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A WORD FROM THE ARBITRATOR



Alfred Mifsud, Arbitrator for Financial Services

Sector	2023	2024	2025	2026
Banking / Payments	3	6	13	90
Corporate Services	0	0	1	0
Insurance	8	8	14	10
Investments	7	15	10	20
Total	18	29	38	120

Decisions

During the first quarter of 2026 a record 120 decisions were issued compared to 38 in the same quarter of 2025.

The huge spike in decisions issued was caused mostly by 79 cases that were closed by the Arbitrator declaring non-competence to adjudicate.

This followed a Court of Appeal decision in which the Court reversed an Arbitrator's decision of February 2025 in which he had declared competence. The Court of Appeal did not rule on the merits of the case but declared the complainant was not an eligible customer in terms of Cap. 555 of the Laws of Malta and, consequently, the Arbitrator had no competence to adjudicate.

As a consequence of this judgment, the Arbitrator closed 79 cases that had intrinsically similar characteristics to the case decided by the Court. All these cases were against the same service provider and involved scams where victims lost substantial amounts – in some cases reaching high six-digit amounts.

Eighty scam victims have seen their hopes of some recovery of their fraud losses vanish due to a legal technicality rather than on merit. Thankfully, the Office of the Arbitrator had taken the initiative to amend Cap. 555 extending the coverage of 'eligible customers' effective as from October 2025. Unfortunately, the transactions of the closed complaints had happened before the legislative amendment became effective.

Of the remaining 41 decisions issued, two were fully upheld, 10 were partially upheld and the rest were not upheld. Three decisions were appealed, of which two by the complainant and one by the service provider. Of the 79 cases closed due to non-competence, two were appealed by the complainant.

In total, €26,054 was awarded in compensation through the decisions issued in the first quarter of 2026.

At the end of March 2026, there was only one decision dating back to 2024 (apart from a few cases in *sine die* state). This decision is expected to be issued in the second quarter of 2026 since the extended period of evidence gathering has been completed.

New complaints

In the first quarter of 2026, 98 new complaints were registered. If this rate is maintained for the rest of 2026, the record number of 330 new complaints registered in 2025 will again be exceeded.

Sector	Complaints registered in 1st Quarter 2026
Banking / Payments	37
Insurance	38
Investments	23
Total	98

Very few of these fraudulent cases are being settled through mediation since licenced institutions are inflexibly denying any responsibility and it takes decisions issued by the Arbiter, being confirmed on appeal, for quicker outcomes to filter through the mediation settlements.

Landmark decision on transfer of crypto-assets

The Arbiter issued a landmark decision (ASF 062/2025) in April 2026 related to fraud transfers of crypto-assets, which took place after the MICA Regulation and the Travel Rule Guidelines came into effect on 30 December 2024. Through this decision, the Arbiter gave partial compensation to a complainant finding the service provider non-compliant with the Travel Rule Guidelines on transfers of crypto-assets to self-hosted wallets.

This decision will set the stage for many other cases related to complaints with intrinsically similar circumstances.

Going forward

We again stress the fiduciary duty of service providers to equip themselves with proper systems and technologies to defend their customers' assets from the ever-evolving creative minds of scammers and fraudsters now operating on an industrial scale internationally.

However, it must be emphasised that consumers should bear in mind that protection is better than cure. The only ones who can make easy, quick gains are the scammers at the expense of innocent, gullible victims.

Technical NOTE

FOLLOW-UP TO THE TECHNICAL NOTE OF FEBRUARY 2025 RELATING TO 'PIG BUTCHERING' TYPE OF SCAMS

Arbiter urges service providers to strengthen fraud-prevention measures

In February, the Arbiter for Financial Services issued a follow-up guidance document on relationship-based financial fraud, commonly known as 'pig butchering' scams. This technical note builds on the February 2025 guidance and provides important updates for payment service providers operating in Malta.

TWO COURT OF APPEAL JUDGMENTS

The new guidance identifies four main areas where payment service providers should strengthen their measures:

1. staff training and consumer education;
2. other internal preventive measures;
3. awareness of crypto assets in fraud cases; and
4. customer support with compassionate redress procedures.

Each section provides practical examples from recent decisions of the Arbiter.

