



# Explainer: Your right to reimbursement

Your right to reimbursement under the APP

Fraud Reimbursement Scheme

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## About your right to reimbursement if you're the victim of an APP scam

### What are APP scams?

Authorised Push Payment (APP) scams occur when a scammer tricks you into sending money to a person or account you didn't intend to send money to, or for a purpose you didn't intend. This could happen, for example, when you believe you're sending money to buy an item online, paying an invoice, making an investment, or sending funds at the request of your bank or payment provider, only to realise later that the recipient was a scammer.

### 1. Your right to reimbursement

On 7 October 2024, new rules from the Payments Systems Regulator (PSR) come into force, giving you the right to be reimbursed if you fall victim to an APP scam. Not everyone is automatically eligible for reimbursement. Here's what you need to know:

- **Payment type:** The right to reimbursement only applies to payments you have made to accounts in the UK using Faster Payments and/or CHAPS.
- **Eligible customers:** The right to reimbursement only applies to individuals, sole traders, charities with annual income of less than £1 million, and microenterprises (businesses that employ fewer than 10 people with annual turnover and/or assets of less than €2 million at the group level).
- **Timeframe:** The new rules apply to payments made on or after 7 October 2024. If you're scammed, you must raise a claim within 13 months of the final payment to the scammer.
- **Claim limit:** The right to reimbursement applies up to the claim maximum set by the PSR, who have proposed £85,000 maximum.
- **Claim excess:** Modulr will charge a claim excess of £100. This will be deducted automatically from the money that is returned to you, if your claim is reimbursable.

### When does the right to reimbursement not apply?

There are situations where the right to reimbursement doesn't apply. Some of these situations include:

- **First party fraud:** If you dishonestly make a claim for reimbursement when you haven't actually been scammed.
- **Gross negligence:** If you're grossly negligent, including if you ignore us when we warn you that a payment you're trying to make is probably a scam, if you don't provide us with the information we need to process your claim, if you don't report the scam to us within 13 months, or if you don't consent to us reporting the scam to the police on your behalf.

- **Other payment methods:** The rules apply to payments made through Faster Payments and/or CHAPS. Transactions via cheque, cash, or international payments are not covered.
- **Payments to certain account types:** Payments made to credit unions, municipal banks or national savings banks.
- **“On us” payments:** Payments made to other Modulr accounts.
- **Civil disputes:** If your claim relates to a civil dispute, for example, if you purchase something from a legitimate seller but are unhappy with the product you receive.

## 2. Reporting scams

If you believe you've been targeted by a scam, please contact Zumo Financial Services Limited (Zumo) immediately. You can reach our support team at

- <https://app.zumo.tech/> via the 'Contact Support' button, '? Support' then Zumo Bot or Get in Touch.
- Or email: [support@zumo.money](mailto:support@zumo.money)
- Or write to us at: Zumo Financial Services Ltd, RTW Studios, 40 Constitution Street, Edinburgh, EH6 6RS.

### What to expect when making a claim

When you report a scam, Zumo will ask you for details about the scam and any payment(s) that you made. These include:

- Details about the account that you used to send money to the scammer, including the account number, the sort code, and the name on the account.
- Details about the account that you made the payment to, including the account number, the sort code, and the name on the account.
- A detailed description of what happened, and the circumstances that led to it. The more detail that you're able to provide us, the better.

Our team will investigate your claim and determine whether you are eligible for reimbursement based on the criteria set by the Payment Systems Regulator. Most cases are resolved within five business days, though complex cases may take longer.

### Supporting vulnerable consumers

If you have additional support needs or are in a situation that makes you more likely to be a victim of a scam, please let Zumo know so that they can better support you. This may include things like your mental or physical health, your financial circumstances, or other life events.

## If you're unhappy with the outcome

If you're dissatisfied with the outcome of your claim, you have the right to make a complaint, in line with the process set out in your Introduced Client Terms of Business. If your complaint isn't resolved to your satisfaction, you have the right to escalate it to the Financial Ombudsman Service for independent review. You can read more about how to make a complaint using this link:

- <https://app.zumo.tech/security-governance/>, then selecting Contact Support > Company/General > Compliance > How do I complain.

Complaints can also be submitted by:

- Email: Directly to [complaints@zumo.money](mailto:complaints@zumo.money) with full details of the issue.
- App: Through the FAQ section using the complaints form for a streamlined process.
- Postal Mail: Addressed to Zumo Financial Services Ltd, RTW Studios, 40 Constitution Street, Edinburgh, EH6 6RS.

## Additional support if you're a victim of a scam

There are several organisations that can provide you with additional support if you are concerned about APP fraud or you become victim of a scam. These include:

- [CIFAS](#): Register with CIFAS to prevent fraudsters from using your name to apply for products or services.
- [Take Five to Stop Fraud](#): Led by UK Finance, Take Five is a national campaign that offers straight-forward and impartial advice to help everyone protect themselves from preventable financial fraud.
- [Citizens Advice](#): Providing knowledge and advice on what to do next, and giving you support on the issues you might be facing. Phone: 0808 223 1133
- [Victims Support](#): An independent charity, providing free and confidential advice to people affected by crime. Phone: 08 08 16 89 111