

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

Complainants:	Mr W (Complainant 1) Mr N (Complainant 2)
Licensee:	BetEasy
Proceedings:	Pursuant to section 85(2) of the <i>Racing and Betting Act</i> – Referral of dispute to Racing Commission for determination
Heard Before: (on papers)	Ms Cindy Bravos (Presiding Member) Ms Amy Corcoran Mr Allan McGill
Date of Decision:	14 August 2019

Background

1. On 2 October 2018, Complainant 1 lodged a dispute with the Northern Territory Racing Commission (the Commission) against the licensed sports bookmaker BetEasy pursuant to section 85(2) of the *Racing and Betting Act* (the Act). The following day, Complainant 2 also lodged a dispute against BetEasy pursuant to section 85(2) of the Act.
2. Whilst there are separate two gambling disputes involving two complainants before the Commission, it is the actions of BetEasy in cancelling bets on the same sporting event on which they had set a betting market that the Commission has been asked to adjudicate. As such and in order to avoid the obvious repetition that would result in preparing two individual decision notices, the Commission has determined to deal with the two gambling disputes in the one decision notice.
3. The complainants are aggrieved that BetEasy cancelled bets that the complainants had placed on an International Tennis Federation tennis match between Evan Hoyt and Jesse Delaney scheduled to be played on 3 October 2018 at 10.00am.
4. Complainant 1 placed two separate bets totalling \$300 on Hoyt to win the tennis match at odds of \$8.00 and a further bet of \$56 on Hoyt to win the tennis match in two sets at odds of \$13.00. Hoyt subsequently won the match and had BetEasy not voided Complainant 1's bets, the combined winning payout amount on the bets would have been \$3,128.
5. Complainant 2 placed three separate bets totalling \$172 on Hoyt to win the tennis match, also at odds of \$8.00. Had BetEasy not voided Complainant 2's bets, the combined winning payout amount on the bets would have been \$1,376.
6. Complainant 1 advised the Commission that the bets that he had placed were referred to a BetEasy manual trader for acceptance, however the bets were voided a few hours later by BetEasy who advised Complainant 1 that the bets were cancelled in accordance with its terms and conditions as a palpable error had occurred. Complainant 1 further advised the Commission that following the voiding

of his bets, BetEasy did not offer the market again and as such, he was unable to bet on the event again. Complainant 1 further informed the Commission that another sports bookmaker (not licensed in Australia) had also offered the betting market at the same time with odds of \$9.75 on Hoyt to win.

7. Complainant 2 also advised the Commission that the bets that he placed with BetEasy were also cancelled with the reasoning given by BetEasy being that the odds offered were a palpable error. Complainant 2 submitted to the Commission that there were at least 20 other bookmakers offering the same price on Hoyt to win and given this, it is not reasonable for BetEasy to claim that a palpable error existed due to the odds being inverted.
8. The Commission affords all sports bookmakers licensed in the Northern Territory an opportunity to respond to each gambling dispute made against it. In response to these gambling disputes, BetEasy advised the Commission that they voided the complainants' bets due to the odds for the betting market on the tennis match being inverted in error by Betradar, the odds provider utilised by BetEasy for the tennis match.
9. BetEasy also submitted to the Commission that whilst Complainant 1's bets were intercepted by a BetEasy trader to review, the role of the trader is to see whether BetEasy will accept the bet based on factors such as how much BetEasy are holding on the event and the exposed risk. BetEasy submitted that *"[i]t is a mathematical review more so than a check as to whether the odds are accurate..."*
10. BetEasy further advised the Commission that it was due to the amount of bets being placed on the market that alerted it to the fact that the odds had been inverted in error. BetEasy stated that as there is a relatively low betting demand for International Tennis Federation events, once it closed the betting market on the event, it decided to leave the betting market down and sort out the bets that had already been taken rather than correct the odds and re-post the market.
11. Information in relation to this dispute was gathered from both parties by Licensing NT betting inspectors appointed by the Commission and provided to the Commission to consider the dispute on the papers.

Consideration of the Issues

Terms and Conditions

12. 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.
13. At the time that the complainants' bets were struck, the following BetEasy General Rule was in place:

7. Errors

We will endeavour to ensure that we do not make errors when pricing and accepting bets. However, we reserve the right to cancel

any bets where a palpable error has occurred. If we cancel a bet because error has occurred, we will endeavour to contact you.

14. BetEasy advised the Commission that it was due to the amount of bets being placed on the betting market involving the International Tennis Federation match between Hoyt and Delaney that alerted it that there may be an issue with the odds being offered. As a result, BetEasy closed the betting market to investigate the odds on offer. Upon realising that there was an error with the odds being offered, BetEasy cancelled all bets that had been placed on Hoyt to win, relying on General Rule 7 detailed above. BetEasy advised both complainants of the voiding of the bets via email and live chat respectively and the Commission notes that this occurred the day before the tennis match was due to be played.
15. As previously articulated in earlier Commission decisions, the commercial efficacy of the sports bookmaker business model must have error limiting clauses such as BetEasy's General Rule 7 so as to avoid a sports bookmaker from unjustly suffering a loss where a legitimate or innocent error has occurred. It is also reasonable however, that sports bookmaker customers should be able to rely on the sports bookmaker to advertise odds that are correct and up to date on its betting platforms.

