



Review of the Contingent
Reimbursement Model Code for
Authorised Push Payment Scams

Consultation Document

July 2020

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1. INTRODUCTION

1.1 BACKGROUND

In September 2016, the consumer body Which? submitted a super-complaint to the Payment Systems Regulator (PSR) regarding Authorised Push Payments (APP) scams. The complaint raised concerns about the level of protection for customers who fall victim to APP scams. The PSR investigated the issue and published its formal response in December 2016. The response recognised that further work was needed and made recommendations for actions to be taken by industry.

In November 2017, the PSR published an update on the progress made. The PSR recognised that there were still concerns around the reimbursement of victims of APP scams and consulted on the introduction of a 'contingent reimbursement model'.

In early 2018, taking into account responses to the consultation, the PSR established a steering group with representatives from industry and consumer groups. The steering group was tasked with designing and implementing an industry code which would reduce the impact that these crimes have on consumers, micro-enterprises and small charities by introducing measures that would reduce the occurrence of APP scams and see victims of APP scams reimbursed.

The code designed, the **Contingent Reimbursement Model (CRM) Code**, was launched on 28 May 2019. The voluntary code sets out good industry practice for preventing and responding to APP scams. It also sets out the requisite level of care expected of customers to protect themselves from APP scams. Currently there are nine firms, comprising 19 brands, signed up to the Code:

- Barclays Bank UK plc
Barclays
- The Co-Operative Bank
Britannia and Smile
- HSBC UK
HSBC, First Direct and M&S Bank
- Lloyds Banking Group
Lloyds Bank plc, Halifax, Bank of Scotland plc and Intelligent Finance
- Metro Bank
- Nationwide Building Society
- NatWest Bank plc
Royal Bank of Scotland plc,
NatWest Bank and Ulster Bank
- Santander UK
Santander, Cahoot and Cater Allen Limited
- Starling Bank

1.2 THE ROLE OF THE LSB

On 1 July 2019, the Lending Standards Board (LSB) became the official governing body for the CRM Code. The LSB is pivotal in driving fair customer outcomes within financial services through independent oversight. Standards and Codes overseen by the LSB cover lending to personal and business customers, branch closures, and APP scams. The LSB is independent in its approach to setting Standards and overseeing compliance of these standards.

Having assumed governorship of the CRM Code, the LSB's role is to monitor the implementation of the Code, to ensure its effectiveness, and to maintain and refine it.

In this role, the LSB has continued to engage with a range of stakeholders regarding the implementation of the Code and has undertaken a themed review of firms' approach to reimbursement of customers. The LSB also committed to carrying out a full review of the effectiveness of the Code and its impact on the industry and consumers, one-year post-implementation. This consultation will form the basis for this review.

To provide context alongside this consultation, the following sections set out a summary of views collated through our stakeholder engagement and a summary of the review of firms' approach to reimbursement of customers.

1.3 ENGAGEMENT WITH STAKEHOLDERS

Over the past year we have engaged with various interested stakeholders through a combination of bilateral meetings and through the continued meetings of the CRM Advisory Group which is formed of both industry and consumer representatives.

Based on our engagement to date, stakeholders have raised a number of concerns about the Code and how it operates, including those regarding:

- the types of transactions that are in scope of the Code;
- liability requirements where either the sending or receiving bank sits outside the Code;
- transaction monitoring requirements;
- operational costs of participating in the Code compared against the level of scams that occur;
- expectations for identifying payments which have a higher risk of being vulnerable, as well as identifying and treatment of vulnerable customers; and
- the future funding mechanism for 'no blame' reimbursements.

A further key area of discussion has been around how to improve the coverage of the protections offered by the Code, both in terms of signing up new banks and in terms of taking steps to allow other key firms, such as building societies or Payment Initiation Service Providers (PISPs), to sign up to the Code or to offer similar protections.

These concerns and considerations have been taken on board when drafting this consultation and are reflected in the questions included.



