

GAMBLING COMMISSIONER'S ADVICE TO USERS OF GIBRALTAR LICENSED GAMBLING FACILITIES ON COMPLAINTS AND QUESTIONS/GRIEVANCES REGARDING OPERATORS' FACILITIES AND DECISIONS.

Please note that the following comments are our advice only. They do not supersede or over-ride the agreed terms and conditions of each operator. They are designed to assist you in deciding how you should progress any complaint you have in respect of a site operated under a Gibraltar remote gambling licence.

Complaints Procedure

The Gambling Commissioner requires all operators to have effective systems in place for receiving, recording, managing and investigating customer complaints.

The Commissioner is occasionally asked by customers who are dissatisfied with an operator to examine and review the operators' facilities or decisions, on the basis that the operator's staff or equipment has acted unfairly, slowly, or inappropriately etc.

Other than in exceptional circumstances, all complaints should, in the first instance, be directed to the operator to deal with, usually through the operator's customer services. Exceptional circumstances would include allegations of gross misconduct, dishonesty or corruption by management. Where such an allegation is made the Commissioner will decide if it should be dealt with without it being referred to the operator first.

Where an operator has access to an independent adjudication service to evaluate complaints, and wishes to use it, the customer is expected to co-operate with this arrangement. Adjudication is usually binding on the operator but not on the customer.

Customers who wish to refer a complaint to the Commissioner should complete the Complaint Resolution Request Form at: <http://www.gra.gi>

Customers considering making a complaint to an operator should do so at an early stage and take care to retain all the material they regard as relevant, and ask the operator to do the same (e-mails, screen shots, game records etc.) They should make clear to the operator why they are dissatisfied and whether or not they accept and agree with any explanation offered.

Customers should make sure they have properly established which regulator is responsible for the area of gambling they wish to complain about. Most operators include this information on their Home Page, and will tell you if asked. Check carefully as many operators provide access to different products with licences from different jurisdictions, e.g. the operator's casino licence may be from a different jurisdiction than its poker licence.

We will treat all complaints fairly, thoroughly and objectively. However, we frequently find that customers have not read or followed the rules of the operator and have no real grounds to complain. Occasionally we find that customers have deceived, misled and lied to operators and then to us about some or all of their complaint; it is very difficult to conclude in favour of a customer who has not been honest with the operator or with us.

Phill Brear
Head of Gambling Regulation

Areas of Complaint.

We find that the majority of complaints fall into the following areas. When considering making a complaint, you should carefully consider the following points.

Suspended funds/accounts.

To comply with relevant laws and regulations, operators are required to apply strict age verification, identification and security procedures in respect of deposits, gambling and withdrawals. Operators use a range of electronic and manual processes to establish and examine customer accounts. This includes information associated with accounts, including game play patterns, friends and associates, identification and other material.

Operators do not suspend accounts without good reasons. Customers occasionally find their account is suspended due to 'security procedures'. In most of these cases the operator is not permitted to tell the customer what the nature of the problem is, as this may affect the investigation. This can include those cases where the customer is or was the intended victim of a fraud as well as when it appears the account may have operated in an inappropriate or fraudulent way.

Operators usually suspend an account to ensure funds are safely retained until sufficient information is obtained to resolve the issue that triggered the suspension. This may involve requesting information from you (the complainant), other players, a payment processor, a bank or other source of funds, or more than one other organisation. Operators often have to wait long periods for information from other parties to clear or confirm the suspicion. Such enquiries can take between 6 and 8 weeks, sometimes longer.

Accounts are often suspended when it appears to the operator that a name, phone number, address, computer details, bank account etc has been used by more than one person. This is to protect customers from identity fraud.

Occasionally the innocent but unusual actions of a customer may trigger security alerts. Customers who believe their account has been inappropriately suspended are advised to liaise with the operator by e-mail, explain their position and co-operate fully and honestly with any questions the operator has in respect of their account.

Customers who have tried to deceive, mislead or trick operators will also have their account(s) suspended. In these cases, the operator is likely to have to follow even longer and more complex procedures before any deposits or winnings are released. In many cases the money cannot even be considered for release without the customer's full and honest co-operation.

Providing Documents.

Operators are required by various laws and regulations to establish the age and identity of customers. In some cases this can be done through electronic databases or other information and the customer will not have to do anything else. In other cases it will be necessary to ask the customer to provide further

information, including photocopies, or certified photocopies, of official documents such as bank cards, bank statements, passport or driving licence. This is usually explained in the operator's terms and conditions.

Customers sometimes object to sending such data over the internet and may do it by post, but this is obviously slower. There is no evidence that either method is more or less secure than the other. We regard either method as acceptable. You should always send in clear, high quality, copies, preferably scanned or photocopied, or digitally photographed (at the same angle as a scanner/photocopier.) You must not alter such documents or the copies.