The guidance also makes reference to the Court of Appeal (Inferior Jurisdiction) judgment that confirmed the Arbiter's decision in Case ASF 025/2024 in its entirety. This judgment validates the Arbiter's approach to transaction monitoring obligations and the requirement for financial institutions to exercise reasonable intervention. The Note also builds on European regulatory initiatives that shape expectations for banks and other payment institutions.

The guidance also calls for a cultural shift in the financial services industry towards greater consumer protection and customer commitment. The Arbiter stresses: "Effective specialist training and empathetic customer engagement remain essential tools in combating scams."

Download the full document, available in English and Maltese, at this link: <https://shorturl.at/H8r2Q>.

Decisions issued by the Arbiter for Financial Services can be appealed to the Court of Appeal (Inferior Jurisdiction). We summarise two judgments issued by the Appeals Court during the first quarter of 2026.

Crypto scam appeal dismissed: Court upholds Arbiter's decision

The Appellant, a UK citizen, complained against the service provider, a licensed crypto exchange (ASF 042/2024). He fell victim to a pig butchering scam run through a fraudulent trading platform. Between January and June 2022, he transferred over £650,000 across more than 30 transactions through his wallet on the platform. Those funds were converted to Bitcoin and sent to an external wallet.

On 25 April 2025, the Arbiter confirmed that the service provider held fiduciary obligations under Article 27 of the VFA Act. He identified six red flags across the account's operation. These included departures from stated investment intentions, borrowing funds from family and friends, expectations of large returns and confused references to "Blockchain liquidity".

The service provider had asked about the source of funds on multiple occasions, but never warned of suspected fraud. Yet the Arbiter found no direct causation between these failures and the losses suffered. The appellant had ignored warnings from his pension adviser and scepticism from his bank, and was only convinced of the scam when the police visited his home. The claim for compensation was dismissed.

The appellant appealed on two grounds before the Court of Appeal (Appeal 35/2025 LM). He argued the Arbiter erred in finding no damages despite the identified failures. He also contended that the service provider bore joint liability with the fraudsters under Article 1049 of the Civil Code. He relied on the doctrine of *culpa lata dolus est* and submitted that the service provider's inaction rendered it complicit.

The Court of Appeal confirmed the decision in full on 28 January 2026. It found no serious reason to disturb the Arbiter's assessment of the evidence. The Court drew a clear distinction between the acts that caused the loss and the service provider's failure to warn. It held that any proactive steps by the service provider would only have sought to dissuade the appellant from further transfers. There was no guarantee these steps would have stopped him. He had persisted despite repeated attempts by independent third parties to alert him. The Court also noted that applicable law at the time did not oblige the service provider to verify external wallets.

On Article 1049, the Court ruled that *dolus* was a required element and none was proven. The service provider's shortcomings did not assist or promote the execution of the fraud. The fraudulent platform had not yet been flagged by any authority during the relevant period. The Court further held that investors retain a duty of prudence. No reasonable person would have acted as the appellant did, particularly after receiving warnings from professionals. A person who considers himself vulnerable should heed professional advice rather than ignore it.

[Click to download the Arbitrator's decision and the Court of Appeal \(Inferior\) judgment.](#)

Virtual IBAN fraud case: Appeal Court overturns Arbitrator's award

A financial services provider won its appeal (Appeal 21/2025/LM) against a decision issued by the Arbitrator for Financial Services in February 2025 (ASF 155/2024) on a key point of law, and the Court set aside the award of £23,300. The central question before the Court was whether the complainant, a vulnerable adult who had lost her savings to fraudsters, qualified as an "eligible customer" under Article 2 of Cap. 555 of the Laws of Malta. The Arbitrator had ruled in her favour on this point, but the provider challenged that finding.

The case concerned an individual who had fallen victim to a fraudulent investment scheme. She was persuaded by scammers, who had gained access to her phone and communications, to transfer her funds between several UK banks and, ultimately, to a virtual account in her own name. She believed she was investing safely, but the transfers – amounting to £23,300 – were diverted to third-party accounts via a payment services provider (PSP). The complainant argued that the PSP had failed to protect a vulnerable consumer.

The provider countered that it had no contractual relationship with the complainant, whose only legal relationship was with the cryptocurrency exchange. It argued that the complainant had knowingly transferred funds to that exchange and that its services were directed exclusively at corporate merchants. It further submitted that it had no obligation under PSD2 to match a beneficiary's name to the IBAN provided, and that the Arbitrator had improperly relied on an EBA (European Banking Authority) Report issued after the transactions.