1.4 REVIEW OF APPROACH TO REIMBURSEMENT OF CUSTOMERS

Between October 2019 and January 2020, the LSB carried out a **review** of the approach to reimbursement of customers under CRM Code provision R2(1)(c). The Code requires that where a customer has been the victim of an APP scam, firms should reimburse the customer. Provision R2(1)(c) sets out that if the customer has not met a reasonable level of care when making a payment, reimbursement can be denied. However, firms must be able to demonstrate that in all the circumstances at the time of the payment, in particular the characteristics of the customer and the complexity and sophistication of the APP scam, the customer made the payment without a reasonable basis for believing that:

- the payee was the person the customer was expecting to pay;
- the payment was for genuine goods or services; and/or
- the person or business with whom they transacted was legitimate.

The review included an assessment of the key controls and processes firms have in place to demonstrate compliance with the provision including considering how firms have interpreted the provision and assessing the level and depth of staff training.

Overall, the LSB found that all firms involved in the review had taken positive steps to implement the requirements of the Code for reimbursing customers. However, a number of key areas of improvement were identified – reimbursements; effective warnings; customer vulnerability and record keeping.

The LSB has issued individual reports to each firm which contain recommendations and required actions and will be working to ensure these are implemented, including tracking through to completion. The LSB intends on completing a follow-up review exercise later in 2020 to ensure all actions are fully embedded.

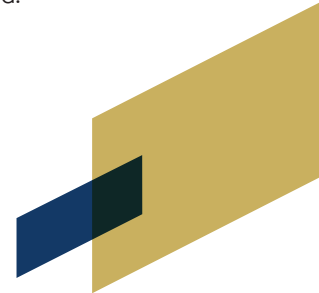
As with the feedback from stakeholders, issues raised in this review have been taken into account in the drafting of this consultation and are reflected in the questions included.

1.5 ABOUT THIS CONSULTATION

As set out above, this consultation will form the basis for the LSB's one year post-implementation review of the **CRM Code**. While the focus of the review is the Code, we are including within the scope of the review two supporting documents:

- the Practitioners Guide, which was developed by the LSB and is made available to signatories to the Code to support them in achieving the requirements of the CRM Code. The guide also contains supporting annexes.
- the **Information for Customers** document, which was published to promote awareness of the Code and to inform customers of the various ways in which they can reasonably protect themselves from falling victim to an APP scam.

The consultation sets out questions across four different areas:

- **Implementation** - with questions seeking to establish any challenges firms have faced in adopting the Code, any barriers that exist to new firms signing up, and areas where the Code could be improved to take account of insight gained over the first year of implementation.
 - **Customer experience** - with questions seeking to establish whether the Code has met its objective to increase the proportion of customers protected from the impact of APP scams, both via reducing incidents of scams and by reimbursement, and to determine what the experience of victims of APP scams has been in the year since the Code was launched.
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- **Prevention measures** - with questions seeking to establish whether consumer education and awareness campaigns, warnings, and Confirmation of Payee (CoP) are working effectively to support to the objectives of the Code.
- **Resolving claims** - with questions seeking to establish what challenges firms face when making a decision to reimburse a customer, including in relation to how that reimbursement is funded.

The responses to the consultation and the work undertaken as part of the wider review may be used to inform revisions to the Code and to the supporting documents that fall within the scope of this work.

1.6 WHO SHOULD RESPOND

Current Code signatories, other payment service providers, consumer representatives and the industry more generally will have an interest in the LSB's review of the CRM Code and may want to respond to this consultation.

While we have set out a range of questions in this consultation, further comment, discussion and representations from respondents are encouraged in respect of any of the elements of the Code.

Respondents are welcome, in the course of their response, to provide suggestions for changes to the Code or the supporting documents. The terms of the Code and the content of the supporting documents may change as a result of feedback received.

The details of how to respond to this consultation are set out in Section 6, Next steps.

We would welcome responses to the questions raised in this consultation and any related feedback by **5pm on 30 September 2020**.

The Code and this consultation document do not contain any legal advice to any person or firm and is no substitute for formal legal advice required by any person or firm. The LSB does not accept any legal responsibility or liability for the actions or omissions of any person or PSP in relation to or reliance on the Code or this consultation document.

2. IMPLEMENTATION

2.1 THE CURRENT VERSION OF THE CRM CODE

The CRM Code came into force on 28 May 2019. In overview, the provisions of the CRM Code set out:

- overarching principles,
- general expectations on firms,
- standards for firms for detecting, preventing and responding to APP scams,
- the circumstances in which customers, including customers vulnerable to APP scams, can expect to be reimbursed,
- governance of the Code.

