

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainants:	Mr C (Complainant 1) Mr L (Complainant 2)
Licensee:	BetEasy Pty Ltd
Proceedings:	Gambling Dispute for Determination by Racing Commission - pursuant to section 85(2) of the <i>Racing and Betting Act</i>
Heard Before: (on papers)	Ms Cindy Bravos (Presiding Member) Ms Amy Corcoran Mr Allan McGill
Date of Decision:	5 June 2020

Background

1. On 10 October 2019, Complainant 1 lodged a gambling dispute with the Northern Territory Racing Commission (the Commission) against the licensed sports bookmaker, BetEasy Pty Ltd (BetEasy) pursuant to section 85(2) of the *Racing and Betting Act* (the Act).
2. Complainant 1 is aggrieved that two multi bets that he placed with BetEasy on 1 August 2019 were cancelled and his stakes refunded some 30 days after the bets were struck and after he had confirmed with several representatives from BetEasy over the telephone prior to placing the bets, that the bets could be made. The first multi bet involved two legs being Dustin Martin to win the 2019 Norm Smith Medal (best on ground in the grand final) and Richmond to win the 2019 Australian Football League (AFL) grand final while the second multi bet involved three legs, being Jeremy Cameron to win the Coleman Medal (player who kicks the most goals in the AFL home-and-away season), Dustin Martin to win the 2019 Norm Smith Medal and Richmond to win the 2019 AFL grand final. BetEasy advised Complainant 1 that the multi bets were cancelled due to them being related multi bets and referred Complainant 1 to its terms and conditions.
3. When lodging his gambling dispute, Complainant 1 advised the Commission that a friend of his also placed a multi bet with legs involving Dustin Martin to win the 2019 Norm Smith Medal and Richmond to win the 2019 AFL grand final with a stake of \$101 however, this bet was not cancelled and was paid out immediately in full when the winner of the Norm Smith Medal was announced. Complainant 1 is seeking for both of the multi bets that he had placed with BetEasy to be paid out as winning bets.
4. On 21 October 2019, Complainant 2 lodged a gambling dispute with the Commission after having seen a newspaper article regarding Complainant 1's dissatisfaction with the actions of BetEasy. Complainant 2 detailed that he was aggrieved that a multi bet that he placed on 25 July 2019 was also cancelled some seven weeks after the bet was struck. Complainant 2's multi bet involved two legs, being Dustin Martin to win the 2019 Norm Smith Medal and Richmond to win the 2019 AFL grand final. BetEasy also advised Complainant 2 that the multi bet was

cancelled because the bet was a related multi bet. Complainant 2 disputes BetEasy's decision that the two legs of the multi bet are linked, stating that a player from the losing team in an AFL grand final is still able to win the Norm Smith Medal.

5. The Commission affords all sports bookmakers licensed in the Northern Territory an opportunity to respond to each gambling dispute made against it. In summary, BetEasy advised the Commission that the winner of the AFL grand final and the winner of the Norm Smith Medal are clearly related outcomes and that prior to the 2019 AFL finals series commencing, BetEasy undertook a review of all pending related multi bets that had been placed during the season on the Norm Smith Medal and AFL grand final winner. As a result of that review, BetEasy cancelled and refunded over 100 bets in accordance with its terms and conditions in which BetEasy reserves the right to cancel and refund a multi bet if the legs are related.
6. BetEasy advised that while its betting platform will not allow customers to place multi bets which include legs from the same master event, markets that are not in the same master event that are enabled to be included in multi bets are not automatically blocked. For related outcomes such as these, BetEasy undertakes manual reviews to identify related outcomes and relies on its 'Related Multi Bet Rule' to cancel the multi bet and refund the stake or payout winnings on the unrelated legs that have already resulted. The BetEasy response to the gambling disputes will be discussed in more detail below.
7. The Commission has determined that given that the issue in dispute for both complaints is the decision by BetEasy to cancel the multi bets through its application of its related bet rule, that in order to avoid obvious repetition that would result in preparing separate decision notices, that one decision notice is appropriate in the circumstances.
8. Information was gathered from the parties involved by Licensing NT officers appointed as betting inspectors by the Commission and provided to the Commission, which determined that there was sufficient information before it to consider the gambling dispute on the papers.

