

Fit-Tribunal tal-Konsumatur

Luis Felipe Gonzalez Pimentel

vs

L.C.S. Limited (C64070)

CCT 178/25/MS

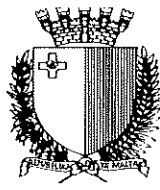
28th January 2026

The Tribunal

Having seen the Notice of Claim filed by the Claimant on 5 October 2025, whereby the Claimant is seeking the refund of the sum of €535.00, following the unilateral closure of his online betting account by the Respondent Company and the confiscation of his remaining balance on the grounds of an alleged breach of terms and conditions, use of forged documents, and fraudulent VPN activity;

Having seen the Reply filed by the Respondent Company, wherein it contends that the claim is unfounded in fact and in law, alleging that the Claimant acted as part of a coordinated group that verified accounts using falsified documents in order to place arbitrage bets; that the Respondent's Know Your Customer (KYC) team identified multiple new account registrations originating from Colombia attempting to verify their identities using counterfeit Gases del Oriente utility bills; that the Claimant engaged in multiple arbitrage betting activities while connected through VPN IP addresses carrying a fraud score of 100 according to the Company's IP Quality Score system; that such IP addresses were also linked to other accounts involved in fraudulent activity; and that, on this basis, the Respondent concluded that the Claimant participated in a coordinated scheme intended to defraud the Company through falsified documentation and VPN masking;

Having examined the acts of the case and heard the evidence under oath;



Considers

That the Claimant, a Colombian national, registered on the Respondent's online gaming platform after confirming that it was authorised to operate in Colombia. He subsequently deposited funds and engaged in online gaming activities.

The Claimant submits that he later discovered that the Respondent was operating unlawfully in Colombia and that his account was blocked and his remaining balance of USD 627.68 confiscated, without the provision of specific evidence or a detailed explanation, other than a general reference to alleged breaches of the terms and conditions.

The Claimant further stated that he contacted the Malta Gaming Authority seeking redress and was referred to Malta Alternative Dispute Resolution (MADRE), the body competent to handle consumer arbitration. However, the Respondent refused to participate in the arbitration process on the basis that the Claimant was resident outside the European Union, thereby leaving the Claimant in a position of consumer vulnerability while allegedly continuing to operate in Colombia and other South American countries without proper authorisation.

Under cross-examination, the Claimant confirmed that no specific reason was given for the closure of his account, and said that the Respondent relied solely on general terms and conditions. The Claimant further stated that he did not violate any of the conditions referred to as A, B, and C in the Respondent's email dated 20 October 2023.

Referring to Document A exhibited by the Respondent, the Claimant stated that the document was used to verify his account and that it correctly reflected his full name and residential address. When questioned about a separate document and the similarity in graphical and consumption data, the Claimant denied any knowledge of the existence of such document. When questioned about the alleged VPN IP fraud score of 100, the Claimant denied ever using a VPN and stated that his account had been approved by the Respondent and remained active for three months prior to the withdrawal of his funds.

The Tribunal also took note of the affidavit presented by Matthew Agius, one of the Directors of L.C.S. Limited (C64070), with registered office in Ta' Xbiex, Malta, who confirmed that, to the best of his knowledge, information, and belief, the contents of the Reply and supporting documentation were true.

Further Considers

That the present case concerns the closure of the Claimant's account and the confiscation of his balance on the alleged grounds of a breach of the Respondent Company's terms and



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conditions, specifically relating to the alleged use of falsified documentation and arbitrage betting through VPN masking.

The Tribunal must therefore determine whether the Respondent Company was justified in closing the Claimant's account and confiscating the balance of USD 628, equivalent to €535.00.

That Respondent Company relies primarily on allegations that the Claimant used forged documentation and placed multiple bets through VPN IP addresses with a fraud score of 100, subsequently concluding that the Claimant formed part of a coordinated fraudulent scheme.

The Claimant, on the other hand, categorically denies the use of a VPN and maintains that all documentation submitted was genuine and had already been approved by the Respondent.

The legal principle "ei incumbit probatio qui dicit, non qui negat" (he who alleges must prove) is well established in Maltese law. Accordingly, it is not incumbent upon the consumer to prove that he did not act fraudulently; rather, the burden rests upon the Respondent Company to prove, on a balance of probabilities, that the Claimant engaged in fraudulent conduct.

While the Respondent alleged the existence of multiple Colombian accounts verified using falsified Gases del Oriente utility bills with identical consumption data, it failed to present evidence of such multiple accounts. Only two documents were exhibited: one clearly legible document pertaining to the Claimant, and a second document which was barely legible and purportedly related to another individual.

Given that both documents were submitted merely as scanned copies, the Tribunal is unable to reach any definitive conclusion as to their alleged falsity.

Furthermore, the Tribunal notes that the Respondent Company relied heavily on technical and abstract terminology such as VPN IP, fraud score, and IP Quality Score, without producing concrete supporting evidence. No IP logs, session data, account activity records, betting histories, video recordings, or technical forensic analysis were produced to substantiate the allegations or to establish a direct link between the Claimant and the alleged fraudulent activity.

The Tribunal further notes that the affidavit of Mr Matthew Agius is framed in broad and abstract terms and is consistently qualified by the expression "*to the best of my knowledge, information and belief*". In cases involving allegations of fraud, such general averments, unsupported by direct knowledge or corroborating technical evidence, cannot by themselves



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satisfy the burden of proof required in law. The affidavit therefore carries limited probative value and does not adequately substantiate the Respondent's allegations against the Claimant.

On the basis of the evidence produced, the Tribunal is not satisfied that the Respondent Company has successfully discharged its burden of proof.

Additionally, the Tribunal finds that the terms and conditions relied upon by the Respondent Company fall within the ambit of unfair terms as defined under the Consumer Affairs Act, in that they disproportionately favour the Respondent and create a significant imbalance between the parties to the detriment of the consumer.

For all the above reasons, the Tribunal upholds the Claim and orders the Respondent Company to pay the Claimant the sum of €535.00.
With Costs against the Respondent Company.

A handwritten signature in blue ink, appearing to read 'M. Spiteri'.

Dr Michela Spiteri, LL.D.

Arbitru