

## Before the Arbiter for Financial Services

Case ASF 267/2025

FD

('the Complainant')

vs

MiFinity Malta Limited

(Reg. No. C 64824)

('MML' or 'the Service Provider')

**Sitting of 06 February 2026**

**The Arbiter,**

**The Complaint<sup>1</sup>**

Having seen the Complaint filed on 28 October 2025 where Complainant holds Service Provider responsible for a financial loss amounting to €52,000 because he alleges that they failed to supervise and ensure security and integrity of an affiliated merchant 'DelOro Casino' that allowed unauthorised access and fraudulent activity on his account with the said casino resulting in his claimed loss.

He considered that MML were liable to refund his loss as he alleges:

1. They failed to make proper due diligence when onboarding the DelOro Casino as their merchant without checking whether their systems were sufficiently secure to protect their customers.

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<sup>1</sup> Pages 1 - 8 with attachments p. 9 - 44

2. Corporate misconduct and 'lying' when initially they denied affiliation to the said casino as their merchant.
3. Fraud cover up by the said casino and attempt to obstruct investigation which should have been spotted by MML when performing due diligence at the onboarding stage of DelOro.

### **Reply of Service Provider**

In their reply of 23 October 2025, MML attached an email they received from their merchant, DelOro Casino,<sup>2</sup> where they confirm that they have investigated the matter, and it results to them that the activity was conducted by Complainant himself, and they found no signs of unauthorised access or irregular login attempts. Based on the verified results, DelOro confirmed that the gameplay and losses were made by the account owner (Complainant).

MML accordingly informed the Complainant that they are not responsible for his claimed losses and if he wants to pursue his complaint, he should make it directly to DelOro.

They refuse the Complainant's claim for compensation.

### **Hearing of 21 January 2026**

The Arbiter explained that any complaints related to inadequacy of AML/CFT procedure are not within his competence, as it is also not within his competence to judge any responsibility on the part of DelOro who are not a 'financial service provider' in terms of CAP. 555 of the Laws of Malta which regulates the operations of this Arbitration.

The Complainant stated:

***"I believe that MiFinity did not undertake any due diligence because when I first contacted them, they denied having any relationship with the casino.***

***Then, I sent the proofs, like the logo of MiFinity, to the casino site, proofs that I received payments by MiFinity from the casino and then, the casino said that they work with MiFinity.***

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<sup>2</sup> P. 53

*The company MiFinity said they were going to investigate this complaint and then, a few days later, the casino activated Cloudflare. And before I spoke with MiFinity, they had nothing activated like that.”<sup>3</sup>*

On being cross-examined, Complainant confirmed he is aware he cannot seek refund of monies he lost through gambling.

The Service Provider submitted their evidence through Dr Franklin Cachia who said:

*“First of all, what I want to clarify is that we have no association in the sense there is no common, controlling ownership or person between the casino and MiFinity.*

*MiFinity is completely distinct and independent from the casino.*

*So, MiFinity is duly licensed by the Malta Financial Services Authority to carry out payment services. We do not carry out gambling services, and we are merely a payment service provider to various merchants.*

*When we onboard the merchant, we are obligated and, in fact, we do carry out due diligence in terms of anti-money laundering regulations. We are also scrutinised not only by the MFSA, but also by the FIAU to ensure that we carry out checks. Carrying out checks does not mean that we take full responsibility to refund players of any gaming losses.*

*We are in no way obliged, legally or otherwise, to refund players because that is not our business. It is not our responsibility. Our responsibility is to merely process payments in terms of our license.*

*We do carry out checks, but we do not, and we're not obliged by law to ensure that there are security features with the gaming operators. The gaming operators are authorised by their own jurisdiction, by their own authority, and we are not responsible for doing so. We are not an authority. We merely carry out our checks in terms of anti-money laundering laws and regulations according to Maltese law, and our obligation stops at that.*

*And finally, to sum up, as rightly pointed out by the Arbiter, this Office does not have jurisdiction to examine whether our due diligence carried out is up to standard or not.*

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<sup>3</sup> P. 99

*Also, our customer service department and the previous compliance officer did outline to the Complainant that this complaint should have been brought against the gaming operator and not against the payment processor, since we are not the subject person responsible for his gambling losses.*

*However, I do not believe that this was done.”<sup>4</sup>*

### **Final submissions**

The parties made their final submissions verbally.

Complainant again affirmed he did not lose his funds through normal gambling, but these were stolen from his account with DelOro through unauthorised access.

Service Provider again asserted they are not responsible for the security system of DelOro and the complaint should be addressed to them. They also confirmed that at onboarding stage, they make the necessary checks to ensure that the merchant is properly licensed to perform their activity.

### **Analysis and considerations**

Complainant's assertions that he lost the funds on his account with DelOro because they were stolen, rather than being gambled away, is not something that the Arbitrator has competence to adjudge as DelOro is not a financial services provider.

It is evident that rather than pursuing his claim against DelOro, Complainant is trying to shift responsibility on MML searching for an inexpensive attempt to try to recover his losses irrespective of their cause.

No evidence has been brought that MML have in any way failed their regulatory duties by onboarding DelOro. Whilst one should expect that a Service Provider ensures that any merchant they onboard is operating within the limits of their licence, they should not be expected to shoulder any responsibility for any alleged failure of the integrity of their merchants' security systems. It is the regulator who licenses such merchants and would normally satisfy themselves of such matters before licensing.

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<sup>4</sup> P. 99 - 100

## **Decision**

In view of the above, the complaint is being dismissed, and no compensation is being awarded.

Each party is to bear its own costs of these proceedings.

**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. Personal details of the Complainant(s) will be anonymised in terms of article 11(1)(f) of the Act.