Where a customer has triggered a security alert or is affected by a security alert, then obtaining copies of documents becomes even more important. We are aware that some customers seek to register incomplete or partially inaccurate details for various reasons. This is not permissible and will lead to delays and complications when copy documents are required.

Copy documents are carefully checked by specialist staff against databases and other sources to ensure they are genuine and have not been altered. This may lead to delays due to the time this takes or to research an unusual document or get a second opinion on a question. Customers will be asked to send in better copies if what they provide is not clear.

We will invariably support an operator who asks a customer to provide copy documents for proper reasons.

Unfair games.

Operators are required to use equipment and software that meet very strict technical standards in respect of 'fairness'. This means that the control system, a 'Random Number Generator' (RNG) must be of a very high, secure and sophisticated standard and produce numbers randomly over an extended number (millions) of plays.

Operators are required to have all RNG's tested by independent specialists, and monitor the overall outcome of games in terms of the range and distribution of numbers it produces, and how frequently the customer wins or loses. These results should be accessible to customers through the website. They will show who has tested the software and, confirm the number output is random and, where applicable, what the 'Return to Player' (RTP) percentage was. The actual RTP should be close to the theoretical long term RTP, usually 95% or over.

RTP is a measure of all the play of all the players of that game pooled together. It is not the play or return to any one player. Some players will win and have an RTP in excess of 100%, most players will lose and have an RTP of less than 100%. A player who wins £500 from £10 play has an RTP of 5000%. Players must recognise that if some winners have an RTP of 5000%, many other players will have an RTP of 0%.

Some players become convinced that 'cards are fixed', a certain number 'never comes up', somebody 'is always winning', etc. For this to be the case

the RNG or its associated software would have to be defective. A defective RNG will 'skew' its outcomes and this will be very apparent in the distribution of numbers, the game results and the RTP.

Operators are required to provide players with reasonable access to the results of the games they have played. A customer who genuinely believes the outcome of a game is unfair should ask for this information and the advice of the operator in interpreting it.

Some customers complain that 'live gaming' streamed over the internet is fixed. Live gaming takes place in strictly controlled studios, is fully recorded and monitored and is subject to statistical performance checking in the same way that software 'RNG' gaming is checked. Live dealers can make mistakes in their handling of cards, spinning a wheel etc but these errors should be immediately apparent to all the players and the supervisor and can be checked. If you have a complaint about live gaming you must raise it with the operator immediately. There can be image quality/co-ordination problems with live gaming that do not occur in virtual gaming as the screen feeds are independent and the presentation is much more complex (see below)

Software and Connection faults

Customers very occasionally discover 'bugs' or errors in software and game information. These may be to the advantage of the player or the operator. Where a player finds a fault that works to their advantage they cannot expect to be allowed to exploit that fault and retain any 'unfair' winnings. The operator's terms and conditions will usually void such play.

When deciding whether any such winnings should be awarded to the customer the Commissioner will usually apply the principles of: 'was it an obvious fault', 'are the winnings outside the rules of the game', 'is this covered by the terms and conditions'.

Operators are required to advise the Commissioner of any faults they discover that have disadvantaged players. The Commissioner advises the operator on how any unfairness should be remedied.

Operators invariably act with a high degree of integrity and goodwill in respect of bugs and errors and will not seek to penalise or disadvantage customers unfairly.

Customers may also experience breaks or delays in connectivity. These may arise from faults in the player's PC or internet connection, or local line faults through to technical disruptions of the operator's equipment. Connection problems are usually outside both your control and the operator's control.

Operators are required to have procedures in place to ensure players are not disadvantaged if any such disruptions occur. Operators can usually investigate connection delays and disruptions if they are made aware of them early enough, but such investigations can take time as they may involve third party internet and telecommunication service providers.

Bonus complaints/abuse.

Bonuses are a key part of online gambling. They are a marketing tool used to attract and retain bona fide customers. Bonuses are always covered by specific and sometimes complex terms and condition that require the customer to play a large number of games ('turnover rules), but only in certain areas (such as slots). Accepting a bonus will affect your ability to withdraw any money from the account.

These rules are designed to be fair to bona fide customers, but also to protect the operator from 'Bonus Abusers'. A bonus abuser is a player who is playing only to try and take advantage of (withdraw) the bonus and, in the opinion of the operator, has no apparent intention of becoming an ongoing customer. Some bonus abusers are organised, deliberate and sophisticated; others may be naïve or simply have not read or understood the terms and conditions. The operator has the right to terminate bonus abusers' accounts and may or may not refund deposits.

