

Authorised push payment (APP) scams – new rules

From **7 October 2024** new rules are being introduced about reimbursing victims of APP scams.

What is an APP scam?

APP scams happen when someone tricks you into sending money or sharing personal details under false pretences. Often fraudsters will pretend to be from well-known businesses or government organisations. They might text, email, or phone you claiming you owe them money or are due a refund and then encourage you to transfer money to a supposedly safe account. Often they can pressure you to act before you've had time to think.

What do the new rules mean for me?

From 7 October 2024, all banks and building societies must have processes in place to ensure that any claims of APP scams are fully investigated. The new rules will offer greater protection to most victims of this type of fraud.

You could be reimbursed **up to a maximum of £85,000** if:

- You are an individual, a micro-enterprise (with under 10 employees) or a small charity
- Your payment was made **using Faster Payments or CHAPS** in the UK and sent to a UK account that can send or receive these type of payments.
- Your payment was made on or after 7 October 2024
- You have made a claim within 13 months of the final payment made to a fraudster.
- You may have to pay an excess of up to £100 per claim, except in circumstances where we assess you as being vulnerable. We will consider each claim on a case-by-case basis and any excess will be subtracted from the reimbursement amount

When might I not be eligible for a reimbursement?

There are circumstances where you will not be eligible for reimbursement. This includes:

- Payments that take place across other payment systems (that are not a Faster Payment or CHAPS) for example BACS, cheques, cash transactions.
- Payments made to another account that you control, such as your nominated bank account.
- Civil disputes: for example, if you have bought something that hasn't turned out as expected.
- Where payments are sent or received by credit unions, municipal banks, and national savings banks.
- Claims made **before 7 October 2024** or **more than 13 months after** the final payment to the fraudster.
- First party fraud: this is where you have not authorised a payment from your account.
- Any claims where you were involved in committing the fraud.
- Gross negligence on the part of the Consumer.
- International payments are also not included.
- The new rules are designed to protect innocent victims of crime. There is, however, an expectation that you take common-sense precautions when sending money.

How can I protect myself?

Where we believe that a scam could be taking place, we would always seek to intervene, and we would expect our customers to take steps to protect themselves.

The regulator recommends the following:

- Pay attention to any warnings or guidance given by us before you make your payment; for example, if we ask you to check the identity of the recipient.
- Report the suspected scam as soon as you become aware of it.
- Share all the necessary information with the team that investigates your claim.
- Report the fraud to the police or allow us to do so on your behalf.

By learning to spot the ways in which fraudsters manipulate their victims, you can protect yourself from being scammed. Here are a few **key warning signs** to look out for:

- An offer is too good to be true,
- Communications you receive are different to normal,
- If you feel pressured in any way,
- If you're asked to use an unusual payment method,
- If you've been asked for personal information including passwords or log in details (always keep these private).
- If you are in any doubt, always contact your bank or building society to check.

What do I do if I am a victim of an APP scam?

If one of your accounts with us has been affected, **contact us immediately** on 01635 555700 or pop into one of our branches. Once you have reported it to us, we will fully investigate, including potentially sharing your information with the receiving institution and advise you of the next steps and progress.

We will request detailed information from you to assess any claim; without this, reimbursement is likely to be refused.

It is likely that we may also seek your agreement to report the scam to the police or other authority.

Take Five and Action Fraud also provide further guidance on their websites:

- Take Five - www.takefive-stopfraud.org.uk/app-guide
- Action Fraud - www.actionfraud.police.uk

Our savings terms and conditions will be amended by 9th April 2025 to include a provision that we will reimburse customers in line with the reimbursement requirement and rules.

What if I'm not happy?

If you are unhappy with our response, you can refer your complaint to the Financial Ombudsman Service. Further information on the Financial Ombudsman Service, which is free and independent, can be found on their website www.financial-ombudsman.org.uk or by calling 0800 023 4567.

You can also find more information on Authorised Push Payments and reimbursements from the Payment Systems Regulator on their website www.psr.org.uk or by calling 0300 456 3677.