

NORTHERN TERRITORY RACING COMMISSION

Reasons for Decision

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| Complainant: | Mr A |
| Licensee: | Sportsbet |
| 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: | 24 May 2019 |

Background

1. On 9 July 2018, the complainant lodged a dispute with the Northern Territory Racing Commission (the Commission) against the licensed sports bookmaker Sportsbet pursuant to section 85(2) of the *Racing and Betting Act* (the Act).
2. The complainant is aggrieved that Sportsbet voided a bet that the complainant struck on an International Tennis Federation tennis match between Misaka Matsuda and Chan Chin-Wei played on 9 July 2018. The complainant struck the bet in the amount of \$5,000 on Chan Chin-Wei to win the tennis match at odds of \$10.00. Chan Chin-Wei subsequently won the match and had Sportsbet not voided the complainant's bet, the winning payout amount on the bet would have been \$50,000.
3. The complainant advised the Commission that he placed the bet with Sportsbet over the telephone. During the telephone call, the complainant advised that he was placed on hold whilst his bet was referred to a Sportsbet sports trader who confirmed that the bet could proceed.
4. 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 this gambling dispute, Sportsbet advised the Commission that they voided the complainant's bet due to the odds for the head to head betting market on the tennis match being inverted in error. Sportsbet advised the Commission that this error occurred as the live odds which were based on statistics and information provided to Sportsbet during the match by a Sportsbet scout, were not in line with what was occurring during the tennis match.
5. Sportsbet further advised the Commission that the bet was intercepted by a Sportsbet sports trader to review, however at that time the sports trader was not aware of the scores in the tennis match. Sportsbet advised the Commission that the sports trader reviewed the bet based only on the stake and odds offered in line with other bets Sportsbet had accepted on the market.

6. 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

Inverted Odds

7. As noted at paragraph 4 above, Sportsbet advised the Commission that they voided the complainant's bet due to the odds for the head to head betting market on the tennis match being inverted in error. The Commission was advised that this error occurred as the live odds which were based on statistics and information provided to Sportsbet during the match by a Sportsbet scout, were not in line with what was occurring during the tennis match.
8. Sportsbet advise that when the complainant placed the bet on Chan Chin-Wei to win the tennis match at odds of \$10.00, Chan Chin-Wei had already won the first set of the match and was leading 2-1 in the second set. Sportsbet advise that due to the error in the feed of information from the Sportsbet scout at the match, the odds advertised by Sportsbet were inverted in that the odds offered for Chan Chin-Wei were those displayed for Misaka Matsuda and the odds being offered for Misaka Matsuda were those displayed for Chan Chin-Wei.
9. The Commission has sighted a screenshot of the Sportsbet live odds feed for each player in the tennis match and notes at the time of the complainant placing the bet, the odds being offered by Sportsbet for Misaka Matsuda who was one set down and one game down in the second set at the time, were \$1.01 whilst the odds offered for Chan Chin-Wei at the same time were \$10.00.
10. The Commission also notes that the odds for Chan Chin-Wei to win the match continued to inflate as the match progressed. Some nine minutes after the complainant placed his bet and at a time when Chan Chin-Wei continued to be leading the match, the odds being offered for Chan Chin-Wei were \$36.00. Conversely, the odds for Misaka Matsuda to win the match marginally decreased and had reached \$1.001 nine minutes after the complainant placed his bet.
11. The Commission has also reviewed the results of the tennis match as recorded on Sofascore (a widely used app that provides live scores for worldwide sports) and notes that at no time during the second set was Misaka Matsuda in the lead. Chan Chin-Wei went on to win the second set six games to four and as a result, won the match overall.
12. Sportsbet has submitted to the Commission that the odds offered by it on the match were clearly in error given that after the first set of the match, Chan Chin-Wei was always leading the match. Given that Misaka Matsuda was never in the lead from that time, Sportsbet submit that Misaka Matsuda's odds of winning would always be greater than that of Chan Chin-Wei.
13. The Commission has reviewed the complainant's betting account history with Sportsbet and notes that it was not unusual for the complainant to strike bets of this size. Interestingly to the Commission, it notes that the complainant made a \$5,000 deposit into his betting account one minute prior to placing the bet on Chan Chin-Wei. Prior to this time, the complainant's betting account balance was

at zero following a number of unsuccessful bets that had been made by the complainant earlier in the day.

14. Given the odds being offered by Sportsbet of \$10.00 on Chan Chin-Wei to win the match when she was already one set up and one game up in the second set, it is not surprising to the Commission that a bet was placed by the complainant that was looking to take advantage of a price that appears to the Commission to have seemed too generous, given the scores in the tennis match at the time.