We require our operators to make clear in the relevant terms and conditions that customers' and their play will be monitored for bonus abuse, what the qualifying rules are in respect of bonus play and bonus abuse, and when the operator is entitled to void, or disqualify an account in breach of those rules. A bonus abuser who wins money is not entitled to the bonus or the winnings, a bonus abuser who loses money is not entitled to his money back.

Bonuses are not 'free money' that the operator wishes to give away, but an incentive to players to join or stay with an operator, play more and/or different games. Operators will not usually disclose to customers how or why they were identified as a bonus abuser, as to do so tells the abuser how to avoid being identified, but it is usually because the player already has an account with the operator or one of its associates, the player has already had the bonus or an equivalent bonus, the customer plays the bonus in non qualifying areas and/or does not meet the 'turnover rules/wagering requirements', or the player has engaged in just enough play to qualify for the bonus and then seeks to withdraw it.

These actions are invariably contrary to the operator's rules, and refusing to allow the withdrawal, terminating the account and returning unspent deposits, or disqualifying the player are legitimate and reasonable ways of dealing with 'bonus abuse'.

Terms and Conditions.

It is well known that most customers using most types of internet service do not read the terms and conditions when they 'tick the box' to say that they have and that they agree with them. This is the equivalent of not reading 'the small print' on the back of a contract. The fact that you do not do so does not mean that the terms and conditions do not apply to you.

All customers are advised to print, check and retain the terms and conditions they sign up to when they register to use an internet gambling site, and should keep up to date with any changes or additions the operator publishes. These should be referred to if you are considering making a complaint, especially if

an operator refers you to the terms and conditions during the course of a dispute.

Terms and conditions are usually carefully written by or with the assistance of lawyers to make clear (to you and other lawyers) what the rules are when disputes arise. Terms and conditions should be fair and reasonable and we require our operators to identify to customers any terms and conditions that are unusual, and review any that are found to cause confusion. Terms and conditions are likely to define the outcome of most disputes.

Terms and conditions may be changed with or without direct advice to each customer (say by e-mail), though we expect operators to do this. However, advice about changes may not be received, go unrecorded or unread, or be forgotten by customers, and they should check the most recent version of any terms and conditions as well as any copy they may have retained. It is possible for operators to be wrong in respect of what their terms and conditions mean, but it is very unusual.

Self exclusion, gambling limits/losses.

Operators are required to have defined facilities that allow customers to manage their gambling by methods including self exclusion and setting spending, time or loss limits for agreed time periods.

Any such arrangement has to be established in a way that is clear and unambiguous to both parties. This invariably means the creation of a written record of the agreement by the customer, following procedures set out in the terms and conditions or elsewhere on the operator's site. This should include a defined point in time (agreed by the operator) when the agreement comes in to effect, and the point in time and any notice period required to alter it.

These arrangements vary from site to site and may be similar, but are not always the same.

Customers who have imprecise or ambiguous conversations with customer service staff, or send emails to general mail boxes or help desks should not expect their request to be immediately, accurately or fully implemented. Customers should be clear in their communications with operators as to what they actually want and have agreed to, and should endeavour to understand and abide by that agreement.

Operators will always need some time to respond to a request. We expect them to respond reasonably quickly, but the speed of response will be influenced by the information they have been provided with, the method of communication used and any rules or requirements in respect of the agreement.

Where a customer deliberately circumvents previously agreed blocking or gambling limit/loss arrangements we will review how and why this has occurred. Where an operator is found to have been careless and not taken sufficient steps to control access or use we will consider what, if any, reimbursement should be made to the customer. Where, however, a

customer has misunderstood or failed to follow the terms and conditions, or has circumvented an operator's controls by deceit or other means then we are unlikely to hold the operator responsible for any losses the customer makes.

Abusive language or conduct.

Operators should not be expected to tolerate abusive, threatening or intimidating conduct from customers. At one end of the scale this includes telephone calls and e-mails that are unjustifiably repeated or a nuisance, through to using threats and foul language.

Operators are not obliged to retain a customer or keep his account open. We expect operators to warn customers before they suspend or close an account, but in some circumstances this will not be necessary as they are not expected to tolerate irrational or distressing behaviour.

Cancelled Bets

Operators have access to a wide range of information about their customers, their gambling patterns and their gambling facilities, including betting on sports or other events. They are also able to share information about events and betting patterns with other operators. Where a customer bets in a highly irregular way that at the time or subsequently appears to be associated with a 'betting ring', betting coup' or illegitimate 'inside information' then the operator(s) may withhold the bet and any winnings and should report the matter to us for investigation. Where we also conclude that the nature of the bet was irregular, which may involve us analysing the account and looking at the market with various operators, then we will advise the operator to withhold all funds pending any court or legal action by the customer or other parties.

