Before the Arbiter for Financial Services

Case ASF 123/2026

DZ

('Complainant')

Vs

Safe Capital Investments Ltd.

Reg. No. C 79633

('Service Provider' or 'SCIL')

Sitting of 25 August 2026

The Arbiter,

Complaint

Having read the Complaint[1] filed on 27 April 2026 whereby Complainant laments the loss of USDT 1,365.70 (equivalent to about same value in US$ - USDT being a stable coin digital asset at par 1:1 to the USD) which Service Provider are refusing to refund.

He explains that:

> *"Description of Complaint*
>
> *I was approached through Telegram by an individual introducing herself as "Anna" and directed to the website safecapitalsinvestments.com. I transferred a total of 1,365.70 USDT (TRC-20) in four separate transactions to the wallet address provided by the platform (TYTwYLNMBVzKHTeY8mNXsPrj3PtFCZcoR7).*
>
> *Following my deposits, the platform began displaying increasing profits in my account. I repeatedly reinvested the displayed balance internally*

[1] Pages (p.) 1 - 9 and attachments p. 10 - 45

within the platform. These reinvestments did not involve additional external transfers from my side; they were internal allocations within the system.

At a certain stage, the balance displayed in my account exceeded USD 1.3 million. This significant increase was presented as the result of ongoing profitable investment activities conducted through the platform.

If the platform indeed engaged in genuine investment operations using clients' deposited funds, then it follows that actual economic activity and potential profit generation may have taken place. In such circumstances, the displayed balance cannot be dismissed as a purely notional figure and would represent a financial obligation arising from the platform's declared activities.

Conversely, if no genuine investment activity existed and the displayed profits were merely simulated, this would indicate a deliberate and systematic misrepresentation designed to mislead investors regarding the nature and performance of their investments.

Furthermore, a withdrawal request of USD 40,000 was marked as successful within the platform interface, yet no funds were ever received by me. The platform also added USD 3,000 as a so-called "loan" to my account, while withdrawals remained effectively blocked.

I subsequently became aware of an official MFSA public warning confirming that safecapitalsinvestments.com is a clone website falsely using the details of the licensed entity Safe Capital Investments Ltd.

Reason for Complaint

The reasons for my complaint are as follows:

- *Misrepresentation of regulatory status through a clone website.*
- *Operation by an unauthorized entity falsely presenting itself as a regulated financial services provider.*
- *Display of significant profits in circumstances where no verifiable evidence of genuine underlying investment activity was provided.*
- *Failure to honor withdrawal requests.*

- *Deceptive practices designed to induce continued investment.*

I believe I was the victim of a fraudulent investment scheme operated by an unauthorized entity."[2]

By way of settlement, he expects the Arbiter to order Service Provider to refund the loss of USDT 1,365.70 with interest and an undefined amount for loss of reinvestment opportunity.

Reply of Service Provider

Having read the reply[3] of the Service Provider dated 06 May 2026, where they state:

"1. No Client Relationship

Safe Capital Investments Ltd confirms that it has no record of the complainant as a client, nor has it entered into any business relationship with the individual. No accounts have been opened, no transactions have been processed, and no funds have been received by the Company in connection with the matters described.

2. Unauthorised Use of Company Identity

Based on the details provided in the complaint, including references to the website "safecapitalsinvestments.com", crypto wallet transactions, and communications via Telegram, it appears that the complainant may have interacted with an unauthorised third party fraudulently impersonating Safe Capital Investments Ltd.

Safe Capital Investments Ltd does not operate, own, or control the aforementioned website or any associated platforms referenced in the complaint.

3. Regulatory Warning Issued

We further note that Safe Capital Investments Ltd had already informed the Malta Financial Services Authority of such impersonation. The MFSA

[2] P. 3 - 4
[3] P. 49 - 50

subsequently issued a public warning on 24 November 2024 in relation to a clone website impersonating Safe Capital Investments Ltd.

4. Position of the Company

Safe Capital Investments Ltd has not been involved in the activities described and has no association whatsoever with the entity operating under the website "safecapitalsinvestments.com". The Company considers this matter to be a case of impersonation and potential fraud by unknown third parties."[4]

Hearing

A hearing was held on 30 June 2026 where, after summarising the position of both sides, the Arbiter referred to point 1 of Service Provider's reply where they declare that the Complainant had no client relationship with them.

Consequently, the Arbiter explained that he must consider whether he has competence to hear and adjudge the case. If the Complainant is not an 'eligible customer' as defined in Article 2 of CAP. 555 of the Laws of Malta (being the Act that regulates the operation of the Office of the Arbiter), he would have no competence to hear and adjudge the case.