Manifest or Obvious Error

16. The issue for consideration by the Commission therefore in determining these disputes, is whether the complainants' bets should stand or whether BetEasy is entitled to declare the bets void in accordance with BetEasy General Rule 7 on the basis that the odds offered were offered as a result of a manifest or obvious error.
17. BetEasy has submitted to the Commission that the odds upon which it set the betting market under examination were provided to it in error by Betradar. In this respect, the Commission notes that Betradar is a brand name for Sportradar AG, a multinational corporation with headquarters in Switzerland, that analyses sports data and provides services to bookmakers including in-game and pre-match odds suggestions, resulting, market monitoring and trading services.
18. BetEasy has provided correspondence between it and Sportradar in which a Sportradar representative confirms that it had inadvertently swapped the odds provided to its customers for the two players in the tennis match for a period of approximately 22 hours between Monday 1 October 2018 09.50 Central European Time (18.20 Australian Central Standard Time) and Tuesday 2 October 2018 07.54 Central European Time (16.24 Australian Central Standard Time). Sportradar advised BetEasy that it corrected the odds on Tuesday 2 October 2018 at 09.51 Central European Time (18.21 Australian Central Standard Time).
19. BetEasy has also provided evidence to the Commission showing that a number of Australian and international bookmakers had ultimately offered a closing price of between \$1.05 and \$1.07 for Hoyt to win the tennis match and between \$7.00 and \$8.38 for Delaney to win the tennis match.
20. As discussed at paragraph 7 above, Complainant 2 submitted to the Commission that there were at least 20 other bookmakers offering the same price as BetEasy on Hoyt to win and given this, it is not reasonable for BetEasy to claim that a palpable error existed due to the odds being inverted. In support of this, Complainant 2 provided the Commission with a screenshot of odds offered by over 25 bookmakers, with odds for Hoyt to win ranging from \$5.75 to \$9.75 and odds for Delaney to win

between \$1.04 and \$1.07. BetEasy was provided with an opportunity to comment on this screenshot and has advised the Commission that each of the bookmakers in the screenshot were overseas bookmakers who would also get prices from Betradar who BetEasy states are the biggest supplier of tennis odds in the world.

21. The Commission also notes that 21 bets in total were struck between BetEasy and its' customers on Hoyt to win the event and that no bets were struck on a winning outcome attributable to Delaney. Also of interest to the Commission, is that in addition to the complainants' bets, one BetEasy customer placed several bets to the value of over \$3,400 on the market prior to it being removed, being a market that BetEasy has advised the Commission is not a market that it sees any real demand for due to the level of the competition itself.
22. Given that the closing odds for Hoyt to win the match as offered by a number of Australian and international bookmakers ranged between \$1.04 and \$1.07 and that Sportradar has confirmed in writing that there was an error in the odds provided to BetEasy which was ultimately corrected later in the day on 2 October 2018, it is the Commission's view that the odds that were offered by BetEasy and upon which the complainants both placed bets were an obvious error.

Decision

23. As detailed above, sports bookmakers licensed in the Northern Territory have a comprehensive suite of terms and conditions that their customers are deemed to be familiar with prior to opening and operating an account with the sports bookmaker. It is generally accepted by the Commission that in opening an account, a sports bookmaker's customer agrees to abide by the terms and conditions provided by the relevant sports bookmaker with whom the client is opening the betting account. The Commission also accepts that this applies equally to the sports bookmaker, in that they must also abide by the terms and conditions in their transactions with their customer.
24. The Commission notes that by signing up to the BetEasy betting platform, both of the complainants accepted its terms and conditions and accepted that by usage of the betting platform, that they understood all the terms and conditions that were in place and that any bets struck were bound to any applicable rules detailed in those terms and conditions.
25. On the weight of the evidence provided to it, the Commission is satisfied that the bets made by the complainants were lawful bets pursuant to section 85 of the Act. However, the Commission is also satisfied that the offering of odds of \$8.00 on Hoyt to win the tennis match and odds of \$13.00 on Hoyt to win the match in two sets were obvious errors and in accordance with its terms and conditions to which the complainants had agreed to at the time of opening their betting accounts, BetEasy was entitled to cancel the bets and notify those customers who had placed a bet on the event of its decision to do so. As such, it is the view of the Commission that there are no outstanding moneys payable by BetEasy to either of the complainants.

Review of Decision

26. 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

14 August 2019