The current version of the CRM Code can be found [here](#).

In addition to the Code, there is a Practitioners Guide, with supporting annexes. This guide is made available to signatories to the Code. There is also a consumer facing [Information for Customers](#) document aimed at informing customers about the Code.

The overarching objectives of the CRM Code principles as set out at the start of the Code are:

1. To reduce the occurrence of APP scams;
2. To increase the proportion of customers protected from the impact of APP scams, both through reimbursement and the reduction of APP scams;
3. To minimise disruption to legitimate Payment Journeys.

- Question 1:** To what extent do you agree or disagree that the current version of the Code is clear about its purpose and scope?
- Question 2:** If you are a firm that has signed up to the Code:
- a) Are there areas of the Code which are not working effectively in ensuring the objectives of the Code are met? If so, could you please set them out and, where possible, provide examples of why this is the case.
 - b) Are there areas of the Code which have been particularly effective in ensuring the objectives of the Code are met? If so, could you please set them out and, where possible, provide examples of why this is the case.
- Question 3:** Given the objectives of the Code, to what extent do you agree or disagree that the Code has effectively encouraged both sending and receiving firms, where they are signatories to the Code:
- a) To improve their ability to prevent fraud?
 - b) To put in place better customer protection measures against APP scams?
 - c) To provide reimbursements to customers in a timely manner?
 - d) To introduce measures in such a way that there is minimal disruption to legitimate payment journeys?
 - e) To repatriate funds that are found to be proceeds of an APP scam?

Question 4: Has the Practitioners Guide been useful in supporting firms to meet the requirements of the Code?

Question 5: Has the Information for Customers document been useful for firms looking to provide information or support to customers?

2.2 COVERAGE AND BARRIERS TO SIGNING UP

At the time that the Code came into effect, eight firms were signed up to the Code, providing protections for the majority of retail banking customers. Since then one further firm has signed up.

Increasing the number of signatories to the Code is a key area of focus for the LSB as this will ensure that as many customers as possible are covered by the protections in the Code. However, becoming a signatory to the Code is voluntary and progress on this front has not been as fast as had been hoped.

Broadly speaking, there are three groups of firms where the LSB recognises that action is needed to increase the coverage of the CRM Code:

- there is an existing pipeline of mid-sized banks that could sign up to the Code, as drafted, but who have yet to do so;

- there are firms who are signatories to the Best Practice Standards, which provide a framework for firms to engage quickly and effectively following reports of a APP scam, but who are not signatories to the Code;
- there is also another cohort of firms who are unable to meet the requirements of the Code as it currently stands, for example building societies and PISPs.

In the first year of implementation, the LSB engaged with stakeholders including the PSR, UK Finance, the Electronic Money Association (EMA), the Open Banking Implementation Entity (OBIE), and the Building Societies Association (BSA) regarding the barriers to entry firms face in signing up to the Code.

While there is commitment from many stakeholders to increase the coverage of the Code, stakeholders have highlighted that there remain challenges for firms to sign up to the Code as drafted.

Question 6: To what extent do you agree or disagree that the CRM Code has been successfully implemented by signatories?

Question 7: What changes to the Code, or alternative options, should be considered to ensure that the protections offered by the Code can be applied to as broad a range of firms as possible?

Question 8: If you are a firm that has not signed up to the Code:

- a) What has prevented you from signing up to the Code?
- b) What changes would need to be made for you to consider signing up to the Code?

3. CUSTOMER EXPERIENCE

3.1 REDUCING THE IMPACT ON CUSTOMERS

A key objective of the Code is to increase the proportion of customers protected from the impact of APP scams, both through reimbursement and the reduction of APP scams.

The Code aims to achieve this by encouraging firms to take measures to reduce the occurrence of scams, and by requiring firms to reimburse customers who are victims of an APP scam as long as the customer has taken sufficient care when making the payment.

