

Before the Arbiter for Financial Services

Case ASF 107/2025

PT

(‘the Complainant’)

vs

OKCoin Europe Limited

(C 88193)

(‘OKX’ or ‘the Service Provider’)

Sitting of 31 October 2025

The Arbiter,

Having seen **the Complaint** dated 28 May 2025¹ relating to a payment of €561.67 which he withdrew from his account with OKX but claims that these funds were never received by him in his bank account.

The Complaint

The Complainant explained that:

“I did fiat withdrawal throughout on 25th February 2025. It was 561.67 euro. But the money never arrived in my account. Later after communicating with my receiving bank, I acknowledged that the SEPA IBAN assigned by OKX automated system was wrong. I was trying to solve it with support, but they were asking me to contact my bank with it. So, I asked OKX to ask the receiving bank account owner to send money back, but they said that reversals are not possible in complain reply.

¹ Pages (P.) 1 – 6 and attachments p. 7 - 33

Some other things that happened: When I first tried to withdraw 561.67 euro, the money were sent back to my OKX account and after further investigation they said there was wrong name in depositing (sending money back to OKX) person, but the money was sent second time and deposit which I didn't make was successful, so I got my money back.

So I send verification payment again and withdrew that 2 euro, to make sure it will arrive in my bank account and got it in my bank account tagged as return payment.

I withdrew 561.67 euro second time and it never arrived in my bank account. I was using only option I had to withdraw that was account assigned by OKX after my verification payment.”²

He claimed that this loss was caused by a technical error on the part of OKX and, as a resolution, he asked OKX to contact the owner of the receiving account to refund the money.

During the proceedings, the Complainant clarified that apart from attempting to recall the funds he claimed never having been received, he expects OKX to make good for his loss if the recall is ineffective.

Reply

In their reply,³ OKX maintained that:

“By way of background, the Complainant was successful onboarded and verified by the Respondent Company on 14 February 2025. In view of the Respondent Company’s internal records, it is noted that the Complainant carried out his first transaction of Euro 2 on 24 February 2025, which we understand is the Verification Payment referenced by the Complainant. For transparency purposes, the IBAN identified through the Verification Payment was EEO XXX 2576 (‘Verified IBAN’).

By means of the Verification Payment, the Respondent Company recorded the Sender Account Number or IBAN and this was duly listed under the Complainant’s banking information (Vide Doc C Virtual IBAN). It is good to note that only the

² P. 2

³ P. 38 - 42 and attachments p. 43 - 86

account user can record the IBAN to be associated with the OKX account, then such a new IBAN would be recorded by the OKX account user only after the verification payment was successfully completed.”⁴

They explained that on 25 February 2025, Complainant attempted to make the payment concerned but the funds were initially returned. After that, he made a verification of the account EE ... 2576 by sending and receiving back two euros. He then repeated the transfer to the verified account which was accepted.⁵

They further stated:

*“From a review of the documentation submitted with the Complaint, it is noted that the Complainant annexed Partners Banka banking details bearing an IBAN CZ45 XXX XXX XXX 3339 (**‘Bank Statements’**). From our records the Complainant has never verified this particular IBAN. Additionally, from a review of the Bank Statements we wish to highlight that the Complainant has transacted with EE ... 2576, which is the Verified IBAN that concluded the Verification Payment.*

It needs to be noted that the Complainant remarks as his remedy in the Complaint for the Respondent Company to ask ‘the owner of the receiving account to send my money back. I don’t have any information about receiving account owner and cannot contact him,’ yet the Respondent Company does not believe this to be accurate. Even if the Respondent Company had to assume that the Verified IBAN is associated to a third party and not the Complainant, it finds it hard to believe that the Complainant does not know the owner since the Complainant had to carry out the exercise to link the IBAN. The IBAN, as the Complainant incorrectly alleges, is not automated or assigned by the Respondent Company.

Additionally, the Respondent Company’s comments that an OKX account cannot be utilised by any third party but only by the registered user, and this is expressly stated in the article 4.1 of the EEA Terms of Service –

‘By registering an account with Us, You agree and represent that You will use that account only for Yourself, and not on behalf of any third party,

⁴ P. 39

⁵ P. 45; 86

unless approved by US. ... An individual shall not use their individual account for business purposes.'