The representative of SCIL stated:

"With regard to this preliminary plea that the Complainant is not an eligible customer, the Service Provider respectfully submits that the complaint is inadmissible because the Complainant does not fall within the exact definition of eligible customer under Chapter 555.

Paragraph (a)*[5] *determines that the Complainant is not a consumer because there are no account, no contract, and no onboarding or funds ever received. Thus, the Service Provider has no record whatsoever of the Complainant.

Under paragraph (b) and (c), the Complainant was never offered, nor did he ever seek any financial service from the Service Provider. All interactions were with third parties via telegram and through a clone

[4] P. 49

[5] Refers to (a) to (f) in the definition of 'eligible customer' in Article 2 of CAP. 555 of the Laws of Malta.

website indicated in the complaint as 'safecapitalsinvestments.com', which is not owned or operated by the Service Provider.

Under paragraphs (d), (e) and (f), it is clearly inapplicable. There are no errors, etc.

Also, the fraud proviso does not apply because there was no transaction involving the Service Provider. All payments were made to unknown crypto wallets, and the Service Provider was not involved in any way.

In summary, basically, we are saying that there is no nexus, so there is no connection whatsoever between the Complainant and the actual Service Provider."[6]

The representative of the Complainant (his daughter) stated:

"… they have been victims of a fraud and would like to ask who is responsible for the fraud.

The Arbiter replies that his decision is not related to who is responsible for the fraud but whether the Service Provider is responsible.

The Complainant's daughter states that the company's name has been on the third party who was contacting them.

The Arbiter understands the case, and sympathises with the Complainant for being scammed, but he has to make a decision whether the Complainant was an eligible customer of the Service Provider.

The Complainant's daughter asks the Arbiter whether he is saying that they should just proceed with someone else and that this company is not fully responsible.

The Arbiter explains that he is not saying anything. He is just establishing the facts.

The Arbiter states that he has to consider the case and issue a decision whether the Complainant is what the law describes as an eligible customer capable of making this complaint against the Service Provider

[6] P. 52 - 53

> ***because if he is not an eligible customer under the law which regulates this operation, then the Arbiter cannot hear this case and he cannot adjudicate it.***
>
> ***In case the Arbiter decides that he has no competence, then it would be up to the Complainant to decide how to proceed."***[7]

Following the hearing, the representative of the Complainant sent emails dated 04 and 20 July 2026[8] complaining why the issue of competence was not raised at the stage of registering the complaint and asking how the Office of the Arbiter intends to discover the identity of the fraudster.

By decree of 21 July 2026, the Arbiter stated:

> *"The Arbiter makes reference to emails dated 4 July 2026 and 20 July 2026 (annexed herewith for the information of Service Provider).*
>
> *In these emails, Complainant protests why the issue of non-competence was only raised in the hearing of 30 June 2026 and not earlier in the process of this complaint which was registered on 27 April 2026.*
>
> *The Arbiter points out that:*
>
> *(a) the issue of non-competence was raised by Service Provider in their reply of 6 May 2026, Point 1. No Client Relationship;*
>
> *(b) the issue was raised in the first hearing before the Arbiter who is the only authority within OAFS who can decide about the matter.*
>
> *As advised at the hearing of 30 June 2026, the Arbiter will issue a formal decision in the coming weeks on whether he has competence to hear the merits of this case.*
>
> *It is considered imprudent for any party to put pressure on the Arbiter to issue a decision before he concludes analysis to the issues to be decided upon."*[9]

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[7] P. 53 - 54
[8] P. 56 - 58
[9] P. 55

Analysis and considerations

<u>Complainant's eligibility</u>

Article 22(2) of the Act stipulates that:

"Upon receipt of a complaint, the Arbiter shall determine whether the complaint falls within his competence."

Moreover, in virtue of Article 19(1) of the Act, the Arbiter can only deal with complaints filed by **eligible customers**:

"It shall be the primary function of the Arbiter to deal with complaints filed by ***eligible customers*** *through the means of mediation in accordance with Article 24 and where necessary, by investigation and adjudication."*

The Act stipulates further that:

"Without prejudice to the functions of the Arbiter under this Act, it shall be the function of the Office:

(a) To deal with complaints filed by ***eligible customer.****"*[10]

Eligible customer

Article 2 of the Act defines an *"eligible customer"* as follows:

"a customer who is a consumer of a financial services provider, or to whom the financial services provider has offered to provide a financial service, or who has sought the provision of a financial service from a financial services provider."