Occasionally operators' staff do make mistakes when entering odds, results or winnings. Such errors do not entitle customers to their apparent 'windfall'. Where an error is obvious, or where a customer bets in a way that indicates the error is obvious to them, then the operator is entitled to review and cancel the bet. Cancelled bets in this category will usually involve a significant amount of money and not trivial amounts.

'Non regulatory issues'

Customers occasionally wish to complain about matters that the regulator does not directly supervise as they are not directly related to the actual gambling, or may even be undertaken for the operator by a third party. These include complaints about chat room members, chat room staff, affiliate payments and 'spam'. Whilst we have an interest in the wider activities and reputation of our licence holders, and will take note of such matters and may bring them to their attention if you have not, we will not normally examine such complaints in any detail.

Making a complaint

Even if you have spoken to a member of the operator's staff, put your complaint in writing to the operator, referring to the time and date of any telephone call(s) and the name of the person you have spoken to. Keep a copy and record of all correspondence. Your email should be acknowledged by the operator within 2 or 3 working days, but if it is longer than this, consider

whether you could be one of a large number of people affected and having their complaint processed/examined. Be patient and always be courteous.

If you have not received a response to your complaint within a week you should re-contact the operator and ask to speak to a supervisor about your complaint. Within a week of receiving your complaint we expect operators to be able to start to provide an explanation in respect of your complaint or be able to advise you how long it will take to obtain the information necessary to examine your complaint. Bear in mind that the operator may not be permitted to tell you the information you require if your complaint involves security enquiries or other customers.

If after two weeks you have not had a satisfactory response as to how your complaint is being handled, or been advised of a reasonable timescale to resolve your complaint, you should read all this advice from the Gambling Commissioner very carefully and consider whether the matter should be referred to us for consideration.

GRA Complaints handling procedure

Step 1. When you contact us to complain we will always check to ensure you have read and understood our Guidance. Once you have done this and we are satisfied that you have followed the Gambling Commissioner's Guidance we will review the information you have provided on your CRRF.

Step 2. Due to the various responsibilities that GRA staff have it may not be possible to review and respond to your CRRF for a few days. We aim to provide a first reply within one week of receiving your CRRF. This may be a simple acknowledgement, a request for further information, or other advice. We are not likely to be able to resolve a complaint immediately as we will need to contact the operator and get information from them. If it transpires that you have not used the operator's complaints procedure, or that there are other means of resolving your complaint, such as independent arbitration or mediation services, we are likely to advise you to use these processes.

Step 3. Where it appears to us that your complaint warrants further examination by the GRA then your complaint will be assigned to a case officer. The case officer will contact you and provide you with an outline of the steps to be taken and an approximate timescale for this stage of the process. This stage may take a few days or a few weeks depending on the nature of your complaint. The case officer will deal with your complaint as quickly as circumstances allow, but he/she may be dealing with other complaints or other matters.

Step 4. At the conclusion of his examination the case officer will provide you with a Proposed Determination of your complaint. This will set out his understanding of your complaint, the explanation provided by the operator, any other relevant information, and his/her preliminary conclusion, including any reasons for that conclusion. You and the operator will be invited to comment on the Proposed Determination. The Proposed Determination is not final, it seeks to establish that we have properly understood the facts and

views of all parties to the complaint. You will be required to respond to the Proposed Determination within 14 days.

Step 5. Following consideration of any responses to the Proposed Determination and any further material provided, the Gambling Commissioner will issue a Decision Letter to you and the operator. This is the final conclusion of the case officer's examination. It is likely to find the complaint in whole or part to be founded or unfounded and make any necessary recommendations. Complaints and recommendations are determined on the weight of the evidence available and the knowledge and experience of the Gambling Commissioner's staff. Both parties to the complaint have 7 days to respond to the Decision Letter with any further representations. Where the letter requires action by an operator this should be addressed within 14 days unless further representations are made.

Step 6. Any further representations will be considered by the Gambling Commissioner independently of the case officer. This process will amount to an 'appeal process' against the Decision Letter and will involve a review of all the information provided to confirm or otherwise the conclusion of the case officer and any recommendations made. This process will be concluded as quickly as possible but may be lengthy due to the nature of the issues to be addressed and the availability of the Gambling Commissioner to review cases. The Gambling Commissioner's decision will be final, subject to any decision by the courts.

Step 7. Complaints may result in operators being required to change arrangements or systems or make reparations to customers. Any such requirements are to be concluded in accordance with any directions given by the Gambling Commissioner. In serious cases involving apparent breaches of the Gambling Act or a Code of Conduct then an operator may be subject to further investigation and possible sanction through the Licensing Authority.

**Gibraltar Regulatory Authority
Gambling Division**