

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainant:	Mr R
Licensee:	GVC Australia Pty Ltd trading as Ladbrokes, NEDS.COM.AU Pty Ltd and Pointsbet Australia Pty Ltd
Proceedings:	Pursuant to section 85(4) of the <i>Racing and Betting Act</i> – Referral of dispute to Racing Commission for determination
Date of Hearing:	23 October 2019
Heard Before:	Mr Alastair Shields (Presiding Member) Mr James Pratt Ms Amy Corcoran
Date of Decision:	24 February 2020

Background

1. On 11 April 2018, pursuant to section 85(2) of the *Racing and Betting Act (the Act)*, the Complainant lodged a gambling dispute against the registered bookmakers, Ladbrokes, Neds.com.au (Neds) and Pointsbet (collectively **the bookmakers**).
2. The dispute involved the placement by the Complainant of a number of winning wagers using the best totaliser (Best Tote) place product on different metropolitan horse race meetings on Wednesday, 14 March 2018 which were subsequently cancelled by all three bookmakers on the suspicion of tote manipulation. The Best Tote price is the highest odds paid of the three main Australian totes.
3. The bets in dispute with each bookmaker are set out below, being the winning bets where the Complainant used the Best Tote place product:

Race and Runner	Ladbrokes	Neds	Pointsbet
R2 Doomben – First Class Miss (PLACED)	\$1,200	\$1,300	\$1,000
R4 Warwick Farm – Dissolution (PLACED)	\$1,500	\$1,500	\$1,000
R1 Ascot – King of Planets (PLACED)	\$1,200	\$1,000	\$1,000
R2 Ascot – Sunboss (PLACED)	\$1,100	\$1,000	\$1,000
R3 Ascot – Pearls and Prawns (PLACED)	\$1,500	\$1,500	\$1,000
R4 Ascot – New Time (PLACED)	\$1,500	\$1,500	\$1,000

4. The following bets were also placed by the Complainant the same day using the Best Tote place product, however these either did not win, or are not in dispute:

Race and Runner	Ladbrokes	Neds	Pointsbet
R1 Doomben – Ridgway (DID NOT PLACE)	\$1,000	\$1,000	
R2 Warwick Farm – Resin (PLACED)	\$1,500	\$1,000	\$1,000
R5 Warwick Farm – Sexy Eyes (PLACED)	\$1,500	\$1,500	\$1,000

5. The Complainant is seeking payment of his winning wagers from the bookmakers totalling \$43,760 being the sum of the following amounts:
- a. Ladbrokes - \$15,820
 - b. Pointsbet - \$10,800
 - c. Neds - \$17,140.
6. All parties, over the course of a 3 month or so investigation of the complaint by a Licensing NT officer appointed as a betting inspector by the Commission (**betting inspector**), provided information and materials to support their respective arguments. This information was then collated by the betting inspector in the form of a brief (**the Brief**) and provided to the Racing Commission to determine the disputes.
7. Given the complexities of tote manipulation, pursuant to section 85(3) and (4) of the Act, the Commission set down all three disputes for a joint hearing at 10.00am on 23 October 2019 and summonsed all parties to attend.
8. The following people appeared before the Commission at the hearing:
- a. Mr Kerryn Heaver, the betting inspector, attended by teleconference from his office in Alice Springs;
 - b. the Complainant attended by telephone;
 - c. Ms Kirri Flutter, Corporate Counsel, attended in person representing Ladbrokes and Neds;
 - d. Ms Carly Richardson, Legal Counsel and Mr Nathan Scotton, Trader attended by telephone who were also representing Ladbrokes and Neds; and
 - e. Mr Tom Rundle, Chief Operating Officer, attended in person representing PointsBet.
9. All parties had received a copy of the Brief 14 days prior to the hearing. The Brief was tendered by Mr Heaver and marked as Exhibit 1. The following submissions were outlined by the parties in the Brief.
10. In summary, the Complainant submitted:

- a. on 14 March 2018, he placed all of the listed wagers above in paragraph 3 with the relevant bookmakers using the best tote place product;
- b. all of the bookmakers paid out the winning wagers after correct weight but subsequently cancelled them;
- c. although each bookmaker cancelled the wagers based on suspicion of tote manipulation, none were able to provide any documentation from Supertab, Tatts or NSW TAB to prove that tote manipulation had actually taken place; and
- d. he has no connection whatsoever with tote manipulation and he is “caught up in the crosshairs.