By means of an amendment enacted by ACT IX of 2025 effective as from 17 April 2025, a proviso has been added to this definition stating:

"Provided that in the case of suspicious fraudulent payment transactions involving financial services providers, the victim of fraud exhibiting immediate, genuine and legitimate interest shall be deemed to be an eligible customer of any one of the financial service providers involved in the suspicious fraudulent payment transaction and this proviso shall be applicable with effect from 1st October 2025".

[10] Article 11(1)(a)

The Arbiter, before proceeding to hear evidence on the merits of the case, has to primarily decide whether the Complainant is in fact an **eligible customer** in terms of the Act. The Arbiter would not be competent to adjudicate the Complaint unless the Complainant qualifies as an **eligible customer.**

In this case, it is evident that Complainant is the victim of a fraud perpetrated by unknown scammers who impersonated the Service Provider using a fake website whose URL differed slightly from that of the Service Provider. It appears that while the URL of Service Provider is ***safecapitalinvestments.com***, the URL used by the scammers was ***safecapitalsinvestments.com***, i.e., with an extra s after capital.

On 24 November 2024, the Malta Regulator, MFSA, had issued a warning as follows:

> *"The Malta Financial Services Authority ("MFSA" or "the Authority") has become aware of an entity by the name of **Safe Capitals Investments** which has an internet presence at **https://safecapitalsinvestments.com**. This website is using the details of an MFSA licensed company **Safe Capital Investments Ltd.** Fraudsters are using the details and website contents of this genuine company in an effort to deceive the public.*
>
> *The Authority would like to inform the public that **Safe Capitals Investments** is **NOT** a Maltese registered company **NOR** is it authorised to provide any financial services in or from Malta. Additionally, **Safe Capitals Investments** has **NO association with** Safe Capital Investments Ltd.*
>
> *The website **https://safecapitalsinvestments.com** therefore appears to be a **clone** of the website of the legitimate entity and the public should therefore refrain from entering into any transactions or otherwise dealing with the false entity on any matters falling within the parameters of the Investment Services Act, Chapter 370 of the Laws of Malta*

Licence Holder	**Clone**
Safe Capital Investments Ltd	**Safe Capitals Investments Ltd**
https://www.safecapitalinvestments.com/	https://safecapitalsinvestments.com
C 79633	**N/A**

6, Flat 2, Market Street, Floriana, FRN1082, Malta	**N/A**
Investment Firm	**Unlicensed**

The MFSA would like to remind consumers of financial services not to enter into any financial services transaction unless they have ascertained that the entity with whom the transaction is being made is authorised to provide such services by the MFSA or another reputable financial services regulator. A list of entities licensed by the MFSA can be viewed on the official website of the Authority at https://www.mfsa.mt/financial-services-register/.

For more information on clone companies please refer to the Scam Detection Guidelines issued by the MFSA at https://www.mfsa.mt/consumers/scams-warnings/typical-scams/ and the MFSA scam awareness document to keep yourself informed on red flags. If you are a victim of a scam or think you might be dealing with an unauthorised entity or any other type of financial scam, first of all stop all transactions with the company and contact the MFSA at https://www.mfsa.mt/about-us/contact/ as soon as a suspicion arises."[11]

In the circumstances, it is pretty evident that there was never any contractual relationship between the parties and that no assets were handled by the Service Provider, who was not in any way involved in the handling of the scam payments.

It is evident that the Complainant did not perform any due diligence when he decided to part with his money. A simple search on the internet could have indicated the fraudulent nature of the contact especially if he consulted the Malta Regulator website knowing that the scammer was purporting to represent a licensed company operating from Malta.[12]

[11] https://www.mfsa.mt/news-item/mfsa-warning-safe-capitals-investments-clone/
[12] P. 15

It is also evident that Complainant was duped by the false astronomical profits being shown on his fake investment platform showing a value of USD 1.3 million supposedly sourced on a modest investment amount.[13]

The Arbiter, apart from the issue of non-competence, finds no case that the Service Provider must answer for regarding the loss suffered by Complainant.

The Complainant's expectation that the Arbiter has any role to identify the actual perpetrator of the fraud,[14] and presumably force recovery, represents a basic misunderstanding of the role of the Office of the Arbiter.

The Arbiter can only adjudge cases involving financial service providers licensed or operating from Malta under proper authority. The role to identify perpetrators who are not financial service providers rests with the law enforcement authorities of the respective jurisdiction where the fraud occurred.

Decision

For reasons explained above, this Complaint is hereby dismissed and parties are ordered to carry their own costs of these proceedings.

Alfred Mifsud
Arbiter for Financial Services

[13] P. 3
[14] P. 57

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.