

24 NCAC 06B .0307 CANCELED OR VOIDED WAGERS

(a) Wagers shall not be canceled or voided without prior approval of the Director, unless the Wagers are canceled or voided by an authorized supervisory employee of the Operator, in accordance with this Rule or as provided for in an Operator's approved Internal Controls or Wagering Rules.

(b) Cancellation of an otherwise validly placed Wager by an Operator shall be nondiscretionary. An Operator may cancel or void a Wager without prior authorization of the Director only as provided for in an Operator's approved Internal Controls, Wagering Rules, or under the following circumstances:

- (1) a Wager where after a Player has placed a Wager, the Wagering Event is canceled, postponed or rescheduled to a different date prior to completion of the Wagering Event;
 - (A) in the case of a Wager on a portion of a Wagering Event, that Wager shall be valid when the event is canceled, postponed, or rescheduled if the outcome of the affected portion was determined prior to the cancellation, postponement, or rescheduling; or
 - (B) an Operator may establish a timeframe in which an event may be rescheduled or postponed without canceling the Wager. This timeframe shall be tied to specific Wagering Events, subject to the approval of the Commission, and documented in the Wagering Rules;
- (2) a change in the venue where a Wagering Event was scheduled to be held occurs after a Player has placed a Wager;
- (3) a Wager when an Individual participant fails to participate in a Wagering Event and the outcome of the Wager is solely based on that Individual participant's performance;
- (4) a Wager received for an act, or set of acts, to be performed during a Wagering Event when an act or acts does not occur and the ability to Wager on the non-occurrence of the event was not offered;
- (5) a Wager received on whether a team will qualify to participate in post-season competitions when the number of teams allowed to participate in the post-season changes after a Player has placed a Wager;
- (6) changes to rules by a Sports Governing Body or equivalent regarding the format or number of participants scheduled to participate in a defined phase of a Wagering Event or in the event that a defined phase is not played at all;
- (7) when, prior to the start of the Wagering Event, a Player requests a Wager be canceled or voided due to an error in communicating the type, amount or parameters of the Wager; or
- (8) when authorized or ordered by the Commission pursuant to this Rule.

(c) Where the Operator has a reasonable basis to believe there was an obvious error in the placement or acceptance of the Wager, the Operator may use its discretion to cancel the Wager without prior authorization from the Director. Obvious errors shall be defined in the Operator's Wagering Rules. Such errors include, but are not limited to:

- (1) human error in the placement of the Wager;
- (2) the Ticket does not correctly reflect the Wager; or
- (3) equipment failure rendering a Ticket unreadable.

(d) An Operator may cancel or void a Wager for a material change in circumstances for a given Wagering Event or Wager Type occurs, provided:

- (1) the Director approves the material change;
- (2) the Operator documents the material change in its Wagering Rules; and
- (3) the Operator displays what constitutes a material change to a Player at the time of placement of the Wager.

(e) Any cancellation of Wagers under this Rule shall be reported to the Director.

(f) For circumstances that are not set forth in Paragraphs (b), (c), or (d) of this Rule, an Operator may request that the Director authorize the cancellation or voiding of Wagers of a specific type, kind, or subject. An Operator shall submit its request to cancel or void the Wager in writing, and the request shall contain:

- (1) a description of the type, kind, or subject of Wager the Operator is requesting to cancel or void;
- (2) a description of facts relevant to the request; and
- (3) an explanation why cancelling or voiding the Wager is in the best interests of the State or ensures the integrity of the Sports Wagering industry.

(g) When an Operator requests that the Director authorize the cancellation or voiding of one or more wagers, wagers related to the request shall be placed in a pending status until the Director rules on the request.

(h) The Operator shall provide any additional information requested by the Director to review and approve a request to cancel or void one or more wagers.

- (i) The Director shall issue a written order granting or denying the request to cancel or void the Wager. In determining whether to grant or deny the request, the Director shall consider relevant factors, including whether:
- (1) the alleged facts or other information provided to the Director implicate the integrity of the Wagering Event subject to the Wager or the Sports Wagering industry;
 - (2) the alleged facts or other information provided to the Director implicate possible illegal activity relating to the Wagering Event or the Sports Wagering industry;
 - (3) allowing the Wager would be unfair to Players; or
 - (4) allowing the Wager is contrary to public policy.
- (j) No Wager subject to the request to cancel or void shall be redeemed, canceled, or voided, until the Director issues an order granting or denying the request to cancel.
- (k) If the Director grants the request to cancel or void, the Operator shall make commercially reasonable efforts to notify Players of the cancellation or voiding of the Wager.
- (l) The Director has discretion to order Operators to cancel or void Wagers on a specific Wagering Event or Wagers of a specific type or kind on a specific Wagering Event. In exercising its discretion, the Director shall apply the same factors described in Paragraphs (b), (c), and (d) of this Rule.
- (m) A Player may request that the Director review Wagers declared canceled or voided by an Operator. If the Director concludes there is no reasonable basis to believe there was obvious error in the placement or acceptance of the Wager, and the reason for cancellation is not otherwise set out in Paragraphs (b), (c), or (d) of this Rule, the Director may order the Operator to honor the Wager.
- (n) A Wager shall not be declared canceled or voided without the approval of an authorized supervisory employee of the Operator, unless the Director has issued an order requiring the Wager to be canceled or voided.
- (o) If a Wager is declared canceled or voided, the Wager shall be refunded to the Player and that amount shall be deducted from the Gross Wagering Revenue.

*History Note: Authority G.S. 18C-114(a)(14);
Previously adopted as Rule 2C-007;
Eff. January 8, 2024;
Readoption Eff. March 27, 2024.*