11. Ladbrokes submitted: [REDACTED]

- a. on 15 March 2018, its traders identified several ‘*highly irregular and abnormal results*’ and ‘*unusual pricing discrepancies between the tote pools*’;
- b. during investigating these unusual pricing discrepancies, it became apparent that the Complainant had spread his wagers over the three separate bookmakers and that this was in order to disguise his involvement in ‘*tote manipulation*’;
- c. the wagers placed by the Complainant were almost identical to that of each bookmaker;
- d. each bookmaker independently came to the conclusion the Complainant was involved in tote manipulation;
- e. the Complainant was one of eight account holders who were working together, placing wagers on the exact same runners; and
- f. it properly voided all the bets in accordance with rule 4.6 of its terms and conditions but in the alternative, rule 4.7 would be met and apply.

12. Neds submitted:

- a. on 15 March 2018, its traders identified tote manipulation on a number of metropolitan horse races when it compared the Best Tote price to the other tote prices;
- b. it does not simply want to accuse someone who is at their local pub or club and noticing a bit of value on one of the totes which is why there were a number of bets placed by the Complainant before his account was identified as being fraudulent;
- c. the Complainant initially set up his account in his mother’s name however did receive ID documentation of both the Complainant and his mother on 16 January 2018 for both parties to satisfy the 45 day verification;
- d. the reasons for the Complainant setting up the account in his mother’s name was to initially disguise the beneficial owner of the account and accordingly, Neds also relied on rule 4.3.7.1 to void the wagers as the account is funded by a ‘third party’;
- e. one other account holder was highlighted by Neds as being involved in tote manipulation that day, who has not made any formal complaint since Neds closed that persons account on 16 March 2018 and withheld winnings; and

- f. despite the fact that Neds believes the Complainant was directly involved in the tote manipulation, rule 9 of its terms and conditions only require Neds to “reasonable suspect” that tote manipulation has occurred and this test is met based on the price discrepancies and the fact that not only Neds but two other bookmakers also suspected tote manipulation on the same races.

13. PointsBet submitted:

- a. the Complainant opened his account on 10 March 2018;
 - b. on 14 March, the Complainant placed 10 wagers which were all placed on the place dividend on the Best Tote product;
 - c. the Complainant’s account drew the attention of the trading team after unusual discrepancies between the tote pools on several of the Complainant’s bets with the TATTS place dividend paying more than the win dividend on all three totes in the majority of those instances and the TATTS place dividend was not in line with the other tote prices;
 - d. it contacted Ladbrokes to discuss their suspicion of tote manipulation who confirmed they had formed the same view;
 - e. it formed the opinion that the Complainant was engaged in tote manipulation and voided his wagers under rule 3 of its terms and conditions and returned his deposited funds;
 - f. a place paying higher, equal or similar amounts to win dividends or disproportionate between the 3 dividends is highly unusual and the fact that the Complainant had this occur 6 times in one afternoon suggests conclusively of manipulation; and
 - g. the Complainant was not merely caught up in cross hairs but was engaging in manipulation, either directly or within a consortium.
14. At the hearing, all parties were provided the opportunity to outline their case and ask questions of the other parties. The Commission also had the opportunity to question all parties involved.