*The Respondent Company confirms that the Complainant has not reached out to customer support or through the Formal Complaints process to raise any concerns on (a) any transactions being executed erroneously, or (b) to raise an alert/concern of an account takeover (potential or otherwise), or any other complaint about the Complainant's account activity."*⁶

Contumacy

As the reply of the Service Provider was filed later than the 20 days limit contemplated by article 22(3)(c) of the Act, Chapter 555 Arbiter for Financial Services, the Arbiter considered whether to apply contumacy on OKX.

The Arbiter's recent decisions on contumacy issues contained guidance on the application of contumacy in cases presented to for his adjudication:

1. Contumacy will apply if Arbiter is convinced that the delay was meant to be disrespectful of his and his Office role.
2. Chapter 555 does not oblige the Arbiter to enforce contumacy where this would go against the provisions to deal with complains in a procedurally fair, informal, economical and expeditious manner in terms of Article 19(3)(d).
3. Article 19(3)(b) of Chapter 555 obliges the Arbiter to adjudicate complaints by reference to what, in his opinion, is fair, equitable and reasonable in the particular circumstances of the case.
4. Arbiter feels that the duty to hear both sides of the complaint with equal opportunities is superior to technical inhibitions that may apply in Court but require more liberal interpretation in Arbitration obliged to procedures of informality.

For these reasons, the Arbiter will henceforth apply contumacy in cases where:

⁶ P. 40

- a. There is clear evidence of disrespect towards the Arbiter or his Office;
- or
- b. Service Provider not only replies late (or does not reply) but fails to be present for the first hearing;
- or
- c. Service Provider's reply is registered late in a manner which the Arbiter considers exaggerated.

The Arbiter accordingly decided to waive contumacy and to proceed with normal hearing on the merits of the case.

The hearing process

A hearing was held on 15 September 2025.⁷

The Arbiter invited Complainant to explain what technical error was committed by OKX which he claims was the cause of the loss he is asking to be refunded. He said:

“Regarding the technical error I mentioned in my complaint, I say that I made a verification transaction, and the service provider assigned me a wrong account.

The Arbiter states that if he understands correctly, when I made the verification payment, I used the same account number and it worked fine. The Arbiter is referring to account ending 2576.

Asked by the Arbiter whether it was the same account number when I made the verification payment of €2, I say that my bank account number ends with 3356, so it wasn't my bank account.

The Arbiter refers to DOC C which is a schedule presented by OKX with their reply (page 46 of the process).

This is a schedule of the Complainant's payments and according to this schedule on 25 February of 2025, there is a payment to PT of €2 from my account with OKX, which is an MT account, to a bank account (EE -Estonia) ending 2576.

⁷ P. 87 - 91

I say that the information in this schedule is not correct.”⁸

The Arbiter then proceeded to make reference to page 22 of the process which seems to be a statement of the Complainant’s account with Partners Banka. In this document, there is an entry dated 24 04.2025 which refers to an account in his name with same IBAN number EE 2576.

The Arbiter asked if this was not evidence that this account actually belonged to Complainant.

Complainant replied:

“I don’t imagine that there is a document like this”.⁹

The Arbiter pointed out that this document was submitted by Complainant as an attachment to his complaint and ordered Complainant to submit an English translation of page 17 and pages 19 – 22 attached to his complaint marked INDEX B and INDEX C.

During the same hearing, the Service Provider submitted their evidence and stated:

“From our end, I would like to reiterate that when a new user is onboarded, part of the process is obtaining the IBAN so that the money from the bank account can go to an OKX account, therefore, the user can trade accordingly.

A part of the process requires a verification payment which the user in this case carried out on 25 February 2025 of €2. This was the account ending 2576. Once we receive the account and has been verified by the user, that account becomes logged into a system and any transactions in and out of OKX will go through that IBAN account.

The user may change the IBAN account and, in fact, in this case, two months later, in April 2025, after the first transaction, the user changed his account to a CZ account ending 8013. This was on 30 April 2025. (Page 39, point 10 of the reply). Rows 2 and 3 of DOC C attached with the reply show the change in the IBAN account and an in and out payment of €1.

⁸ P. 88

⁹ P. 89

... ..

I say that what I wanted to point out is that the user was aware that he could change his IBAN account number, and he did, in fact, successfully do it twice. What I would also like to point out is that the documentation the Arbiter made reference to – the bank statements - are not any IBAN related that we have on record. So, whether it is the original EE account or the subsequent account CZ, the bank statements that were provided are not of any account that we are aware of.

... ..

