

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainant:	Mr M
Licensee:	Sportsbet
Proceedings:	Referral of dispute to Racing Commission for determination (pursuant to section 85(2) of the <i>Racing and Betting Act</i>)
Heard Before: (on papers)	Mr Alastair Shields (Chairman / Presiding Member) Ms Amy Corcoran Mr Allan McGill
Date of Decision:	16 June 2020

Background

1. On 17 May 2018 pursuant to section 85(2) of the *Racing and Betting Act* (the Act), the Complainant lodged a gambling dispute with the Northern Territory Racing Commission (the Commission) claiming Sportsbet failed to comply with responsible gambling laws by allowing him to deposit more than the deposits limits he set using Sportsbet's pre-commitment feature.
2. The Complainant had the following deposit limits in place for the period in question: \$1,000 per 28 days for period of 18 August 2016 to 3 May 2018 and \$2,000 per 28 days for period of 3 May to 7 May 2018.
3. The Complainant submits he was able to exceed both of his deposit limits through a combination of depositing monies into his account and cancelling withdrawal requests. He submits between 20 April and 7 May 2018 he was able to deposit more than his self-imposed deposit limits by the amount of \$7,638 and is seeking the return of the overspend of his deposits being \$6,850.
4. Sportsbet submitted that the deposit limit requested by the Complainant was applied correctly to the betting account and that at no time was the Complainant able to deposit more than the deposit limits he set on his betting account.
5. From review of the Complainant's account, the following can be identified:
 - a. During the period 20 April 2018 to 3 May 2018 (before the 4:32pm deposit limit change) the Complainant made:
 - i. 33 deposits (via credit card) totalling \$974.13 (which is below his \$1,000 deposit limit);
 - ii. 12 withdrawal requests totaling \$3,220.00; and
 - iii. 12 requests to cancel pending withdrawals requests totaling \$3,220.00.
 - b. During the period 3 to 7 May 2018 (after the 4:32pm deposit limit change)

the Complainant made:

- i. 14 deposits (via credit card) totaling \$2,000.00 (deposit limit reached);
 - ii. 18 withdrawal requests totaling \$4,400.00; and
 - iii. 18 requests to cancel pending withdrawal requests totaling \$4,400.00.
6. It is noted that the Complainant had some history of cancelling pending withdrawal requests with his account records indicating that:
- a. Prior to 1 May 2018 he cancelled his withdrawal requests 9 times (with total value of \$1,670);
 - b. From 1 May to 7 May 2018 he cancelled his withdrawal requests 30 times (with total value of \$7,620).
7. In respect to the Sportsbet's withdrawal process at the time, Sportsbet advised that in May 2018 it ran two batches every weekday (with none over the weekend) at 12pm and 5pm. The majority of the Complainant's withdrawal requests and cancellations occurred over the weekends, being outside the above processing times.
8. Sportsbet submits that the deposit limit feature allows customers to limit the amount of funds that they can deposit into their Sportsbet account from their bank account or credit card.
9. The Complainant is of the view that the cancellation of his withdrawal requests amounted to deposits to his account and Sportsbet therefore did not impose the deposit limits that he had put in place on his betting account.
10. Information was gathered from both parties by the Commission's betting inspector and provided to the Commission which determined there was sufficient information before it, to consider the gambling dispute on the papers.

Consideration of the Issues

11. Section 85 of the Act provides the Commission with the jurisdiction to determine disputes between a sports bookmaker and its customer regarding lawful betting. In this respect, section 85 sets out the decision making regime for the making of a determination by the Commission as to whether the disputed bet is lawful and provides that a person may take legal proceedings to recover monies payable on a winning lawful bet or for the recovery of monies owed by a bettor on account of a lawful bet made and accepted.
12. The clear purpose of section 85 is to authorise the Commission following an investigation, to determine whether or not the impugned bet or bets were lawful. As such, the issue before the Commission in this matter is whether the bets struck on and after 20 April 2018 were lawful.
13. In this respect it is relevant to note that all sports bookmakers licensed in the Northern Territory are required by the Commission to promulgate a detailed set of

terms and conditions for wagering which both parties are bound by when an account is opened and each time a wager is struck. By opening an account with a sports bookmaker, the person opening the account is accepting the sports bookmaker's terms and conditions as particularised on its betting platform website.

14. Of relevance to this matter is clause 26 of Sportsbet's terms and conditions which were in place on 20 April 2018 which provided:

26. Deposits into an Account can be made by means of Credit card, BPay (for Australian residents only), POLI deposits (for Australian residents only), cheque or money order, Moneybookers, PayPal (for Australian residents only), direct deposit or telegraphic transfer. Sportsbet reserves the right to remove or restrict payment methods for Members who reside outside Australia.

15. Further, all Northern Territory licensed sports bookmakers' licence conditions and the Act require licensees to comply with the Northern Territory Code of Practice for Responsible Service of Online Gambling 2019 (**the 2019 Code**) which provides guidance to online gambling providers on responsible gambling practices so as to minimise the harm that may be caused by online gambling. Amongst other things, the Code required that licensees must make available to their customers, the option of setting deposit limits on their account.
16. The 2019 Code came into effect on 26 May 2019, having replaced the Northern Territory Code of Practice for Responsible Gambling 2016 (**the 2016 Code**), with both Codes providing guidance to online gambling providers on responsible gambling practices so as to minimise the harm that may be caused by online gambling. Online gambling providers are also encouraged by the Commission to implement additional strategies to further minimise harm. As the betting activity subject of this gambling dispute occurred between 20 April and 7 May, the 2016 Code was in force at that time. The 2016 Code amongst other things, required that licensed sports bookmakers have a system in place that allows customers of the sports bookmaker to set limits around their betting activity. Specifically, clause 5.1 of the 2016 Code states that:

5.1 Voluntary pre-commitment features

Online gambling operators must offer pre-commitment facilities that allow a client to set a maximum spend and/or deposit and/or time limit. Clients should be able to decrease these limits immediately, however, any increase to a limit, must not take effect for at least 24 hours.

17. The Complainant in this matter availed himself of the option to set a deposit limit of \$1,000 per 28 days and then \$2,000 per 28 days from 3 May 2018. The Commission notes having reviewed the Complainant's betting records, that no deposit or deposits over the deposit limits set were made into the account from an external source.
18. With respect to the Complainant's view that the withdrawal request cancellations that enabled him to access these funds in his betting account were deposits, the Commission notes that clause 26 of Sportsbet's terms and conditions as set out above states that deposits into accounts may be made via credit card, BPay, Poli, cheque or money order, PayPal, direct deposit or telegraphic transfer. There is no mention of withdrawal request cancellations releasing funds being considered a deposit and the Commission is not of the view that they should be treated as such.

A sports bookmaker customer is entitled to make decisions about how much he or she wishes to withdraw from the betting account and should be able to change these amounts prior to the request being processed, however any changes such as this cannot be considered to be a deposit.

Decision

19. On the basis of the evidence before it, the Commission is satisfied that the bets made by the Complainant through this Sportsbet betting account were lawful bets pursuant to the Act.
20. The Commission is also satisfied that the Complainant's withdrawal request cancellations cannot be defined as deposits and therefore it follows that none of the Complainant's deposit limits were in fact exceeded and Sportsbet had not committed a breach of the 2016 Code or its licence conditions.

Review of Decision

21. Section 85(6) of the Act provides that a determination by the Commission of a dispute referred to it pursuant to section 85 of the Act shall be final and conclusive as to the matter in dispute.



Alastair Shields
Chairperson
Northern Territory Racing Commission

16 June 2020