Consideration of the Issues

15. Sports bookmakers licensed in the Northern Territory publicise a comprehensive set of terms and conditions for wagering that both the sports bookmaker and the sports bookmaker’s customer is bound by when a betting account is opened and each time a bet is struck. These terms and conditions operate to ensure legislative compliance and the commercial efficacy of the business model of the sports bookmaker.
16. Upon opening an account with each of the bookmakers, the Complainant would have accepted their terms and conditions that forms the contractual basis for the wagering activities between the parties.
17. The issue for consideration by the Commission in determining each of these disputes is whether the bookmakers were permitted under their terms and conditions to void the Complainant’s bets placed on 14 March 2018 or whether the Complainant’s bets should have stood.

18. In this case, each bookmaker is relying on their relevant terms and conditions which relate to tote manipulation, each worded slightly differently. The following conditions that were in place at the time that the Complainant's bets were struck, are being relied upon by the bookmakers to void the Complainant's:

Ladbrokes:

- "4.6 We reserve the right to void any or all wagers made by any individual or group of people acting together (or on behalf of another individual or group of people) in an attempt to gain financial benefit through the manipulation of tote based dividends or official starting prices. This can include persons, relatives, organisations, bookmakers and their employees.
- 4.7 Where we suspect there has been any form of pool manipulation on any of the Totes we reserve the right to limit the total payout to any individual account holder across all bet types to \$500 in full settlement of bets on that event."

PointsBet:

"Unfair advantage/price manipulation/post start bet acceptance.

Rule 3 - PointsBet reserves the right to cancel your bets if PointsBet reasonably suspects that tote-based dividends have been manipulated. In the event that We do not cancel Your bet, We reserve the right to apply a payout limit on the bet that does not exceed the pool declared by VIC TAB. If this rule is waived at the discretion of PointsBet, it is not taken to be a precedent in relation to future payouts."

Neds:

"4.3.7 Deposits from Third Parties

4.3.7.1 If NEDS determines that funds deposited into your account are from bank account, credit card or other funding instrument not in your name, or from funds loaned to you by a third party ('third party funded deposit'), then NEDS reserves the right to decline to credit the deposit to your Account and return the funds to the person from whom the third party funded deposit originated. If this determination takes place after bets have been placed, NEDS reserves the right to void any resulted or pending Bets on your Account.

9. DIVIDEND / MARKET MANIPULATION, DIVIDEND / MARKET ERRORS & PAYOUT ERRORS

9.1 Neds reserves the right to cancel any bet made by you where it reasonably suspects that you or one of your associates has manipulated (or attempted to manipulate) the dividends payable from a pari-mutuel pool, or where NEDS reasonably suspects the dividends payable from a pari-mutuel pool have been manipulated by unknowns persons."

19. The Northern Territory Racing Commission when it previously considered a matter involving tote manipulation and similar terms and conditions to those relied on by the bookmakers above, concluded that the term "reasonably suspects" still relies on

the provision of some evidence that a particular individual or group has acted in a way so as to defraud the bookmaker.¹

20. Below is a table supplied by Ladbrokes which highlights the pricing discrepancies between the tote pools and also the fixed prices. The Complainant had a wager on each of the selections below on the Best Tote place product with each bookmaker.

