Affairs Commission
 - d. Profile of the Company and each of its Directors
 - e. Address of administrative office and locations across Nigeria
 - f. Evidence of Domain name registration with (.ng/.com)
 - g. Proposed Brand: Evidence of registration with Ministry Of Trade and Investment, Trade name, logo and colours
 - h. Evidence of registration with Special Control Unit on Money Laundering.
 - i. Name and profiles of all Directors and Key Personnel including Company Secretary, Compliance Officer, Accountant, ICT Manager, Operations Manager, Agency Manager(s) and Customer Care Manager
 - j. Qualification and relevant gaming industry experience of Directors or Key Personnel
 - k. Evidence of tax payment by Directors and Key Management Staff for the preceding year
 - l. Copy of Organogram and Proposed Organizational Structure
- E. Operational Information
 - a. Details of planned game events (live betting, sports book, virtual games and so on) and comprehensive modalities for each of the game events
 - b. Proposed distribution channels: retail, web-based, SMS, Mobile app or other channels
 - c. Operations, Marketing and Distribution Strategy showing expansion plans across Nigeria
 - d. Betting modalities, Terms & Conditions of participation and game rules

- e. A Sports betting industry analysis including SWOT analysis and competitive advantage of the proposed sports betting scheme.

F. Financial Information

- a. Proposed investment in the sport betting scheme
- b. Source of funding and financing plans: equity, foreign investment, loans and applicable terms of investment
- c. Evidence of financial capability to fund the operation of a sports betting scheme including Company's Bank Statement of the last 2 (Two) years
- d. Five (5) Year financial projection for the betting scheme: profit and loss account showing investment, sales/income, winnings/ prize money, tax obligation, operating expenses, third party suppliers etc
- e. Details of payment solution provider and proposed integration plan with such providers. Service agreement with provider.

G. Technical information

- a) Profile of technical service providers, partners, telecoms providers and suppliers.
 - 1. Details of Platform\ gaming application developer
 - 2. Details of Odds providers
 - 3. Details of Other integration services providers (if applicable)
 - 4. Details of Hosting provider (self-hosting or cloud hosting), database/ back up service provider
- a) Details of contact persons for service providers
- b) Copies of executed SLA, Partnership/ Joint Venture agreements with providers and suppliers. All third party Agreements/Contracts will be subject to NLRC approval
- c) Technology documentations detailing the software (Operating systems, Database management systems, core business logic applications), Hardware (servers, routers, switches, firewalls) and other technology implementations (securities, DR etc).
- d) Architectural illustration of technical operation flow for the proposed sports betting scheme
- e) Industry based Certification of the platform (from approved and recognized testing labs) and any other evidence of compliance to industry Standardizations.

Note: At the end of this application process Applicants will be required to make a presentation to the Commission. Application review takes 10 working days.