

Before the Arbiter for Financial Services

Case ASF 003/2025

ZO

(the 'Complainant')

vs

Foris Dax MT Limited

Reg. No. C 88392

('Foris' or 'Service Provider')

Sitting of 12 June 2025

The Arbiter,

Having considered in its entirety, the Complaint filed on 03 January 2025, including the attachments filed by the Complainant.²

The Complaint

Where, in summary, the Complainant claimed Foris blocked his account since 26 September 2024 where he held assets valued at €4,800. Foris had informed him that his account was being closed and assets will be refunded but he maintains this has not happened and his funds are still blocked with Foris.

He claims to have made several requests for release of his funds but no proper explanation was forthcoming as to why they continue to block his account.

² Page (P.) 1 - 6 and attachments p. 7 - 53

The reply of the Service Provider³

In their reply of 24 February 2025, Service Provider explain that:

1. Complainant has been their customer since 24 April 2022.
2. Following a process review of the account full access was restricted on 12 September 2024.
3. Following a thorough review on 26 September 2024, Complainant was informed that all services were being suspended and it was their intention to close the account once his remaining assets could be transferred in accordance with his instructions.
4. In accordance with articles 2.2 and 2.3 of the Terms of Use⁴ accepted by the Complainant, Foris had sole discretion to terminate, suspend or limit use of their services. They also maintain that in terms of article 15.1 of same Terms of Use Foris had, subject to applicable law, right to freeze assets in case of:

*'(a) In the event of any breach by you of these Terms and all other applicable terms; (b) for the purposes of complying with Applicable Laws; (c) where Crypto.com suspects that a transaction effected by you is potentially connected to any unlawful activities (including but not limited to money laundering, terrorist financing and fraudulent activities; (d) to remedy the effects of any defect in or compromise to any information system upon which Crypto.com relies on; (e) as may be informed by its internal monitoring policy and the profile of spending reasonably anticipated for the type of consumer group you belong to; (f) in Crypto.com's opinion that an order or Transaction has been executed based on an aberrant value; or (g) in Crypto.com's opinion, you are intentionally abusing the Crypto.com Services and products, or engaging in actions to defame, abuse, harass, stalk, threaten or otherwise violate any of the rights of Crypto.com and/or its employees.'*⁵

³ P. 60 - 63

⁴ P. 62

⁵ P. 62 - 63

5. They are still blocking €4,000 in the cash wallet⁶ and digital assets belonging to Complainant as follows:

1000.64097070440870882 Cronos (CRO)

0.0056322 Bitcoin (BTC)

6. Complainant's assets are blocked in accordance with applicable law and Terms of Use.

Hearing

During the hearing of 16 April 2025⁷

The Complainant restated his arguments as contained in his complaint and requested early resolution as he planned to move out of his present residence in Hungary.

The Service Provider decided not to cross-examine the evidence of Complainant and at the hearing of 04 June 2025⁸ (which was not attended by Complainant), they explained they will not present further evidence as for regulatory reasons they cannot add anything to what they stated in their reply.

Consideration and analysis

The Arbiter, having heard the parties and seen all the documents and submissions made, proceeds to adjudicate the case as provided in Article 19(3)(b) of Chapter 555 of the Laws of Malta by reference to what, in his opinion, is fair, equitable and reasonable in the particular circumstances and substantive merits of the case.

From the evidence provided, and from the fact that Foris's behaviour complained of is very specific to the Complainant and has no general application to the great majority of clients of the Service Provider, it does not result that Foris are acting capriciously, unethically or illegally in not complying with Complainant's request to release the funds/assets.

⁶ Cash Wallet is held by related company, Foris MT Limited, but are similarly blocked

⁷ P. 64 - 65

⁸ P. 67

Decision

In the circumstances, the Arbiter is refuting the Complainant's request to order release of his funds. Parties are to bear their own costs related to this case.

The Service Provider is, however, ordered to keep Complainant regularly informed, within the limits allowed by law, about the status of his request for release of funds.

Alfred Mifsud

Arbiter for Financial Services

Information Note related to the Arbiter's decision

Right of Appeal

The Arbiter's Decision is legally binding on the parties, subject only to the right of an appeal regulated by article 27 of the Arbiter for Financial Services Act (Cap. 555) ('the Act') to the Court of Appeal (Inferior Jurisdiction), not later than twenty (20) days from the date of notification of the Decision or, in the event of a request for clarification or correction of the Decision requested in terms of article 26(4) of the Act, from the date of notification of such interpretation or clarification or correction as provided for under article 27(3) of the Act.

Any requests for clarification of the award or requests to correct any errors in computation or clerical or typographical or similar errors requested in terms of article 26(4) of the Act, are to be filed with the Arbiter, with a copy to the other party, within fifteen (15) days from notification of the Decision in terms of the said article.

In accordance with established practice, the Arbiter's Decision will be uploaded on the OAFS website on expiration of the period for appeal. Personal details of the Complainant(s) will be anonymised in terms of article 11(1)(f) of the Act.