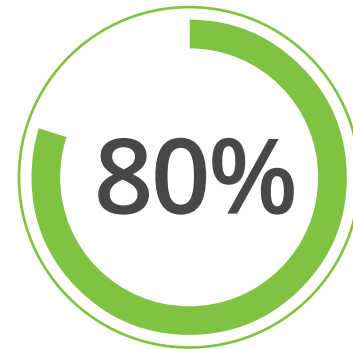


## BETTING IN GOLF

Wagering is an integral part of golf, and has been for hundreds of years.

Even the USGA allows the age-old practice of betting on one's golf game, stating that it "does not object to informal gambling or wagering among individual golfers or teams of golfers when the players in general know each other" and that stakes "must not be generally considered excessive" (USGA rules of Amateur status). Additionally, a study conducted by Starwoods Hotels found that 87% of CEOs wager at golf - averaging \$589 per outing.

Did you know?



of male golfers 18+  
wager when they play.

Golf Digest Survey 2013

## LEGALITY

Because golf is a bonafide contest of skill, it is permitted by law for golfers to compete for stakes in many countries and the majority of US states.

Generally speaking, the act of **betting or wagering on a game of chance is considered "gambling"** and restricted by law in most jurisdictions, unless otherwise permitted. Exceptions to this would be States like Nevada or nations like the U.K. who encourage regulated gambling.

By definition, betting or **wagering on a game of skill, is NOT considered "gambling"** and unrestricted by law in most jurisdictions. Exceptions would be states that have no or unclear differentiation of games of "skill" and "chance" in their legislation.

More specifically, for an activity to be considered gambling, it typically requires all three elements of "prize", "chance" and "consideration" to be met at once.

Although wagering on a game of golf does involve a prize pool and consideration (pay to play), it still passes the 3 most common tests used in court to determine if chance exists: "Dominant factor test" (Does chance dominate?), "Material element test" (Does chance play a material role?), and "Any chance test" (Is there any chance at all?) test.

It's worth noting that in golf, events that might appear to be chance (like a sudden wind gust or ball hitting a bird ) are not considered chance, they are considered "accidental hazards".

Although legislation varies by jurisdiction, the definitions & tests described above have been widely adopted in state laws and decisions dating back to 1800's.

\* Detailed legal opinion from **Duhaime law** available on request.