

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainant:	Mr T
Licensee:	Luxbet
Proceedings:	Pursuant to section 85(4) of the <i>Racing and Betting Act</i> – Referral of dispute to Racing Commission for determination
Heard Before: (on papers)	Mr Alastair Shields (Presiding Member) Mr James Pratt (Member) Ms Amy Corcoran (Member)
Date of Decision:	7 December 2018

Background

1. On 10 October 2017, pursuant to section 85(4) of the *Racing and Betting Act* (the Act), the Complainant lodged a gambling dispute against the registered bookmaker, Luxbet.
2. On 5 October 2017 at 10.00pm, the Complainant placed a bet for Brendan Steele to win the Safeway Open golf event with a stake of \$100.00 at odds of \$226.00.
3. On 7 October at 11.09am, Luxbet called the Complainant to advise his bet had been cancelled due to “manifest error” but later reinstated the bet that same day.
4. Brendan Steele won the Safeway Open and the Complainant is seeking full payment for his winning bet being \$22,600.
5. In summary, the Complainant’s case is:
 - a. The Complainant placed the bet on 5 October at odds of \$226.00 for a stake of \$100;
 - b. The bet was made void 2 days later on 7 October;
 - c. On the same day the bet was made void (7 October), the Complainant accepted Luxbet’s offer to replace the same bet at the “correct” odds at \$26.00;
 - d. Further, on the same day (7 October), Luxbet advised they will keep their word on the bet at \$226.00 and he was even offered a cash-out price of around \$4,600;
 - e. On 10 October, the day after the bet was a winner, the Complainant was formally advised that the bet would only be paid out at the odds of \$26.00, being a payout of \$2,600.
6. Luxbet relies on condition 1.2.6(b) in their Terms and Conditions below:

1.2.6 Incorrect Betting Information

Notwithstanding anything contained elsewhere in these Betting Rules, if Luxbet publishes, posts or quotes any incorrect betting information for any sporting event, such as posting wrong dividends or lines, then regardless of the cause or source of such error;

(a) Error identified prior to the commencement of the event:

If the error is identified prior to the commencement of the event and notified by Luxbet to the most recent telephone or facsimile contact number or email address supplied by a Client, whose wager on that event has been accepted or confirmed by Luxbet, such wagers will be void. If the wager is part of a multiple bet, the wager will then be re-calculated excluding the event to which the error relates.

(b) Error identified after the commencement of the event:

If the error is identified only after the commencement of the event or for any other reason not notified to the Client's point of contact prior to commencement of the event, the wager on the event shall stand. The only exception to this is where Luxbet can demonstrate that ***the error was manifest or obvious, or that the Client otherwise should reasonably have been aware of the error when the wager was placed***, in which case Luxbet reserves the right to void such wagers.

7. Luxbet submits:

- a. The bet was placed on 5 October 2017 at 10.00pm on Brendan Steele at odds of \$226 in the Safeway Open golf event.
- b. The odds of \$226.00 offered was the result of a manifest error and the correct odds should have been \$26.00.
- c. The error was detected at 9.30am on 7 October and the bet was voided at 11.03am, with the Complainant advised by phone on 11.09am.
- d. Luxbet during the phone call advised the Complainant that as a "gesture of goodwill", the amount of \$2600 will be credited to his account at the correct odds of \$26.00. This was completed at 1.46pm on 10 October.
- e. The Complainant has previously worked in the industry with Centrebet and as such may have had dealings with manifest or incorrect pricing.

Consideration of the Issues

8. One of the issues for consideration by the Commission in determining this dispute is whether the Complainant's bet should stand or be declared void as a bet made in manifest or obvious error.
9. The meaning of manifest or obvious error has been considered many times previously by the Northern Territory Racing Commission and how that may relate to wagers. An "obvious error" is one that is easily seen, perceived and recognised. It is apparent and self-explanatory and not difficult to discern. If an error is manifest it is patently obvious and discernible. It is received in the mind's eye without any trauma and is at once perceived for what it is. The fine distinction between obvious and manifest is subtle but not without relevance when considering the application to individual situations. It must be "manifest" or an "obvious" error [Mr A and Others v Sportingbet.com Australia Pty Ltd.]