Layout	AU	UK	A	B	C	D	E	Mini Fluctuation Charts	BEST ODDS	TAB VIC	TAB NSW	GOAT! SP	betfair EXCHANGE	betfair EXCHANGE	Ladbrokes	betfair EXCHANGE	betfair EXCHANGE	sportsbet	TAB VIC	TopSports3	bet365	LBET	CrownBet	CENTREBET	William Hill	GOODOODS	TAB								
Market Mover								<input type="checkbox"/> Incl. Fixed <input type="checkbox"/> Incl. Tote <input type="checkbox"/> My Odds	Tote P	Tote P	Tote P	Tote P	BPO1	LPO1	Fixed P	BPA1	LPA1	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P	Fixed P							
7. First Class Miss \$5.5 to \$2.76 = 61%									2.7	3 best	1.50	1.60	2.60	1.37	1.38	1.45	27	18	1.40	1.55	1.50	1.62	1.50	1.50	1.45	1.40	1.50	1.50	1.45	1.40	1.50				
2. Dissolution Christian Reith 66kg									2.3	6 best	1.04	1.60	1.80	1.28	1.29	1.15	45	414	1.24	1.25	1.20	1.25	1.20	1.18	1.24	1.24	1.18	1.24	1.18	1.24	1.18				
4. King Of Planets (3) Jarrod Noske 57kg									3.8	000000	1.40	1.50	3.20	1.58	1.66	1.45	31	24	1.40	1.50	1.45	1.53	1.46	1.50	1.40	1.40	1.40	1.50	1.40	1.40	1.50	1.40			
4. Sunboss (12) Jarrod Noske 57kg									3.6	LBET	1.50	2.10	1.20	1.81	1.65	1.50	25	19	1.45	1.55	1.50	1.53	1.52	1.50	1.40	1.45	1.45	1.45	1.45	1.45	1.45	1.45	1.45		
9. Pearls And Prawns Clint Johnston-P. 54kg									2.4	CrownBet	1.20	1.60	1.30	1.31	1.32	1.15	81	656	1.22	1.25	1.20	1.30	1.22	1.26	1.20	1.26	1.20	1.26	1.20	1.26	1.20	1.26	1.20		
1. New Time (5) Ms Kate Witten(3)62kg									4.65	sports betting	1.90	3.80	6.30	2.02	2.16	1.80	18	140	1.80	1.80	1.75	1.83	1.76	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85

Doomben Race 2

7	First Class Miss(7) Sean Cormack 55.5kg	1st	2.7	3 best	1.50	1.60	2.60	1.37	1.38	1.45	27	18	1.40	1.55	1.50	1.62	1.50	1.50	1.45	1.40	1.50
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Warwick Farm Race 4

2	Dissolution Christian Reith 66kg	1st	2.3	6 best	1.04	1.60	1.80	1.28	1.29	1.15	45	414	1.24	1.25	1.20	1.25	1.20	1.18	1.24	1.24	1.18
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Ascot Race 1

4	King Of Planets (3) Jarrod Noske 57kg	2nd	3.8	000000	1.40	1.50	3.20	1.58	1.66	1.45	31	24	1.40	1.50	1.45	1.53	1.46	1.50	1.40	1.40	1.50
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Ascot Race 2

4	Sunboss (12) Jarrod Noske 57kg	3rd	3.6	LBET	1.50	2.10	1.20	1.81	1.65	1.50	25	19	1.45	1.55	1.50	1.53	1.52	1.50	1.40	1.45	1.45
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Ascot Race 3

9	Pearls And Prawns Clint Johnston-P. 54kg	1st	2.4	CrownBet	1.20	1.60	1.30	1.31	1.32	1.15	81	656	1.22	1.25	1.20	1.30	1.22	1.26	1.20	1.26	1.20
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Ascot Race 4

1	New Time (5) Ms Kate Witten(3)62kg	1st	4.65	sports betting	1.90	3.80	6.30	2.02	2.16	1.80	18	140	1.80	1.80	1.75	1.83	1.76	1.85	1.85	1.85	1.85
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21. The bookmakers all submitted that when assessing the odds on the races in dispute, they found that there was a significant discrepancy on the Best Tote place price compared to the other totes and particularly the Best Tote price and the other fixed odds prices offered by the bookmakers.
22. Ladbrokes submitted that it identified eight other account holders who had also made place bets on any of the same runners using the Best Tote place product but later reassessed that to four at the hearing.
23. Ladbrokes provide the betting statement for one of those account holders, Mr M, as he had also lodged a dispute with the Northern Territory Racing Commission in respect to substantially the same runners.
24. Neds advised that it identified one other account holder, Mr H, who they believed to be involved in the consortium as he had made identical selections to that of the

¹ Mr R and Mr S v William Hill decision dated 23 August 2016

Complainant. Neds advised they had closed Mr H's account and withheld his winnings however, to date, he has not made a formal complaint.