Consideration of the Issues

The Bets

(Complainant 1)

9. On 31 July 2019, Complainant 1 contacted BetEasy by telephone in order to reactivate his BetEasy betting account. During that telephone call he advised the BetEasy representative that he wanted to place a multi bet and wanted to:

...see if the two pairs can actually be multied, because when I just did it through the app it said it could but then when you actually go through to the final stage I just want to know that you can.
10. Complainant 1 advised the BetEasy representative that the legs of the multi bet that he wanted to place a bet on were Dustin Martin to win the Norm Smith Medal and Richmond to win the 2019 grand final. In response to his query, the BetEasy representative advised Complainant 1 that, *"Yeah that seems to work... I think so, yeah, it seems to work on mine."*

11. In relation to this telephone call, BetEasy has submitted to the Commission that:
- [Complainant 1] claims that he was told that he could include those two legs in a multi-bet. However, in the phone call it is obvious that the operator [is] only trying to see if the bet will be accepted by attempting to place it herself on the BetEasy website.
12. In this respect, the Commission notes after having listened to a recording of this telephone call that no bet was formally struck at this time. Complainant 1 simply queried the BetEasy representative as to whether the two legs could be paired and was advised that it appeared that the BetEasy betting platform would allow a multi bet to be struck with the two legs nominated by Complainant 1.
13. On 1 August 2019, Complainant 1 again contacted BetEasy by telephone to finalise the reactivation of his betting account. The complainant has submitted to the Commission that during that telephone call he again queried the BetEasy representative as to whether he could place a multi bet with Dustin Martin to win the Norm Smith Medal and Richmond to win the 2019 grand final. However, the Commission has listened to the recording of this telephone call and notes that there is no mention of the multi bet by either Complainant 1 or the BetEasy representative during this call.
14. Following these telephone calls, on 1 August 2019 Complainant 1 placed three multi bets with BetEasy, being:
- a. \$1 on Dustin Martin to with the Norm Smith Medal and Richmond to win the grand final - potential total return of \$41.25;
 - b. \$204.06 on Jeremy Cameron to win the Coleman Medal, Dustin Martin to with the Norm Smith Medal and Richmond to win the grand final using a boost product - potential total return \$10,112.08;
 - c. \$3 on Sydney Stack to win the 2019 Rising Star Award, Jeremy Cameron to win the Coleman Medal, Dustin Martin to with the Norm Smith Medal and Richmond to win the grand final - potential total return \$970.20.
15. It is relevant to note that in relation to Complainant 1's third multi bet which included a leg relating to the winner of the Rising Star Award, that this multi bet resulted as a losing bet as Sydney Stack was not the winner of the award. This multi bet was resulted prior to BetEasy undertaking a review of the pending related multi bets that had been placed during the season on the Norm Smith Medal and AFL grand final winner and as such, the Commission has determined not to examine this multi bet further.

(Complainant 2)

16. On 25 July 2019, Complainant 2 placed one multi bet with BetEasy being:
- a. \$50 on Dustin Martin to with the Norm Smith Medal and Richmond to win the grand final using a boost product - potential total return of \$2,636.78

BetEasy Review

17. BetEasy advised the Commission that on 31 August 2019 and prior to the AFL finals' series commencing, BetEasy undertook a manual review of all pending related multi

bets that had been placed during the home and away season on the Norm Smith and AFL grand final double. As a result of the review and in accordance with the BetEasy 'Related Multi-Bet Rule,' BetEasy cancelled and refunded 122 bets before the AFL finals' series commenced. BetEasy advised that for those bets that had already had a successful leg or legs, BetEasy paid out the winnings on the non-related legs.

18. BetEasy also advised that of the 122 bets that were cancelled, 118 of those bets would have eventually resulted as losing bets had they not been cancelled and refunded; and that only four of the cancelled bets had Richmond to win the AFL grand final and Dustin Martin to win the Norm Smith Medal.
19. On 31 August 2019, Complainant 1 received an email from BetEasy advising him that, "...your multi wager on the 2019 AFL Grand Final Winner into the 2019 Norm Smith Medalist Winner has been cancelled, due it being a related multi."
20. Complainant 2 also received an email on 31 August 2019 in the same terms as the email to Complainant 1 in which he was advised that his multi bet had been cancelled and refunded due to it being a related multi bet.
21. BetEasy has advised that the multi bet placed by Complainant's 1's friend as detailed at paragraph 3 above was not identified during the manual review of all pending related multi bets that had been placed during the home and away season on the Norm Smith and AFL grand final double and as a result, that multi bet was not cancelled. BetEasy has advised that not identifying the multi bet was an oversight on the part of BetEasy however, it does not intend to enforce its Multi-Bet rule in relation to this multi bet retrospectively.