The Appeal Court upheld the provider's first ground of appeal. It found that the complainant had not sought any financial service from the provider, directly or indirectly, and had been unaware of its role throughout. The Court held that the statutory definition of an eligible customer, as it stood at the time of the transactions, was not broad enough to cover her position. It noted that subsequent legislative amendments to Cap. 555 had since extended eligibility to fraud victims in precisely such circumstances, confirming that no such protection had previously existed.

By determining that the victim was not an eligible customer, the Court ruled that the Arbitrator lacked the necessary jurisdiction to decide the case. Consequently, the initial refund order and the finding of liability against the provider were revoked.

[Click to download the Arbitrator's decision and the Court of Appeal \(Inferior\) judgment.](#)

LINKEDIN POSTS

In our weekly LinkedIn posts, we typically feature a decision of the Arbitrator for Financial Services that focuses on a particular issue or area. The focus has now evolved to include lessons learned for financial services providers, with relevant questions posed to directors and compliance officers.

New era of accountability: The 'Travel Rule' and crypto fraud



Case ASF 062/2025, decided on 17 April 2026, was the first Travel Rule ruling by the Arbiter for Financial Services (Malta). A consumer alleged that a crypto-asset service provider breached its duties by processing two large transfers to fraudulent wallets. The two disputed transfers totalled approximately €30,100.

The Complaint: The complainant alleged he was manipulated into authorising USDT 13,945 and USDT 16,035 in transfers to fraudulent wallets. The complainant alleged that two post-30 December 2024 crypto transfers to an external (self-hosted) wallet should have been blocked, arguing that the service provider failed to comply with the EU Travel Rule under Regulation (EU) 2023/1113. The claims centred on inadequate verification of wallet ownership, a lack of enhanced due diligence, a failure to monitor suspicious patterns and – critically – the execution of a second transfer after the client had already reported a suspected scam.

Service Provider’s Response: The provider submitted both transfers were fully authorised by the complainant. He had signed a Travel Rule declaration claiming wallet ownership. It contended that scam warnings were issued at each stage. The Travel Rule, it argued, targeted money laundering rather than fraud.

Arbiter’s Analysis: In the decision, the Arbiter determined that a self-declaration made by ticking a box was insufficient. Guidelines issued by the European Banking Authority* required at least one active verification method.

The standard required the provider to be “fully satisfied” of wallet ownership. No such verification was evidenced, and compliance policies were not produced on request.

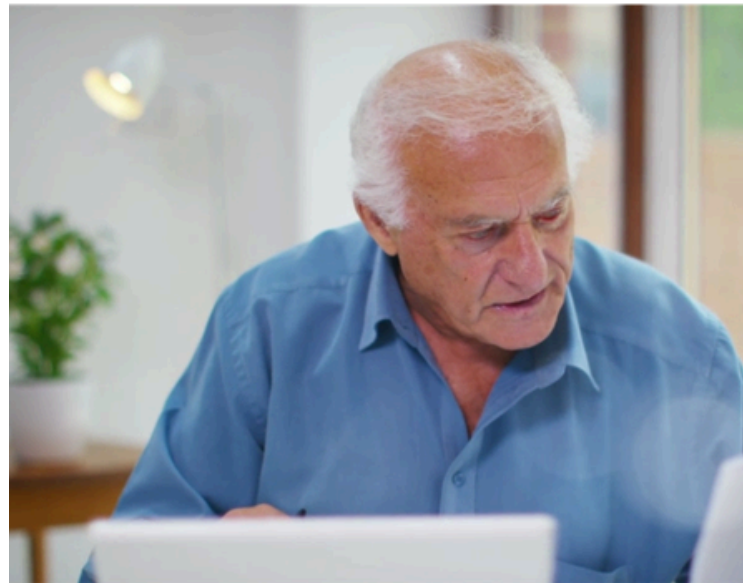
After the complainant reported a suspected scam on 2 January 2025, no enhanced monitoring was applied. A further transfer was still processed on 16 January 2025. The Arbiter also acknowledged the complainant’s contributory negligence.