Evidence from bookmakers at the hearing

25. During the hearing, Ladbrokes corrected previous information provided that the Complainant was one of four (rather than eight) account holders who were working together, placing wagers on the exact same runners. Ladbrokes indicated that this discrepancy was due to the initial quick response provided by Ladbrokes in response to the complaint and, after having more time to review those accounts, they were able to provide this update.
26. Ladbrokes also noted the similarities of the wagers placed that day by all four of those account holders (which included the Complainant). Some of these bets were also placed on races where it considered there was no manipulation.
27. The following table sets out the number of the four account holders who made the relevant wager and the timeframe they all placed the wager. This information was provided by Ladbrokes in less detail in the Complainant's hearing however more fully in the hearing immediately following the Complainant's hearing in respect to substantially the same circumstances (Mr M v Ladbrokes). It is noted that the Commission is not bound by the rules of evidence under the Act and has taken this information into account given its relevance to this matter.

Race and Runner (using Best Tote Place Dividend)	Number of the 4 account holders who made the bet	Timing of bets
R2 Doomben – First Class Miss (PLACED)	3	Timing not provided
R4 Warwick Farm – Dissolution (PLACED)	4	All placed 2 minutes apart
R1 Ascot – King of Planets (PLACED)	2	All placed 2 minutes apart
R2 Ascot – Sunboss (PLACED)	4	All placed 3 minutes apart
R3 Ascot – Pearls and Prawns (PLACED)	4	All placed 1 minute apart
R4 Ascot – New Time (PLACED)	4	All placed 2 minutes apart
R1 Doomben – Ridgway (DID NOT PLACE)	4	All placed 5 minutes apart
R2 Warwick Farm – Resin (PLACED)	3	All placed 2 minutes apart
R5 Warwick Farm – Sexy Eyes (PLACED)	4	All placed 2 minutes apart
R7 Warwick Farm – Beau Geste	2	All placed 1 minutes apart

28. Ladbrokes advised that they were unable to obtain IP addresses for each of the 4 account holders however were able to identify that the same type of device was used by 3 of the account holders to place the bets that day and had been used to access the fourth account holder's account prior to the day in question. This device is called a ZTE Blade 112 and costs approximately \$60, commonly called a "burner phone" as they are cheap and replaceable. Ladbrokes could not confirm if the same device was used by all four account holders, only that the device with the "exact same device profile" was used by all four account holders.

29. Ladbrokes and Neds also provided statistical analysis and data on the six races in question to establish the way in which the prices were manipulated. Ladbrokes and Neds submitted that it is reasonable to assume that the amount a horse is holding for a win on the TAB should roughly equate to the amount of money it holds for a place based on readily available data across the sport. Below is the statistical data for 4 of the 6 runners provided by the bookmakers:

Race and Runner (using Best Tote Place Dividend)	Money for Win on UNITAB (%)	Money for Place on UNITAB (%)
R1 Ascot – King of Planets (PLACED)	25.5%	8.7%
R3 Ascot – Pearls and Prawns (PLACED)	38%	13%
R4 Ascot – New Time (PLACED)	23.6%	4%
R2 Ascot – Sunboss (PLACED)	23%	13%

30. Ladbrokes and Neds also provided comparison data on “The Everest”, a thoroughbred horse race held at Randwick Racecourse known as the world’s richest horse race on turf. This comparison data showed that the win figures correlated with the place on nearly every race run on the day with only very small differences between them. The same data for the six races in question shows that these two figures do not correlate at all and accordingly, they submit it was reasonable to assume that the market had been manipulated so that the place dividend pays more.
31. Ladbrokes and Neds also explained and took the Commission through the in-house risk scale used to identify tote manipulation which was used to assess, and subsequently indicated all 6 of the races were in the high risk category and concluded:

“It can't be any more clear, that these horses were targeted and manipulated from a risk point of view, and that's why they were acted upon. As I said in a general sense we give the benefit of the doubt to as many clients as we possibly can because they are normally one off and they're trying to do the right thing and just – it just happens that way. But on this when it's six from six it's just too obvious for us.”

