



Official SCL Season 3 document

## Wager & Risk Management — SCL Season 3 Guide

### Section-C Cricket League · Operational Protocol

SCL's prediction market is a **pooled Yes/No market**. It is not a bookmaker: stakes are pooled, odds are set by consensus probability, and the **House (league administration) guarantees fair payouts** so a thin market never cheats the winner.

### 1. How the market works

- Every market asks a **Yes/No question** — e.g. **"Will Thunder win Match 5?"**
- Everyone stakes into one of **two pools: Yes or No**.
- Stakes are **not matched 1-to-1**. All the money pools together, and at resolution the

**winning side splits the pot**. - The league administration (the **House**) acts as the **liquidity provider of last resort** — see the House Guarantee below.

### 2. The lifecycle of a wager

`` Propose → Calibration → Financial veto → Peer phase → Resolution ■ voided ``

#### 2.1 Propose

A player (or manager) proposes a condition and places the **first stake** — this opens the market. The proposer's stake starts the pool.

#### 2.2 Calibration

Admins assign an **objective probability** to the condition (e.g. "Thunder has a 40% chance"). Multiple admins give **blind estimates**; if they disagree, the **mathematical average** is used. This locks the **fair odds**:

- fair odds for a side =  $100 \div \text{probability (as a percentage)}$ .
- E.g. a 40% side pays **2.5x**; a 25% underdog pays **4x**.

#### 2.3 Financial veto

A mandatory solvency check — if the market would **risk a club's long-term participation** (bankruptcy, inability to enter the next draft), the market is **vetoed and every stake refunded 100%**.

#### 2.4 Peer phase (betting open)

Other players enter the **Yes or No** pools. The market is now **vett**ed and open for staking. You can stake any amount you have in liquid cash; a live preview shows exactly what you'd win.

***The House guarantee (automatic).** If peer interest is too thin to pay the risk-adjusted payout (e.g. the 4x underdog wins but the pot is small), the **House automatically tops up** so the winner gets their full fair-odds payout. You will see this live on every market: **"House covers: Yes win → N · No win → M"** — it updates the moment anyone stakes, on either side.*

#### 2.5 Resolution

The admin resolves with the **winning side**:

- Winners receive **at least stake × fair odds** (the House covers any shortfall), and if the pot is fat they split **everything** pro-rata (which can pay more than fair odds). - Losers' stakes fund the pot. - Payouts land in your **liquid cash** automatically.

## 2.6 Void

Ambiguous, impossible, or integrity-compromised markets are **voided** — **100% refunds** to everyone.

## 3. Financial solvency (bankruptcy veto)

- The rule:** admins reserve absolute authority to **cap or cancel** any wager that threatens a club's long-term participation. - **The trigger:** if a stake risks immediate bankruptcy, or would leave a club unable to participate in the upcoming draft, intervention is **mandatory**. - When it happens: the market is vetoed and **all stakes are refunded**.

## 4. Integrity & anti-fraud

- Match-fixing & collusion** are monitored continuously — suspicious gameplay or unnatural betting volumes are flagged. - If integrity is compromised: the market is **voided immediately** and **all stakes are refunded**. - Calibration is blind and averaged specifically so no single admin can game the odds.

## 5. Operational edge cases

| Situation                                       | What happens                                                          |
|-------------------------------------------------|-----------------------------------------------------------------------|
| Ambiguous / impossible condition                | Market voided — <b>100% refunds</b>                                   |
| Mid-wager news breaks (injury, weather, lineup) | Pools are <b>frozen</b> ; a Phase 2 market may open with updated odds |
| Admins disagree on risk                         | Mathematical average of blind estimates is used                       |
| Nobody bets the winning side                    | Market is voided; House retains pot                                   |
| House can't cover the guarantee                 | Resolution is blocked until House funds are topped up by admin        |

## 6. Playing on the platform

- Board** (/wagers) — every market as a card: pools, pot, fair odds, and the live **House guarantee chip**. - **Detail** (/wagers/<id>) — full pool visual, the House guarantee banner, the stake form with the live "you'd win X" preview, and every bet + lifecycle event. - **Propose** — from the board, open a market with your first stake. - **Stake** — only on **vetted** markets; uses your **liquid cash** (auto mode holds money in the vault, so switch it off to stake).
- Status chips:** proposed → calibrating → vetted (open) → frozen → resolved / voided.

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