Role of the Sports Trader

15. The complainant is of the view that given his bet was reviewed by a Sportsbet sports trader prior to it being accepted by Sportsbet, that his bet should stand.
16. As with all sports bookmakers licensed in the Northern Territory, Sportsbet's licence includes a condition that they must ensure that all conversations with customers involving discussions relating to bets, complaints or disputes, regardless of medium, are recorded on approved recording equipment.
17. The Commission has reviewed a transcript of the telephone conversation between the complainant and Sportsbet during which the bet on Chan Chin-Wei to win the tennis match was struck. During that telephone call, the complainant confirmed that he wished to place a \$5,000 bet on Chan Chin-Wei to win a tennis match against Misaka Matsuda at odds of \$10.00. The Sportsbet representative advised the complainant that the bet had been referred to a sports trader for review. A short time later, the Sportsbet representative advised the complainant that the bet had been accepted.
18. Given that the complainant's bet was reviewed by a Sportsbet sports trader prior to it being accepted by Sportsbet, the Commission can empathise with the complainant's view that the bet should stand regardless of whether the odds were inverted in error or not.
19. The Commission has reviewed a number of recently advertised job vacancies for the position of a sports trader with sports bookmakers including several with Sportsbet. One such vacancy was that of a casual sports trader with Sportsbet advertised approximately three months ago which can be found at <https://www.linkedin.com/jobs/view/casual-sports-trader-at-sportsbet-1129032733?originalSubdomain=au>. The position description detailed that an in-play trader uses statistical models for live sports trading, with the role including the monitoring of bets and changing of prices accordingly. Several other functions of the position included the accurate manipulation of trading models and monitoring of market conditions to maintain pricing for in-play markets and accurate entry of in-play match data for in-play markets.
20. Sportsbet advised the Commission that the sports trader when reviewing the complainant's bet was not aware of the scores in the match and that the bet was reviewed only on the stake and odds offered in line with other bets that had been accepted by Sportsbet. Sportsbet made no comment as to whether it was or was not a normal practice of a sports trader to also review the scores in a match to see if the odds being offered were accurate. Had the Sportsbet sports trader done so, it is more than likely that the sports trader would have identified that the odds offered by Sportsbet were inverted and as a result, the complainant's bet would likely not have been accepted.

21. Accurate entry of in-play match data for in-play markets would appear to be part of the role of a sports trader with Sportsbet and had the correct data been entered with respect to the tennis match as it progressed, the Commission is of the view that it is unlikely that odds of \$10.00 would have been offered by Sportsbet on Chan Chin-Wei to win. Having said this however, the Commission notes that Sportsbet has stated that it was the information provided to it by the Sportsbet scout that was faulty and as such, in order for the sports trader to have identified this, the Commission notes that the sports trader would have needed to monitor the scores of the tennis match as it progressed to identify the error.

Terms and Conditions

22. Each sports bookmaker licensed in the Northern Territory promulgates a comprehensive set of terms and conditions for wagering that both parties are 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 a sports bookmaker.
23. At the time that the complainant's bet was struck, the following Sportsbet Rule was in place:
 90. Sportsbet makes every effort to ensure that no errors are made in prices offered or bets accepted on an Account. However, we reserve the right to correct any obvious errors and to void any bets where such has occurred. Should this occur, Sportsbet will endeavour to contact the Member by email or telephone.
24. Sportsbet has advised the Commission that approximately 22 minutes after the bet was accepted by Sportsbet, it identified that there was an error in the odds. As a result, Sportsbet voided all bets placed on the betting market in accordance with Sportsbet Rule 90 and all bet stakes were returned to the Sportsbet customers who had placed bets. Sportsbet then made contact with the complainant via sms to advise him that his bet had been voided due to the error in the odds.
25. As previously articulated in earlier Commission decisions, the commercial efficacy of the sports bookmaker business model must have error limiting clauses such as Sportsbet Rule 90 above 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.
26. The issue for consideration by the Commission therefore in determining this dispute, is whether the complainant's bet should stand or whether Sportsbet is entitled to declare the bet void in accordance with Sportsbet Rule 90 on the basis that the odds offered were offered as a result of a manifest or obvious error.
27. The meaning of manifest or obvious error has been considered many times by the Commission and in doing so, the Commission has considered how that meaning relates to bets struck in the Northern Territory. As detailed in previous Commission decisions, it is the view of the Commission that an obvious error is one that is easily seen, perceived and recognised. It should be apparent and not difficult to observe. If an error is manifest, it is patently obvious, discernible and

is received by the mind's eye without any trauma and is at once perceived for what it is.

28. Given that the odds for Chan Chin-Wei to win the match continued to inflate as the match progressed, in addition to the fact that some nine minutes after the complainant placed his bet and at a time when Chan Chin-Wei continued to be leading the match the odds being offered for Chan Chin-Wei were \$36.00, it is difficult for the Commission to discern the error in the odds being offered as anything but an obvious error. Supporting this view is that the odds for Misaka Matsuda to win the match decreased and had reached \$1.001, nine minutes after the complainant placed his bet despite her not being in the lead at anytime during this period.

Decision

29. 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.
30. The Commission notes that by signing up to the Sportsbet betting platform, the complainant accepted its terms and conditions and accepted that by usage of the betting platform that he 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.
31. On the weight of the evidence provided to it, the Commission is satisfied that the bet made by the complainant was a lawful bet pursuant to section 85 of the Act.
32. The Commission is also satisfied that the offering of odds of \$10.00 on Chan Chin-Wei to win the tennis match at the time of the complainant's bet was an egregious error and whilst the option to correct the error by adjusting the bet to the correct market price was available to Sportsbet in accordance with Rule 90 of its terms and conditions, the voiding of the bet was also in accordance with its terms and conditions to which the complainant had agreed to at the time of opening his betting account with Sportsbet. As such, it is the view of the Commission that there are no outstanding moneys payable by the sports bookmaker to the complainant.
33. Whilst it is the view of the Commission that sports bookmaker customers should pass on bets with odds that seem too good to be true, the Commission takes this opportunity to remind Sportsbet that it must be vigilant in ensuring that correct betting markets are posted on its betting platforms at all times.

Review of Decision

34. 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

24 May 2019