32. Neds and Ladbrokes submit that although their trading team identified that manipulation that had occurred on the tote price for those races, the Complainant was later identified because of the number of runners he had bet on where manipulation had occurred and accordingly formed a view that this was not just pure coincidence:

“The Complainant would have had to identify not just the race that was being manipulated but also the runner in particular that was being manipulated and then place bets on those. He placed bets of significant size on each of those runners and he placed them across three different bookmakers, all bet sizes being generally equal.”

33. This behaviour as well as the number of other customers with Ladbrokes and Neds who had placed identical bets to the Complainant across those races as well, further formed the bookmakers reasonable suspicion that there were individuals manipulating the totes.
34. Ladbrokes and Neds went further to submit that the evidence not only shows that the prices of those runners were being intentionally artificially inflated and manipulated, but also that the Complainant had to be either aware that this was occurring or was involved in its occurrence.
35. Pointsbet also submitted it uses this same comparison mechanisms above to detect tote manipulation as well as looking at an account holders consecutive bets for example, in this case six anomalous high tote dividend on the same day. It submitted that the circumstances in this matter was highly unusual. Pointsbet outlined at the hearing the process they took in order to come to suspect tote manipulation had taken place:

“So, in terms of making a determination that it was likely that tote manipulation occurs, the multiple factors that we would have considered were the statistical anomaly in those bets ... normally you would expect similar percentage of the tote pool to be placed on the win as the place ... The fact that the place paid more than the win dividends ... it’s statistically very unusual for it to happen in the customer’s favour on multiple occasions.

“The second point is, we obviously – as noted in some of the documentation our trading team did contact Ladbrokes. We have relationships within trading teams for normal integrity issues where there’s a potential risk ... generally not client specific but, “Have you had bets of reasonable amounts on these runners at – on this product, where potentially we can recognise the tote manipulation might have occurred... Ladbrokes confirmed that that was the case which gave us more evidence that we were quite strong and confident in our determination... Pointsbet reasonably suspected that tote based dividends had been manipulated. It meant that we were confident all of the internal investigation that we undertook on that day would have been fair.”

36. The Commission asked Ladbrokes what sort of quantum of money someone would need to place on the other runners on a race similar to this (being a Wednesday metropolitan meet) to manipulate the market. Ladbrokes advised that in relation to the King of Planets race as an example, it had \$3,200 in the UBET pool and “less than a \$1,000 would inflate that [market] considerably”.
37. All the bookmakers submitted that the Complainant to have only placed a certain number of bets that day, quite a small limited number of bets, and to identify the particular races where manipulation was occurring and the particular horses which were being artificially inflated, was well beyond a coincidence. They submitted that those horses were not all simply just the favourite, nor was the Complainant betting on next to go races but these were identified and targeted bets and it is of an extraordinary coincidence that he managed to simply place the bets that he chose on that day on the artificially inflated prices that were being manipulated.

Complainant’s Evidence at Hearing

38. The Complainant during his evidence informed the Commission that he doesn’t know much about the horses but rather is a mere opportunist and after owning a

pub for many years, he is well adept to looking at TV screens and seeing “some value on the tote”. The day in question, he was on holidays in Queensland at a hotel or pub. The Complainant was not able to recall what hotel he was at – just somewhere on the Gold Coast, waiting for friends to get home from work.

39. During the hearing, the Complainant answered questions put by the bookmakers and from members of the Commission. There were many instances where the Complainant contradicted himself, changed his story or was not able to provide reasonable responses to the questions asked.
40. The most glaring anomaly in the Complainant evidence was how he placed the bets with the bookmakers, unequivocally stating that he placed the bets via telephone. Below is an extract from the hearing’s transcript when asked by Commissioner Pratt to talk him through how he placed his bets:

COMPLAINANT: Yeah, no worries. Well, exactly what you just said. You’re sitting there looking at the screens like a lot of punters do and you sit there and – because the odds always fluctuate, the ones that they are – they’re always changing so it’s generally when the last minute or two you think, “Oh, well, I can get a bet on now,” you know basically what the odds are going to be, and you ring up and place your bets. That simple sort of thing. ...