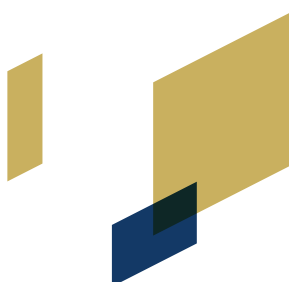
According to UK Finance figures published in *Fraud – The Facts 2020*, APP scams accounted for 36% of financial fraud as measured by losses, in 2019, second only to Payment Card fraud (48%). In total the value of the APP scams in 2019 was £455.8 million across 122,437 cases.

This represents a 45% increase in the incidence of APP scams when compared to 2018 and a 29% increase in value.

The amount of money returned to consumers in 2019 was £116 million (25% of the total value), which is made up of partial or total recovery of the funds as well as goodwill payments made by firms in some cases.

UK Finance has also published separate figures for cases assessed under the voluntary Code between 28 May 2019 and 31 December 2019. These figures show that the value of losses assessed was £101.1 million with £41.3 million reimbursed to customers, meaning 41% of reported losses were reimbursed. This is an increase in the proportion of losses reimbursed, up from 19% for APP scam cases reported between January and June 2019.

While the Code has increased the proportion of victims' losses reimbursed, this information shows that APP scams remain a significant harm to consumers and highlights the importance of the work being done to reduce the impact of these scams on customers.



- Question 9:** To what extent do you agree or disagree that the CRM Code has been effective in increasing the proportion of customers protected from experiencing APP scams?
- Question 10:** Where customers report they have been a victim of an APP scam, to what extent do you agree or disagree that the Code has been effective in ensuring customers who are not at fault are reimbursed?
- Question 11:** Is the Code clear about the level of care expected from a customer when making a payment? And, is the level of care expected of customers appropriate?
- Question 12:** To what extent do you agree or disagree that the implementation of the Code has resulted in an improved customer experience for victims of APP scams?
- Question 13:** To what extent do you agree or disagree that the Information for Customers document has been useful for customers who may have been victims of APP scams?
- Question 14:** Are customers sufficiently aware of the protections offered by the Code? If not, does this have an impact on the effectiveness of the Code and the customer experience of APP scams?

3.2 VULNERABLE CUSTOMERS

The expected approach to vulnerable customers is set out in the Code in SF1(4) with further details in R2(3). These provisions make it clear that customers in vulnerable circumstances should be reimbursed as it would not be reasonable to expect that customer to have protected themselves, at the time of becoming victim of an APP scam, against that particular scam.

The LSB's themed review on the reimbursement of customers, completed between October 2019 and January 2020, found that the identification of

vulnerability and customers' susceptibility to scams was not very well developed.

In the summary report following the review, the LSB highlighted that the questioning of customers who reported falling victim to a scam was often closed and did not allow for the clear identification of any vulnerability. In a small number of cases, evidence of vulnerability was available but, where it was, it was not always used as a consideration for reimbursement.

- Question 15:** Is the approach taken in the Code regarding customers who might be vulnerable to APP scams appropriate?
- Question 16:** Are there additional protections that should be built into the Code to improve protections for customers who might be vulnerable to APP scams?

4. PREVENTION MEASURES

4.1 AWARENESS

The Code sets out a general expectation that firms should participate in consumer education and awareness campaigns, see GF(1), to educate consumers about APP scams and the risks of fraudsters using their accounts and ‘mule accounts’.

Further still, under SF1(2), firms are expected to take reasonable steps to make their customers aware of general actions that could be taken to reduce the risk of falling victim to an APP scam.

Question 17: Are the steps firms are taking to improve customers’ understanding, of the risks of APP scams and actions they could take to reduce the risk of falling victim to such a scam, effective in achieving the objectives of the Code? Where possible, please provide supporting evidence.

4.2 EFFECTIVE WARNINGS

In the Code, SF1(2) sets out that ‘Where firms identify APP scam risks in a payment journey, they should take reasonable steps to provide their customers with effective warnings, which should include appropriate actions for those customers to take to protect themselves from APP scams’. This is supported by further provisions setting out more detail of what is expected by firms.

The issue of effective warnings is important for both firms and customers as a firm may choose not to reimburse a customer where the customer has ignored a warning given in compliance with SF1(2).

The LSB’s thematic review found that the issuing of a warning was sometimes treated by firms as a strict liability regardless of how effective the warning was or whether the customer had a reasonable ground for not acting on the warning. It also found that warnings themselves varied in the extent to which they engaged customer attention and in their level of specificity and were typically not available on all channels.

