

# NORTHERN TERRITORY RACING COMMISSION

## Reasons for Decision

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<b>Complainant:</b>	Mrs Y
<b>Licensee:</b>	CrownBet Pty Ltd
<b>Proceedings:</b>	Pursuant to Section 85(4) of the <i>Racing and Betting Act</i> – Referral of dispute to Racing Commission for determination
<b>Heard Before: (on papers)</b>	Mr John Boneham (Presiding Member) Mr Jim McNally Mr Andrew Maloney
<b>Date of Decision:</b>	26 March 2018

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### Background

1. On 3 November 2017, Licensing NT received notice of a gambling dispute lodged by Mrs Y against licensed bookmaker Crownbet.
2. Mrs Y is disputing the closure of her account and the voiding of winnings amounting to \$138,431.25, brought about as a result of a successful 2 leg Multi Bet.
3. The winnings are being withheld by Crownbet due to an allegation by them that the account was being operated by a third party contrary to its Terms and Conditions.
4. Crownbet's decision was taken after it launched an investigation as part of its verification of the initial \$90,000.00 deposit made to the account.
5. This investigation revealed that the account was linked to two other individuals by way of the same IP and residential address.
6. The individuals in question are Mr Z and Ms Y, whom Crownbet believe are married. Both are well known to Crownbet having previously had their accounts closed due to claims those accounts were fraudulently used to conduct wagering transactions.
7. Crownbet contend that the account in the name of Ms Y was opened to circumvent their account closures.
8. As a result of the investigation Crownbet closed Mrs Y's account on 26 October 2017, not being satisfied of her credentials, voiding the winnings on the Multi Bet and returning the original deposit amount.

## Facts of the Matter

9. There is no doubt that the account in the name of Mrs Y was opened on 20 October 2017, with an initial deposit of \$90,000.00 via a Poli deposit from account number XXXXXX and that these funds were used to place two Esports wagers.
10. What is in doubt is the identity of the party or parties, actually operating the account in the short time that it was open.
11. In support of its assertion that the account was not being operated by Mrs Y, Crownbet tendered the following evidence to the NT Racing Commission compliance staff:
  - a) The IP addresses on the account match that previously provided by Mr Zhou and Ms Yu
  - b) The residential address is also a match
  - c) A call received regarding Mrs Y's account was from a number registered to Ms Y and is also linked to Ms Yu's Facebook account
  - d) Crownbet alleges it called the number listed on Mrs Y's account which then went to a voicemail with the message "You have reached Mr R".
12. After the NT Racing Commission staff listened to the calls to Crownbet by the customer it appears that two different people are stating that they are Mrs Y.
13. Bookmaker Terms and Conditions

It is a requirement of each sports Bookmaker's licence that they promulgate a detailed set of Terms and Conditions which both parties are then held to when an account is opened and each time a wager is struck.

By opening the account the client has agreed to the Terms and Conditions as particularised on the Bookmaker's website. Of particular relevance to this matter are the following rules which are deemed to have been accepted by the client when they open an account and each time a wager is struck.

### 6. Your Warranties

By applying for or using an Account with Us and/or by using the Website/Application, telephone or fax you warrant and agree that you:

- a) *Are at least 18 years of age and are above the legal age for gambling in your Jurisdiction.*
- b) *Are legally capable of entering into binding contracts.*
- c) *You are legally able to visit, use or otherwise participate through the Website in your Jurisdiction.*
- d) *Will not allow any third party (in particular, but without limitation, any minor/s to, directly or indirectly, access or use your Account including, without limitation, making deposits into or withdrawals from your Account or placing bets through your Account.*

- e) *Will not use your account on behalf of or for the benefit of another person.*
- f) *Have provided us with your personal details what are valid, accurate and complete in each and every respect and that you will advise us immediately via e-mail should any such details change.*
- g) *Are the true and lawful owner of the monies that you wager with us and that you are duly and properly authorised to utilise such monies for the aforementioned purposes.*
- h) *Will not deposit nor wager any monies with us that are derived in any manner whatsoever from illegal activities.*
- i) *Will be wholly responsible for any transactions entered into via your Account.*

*In the event of any of the warranties set out in clause proving to be false, CrownBet reserves the right to act as follows: Your stake will be forfeited and we will not be obliged to pay any winnings which might otherwise have been payable to you. We may also report the matter to the police, Your parents and any appropriate regulatory authority.*

*Existing customers are responsible for ensuring the accuracy of their personal information, this includes, but is not limited to key details such as: telephone number(s), email address, and (current) bank account and credit card information. If any of these details are incorrect, or out of date, customers must notify and update CrownBet at their earliest convenience. CrownBet reserve the right to suspend accounts that have invalid, or inaccurate information.*

**Rule 14**

*We may review your Account to monitor any activity that We consider suspicious, if We deem Your activity suspicious. We reserve the right to suspend Your Account without notice pending a full investigation.*

**14. Legislation**

In relation to betting disputes lodged with the Commission, the *Racing and Betting Act* (the Act) provides for:

*85 Legal proceedings in respect of bets*

*(1A) For the purpose of this section, a bet is not lawful if it is declared by the Commission, after an investigation in accordance with this section, to be not lawful.*

*(1) Subject to this section, a person may take proceedings for the recovery of moneys payable on a winning lawful bet, or for the recovery of moneys payable by a bettor on account of a lawful bet made and accepted.*

*(2) Where a dispute relating to lawful betting occurs between a bookmaker and a person, the dispute shall be referred by the bookmaker, and may be referred by the other party to the dispute, to the Commission.*

*(2A) Where it appears to the Commission, on the complaint of a person or of its own motion, that a sporting event (other than a horse race, trotting race or greyhound race) may not have been fairly or lawfully conducted or for any other reason the result of an event, either generally or in relation to a particular bet*

*or class of bets, is not what would be legitimately expected if all steps in the proceedings of the event or the declaration of its results were honestly and fairly conducted or declared, the Commission may declare the event to constitute a dispute for the purposes of this section and declare any person to be a party to the dispute.*

- (3) Where a dispute has been referred under subsection (1) to the Commission or declared under subsection (2A), the Commission may:*

*Summon the parties to the dispute to appear to give evidence before it:*

*Take evidence relating to the dispute from other persons: and*

*Require a party to the dispute to produce any books, accounts, tickets or other documents which in the opinion of the Commission, ought to be examined in order to determine the dispute.*

- (4) The Commission shall hear and determine all disputes referred to under this section.*

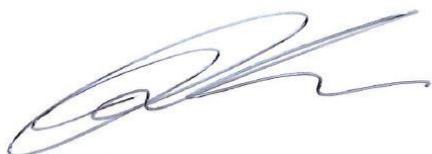
## **Consideration of the Issues**

15. It is clear from the bookmakers Terms and Conditions that operation of any account by a third party is strictly prohibited and this is acknowledged and agreed by the customer when opening an account.
16. Taking into account the aforementioned circumstances around the account opening and the subsequent investigation by Crownbet, the similarity of IP and residential addresses and matters around telephone calls and recordings, it is now up to the Commission to consider all the evidence in this matter and make its ruling.

## **Decision**

17. The Courts and the Racing Commission have long held that the relationship between a bookmaker and their client is one based on the law of contract. It is also well established that the onus is on the punter to be cognisant with the rules and contingencies associated with their wagering. In striking a wager parties enter into a contract, one that is conditional and whose conditions are deemed to have been accepted when the account is opened and each and every time a wager is struck.
18. Central to this dispute is the bookmaker voiding all transactions due to third party access. It naturally follows that the facts and circumstances of the dispute are examined alongside the Terms and Conditions (rules) of the contract.
19. The bookmaker seeks reliance upon Rule 6 and 14 of their Terms and Conditions to allow them to void the wagers, and any associated winnings, due to third party activity on Mrs Y's account.

20. The Commission is satisfied on the weight of evidence of the common IP address, the common residential address and the link to Ms Y's phone number that the Multi Bet in question was made by a third party, operating with or without the consent of the account holder (Mrs Y).
21. Accordingly we uphold Crownbet's decision to void the wager and return the initial deposit.
22. As such and in accordance with Section 85 (4) of the Act, on the basis of the information provided in respect of the dispute and for the reasons set out above, the Commission has determined the wager unlawful.



**John Boneham**  
Presiding Member  
Racing Commission

1 May 2018