MR PRATT: So would you say that, these bets [which] are in dispute, you have placed the bets within 30 seconds as the horse is about to jump or is it longer than that?

COMPLAINANT: It could be a little bit longer, you know I wouldn’t allow myself 30 seconds because of the time you ring up and try and do it it might be a couple of minutes or something like that. So, you know what I mean, it’s 19 months ago for me remember exactly how much time I had before I put races on I might have been sitting there for five minutes out and then said, “Oh, well, I’ll have a crack at it.”

MR PRATT: So you’re in the hotel and you were making a phone call to put these bets on, you’re not sort of using an app to put the bets on?

COMPLAINANT: No, no, just make a phone call. Like I said apps and computers and stuff I don’t like them. So I generally just ring up.

41. When Ms Flutter informed the Commission that each of the Complainant’s bets were placed by “mobile web” that is, placed on the bookmakers’ websites which are navigated to from a mobile phone, the Complainant was asked to explain the discrepancy. The Complainant’s responded evasively and defensively stating at one point *“Well it’s no discrepancy, I don’t sit there up in Queensland with a computer in front of me, I’m on my telephone. So there’s no discrepancy.”*
42. Pointsbet also advised the Commission that it does not offer bets over the telephone on racing and confirmed all of the Complainant’s bets would have been placed by mobile web, an app or desktop internet.
43. Of further relevance, when asked what mobile phone he was using at the time of placing the bets, the Complainant’s answer inferred that such phone did not have internet access:

“Well right now – see I have a work phone. So work has given me one of those – what are they call them – the computer phone, iPhone flick things. I just had a

standard phone when I was using up in Queensland, but like I said it's nearly 19 months ago or whatever it was. So I've had two new phones since then from putting them through the crusher at work, so, yeah."

44. The Commission is of the view that the Complainant's evidence on the method in which he placed his bets raises significant doubts as to whether he actually placed the bets himself. Although these bets were placed over 18 months prior to the hearing, given the circumstances and value of this dispute, it could only be reasonable for the Complainant to know how he placed those bets or usually placed bets.
45. It was also questioned why the Complainant chose to spread his bets across a "few different bookmakers rather than just one bookmaker?" The Complainant responded "...Well, ... if I'm going to lose my money why do it all in one account. You know what I mean, I've got three accounts there so I just sort of spread it over the three so I wouldn't lose all me money in one hit." Given that in most instances the Complainant placed the same bets across all three bookmakers, his response is nonsensical to the Commission.
46. The betting activity of the Complainant across the three different bookmakers in this instance is unusual and in the view of the Commission would draw reasonably suspicion that the Complainant was attempting to avoid detection.
47. The Complainant stated numerous times during his evidence that he didn't know a great deal about the horses and said he was "purely just an opportunist". He stated at one point, *"In relation to actual horses I don't know a great deal about. I mean, I originally opened up accounts to bet on the football being an ex-footballer sort of thing. So I don't sit there and study full forms on horses and things like that. So, no, I don't know all the horses. But in relation to staring at the odds and finding some good things to bet on at the screen, yeah, no worries."*
48. When asked by Commissioner Pratt about what size bets was usual for him to bet on the AFL given it was his "background" or his "business", the Complainant acknowledged that \$1,000 was a good size bet for him on the AFL, a sport which he followed.
49. When Commissioner Pratt further questioned the Complainant why, if he knows nothing about the horses, his bets on the runners in dispute were significantly greater than what he would usually place on the AFL, a sport which he does understand and follow. In fact, most of his bets across the three bookmakers totalled between \$2,500 to \$4,000. The Complainant's response to that line of questioning was that betting on horses was not about "foresight" for him but "all about luck".
50. Prior to the hearing, the Complainant emailed the Commission's secretariat a number of times asking for a status on his complaint. One in particular caught the Commission's attention dated 14 July 2019 where he wrote:

"... I have been instructed to again touch base with you to inquire what is the hold up to finally receiving our payout from our bets placed ..."
51. When asked at the hearing who the Complainant was referring to when using the words "our payout" and "our bets", he stated:

“There’s no ‘our,’ it’s always my bets, my accounts, my winnings, the way the bets were done, it’s all me, me. Nothing to do with ‘our’ or whatever else there is, whether – you know what I mean. Typing on the silly computers set messages, which I shouldn’t have to do after 18 months when all bets were placed on the day and cleared to be put into my accounts. So some (inaudible) typo thing ...”

