

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainant:	Ms B
Licensee:	PlayUp Interactive Pty Ltd
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 (Presiding Member) Ms Cindy Bravos Ms Amy Corcoran
Date of Decision:	23 January 2020

Background

1. On 23 November 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) relating to the actions of PlayUp Interactive Pty Ltd (PlayUp Interactive) through its BestBet betting platform.
2. PlayUp Interactive Pty Ltd (PlayUp Interactive) is licensed as a sports bookmaker by the Commission and previously had approval to operate a number of individual betting platforms under its licence being BestBet, ClassicBet, Mad Bookie, Betting Club, PlayUp and Draftstars. In December 2019, PlayUp Interactive decommissioned a number of the betting platforms with the result that it is now authorised to operate the Draftstars and PlayUp betting platforms under its licence only.
3. While the BestBet betting platform has now been decommissioned, this was not the case at the time the complainant lodged her gambling dispute and as it is PlayUp Interactive who holds the sports bookmaker licence and not BestBet, it remains appropriate that this matter be heard by the Commission.
4. The substance of the complainant's dispute is that following the opening of a betting account through the BestBet betting platform on 20 November 2018, the complainant deposited \$600 into the account and received \$600 in bonus bets. Later that afternoon and evening, the complainant placed a number of winning and losing bets with the last of these bets being placed at 10:05 pm. The combined result of the bets that had been struck, was a balance of \$2,669.78 in the complainant's betting account. At 00:37am the following morning, the complainant requested a withdrawal for the full balance of the betting account.
5. Later that afternoon, the complainant contacted the sports bookmaker and advised that she had attempted to log into her account but that her account was closed. The complainant queried why her account had been closed and sought confirmation that the withdrawal request had been processed.
6. A number of live chats and emails then transpired between the complainant and PlayUp Interactive, resulting in PlayUp Interactive requesting that the complainant

provide PlayUp Interactive with a bank statement so that it could verify the source of the complainant's funds. The complainant has refused to provide the bank statement to PlayUp Interactive, citing privacy concerns.

7. In response to the dispute, PlayUp Interactive advised a Licensing NT officer who is a betting inspector appointed by the Commission under the Act, that the complainant's betting account was initially suspended and an investigation commenced due to concerns that the complainant may be engaged in arbitrage betting, which PlayUp Interactive stated is deemed to be an abuse of its bonus bet offers. Information was sought by PlayUp Interactive from the complainant including the source of funds for the \$600 deposit made into the account in accordance with PlayUp Interactive's terms and conditions. PlayUp Interactive further advised the betting inspector that it was prepared to process a withdrawal of the complainant's funds providing that the source of the funds for the deposit can be verified. Should the complainant continue to refuse to do so, PlayUp Interactive advised that it would have little choice but to return the initial \$600 deposit and void all bets made through the account.
8. 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

9. 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.
10. 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 20 November 2018 were lawful.
11. 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.
12. Of relevance to this matter is that PlayUp Interactive's BestBet terms and conditions which were in place on 20 November 2018 set out that:

5. Deposits and Withdrawals

a) Deposits into Your Account may be made via BPay, Poli, direct deposit or credit/debit card. Payment methods may be restricted if you reside overseas. All transactions are processed in Australia Dollars (AUD).

- b) If an Account is funded using a credit/debit card, the same amount deposited must be refunded to the card from any future winnings.
 - c) You may be charged a fee by your own banking institution when depositing funds with us however we will not charge you any bank fees on your deposit.
 - d) Amounts deposited into Your Account must be turned over at least once prior to withdrawing, unless bonus bets have been attached to the deposit.
 - e) Deposits and withdrawals must be made by the Account holder. Should deposit be made by another party without prior written approval, we may suspend the Account and void bets placed using those monies. Proof of deposit and source of funds may be required before any withdrawal is made. A maximum of one withdrawal per day is permitted.
13. As such and in accordance with BetBet Rule 5(e), when the complainant opened the betting account on the BestBet betting platform, the complainant accepted that proof of her source of funds may be required. When requested to provide a copy of her bank statement so that PlayUp Interactive could verify the source of her deposit funds, the complainant continually refused to do so on the basis that this would be a breach of her privacy.
14. Whilst arbitrage betting is actively discouraged by sports bookmakers and is often a breach of their terms and conditions if detected, it is not necessary for the Commission to make a finding in this matter as to whether the complainant was engaged in this type of activity or not.
15. The inability of PlayUp Interactive to identify the source of the funds used by its customers when suspicions are raised through their betting activity does not in itself provide evidence that a betting account has been used in breach of the terms and conditions that apply to it, but it is the view of the Commission that it does pose at the very least, an unacceptable money laundering risk. Again the Commission does not need to make a finding in that regard in this matter, however the Commission requires and actively encourages sports bookmakers licensed by it to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* which is aimed to prevent money laundering and the financing of terrorism.

Decision

16. On the basis of the evidence before it, the Commission is satisfied that the bets made by the complainant through the BestBet betting account were lawful bets pursuant to the Act.
17. However, the Commission is of the view that PlayUp Interactive's actions in requesting proof from the complainant as to the source of funds used to make the initial deposit into the complainant's betting account was done in accordance with its terms and conditions to which the complainant had agreed to at the time of opening her account.

18. Given that the complainant has refused to provide this information, the Commission considers PlayUp Interactive's intended approach to close the complainant's betting account, return the initial \$600 deposit to the complainant and void all bets made through the account, is the appropriate action to take given the circumstances.

Review of Decision

19. 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

23 January 2020