10. In order to establish the manifest or obvious error, Luxbet has provided information showing odds offered by competitive bookmaker CBS Sports on the same market (Brenda Steele 25:1) and also from TAB, although the TAB report does not provide an opening price for Brendan Steele only the price for the following day, being 6 October (the day after the original bet was placed by the Complainant). The price on 6 October 2017 was after the first round was completed and the odds had been significantly shortened to \$7.00. Luxbet submits that the opening price for Steele with TAB was \$29.00.
11. Luxbet also provided nine (9) telephone call recordings and some emails in relation to this dispute. A summary of the event in chronological order follows:
 - a. 7 October 2017 (11.03am): Operator D from Luxbet calls the Complainant to advise that the odds for Brendan Steele were incorrect. Luxbet offers to cancel the bet or put it back on at the odds of \$26.00. The Complainant declines this adding that the odds were referred and manually approved and asked why it had taken 2 days for the error to be identified. The Complainant then asks to speak with a supervisor but is advised that no supervisor is willing to speak to the Complainant about the issue but he can send through an email;
 - b. 7 October 2017 (11.07am): Luxbet sends an email to the Complainant stating the bet has been cancelled due to a system error pursuant to clause 1.2.6 of their Terms and Conditions "Error identified prior to the commencement of the event";
 - c. 7 October 2017: The Complainant calls Luxbet and speaks with another operator, Operator K. The operator confirms that the odds of \$226.00 was a manifest error on their behalf and offers the Complainant the correct odds of \$26.00 to which the Complainant accepts but asked to change the bet to a multi. The operator advises that he cannot complete the bet at that time due to the system being down but will call him back when it is up and running again. The operator further advises that he will give him a \$50 bonus bet "for the hassle".
 - d. 7 October 2017: The Complainant calls Luxbet and speaks with the same operator, Operator K, advising that he has just been reading their Terms and Conditions particularly the "Error identified prior to the commencement of the event". The Complainant confirms that the error was not identified prior to the event starting and was "*two rounds in*". The operator advises that he will have to speak with his traders and get back to him.
 - e. 7 October 2017: Operator K from Luxbet calls the Complainant back and advises that there has been a "*...bit of a blunder so we do have to keep our word ...and your bet is actually on for \$100.00 on Brendan Steele at the price of \$226.00.*"

The operator advises that he will have to make a manual adjustment to place the wager back on and if Brendan Steele wins the event, Luxbet will have to pay out at that price. The Complainant asks what the current cashout offer is and asks the operator to give him a call back once he's spoken to the traders.
 - f. 7 October 2017: Operator K from Luxbet calls the Complainant back to advise that the traders have come back with a cashout figure of \$4,617.20 to which the Complainant declines.
 - g. 8 October 2017: The Complainant contacts Luxbet and again asks for a cashout figure for his bet. Operator A puts him on hold to check with the Traders and

subsequently advises the Complainant that the cashout figure that he was given yesterday had expired and there is no cashout offering at the moment.

- h. 9 October 2017: The Complainant contacts Luxbet and speaks to Operator B who advises that phone call recordings have been forwarded to the Manager of the Traders. The operator confirms he specifically heard that *“we will stand by the 226 for you”* and that *“I think you should be alright but we gotta wait for her to come back.”*
 - i. 9 October 2017: The Complainant returns Luxbet’s call in which Operator B states *“[The manager] says its pretty black and white they just need to get an approval done but the person that does it is not back in until tomorrow morning... so we’ll be back in touch mid-morning tomorrow.”*
 - j. 9 October 2017: The Complainant returns Luxbet’s call in which the operator, Operator K, advises they can only pay out at \$26.00 and not the original \$226.00 as it was a “obvious manifest error” per their Terms and Conditions – specifically reading out condition 1.2.6(b) and claiming *“it was a bit of miscommunication between the group”* that he was reoffered the \$226 odds. The Complainant stated that he does not accept that and confirms he was even given a “cash out” figure.
12. Brendan Steele won the event around midday on 9 October and the Complainant was paid out the \$2,600.00 by Luxbet on 10 October. The audit log provided by the Luxbet confirms:
- a. the original bet was placed at 10pm on 5 October 2017 for \$100.00 at odds of \$226.00;
 - b. the bet was voided at 11.03am on 7 October 2017;
 - c. a bet was placed at 3.10pm on 7 October for \$100 at the original odds of \$226.00 which also accords with the calls above; and
 - d. Luxbet paid out the bet at 1.46pm on 10 October 2017 to the value of \$2,600.00.
13. It is clear from the phone recordings and the audit log that Luxbet, after initially voiding the Complainant’s initial bet, reinstates it. Luxbet also offered a cashout price through a trader of \$4,617.20 based on the reinstated bet.
14. Given the reinstatement of the bet after the event had commenced, Luxbet can no longer rely on such a bet being an obvious or manifest error under their Terms and Conditions. Luxbet, for whatever reason and with full knowledge, took the bet on again at the same odds after the commencement of the event and cannot claim that this wager was a result of a manifest or obvious error at that point. Luxbet waived their ability to rely on condition 1.2.6(b) when taking on the bet again.
15. There is no need for the Commission to determine whether the cancellation of the initial bet at 11.03am on 7 October was lawful. Whilst Luxbet *may* have been able to successfully argue their position that the initial bet placed on 5 October was an obvious or manifest error, any such argument becomes irrelevant when Luxbet replaced the bet at the same odds at 3.10pm on 7 October and confirmed the bet with the Complainant over the phone.

Decision

16. In accordance with section 85(4) of the Act and on the basis of the information provided in respect of the dispute and for reasons set out above, the Commission has determined to rule that the disputed bet (being the reinstated bet taken by Luxbet at 3.10pm on 7 October) was a lawful bet and \$22,600 was payable to the Complainant.
17. The Commission, in accordance with Section 85(4) of the *Racing and Betting Act*, determines that Luxbet shall pay \$20,000 to the Complainant being the balance of the disputed bet unpaid.

Review of Decision

18. 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

7 December 2018