The Decision: The Arbiter upheld the complaint to a limited extent. The provider was ordered to pay €12,000 (40% of the loss) plus interest. The Arbiter declined to award any moral damages. The decision was also referred to the MFSA and the FIAU.

Read the full decision, which is subject to appeal, at this link <https://shorturl.at/NahnQ>.

*Guidelines on information requirements in relation to transfers of funds and certain crypto-assets transfers under Regulation (EU) 2023/1113.

Pension scheme closure delays lead to £2,000 compensation award



The Arbiter ruled in favour of a complainant in the case ASF 050/2025 on 31 December 2025, concerning delays exceeding two years in closing a retirement scheme while fees continued to be charged and frozen investments blocked access to funds.

The Complaint: The complainant reached retirement age in March 2022 but could not access his pension because two of his investments were frozen. He was required to maintain a minimum balance of £25,000, despite wishing to close the pension scheme entirely.

Banking difficulties resulted in currency conversion charges being deducted from his payment. He ultimately waived rights to approximately £15,000 in frozen investments to close his account in 2024.

The complainant argued that the service provider failed to act in his best interests, citing prolonged delays, ongoing trustee fees, zero returns on cash holdings and additional costs from currency conversions. He requested reimbursement of the £2,000 exit fee and compensation for losses incurred during the closure process.

Service Provider’s Response: The trustee maintained it acted within regulatory requirements, explaining delays stemmed from inaccessible fund managers beyond its control. The minimum balance applied only to partial withdrawals, not closures. Fee schedules had been disclosed multiple times. Banking issues arose from restrictions imposed by the intermediary bank, and the provider voluntarily paid £222.40 as goodwill compensation. It argued that all applicable fees were disclosed and that it acted prudently, highlighting its ongoing communication and a goodwill payment for exchange rate losses.

Arbiter's Analysis: The Arbiter found that the provider had not acted with the prudence and diligence expected of a trustee ("bonus paterfamilias"). By July 2023, the provider was aware of the closure request and the urgent need for funds yet maintained a passive approach. Insisting on the £25,000 minimum proved inappropriate when liquid balances fell below £15,000. The Arbiter criticised the lack of proactive solutions and insufficient safeguarding of the complainant's interests, concluding that the provider did not act with the prudence and diligence expected of a trustee.

The Decision: The trustee was ordered to pay £2,000 compensation plus 4% annual interest, reflecting damages from unnecessary delays in accessing urgently needed funds.

Read the full decision at this link <https://shorturl.at/nPmtc>.

Home insurance claim rejected: storm damage or wear and tear?



A policyholder claimed €1,715.71 for door damage allegedly caused by strong winds during the night of 12-13 May 2025, but the insurer rejected the claim based on expert assessment concluding wear and tear. Case ASF 156/2025 was decided on 31 December 2025.

The Complaint: The complainant submitted a home insurance claim for damage to an upper-floor door, asserting that strong winds during the night caused the damage. The complainant maintained that he was woken by strong winds and discovered the damage the following morning. He argued that the door, rarely used compared to a similar ground-floor door, suffered sudden accidental damage covered by his policy. The provider's internal communications were inconsistent (thermal expansion vs regular use), he questioned the independence of the appointed expert and relied on personal observations rather than a written technical report.

Service Provider's Response: The service provider appointed an architect to survey the damage. Based on his report, which concluded the damage was not caused by storm conditions, the provider rejected the claim. The provider cited meteorological data showing only 12.1 knots wind speed that night and the expert's assessment that the damage resulted from normal deterioration of a 30-year-old door exposed to coastal conditions. No comparable damage was observed on other apertures.

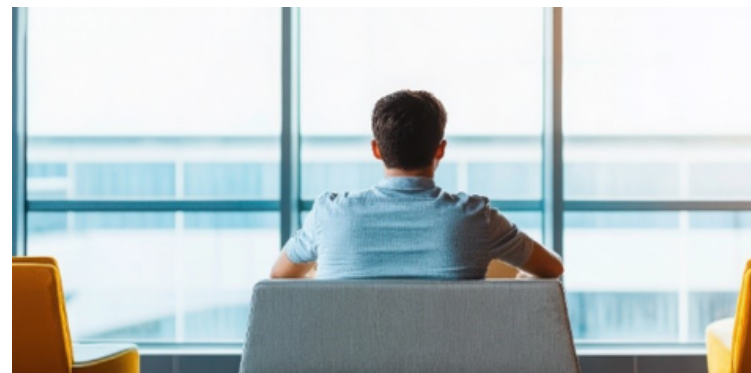
Arbiter's Analysis: The Arbiter found the complainant's case rested solely on personal assertion without supporting evidence. No storm or abnormally strong winds occurred during the relevant period. The expert's technical report demonstrated that wind speeds recorded fell well below force nine or 10 required for structural damage. The nature of the damage (vertical joint failure) indicated wear and tear from three decades of coastal exposure rather than sudden wind impact. The complainant provided no technical counter-report to challenge these findings. On the balance of probabilities, the provider's version prevailed.