While the LSB expects to make the effectiveness of warnings the subject of a separate thematic review in 2020/21, it is important to understand the extent to which effective warnings are supporting the objectives of the Code.

Question 18: Are the expectations of the sending and receiving firms, so far as they relate to effective warnings, clear? If not, what further clarity should be provided?

Question 19: Are the warnings that are being issued by firms effective in protecting customers from the impact of APP scams? Where possible, please provide supporting evidence.

4.3 CONFIRMATION OF PAYEE

The Code includes a holding position for when the provision on Confirmation of Payee (CoP) will become effective, see SF1(3).

CoP is a way of giving end-users of payment systems greater assurance that they are sending their payments to the intended recipient. It is, in essence, an ‘account name checking service’ that can help avoid payments being misdirected. Prior to the introduction of CoP, firms were unable to check the name on the account when a customer set up a payment to a new account. Firms relied only on the sort code and account number given by customers to route the payment.

CoP will address certain types of APP fraud by introducing a further check in the payment process and by giving effective warnings to customers about the risks of sending payments to an account where the name of the recipient does not match the account details. In doing this, CoP also places a responsibility on customers as a firm may choose not to reimburse a customer if a firm issues an effective warning where the name of a recipient does not match and the warning is ignored by the customer.

The PSR issued a direction for the UK’s six largest banking groups, covering around 90% of bank transfers, to fully implement CoP by 31 March 2020. However, in the light of the Covid-19 pandemic, the PSR issued an update postponing any formal action in respect of delays to the introduction of CoP until 30 June 2020 and setting out that banks must take appropriate steps to roll out CoP even if it means they do not meet the original deadline. While some firms beyond the six banking groups directed by the PSR have voluntarily introduced CoP, further work is also expected to expand the coverage of CoP to other firms.

In this consultation, the LSB is seeking to understand the date from which SF1(3) should become effective in the Code and whether any changes are needed to take account of the fact that there are some firms who are not captured by the PSR’s direction and that there are firms may want to sign up to both the CRM Code and/or CoP.

- Question 20:** Do you have any views on whether CoP will improve the prevention of scams for customers?
- Question 21:** Do you have a view on when the SF1(3), the provision on CoP, should become effective within the Code?
- Question 22:** Are any changes to the Code necessary to take account of the developments that have taken place, or that are expected, in relation to CoP?

5. RESOLVING CLAIMS

5.1 THE PROCESS OF RESOLVING CLAIMS

A key objective of the Code is to increase the proportion of customers protected from the impact of APP scams, this includes through reimbursement.

The Code sets out in R1 that, subject to certain conditions, when a customer has been the victim of an APP scam, a firm should reimburse the customer. The Code also sets out the conditions that would allow a firm not to reimburse a customer and the expectations of firms in relation to claims from customers who might be vulnerable, in relation to the claims timeline, and in relation to complaints.

The summary report of the LSB's thematic review published in April 2020 found that judgements about reimbursement were not always made in the light of the full circumstances of the case or a judgement of what consumers may have believed at the time, but were often driven by narrower process considerations.

In addition to this, the review found that while the presumption in the Code is that victims should be reimbursed unless there is a clear ground for attributing blame to the customer, this was sometimes reversed so that the customer was held liable in many cases where the bank was not.

In undertaking this review, the LSB also found that documentation of the rationale for the decision to decline reimbursement varied across firms and in some cases was non-existent. Customers themselves were often not told how a decision had been taken to deny reimbursement and were often given no opportunity to address the grounds on which the firm was holding them liable for the success of the scam.

In addition to setting out the process for resolving claims, the Code sets out that there is a general expectation on firms, see GF(3), to have processes and procedures in place to help with customer aftercare whether or not a customer is reimbursed.

- Question 23:** To what extent do you agree or disagree that the approach to reimbursing customers is sufficiently clear?
- Question 24:** Have there been challenges in meeting the timeframes for reimbursing customers?
- Question 25:** Are there any changes to the Code that could be made that would improve the process of reimbursing customers?
- Question 26:** Are the current provisions of the Code, regarding the expectations of firms in relation to customer aftercare, clear and appropriate?