OKX had done an internal check on all the transactions carried out specifically this of 25 February 2025 where he is stating that he did not receive the funds. We have reached out to our third service provider, OpenPayd in this case, who have provided us with the hash ID and also confirmed that the transaction was successfully completed. So, the user in the account EE ending 2576 has received the €561.67.

This is our position; and from our end, the user has received the money.”¹⁰

Final submission and translations

Following the hearing, Complainant sent the translations requested in the hearings and an email explaining about the verification payment of two euros, stating:

“The transaction of 2 Euro on 24.04.2025 from my bank account EE04 was returned to my account after 2 minutes and my bank said, it was returned, because the account belongs to OKX, because of security purposes.”¹¹

These are being considered as the final submissions of the Complainant.

In their final submissions, the Service Provider stated:

“The Complainant in his final written submissions states that Index B, the screenshot submitted in the Complaint page 017, states that the ‘Account

¹⁰ P. 89 - 90

¹¹ P. 94

assigned by OKX automated system'. The Respondent Company notes that this submission is incorrect in fact. The screenshot provided by the Complainant is part of the process carried out by OKX when carrying out a transaction. The Respondent Company wishes to highlight that the screenshot shared, requires the Complainant to 'select withdrawal method' and includes the IBAN of record, that the Complainant would have earlier verified.

Moreover, the Complainant also stated in his final submissions that the transaction in Index C dated 24 April 2025 found on page 022 of the Complaint from [the Complainant] to IBAN EE 2576 was returned by Partners Banka as 'the account belongs to OKX and sending money to crypto exchange is not safe'. The Respondent Company categorically rejects the statement made by the Complainant.

The Respondent Company wishes to highlight that effective January 2025 it obtained a Crypto-Asset Service Provider Class 3 Licence from the Malta Financial Services Authority and is duly licensed to operate in all countries within the European Economic Area. The Respondent Company has built a reputation of being one of the world's largest and most secure crypto exchanges.

Additionally, the Respondent Company confirms that it has never entered into an agreement with a bank or financial institution based in Estonia. The IBANs issued (in line with internal protocols) by the Respondent Company all include 'MT' and not 'EE' as the duly licensed financial institution third party service provider used by the Respondent Company for IBAN requisites is based in Malta. Therefore, the Respondent Company wholeheartedly rejects the statement made by the Complainant with respect to the IBAN EE 2576."¹²

Having heard the parties and seen all the documents and submissions made,

Further Considers:

The Merits of the Case

¹² P. 116 - 117

The Arbiter is considering the complaint and all pleas raised by the Service Provider relating to the merits of the case together to avoid repetition and to expedite the decision as he is obliged to do in terms of Chapter 555¹³ which stipulates that he should deal with complaints in ‘*an economical and expeditious manner*’.

The Service Provider

OK Coin Europe Ltd is licensed by the Malta Financial Services Authority (‘MFSA’). was a VFA Service Provider as per the MFSA’s Financial Services Register and had their licence substituted by a new one as Crypto-Asset Service Provider in January 2025 under the new MICA regime.^{14 15}

Observations & Conclusion

The Arbiter finds the Complainant’s arguments short of convincing and finds it very unlikely that the disputed transfer was credited to a third-party account with which he has no connection, or to an OKX account as he later maintained. The balance of probabilities is sharply in favour of the arguments of OKX.

The Arbiter bases his views on the following:

1. Copies of his account transactions with Partners Banka (IBAN CZ 3339) submitted with his complaint show that the account EE 2576 is entitled to Complainant.¹⁶
2. If, as Complainant claims, his bank returned his validation of a 2-euro payment as the account belonged to OKX, it is not understood why the same fate did not happen to the transfer subject of this complaint sent to the same account.
3. There is sufficient evidence that Complainant was in control of transactions between his account at Partners Banka and the verified account IBAN EE 2576.

¹³ Art. 19(3)(d)

¹⁴ <https://www.mfsa.mt/financial-services-register/>

¹⁵ EU Directive 2023/1114 on markets in crypto assets <https://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:32023R1114>

¹⁶ P. 99, 3rd column, shows Complainant’s name on top of the EE ... 2576 IBAN account.

4. No evidence was provided that the said account EE ... 2576 belongs to OKX as Complainant maintains. On the contrary, the evidence shows that this more likely belongs to Complainant.

Accordingly, the Arbiter is dismissing this complaint but, given the circumstances of this case, orders that each party is to bear its own legal costs of these proceedings.

Alfred Mifsud

Arbiter for Financial Services

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.