The Decision: The Arbiter rejected the complaint and ordered each party to bear their own costs.

Read the full decision at this link <https://shorturl.at/RHvls>.

Loyalty programme disputes: when marketing benefits fall outside regulatory jurisdiction

Two complaints (ASF 212/2025 and ASF 226/2025, decided on 31 December 2025) challenged the withdrawal of loyalty programme benefits, specifically Priority Pass lounge access, which were removed by the financial services provider in September 2025 following programme restructuring.



The Complaints: The complainants held premium cards that entitled them to airport lounge visits each calendar year. These benefits were credited in January 2025 but withdrawn in September 2025 when the provider restructured its programme, excluding the complainants' user categories. One complainant invested US\$3,500 in CRO tokens to qualify for the premium card tier and its associated benefits. The tokens remained locked for 180 days, and the complainant argued that the lounge access benefits constituted a material condition of this significant upfront investment commitment.

Both alleged breaches of contractual rights and EU Directive 93/13/EEC, seeking restoration of benefits and compensation ranging from €100 to €918.

Service Provider's Response: The provider challenged the Arbiter's competence to adjudicate the complaints. It argued that Cap. 555 (the Arbiter for Financial Services Act) confers jurisdiction only over financial services disputes. The provider maintained the dispute was purely related to marketing and publicity issues, with no content concerning financial services, thus falling outside the Arbiter's remit. It also asserted contractual authority to effect such changes under the programme's terms and conditions.

Arbiter's Analysis: The Arbiter referenced an Appeals Court judgment clarifying that the Arbiter's competence is limited to that established by law. The courts stated that not every conduct by a financial services provider can or should be reviewed by the Arbiter since Cap. 555 was not intended to confer absolute competence. The Arbiter concluded that disputes concerning marketing terms and conditions not related to financial services or products fell outside his jurisdiction.

The Decision: The Arbiter dismissed both complaints without further consideration on jurisdictional grounds. This was without prejudice to the complainants' rights to seek justice in courts competent to hear their cases. Each party was ordered to bear their respective costs.

Read the full decisions at these links
<https://shorturl.at/tB1xU> and <https://shorturl.at/EZlB4>.

Investor classification: a cautionary tale



Case ASF 140/2024, decided on 30 January 2026, concerned a complaint about investment services provided in connection with a Malta-based retirement scheme. The complainant alleged he was wrongly classified as a Professional Investor rather than a retail investor, resulting in exposure to a high-risk investment that led to a loss of £394,764.

The Complaint: The complainant submitted that he had been advised to invest £518,000 into a commercial loan arrangement that subsequently failed. He cited flawed due diligence, an inadequate valuation, no investigation of the guarantor's financial position and missed interest payments he was never informed about. He further argued that a personal guarantee described in the investment proposal was never secured at the time of execution – a fact he only discovered in October 2021.

Service Provider's Response: The provider contended that its role was strictly limited to issuing two risk-profile reports, not to providing investment advice, and that appropriate warnings had been included. It argued the complainant was an experienced investor who had himself selected the investment and had signed acknowledgements of his classification.

Arbiter's Analysis: The Arbiter found the reports to be poorly structured, failing to distinguish between eligibility and suitability, and inadequately documenting the professional client classification, which did not meet the applicable MiFID (Markets in Financial Instruments Directive) criteria. Nevertheless, the Arbiter concluded the shortcomings were not the causal factor of the losses.

The complainant had actively chosen the investment, carried a speculative risk profile, had a history of similar transactions and had engaged the service provider chiefly to facilitate documentation rather than obtain genuine advice.

The service provider was also found to bear no responsibility for the absence of the personal guarantee, having played no role whatsoever in the execution of the investment.

