



The Loden Foundation

Announcement

LODEN ENTREPRENEURSHIP PROGRAMME

Further to Loden Entrepreneurship Training programme held on 25 and 26 April, 2009, the Loden Foundation will be providing capital funds between one hundred thousand to one million Ngultrums to Bhutanese men and women for entrepreneurial business ventures. This is the second time that LEP is making available interest free loans repayable in three years as capital funds. The programme shall support a wide range of entrepreneurial ventures but those that are financially sustainable and will generate employment are encouraged.

The LEP's primary objective is to provide education to people through practical experience of entrepreneurship. The entrepreneurial programme supported by the LEP shall generally be aligned with Bhutan's cultural sensitivities, concern for the environment and respect for life. Ultimately, the projects shall help to create employment opportunities and promote a self sufficient economy within the kingdom. The interested applicants, aged between 25 and 40 must submit:

1. A detailed business plan
2. An executive summary of it in no more than 2000 words
3. CV and contact details
4. Personal statement of explaining why you are interested in this business
5. Reference

Please send the electronic copy of your documents to info@loden.org and printed copy to the Loden Foundation, Post box 131, Thimphu by **30 August, 2009**.

Following the submission, the applications will be assessed by a jury composed of international and Bhutanese business experts and LEP members. We are expecting a fierce competition this year inferring from the high number of enquiries we have received so far. First, the member of the jury assesses the applications individually. Then their ratings are consolidated by the Loden staff and a meeting is held to make the final shortlist accepted by all members of the jury. Please do not make any enquiries about the result until the end of October. Shortlisted candidates will be informed by the end of October and will be asked to come to an interview. The final selection will be announced soon after the interview.

It is important to know that once you have been selected, you must sign a contract with Loden accepting its terms and conditions (A sample of this contract is below). Two mentors are appointed to support the business project and we monitor the progress of the project through regular reports, supervision and site visits. To avoid opportunistic applicants seeking free cash, we rarely give cash directly to the entrepreneurs. Instead we make cheques payable

to the sources from where equipment is purchased or have the Loden staff make payments on behalf of the entrepreneur.

Further details can be obtained by writing to info@loden.org or contact 02-337389/17115060.

The Loden Entrepreneurship Programme. Terms and conditions for the LEP Financial and Professional Support

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Interest free loans, professional and personal mentoring support shall be given based on the following terms and conditions:

1. The loan shall be used exclusively for the project as described in the application and the proposal.
2. The project shall be run as per the proposal and no change shall be made in its implementation schedule without informing the LEP Board.
3. The project shall have at least one qualified person to maintain proper books of accounts and records.
4. The entrepreneur shall provide information on progress of the project after every six months upon receipt of the first part of the loan.
5. The entrepreneur shall provide annual fully certified accounts indicating clearly the use of the loan.
6. The entrepreneur shall put his/her best effort to stay in regular contact with mentors as specified in Appendix I.
7. The LEP shall have the right to send an audit team at any time it chooses.
8. The loan shall not accrue any interest and it may be paid in several tranches as specified in Appendix II.
9. The loan shall be paid through the bank account of the entrepreneur or may be paid directly to the bank account of the provider of the goods and equipments.
10. The loan shall be repaid according to the repayment schedule in Appendix III. As far as possible, the repayment will be done through a direct debit arrangement with a bank.
11. In case the entrepreneur wishes to make any change in the repayment schedule, he/she must first inform the LEP and get the LEP approval on the new schedule.
12. If the entrepreneur fails to provide the LEP with full information and accounts as mentioned in articles 4 and 5, the full amount of the loan shall be reimbursed immediately.

13. In case of failure to repay the loan as per the schedule, the LEP may decide to sell or take over the goods/equipments purchased with the loan and compensate the entrepreneur pro rata of his/her cash outlay for these goods and equipments.
14. The LEP may also decide to charge a penalty interest on the loan in the case of delays or failure to repay the loan as per the schedule.
15. In case if the loan is misused the goods and equipments procured through the loan shall be confiscated and taken over by the LEP without any compensation to the entrepreneur.
16. In case of death or incapacity of the entrepreneur, the LEP shall not claim reimbursement of the loan.
17. The LEP reserves the right to publish in whatever form (photos, books, websites, etc.) any information about the project and the experience of the entrepreneur.
18. The entrepreneur shall not expect to receive another loan from the LEP.

Having read and accepted the above terms and conditions, this agreement is signed by the following parties on [day].....[month].....[year].....

Signature

Signature

Co-ordinator
Loden Zhitshog, Thimphu

Name of applicant
Location: