

'Justice for Punters'

An investigation into
online gambling

Competition and Markets Authority:

2nd phase, 'Not paying out'



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1. Introduction

First of all it should be acknowledged that this investigation is hopefully turning into what all gambling customers who have been 'short-changed' by terms and conditions (T&Cs) wanted.

This author is trying to blank out the sound of; *"All they've done so far is a proposal to help 'fools' who use casino bonuses."* This lacks an understanding of negotiating with regulators and government. Nothing happens overnight, because it's important to accumulate and present evidence, then crucially try to place that evidence into some context of what is being discussed as whole and, if relevant, the law. Just shouting, this or that is unfair, and only wanting your 'problem' addressed is simply useless.

It's also vitally important to acknowledge and reflect on what the role of the market investigator is. As it happens, for those that are primarily interested in the 'right to bet' the role of the 'Competition and Markets Authority' (CMA) is a massive advantage, but why? There will be more about that later.

The major achievement so far, has been that the CMA and the Gambling Commission know and have accepted that the contract a new gambling customer signs up to is present flawed, i.e. it is unfair, so not legal.

We will see what happens to the companies who are found to be using unfair T&Cs in their promotions, but this short advisory leaflet is about where the investigation goes next. We know where;

"The CMA is now opening a new line of investigation into unfair terms and practices that could restrict customers' rights to withdraw money in their online gaming and betting accounts. Gambling operators are required to check their customers' identities to fulfil both their social responsibility and anti-money laundering (AML) requirements. However, concerns have been raised that some operators may be applying these requirements in a restrictive way, preventing consumers from legitimately withdrawing funds from their gambling accounts."

Sarah Harrison adds: "Identity checks are an important duty on the industry to prevent money laundering and to ensure responsible gambling. Where operators haven't met those obligations, we have taken clear action. However, those checks cannot be used as an excuse to unduly restrict legitimate customers from withdrawing their funds. If the CMA finds specific consumer protection failings in this area, it will add further cause for the Commission to review how fairly operators are treating consumers."



2. Gambling market context

As there is no 'right to bet' in the UK, as far as 'Justice for Punters' (J4P) is concerned, not paying out using identity abuse, is the biggest problem in our 'cases inbox'. The first question should be; in what context does withdrawal delay or complete refusal happen?

1. Under age gambling: Let's clear this up, it should not be an issue, because it is supposed to be dealt with during the first 72 hours after opening an account, not when people withdraw.
2. General crime: In the context of the whole market picture this would appear to be rare.
3. T&Cs breach: Certainly an issue.
4. T&Cs breach supported by companies illegally collecting evidence: Certainly an issue.
5. Incorrect interpretation of betting patterns: Certainly an issue.
6. No good reason: Certainly an issue.
7. Any other, who knows?

This is quite a list, so why do gambling companies claim 99% of the time that additional identity checks are needed due to social responsibility matters, e.g. money laundering and other crime. The reader can answer that.

The only way to sort this mess out is to insist that companies have to give a precise reason for asking for additional identity checks, and what evidence they have for that stated reason and how the evidence was collected. This will make negotiations about this issue between the service provider and the company **'fair and open'**.



3. Causes

Next, it has to be asked, what are the underlining causes of the aforementioned seven listed symptoms, because it is far better to treat the causes as opposed to the symptoms? The only people who truly know the answer to this are the companies, because it is certainly multi-factorial, so this leaflet will make no attempt to list all the causes. Nevertheless, here are two major ones:

1. Gambling companies do not know who they are trading with, primarily due to;
 - a. There being 'no right to bet' in the UK and the companies ban or effectively ban, using stake restrictions, every customer who uses any logic or skill in their betting.
 - b. Professional 'bonus baggers' who wager in others' names or advise others when and what to bet.
 - c. 'Arbing'.
2. Company greed;
 - a. Gamers cannot win over the long term, due to a house-edge, so the longer a person waits for their withdrawal the more likely they are to lose that money.
 - b. The more you mess customers about the more likely they are to give in, especially if the withdrawal is small in terms of their life-style. The customer then either; 'arbs' the funds in the hope of losing with the sports bookmaker, thinks I'll lose it anyway and waits for that to happen or just leaves the money whereby the account becomes dormant and monthly administration charges eventually begin, which empties the account. There is one consistent outcome; the gambling company wins.

Hopefully these first few sections explain why a very good idea, e.g. to keep crime out of gambling has been ruined by other practices?



4. The role of the market investigator

As mentioned earlier it is crucial to understand this.

Two of the CMA's major roles are to ensure competitive and fair markets, and ensure fair contracts. They have and still are finding out that the contract between a customer and a gambling company is often unfair; sometimes this can be in quite a few ways. In addition, they are also finding out that when customers have an issue that customer service staff are quite ruthless in re-enforcing this unfairness.

The CMA investigation started with promotions and is now moving on to not paying out, but addressing these two issues alone will not create a fair contract between the customer and the gambling company, so the investigation will need to continue if the CMA is to achieve their objective. At some point the CMA will have to address the issue of the 'right to bet', but it won't be called that.

The major question is; will the gambling companies ever want their contracts to be 100% clear and fair on this issue, e.g. will companies state in their T&Cs that their service does not allow customers to win using logic and skill, i.e. the truth about the present market? This would seem to be extremely unlikely. How many customers would sign up to a gambling contract that did not allow them to win when assessed to be trying? The answer is not many, so every business plan would be ruined. Gambling, especially sports' betting, has to be aspirational or the market is dead, if the customer has to be told that betting isn't about aspiration. This means compromise will be needed if the CMA is to achieve their objective, so how is this going to be achieved?

Gambling companies need to make a profit to survive, so any contractual compromise has to recognise this. It is an economic fallacy that every successful customer should be able allowed to win whatever the amount, so logically the move has to be towards a minimum bet/liability law (MBL). This is working very well in Australia, as it provides a fair market for customers and the best bookmakers are still doing very well. It is probably fair to say that the Australian contracts are ensuring a return to traditional bookmaking where skill is rewarded on both sides.

If the CMA is to achieve one of their primary objectives, e.g. that a market should fair; the 'right to bet', irrespective of what it is called has to be addressed in some way.



5. How to complain

This can be done using our email address (info@justiceforpunters.org), as we've been asked to co-ordinate and send all the complaints we receive directly to the CMA. Your complaint will be anonymised before we pass it on. You can also email the CMA direct using: gambling@cma.gsi.gov.uk

For those who require more background before complaining this url will help: <https://www.gov.uk/cma-cases/online-gambling#withdrawal-amounts-further-call-for-your-views>

When you complain full details of what happened are required:

1. Key dates, e.g. account opening, withdrawal refused?
2. Whether any payments have been made to the company so far, and if so what, e.g. deposits and how many?
3. Whether any services have been provided by the company so far, and if so what, e.g. have gambling products been offered and utilised, type of product, maybe how many transactions?
4. When you became aware of the problem or dispute and reasons given for the dispute, e.g. date, did the company provide a specific reason for refusing withdrawal, did the company provide any evidence?
5. The company has kept something belonging to me without the right to do so, e.g. how much money?

This list has been adapted from advice provided by the Scottish courts. Later in this booklet a template is provided based on cases submitted to J4P. When complaining, it is worthwhile noting this list and the template.



6. Conclusions

If a gambling company has used what the customer feels are unfair T&Cs to deny consumer rights; complain. If customers do not, they only have themselves to blame. The time for 'shouting' has gone, gambling consumers have been given the chance to supply evidence of unfairness, so do just that. In the first phase of the CMA investigation over 800 people complained. 'J4P' knows from its in-box that 'not paying out' is a massive problem, so the number of people complaining this time should reach four figures.

Don't forget to mention not being allowed to win using skill and that this policy is making identification abuse much more common.

7. Template for complaining

Dear Sir/Madam

I opened an account with on I was allowed to deposit money straight away using e.g. enter 'debit card'. I deposited (enter amount).

I received a welcome email confirming my status as a new customer of I began to place bets on/I began to gamble in the casino (either). As would be expected when betting/gambling sometimes I won and sometimes I lost.

As I lost initially, I deposited more money on occasions. There weren't any problems and I was not asked for any form of identification, so I had assumed the company had checked my details using standard processes, e.g. matching my debit card with my address, etc.

After weeks/months I requested a withdrawal of I assumed this would arrive in the bank account my debit card/credit card was registered to within the standard 2-5 days (it being the same bank account I had deposited from), however I received an email requesting additional ID. The company asked me for and which I provided.

NB: what happened next will vary, but simply tell the truth, e.g.

1. I was told the scans were not clear
2. I was told the scans did not show all four corners of my utility bill
3. I was told for a 3rd time that the scans were still not clear, despite them being perfectly clear
4. I was told that the documents had been verified, but I now needed to take a 'selfie' standing next to my passport photo page
5. A copy of a bank statement
6. Proof of how I funded my bank account or perhaps a Neteller account or similar

At this point I was getting very frustrated, primarily because of all the hassle, but it is also crucial to mention that despite asking on numerous occasions refused to provide a reason why all these extra ID checks were required, except some bland statement about social responsibility guidelines, which hinted to me that I was suspected of a crime.

This went on for weeks and we were simply going round in circles. staff were just unhelpful.

I suspect, but don't know that was doing this, because (at this point refer to the lists in the **'Market context'** and **'Causes'** sections or feel free to add your own reasons).

As can be seen, as the customer, I was not treated as an equal partner in the contract I signed up to when opening the account with To be honest I really had nowhere to turn. Surely, if a company is withholding customer funds, in my case (enter amount), they should have to provide a specific reason for doing this, so that the customer can challenge the reason given and request the evidence for the same. At present companies can do what they want, when they want, without providing any evidence whatsoever, this cannot be right?

To be fair I've got the impression that doesn't expect anyone to win, so if they do, they are not keen to pay out in any circumstances. It is time the authorities realised that gambling companies are trying to redefine gambling, i.e. it is only about losing and winners will be given 'grief', even to the level of being banned if the customer doesn't go along with everything wants from them. In my case they are expecting me to comply with their intrusive requests without giving a reason or providing any evidence of what I'm supposed to have done wrong.

I do hope my experience is helpful in your investigations?

Yours faithfully,

(Insert your name) (Insert your postal address, if you wish)





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8. Disclaimer

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This leaflet is aimed at people aged 18 years and above.

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