The Decision: The Arbiter partially upheld the complaint, ordering a refund of the fees paid for the two inadequate reports – £2,250 – with interest at 3.75% p.a. Each party was directed to bear its own costs.

Read the full decision at this link <https://shorturl.at/v7CAc>.

When a convincing call followed a spoofed SMS

Case ASF 148/2025, decided on 12 February 2026, concerned a customer's demand for a full refund of €3,819.12 after fraudsters drained his account through a combination of fake SMS messages and a convincing phone call. The bank refused to refund the full amount, offering instead a partial settlement of 30%. The Arbiter for Financial Services was called on to determine how responsibility should be shared.



The Complaint: The complainant argued that he had never authorised the disputed payments. He maintained that the fraudulent SMS arrived on the same channel his bank routinely used for notifications and that a subsequent phone call from someone claiming to be a bank representative – who demonstrated knowledge of his account details – persuaded him the contact was genuine.

He further argued that the bank failed to apply proper, strong customer authentication dynamically linked to each transaction, and that the fraudster’s apparent access to confidential account data pointed to a possible internal breach.

Service Provider’s Response: The bank held that its security systems were fully compliant with PSD2 and that all payments had been properly authorised through its multi-factor authentication process. It pointed to extensive, repeated warnings – sent directly to the complainant by SMS on five separate occasions between April 2024 and April 2025 – advising that the bank would never request credentials via links or phone calls. It contended that the complainant had supplied the activation code that allowed the fraudster to register a new device and take control of the internet banking, and that this conduct amounted to gross negligence under the applicable directive.

Arbiter’s Analysis: The Arbiter observed that social engineering scams (smishing/spoofing) have become sophisticated and applied a published apportionment model to guide fairness across similar cases. He emphasised that simply clicking a link, despite warnings, did not automatically amount to gross negligence; PSD2 requires specific consent for each payment; and providers should ensure robust systems so that fraudsters cannot authorise payments without continued customer involvement.

The Decision: On the balance of probabilities, the Arbiter accepted the bank’s position that the complainant had received and disclosed the activation code, since without it the fraud could not have been executed – a conclusion supported by the complainant’s own testimony that he had provided “one, maybe two” signatures during the call.

However, the Arbiter identified a notable special circumstance: this was the first recorded case in which fraudsters had reinforced a fake SMS by following up with a live phone call in Maltese, during which the caller demonstrated knowledge of confidential account information that only the bank should have held.

The Arbiter also recommended that, whenever a new software token is registered, the bank should temporarily pause payments and make direct contact with the customer to confirm consent.

Applying his published apportionment model, the Arbiter ordered the bank to pay the complainant €2,291.47, representing 60% of the total loss. The remaining 40% was attributed to the complainant. Payment was required within five working days, failing which interest at 2.15% per annum would apply. Each party was directed to bear its own costs. Should any funds be recovered through police action, those recoveries were to be distributed in the same 60:40 ratio. The decision was not appealed.

Read the full decision at this link <https://shorturl.at/RBzA9>.

When a home loan is refused



A complainant brought a case before the Arbiter for Financial Services after her mortgage application was refused on 28 August 2025, days before her promise of sale expired. She sought only an explanation, not compensation. The case was registered on 9 October 2025 under reference ASF 234/2025, with the decision issued on 27 February 2026.

The Complaint: The complainant stated that she applied for a loan in July 2025 for a property valued at approximately €236,000, which exceeded a lower indication of €195,000 received earlier that year. Unable to fund the 10% deposit herself, she applied to the Housing Authority scheme, which offered €21,500. She alleged the provider failed her by denying the loan just days before her promise of sale expired, leading to the loss of the property to third parties. She also disputed the provider's concerns regarding her employment stability, noting she had been employed as an educator for over a year and had passed probation.

Service Provider's Response: The bank maintained it had the right to refuse any loan application at its sole discretion. It argued that the decision also protected the complainant's own interests, that it had provided reasons for the refusal and that it had not acted negligently or unreasonably. The bank argued that the loan was unaffordable since the monthly repayments would have been €200 higher than the applicant's current net rent, which could potentially cause financial distress.