5.2 FUNDING THE REIMBURSEMENT OF CUSTOMERS

The Code sets out how firms should cover the cost of reimbursements issued to customers. Currently ALL2(3) sets out that where a customer is reimbursed and neither firm involved in the relevant payment journey has breached the relevant provisions in the Code, the customer's firm who has administered the reimbursement can apply to the no-blame fund to recoup the cost. When the Code launched on 28 May 2019 an interim no-blame fund was set up by seven of the original signatory banks to fund reimbursements in these no-blame scenarios. These arrangements are currently in place until the end of 2020 while work continues to agree a long-term solution.

It was intended that the initial sum of money assigned to the no-blame fund would be repaid from a long-term funding mechanism.

A proposal for a long-term solution was put forward to Pay.UK as a 'change request' by UK Finance with the support of the APP steering group. The proposal was for Pay.UK to introduce a levy on faster payments to fund the no-blame fund. Pay.UK consulted with stakeholders and made the **decision** in November 2019 not to adopt the proposal. This decision was, in summary, due to; a lack of consensus among firms, a concern that using Pay.UK rules would effectively make a voluntary initiative mandatory, and concerns that the levy would lead to cross-subsidies which could see increased cost for some participants and dampen the incentives on individual firms to invest in fraud controls. At the point of publication of this consultation document, it remains the case that a longer-term mechanism for repayment has yet to be agreed.

The funding mechanism for no-blame cases sits outside the LSB's remit. However, the inclusion of the fund in the Code as the means of funding the reimbursement of customers in a no-blame scenario means that the future of the fund must be considered as part of this review.

The PSR held a **meeting** with key stakeholders in March 2020 to discuss progress being made on APP scams. During this meeting, the PSR set out some options regarding the future funding of reimbursements in no-blame scenarios. These options included firms making a long-term commitment to meeting the costs of no-blame cases through self-funding.

In summary, there are three options being discussed for the future funding of reimbursements in no-blame scenarios, which include:

- maintaining a central no-blame fund, with contributions from signatories to the Code and potentially other sectors (e.g. telecoms);
- self-funding, so that each customer is reimbursed as required by their sending PSP who will then either seek to recoup a percentage of the cost of the reimbursement from the receiving bank, or bear the cost themselves;
- introducing a new rule into the Faster Payments Scheme that requires reimbursements of customers who have fallen victim to an APP scam, which would be similar to the Direct Debit guarantee.

While the LSB has no formal role in deciding the future of the no-blame fund, we recognise that changes to the Code could accommodate other longer-term mechanisms for funding the reimbursement of customers in no-blame scenarios.

- Question 27:** Are the current principles for covering the cost of reimbursing customers appropriate, including in a scenario where both the sending and receiving firm have met their obligations under the Code?
- Question 28:** Should the Code continue to reference the no-blame fund as the means by which firms should recoup the cost of reimbursing a customer in a no-blame scenario?
- Question 29:** Should the Code be amended to accommodate other options for funding the reimbursement of customers in a no blame scenario? If so, what options should be accommodated?

6. NEXT STEPS

6.1 HOW TO RESPOND

Current Code signatories, other firms, consumer representatives and the industry more generally will have an interest in the LSB's review of the CRM Code and may want to respond to this consultation.

The full list of questions can be found in the Annex to this document. While we have set out a range of questions in this consultation, further comment, discussion and representations from respondents are encouraged in respect of any of the elements of the Code or the supporting documents.

We would encourage respondents to share any insight they can that supports their response to this consultation, even if this can only be done on a confidential basis.

Respondents are also welcome to provide suggestions for changes to the Code or the supporting documents.

The responses to the consultation and the work undertaken as part of the wider review may be used to inform revisions to the Code and to the supporting documents that fall within the scope of the review.

We would welcome responses to the questions raised in this consultation and any related feedback by **5pm on 30 September 2020**. Responses submitted after this date may not be considered in the review of the CRM Code.

Please send your responses and any supporting information to **crmcode@lstdb.org.uk**

In the current environment we would encourage all responses to be submitted electronically, however should you prefer to respond via post responses can be sent to:

CRM Code review
Lending Standards Board
5th Floor
Abbey House
74-76 St John Street
London
EC1M 4DZ

6.2 PUBLICATION OF CONSULTATION RESPONSES

The LSB intends to publish responses submitted on the relevant sections of our website.