52. The Commission determines it is hard to conceive that such reference to “our” rather than “my” not once but twice in this email was merely a typo but rather perhaps a ‘slip of the tongue’ as such.
53. Based on the Complainant’s responses and his many evasive answers and contradictions in his answers throughout the hearing, the Commission finds the Complainant’s evidence unreliable.

Third Party Account

54. Neds also relied on clause 4.3.7.1 to void the Complainant’s bets as the account was set up in his mother’s name. The Complainant submitted that *“I use her computer and stuff like that because I’m useless on the on the internet and computers, and there was a bit of confusion with it when I originally set up”*. The Complainant suggests it was Neds’ mistake and has no idea why his mum’s email address had been used to set up the account as his other 2 accounts were opened using his personal email address.
55. In any event, on 16 January 2018, the Complainant rang Neds to sort out the “error” and later provided identification documentation for both himself and his mother to transfer the account into his name. Accordingly, it is the Commission’s view that Neds had sufficient information prior to 14 March 2018, being the date of the bets in dispute, to know that the account was the Complainant’s and not his mother’s and therefore, Neds could not rely on clause 4.3.7.1 to void his bets.

Decision

56. The Commission accepts the evidence provided by the bookmakers in regards to the tote price discrepancies and the other methods they use to detect tote manipulation. Their statistical and risk data of the tote price comparisons for each of the 6 races showed highly unusual anomalies on the best tote place dividend and they also established a common betting pattern on the disputed bets between the four account holders. Based on this evidence, it is the Commission’s view that it was reasonable for Ladbrokes to suspect tote manipulation had taken place on all of the 6 races in question.
57. Whether or not the Complainant was involved or knew of the manipulation is irrelevant for the purposes of Neds and Pointsbet voiding the disputed bets under their terms and conditions, they must only reasonably suspect that the tote was manipulated.
58. However, in the case of Ladbrokes, rule 4.6 requires more than a reasonable suspicion that tote manipulation had taken place but rather that the Complainant individually or within a group (or on behalf of a group) was actually involved in the tote manipulation in an attempt to gain financial benefit. Although there is sufficient evidence to reasonably suspect tote manipulation did take place, the test is higher for Ladbrokes’ rule 4.6 and in the Commission’s view the evidence is not sufficient

to prove the Complainant was directly involved. However rule 4.7 of Ladbrokes' terms and condition allows Ladbrokes to, where it suspects tote manipulation has occurred, limit the total payout to any individual account holder across all bet types to \$500 in full settlement of bets on that event.

59. In accordance with section 85(4) of the Act and on the basis of the information provided in respect of the dispute and for the reasons set out above, the Commission has determined that there was sufficient evidence for the bookmakers to reasonably suspect tote manipulation had occurred in respect to each of the six races on 14 March 2018 which the disputed winning bets were placed and accordingly determines that:
- a. all the disputed winning bets were properly made void by Neds in accordance with rule 4.3.7.1 of its terms and conditions;
 - b. all the disputed winning bets were properly made void by Pointsbet in accordance with rule 9.1 of its terms and conditions; and
 - c. Ladbrokes is entitled to limit each payout for the disputed winning bets to \$500 in accordance with rule 4.7 of its terms and conditions.

Review of Decision

60. Section 85(6) of the Act provides that a determination by the Commission of a dispute referred to under subsection (1) shall be final and conclusive as to the matter in dispute.



Alastair Shields
Chairperson
Racing Commission

24 February 2020