

Arkansas Lottery Commission

Responses to Questions posed by Stephens Insurance, LLC about Surety Bonding Program RFP

Question 1: The ALC response is No.

Question 2: The ALC response is that for a tiered bonding program, the maximum anticipated bond for the first year is \$15,000, the minimum is \$10,000. For the years thereafter, the maximum bond amount cannot be determined. If the ALC sets an individual bond amount for each retailer, it will not exceed the district sales average of tickets for two billing periods.

Question 3: See Answer #2.

Question 4: The ALC response is that for a blanket bond program, the ALC anticipates an annual premium charge. However, the ALC would prefer a continuous bond that has no expiration date. We do not intend to have each of the bonds expire on the same date as the license renewal time for retailers will be staggered according to their location.

The bond program RFP asks for solutions to the bond requirements, so each RFP solution proposal will be analyzed and graded accordingly. If you have several solution options please feel free to separately submit each proposal.

Question 5: The ALC would be willing to negotiate the acceptance of electronic copies provided the Surety has a secure system to use digital signatures that are verifiable, secure, and cannot be repudiated.

Question 6: The ALC is prohibited by law to share background check information. However, every retailer must pass a background check before a license can be issued.

Question 7: If the vendor sends a notice of cancellation directly to the ALC, the ALC will provide acknowledgement.

Question 8: The ALC's response is that it depends on the type of bonding program the ALC uses.

Question 9: Please see Section 6.3 of the RFP.

Question 10: The ALC response is yes. The ALC invites the Vendor to see Section 10 of the Retailer Rules posted on our website.