Arbiter's Analysis: The Arbiter confirmed he had no power to order a bank to grant a loan it regarded as an unacceptable risk, nor was such an order requested. He found that five weeks was not an excessive processing period and that the bank bore no responsibility for the lapsed promise of sale since the complainant had agreed its duration with the seller. Most notably, he stressed that banks carry an obligation – not merely a discretion – to avoid placing borrowers under unmanageable financial burdens.

The Decision: The Arbiter noted the complainant sought only an explanation, which the provider had already given. On this basis, the Arbiter dismissed the complaint. Each party bore its own costs.

Read the full decision at this link: <https://shorturl.at/pOKJG>.

Case ASF 179/2025, decided on 13 March 2026, concerned an €8,300 compensation claim over delays in the *in-specie* transfer of a pension fund. The service provider disputed the liability and the adequacy of the evidence.

The Complaint: The complainant requested a pension transfer in November 2024. He needed access to a lump sum under the UK-Netherlands double taxation treaty. He held that the process took over five months due to delays by the service provider. He sought €8,333 as one month of projected loss and had offered to settle for €4,000.

Service Provider's Response: The service provider denied any established financial loss. It argued that assets stayed fully invested since the transfer was *in-specie*. Delays were attributed partly to the receiving trustee. An initial offer of £500 was later raised to £1,500, without admission of liability.

Arbiter's Analysis: The Arbiter found fault with the service provider for a delay of one month and 10 days. This gap fell between the physical transfer and the issue of written confirmation. The delay was attributed to the absence of an authorised signatory, who was on leave. The Arbiter stressed that customers should never suffer from a service provider's organisational shortcomings, including poor delegation during staff absences.

The Decision: The evidence was insufficient to support the complainant's claim for the quantum of €8,333. The complainant had also shown readiness to accept around 50% of the claimed amount. The Arbiter applied *boni viri* to determine a fair and equitable award. The service provider was ordered to pay £3,125 to the complainant. This equated to 1% of the projected lump sum withdrawal of £312,500. Each party bore its own costs of the proceedings. The decision was not appealed.

Read the full decision at this link: <https://shorturl.at/B4JRX>.

Pension transfer delays have consequences



Lessons for financial services providers

- Firms must maintain cover when authorised signatories are unavailable; the absence of one person should never stall a client's transaction.
- Goodwill offers must be proportionate. Token compensation, especially with no admission of fault, risks being viewed as inadequate by the Arbiter.
- Even when assets remain invested, failure to issue timely formal documentation can constitute maladministration.

INSTAGRAM POSTS

On Instagram, we're refining how we share insights by breaking down decisions from the Arbiter for Financial Services into accessible summaries. These decisions often relate to familiar areas like banking, corporate services, and life and travel insurance.

From understanding the limits and responsibilities of a Basic Payments Account, to the importance of acting within legal timeframes when raising complaints about investments, these cases show how awareness and timely action can protect consumers.

Each post breaks down a real decision by the Arbiter for Financial Services and draws out practical lessons consumers can apply in their own financial lives.

Distinguish damage causes carefully

A recent case highlights how claims can fail without clear supporting evidence, as alleged storm damage was ultimately attributed to age and long-term exposure, reinforcing the importance of substantiating claims with reliable technical and environmental evidence.



Heed warnings before investing

A recent case highlights how ignoring professional warnings can undermine a claim since losses from a crypto scam were not recoverable when the Court of Appeal found no direct link between the exchange's failures and the losses, emphasising the importance of acting on advice and recognising red flags before investing.



HAVE YOU BEEN THE VICTIM OF A SCAM?

As of 1 October 2025, the remit of the Arbiter for Financial Services has been widened to accept complaints from any person or entity that has fallen victim to a suspected fraudulent payment transaction involving financial services providers.

Therefore, any person (including individuals and companies of any size) who has fallen victim to a fraudulent payment transaction processed on or after 1 October 2025 through a financial services provider licensed in Malta can now lodge a complaint with the Arbiter for Financial Services for review. Certain limitations may apply for transactions that occurred before this date. In any case, get in touch with us if you have been the victim of a scam and you need further information.



The Office of the Arbiter for Financial Services is located in New Street in Regional Road, Msida MSD 1920. You can contact the Office of the Arbiter by calling 80072366 (local landlines only) or +356 21249245. Alternatively call or text on WhatsApp on +356 7921 9961.

Further information is available at www.financialarbiter.org.mt.

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