Multi Bets / Related Bets

22. A multi bet is a bet type whereby the bettor can combine a series of single bets into one bet with the odds multiplying with each additional bet. Each time a leg is successful, the dividend and original bet from that leg are bet on the next leg. The more legs in a multi bet, the larger the dividend will be.
23. Most online gambling operators' rules prohibit bets that combine two or more elements where one part of the bet winning makes the other part of the bet more likely to be successful. These situations are commonly referred to as 'related bets'. Generally speaking, online gambling operators look to apply related bet rules whenever the outcome of one part of the bet affects the odds, or would have affected the odds, of the other.
24. BetEasy has submitted to the Commission that Dustin Martin to win the Norm Smith Medal and Richmond (the team he plays for) to win the AFL grand final are inextricably related outcomes as the events are not independent. BetEasy submits that if a player wins the Norm Smith Medal, it guarantees that his team will have been in the grand final and that it is highly likely that his team will win the premiership. As a result, the true odds for those outcomes both occurring are much less than as calculated by multiplying the two related selections as independent events.
25. In this respect the Commission notes that Norm Smith Medal was first awarded in 1979 and is usually awarded to the player who has helped their team to win the AFL premiership. Since the medal was first awarded, there have only been four

occasions where the player awarded the Norm Smith Medal has come from the losing side. Given this, it is the view of the Commission that Norm Smith Medal and the AFL premiership do have a relationship between each other and that the outcomes of both events are not independent.

BetEasy acceptance of the Multi Bets

26. In most cases, online gambling operators' software is designed not to accept multiple bets where one selection's success relates in any way to another's.
27. As discussed at paragraph 7, BetEasy advised the Commission that while its betting platform will not allow customers to place multi bets which include legs from the same master event, markets that are not in the same master event that are enabled to be included in multi bets are not automatically blocked. For related outcomes such as these, BetEasy undertakes manual reviews to identify related outcomes and relies on its 'Related Multi Bet Rule' to cancel the multi bet and refund the stake or payout winnings on the unrelated legs that have already resulted.
28. BetEasy has further advised that:

...unfortunately technology cannot automatically block all bets that contradict a bookmaker's terms and conditions, and given the volume of bets taken, it is impossible for all bets to be reviewed as they are placed.
29. BetEasy submitted to the Commission that where it does identify that a multi bet with related outcomes has been placed, it aims to cancel and refund the bet within a reasonable timeframe.
30. The Commission notes in this regard that each of the multi bets subject of these gambling disputes was cancelled and refunded on 31 August 2019, before the AFL finals' series commenced and well before grand final day.

Terms and Conditions

31. All sports bookmakers licensed in the Northern Territory are required by the Commission to have a comprehensive set of terms and conditions (including betting rules). These terms and conditions operate to ensure legislative compliance and the commercial efficacy of the business model of a sports bookmaker.
32. Complainant 1 has submitted to the Commission that BetEasy's terms and conditions were not clear at the time he placed the multi bets, however the Commission has long held that all sports bookmaker customers are deemed to be familiar with the terms and conditions prior to opening and while operating a betting account with a sports bookmaker. That being the case, the Commission notes that all bets placed by both complainants using the BetEasy betting platform were subject to the BetEasy terms and conditions.
33. BetEasy has submitted to the Commission that the BetEasy Related Multi-Bet Rule is, "...*necessary for BetEasy as it protects it from customers trying to take advantage of materially higher prices by multiplying odds of two related events occurring*".

34. BetEasy's related multi bet rule states that:

A 'Related Multi-Bet' is a bet where legs have some form of relationship between each other (e.g. Hawthorn Hawks in a Head to Head into Hawthorn Total Points). We reserve the right to void and refund a bet if legs are related in a Multi Bet.

35. As detailed earlier, in the Commission's view the multi bets placed by the complainants both contained legs that did have some form of relationship between each other and as a result, it is the view of the Commission that BetEasy was entitled to apply its related bet rule to those multi bets .

Decision

36. On the weight of the evidence before it, the Commission is satisfied that the multi bets placed by both Complainant 1 and Complainant 2, each of which contained a leg involving the winner of the 2019 Norm Smith Medal and a leg involving the winner of the 2019 AFL grand final, were lawful bets pursuant to section 85 of the Act.

37. The Commission also notes however, that by signing up to the BetEasy betting platform, both of the complainants accepted its terms and conditions and that any bets struck were bound to any applicable rules detailed in those terms and conditions.

38. The Commission is of the view that the offering of a multi bet betting market that enabled related multi bets to be placed was done so as a result of a lack of effective technology on the part of BetEasy to prevent the multi bets being placed.

39. Having determined that however, the Commission is of the view that the cancelling and refunding of the multi bets was in accordance with BetEasy's terms and conditions and was a business decision available to it. As such, it is the view of the Commission that there are no outstanding moneys payable by the sports bookmaker to either of the complainants.

Review of Decision

40. 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.



Cindy Bravos
Presiding Member
Northern Territory Racing Commission

5 June 2020