To ensure we get the most from responses we are happy for respondents to mark any information contained in your response which you consider should not be published on the LSB website because it is confidential or commercially sensitive information. Where this is the case, please mark this information clearly and indicate that the response contains confidential or commercially sensitive information when submitting the response.

If possible, please also provide a non-confidential version which can be published on the website.

ANNEX 1: FULL LIST OF CONSULTATION QUESTIONS

IMPLEMENTATION

- Question 1:** To what extent do you agree or disagree that the current version of the Code is clear about its purpose and scope?
- Question 2:** If you are a firm that has signed up to the Code:
- a) Are there areas of the Code which are not working effectively in ensuring the objectives of the Code are met? If so, could you please set them out and, where possible, provide examples of why this is the case.
 - b) Are there areas of the Code which have been particularly effective in ensuring the objectives of the Code are met? If so, could you please set them out and, where possible, provide examples of why this is the case.
- Question 3:** Given the objectives of the Code, to what extent do you agree or disagree that the Code has effectively encouraged both sending and receiving firms, where they are signatories to the Code:
- a) To improve their ability to prevent fraud?
 - b) To put in place better customer protection measures against APP scams?
 - c) To provide reimbursements to customers in a timely manner?
 - d) To introduce measures in such a way that there is minimal disruption to legitimate payment journeys?
 - e) To repatriate funds that are found to be proceeds of an APP scam?
- Question 4:** Has the Practitioners Guide been useful in supporting firms to meet the requirements of the Code?
- Question 5:** Has the Information for Customers document been useful for firms looking to provide information or support to customers?
- Question 6:** To what extent do you agree or disagree that the CRM Code has been successfully implemented by signatories?
- Question 7:** What changes to the Code, or alternative options, should be considered to ensure that the protections offered by the Code can be applied to as broad a range of firms as possible?
- Question 8:** If you are a firm that has not signed up to the Code:
- a) What is it that has prevented you from signing up to the Code?
 - b) What changes would need to be made for you to consider signing up to the Code?

CUSTOMER EXPERIENCE

- Question 9:** To what extent do you agree or disagree that the CRM Code has been effective in increasing the proportion of customers protected from experiencing APP scams?
- Question 10:** Where customers report they have been a victim of an APP scam, to what extent do you agree or disagree that the Code has been effective in ensuring customers who are not at fault are reimbursed?
- Question 11:** Is the Code clear about the level of care expected from a customer when making a payment? And, is the level of care expected of customers appropriate?
- Question 12:** To what extent do you agree or disagree that the implementation of the Code has resulted in an improved customer experience for victims of APP scams?
- Question 13:** To what extent do you agree or disagree that the Information for Customers document has been useful for customers who may have been victims of APP scams?
- Question 14:** Are customers sufficiently aware of the protections offered by the Code? If not, does this have an impact on the effectiveness of the Code and the customer experience of APP scams?
- Question 15:** Is the approach taken in the Code regarding customers who might be vulnerable to APP scams appropriate?
- Question 16:** Are there additional protections that should be built into the Code to improve protections for customers who might be vulnerable to APP scams?

PREVENTION MEASURES

- Question 17:** Are the steps firms are taking to improve customers' understanding, of the risks of APP scams and actions they could take to reduce the risk of falling victim to such a scam, effective in achieving the objectives of the Code? Where possible, please provide supporting evidence.
- Question 18:** Are the expectations of the sending and receiving firms, so far as they relate to effective warnings, clear? If not, what further clarity should be provided?
- Question 19:** Are the warnings that are being issued by firms effective in protecting customers from the impact of APP scams? Where possible, please provide supporting evidence.

Question 20: Do you have any views on whether CoP will improve the prevention of scams for customers?

Question 21: Do you have a view on when the SF1(3), the provision on CoP, should become effective within the Code?

Question 22: Are any changes to the Code necessary to take account of the developments that have taken place, or that are expected, in relation to CoP?

RESOLVING CLAIMS

Question 23: To what extent do you agree or disagree that the approach to reimbursing customers is sufficiently clear?

Question 24: Have there been challenges in meeting the timeframes for reimbursing customers?

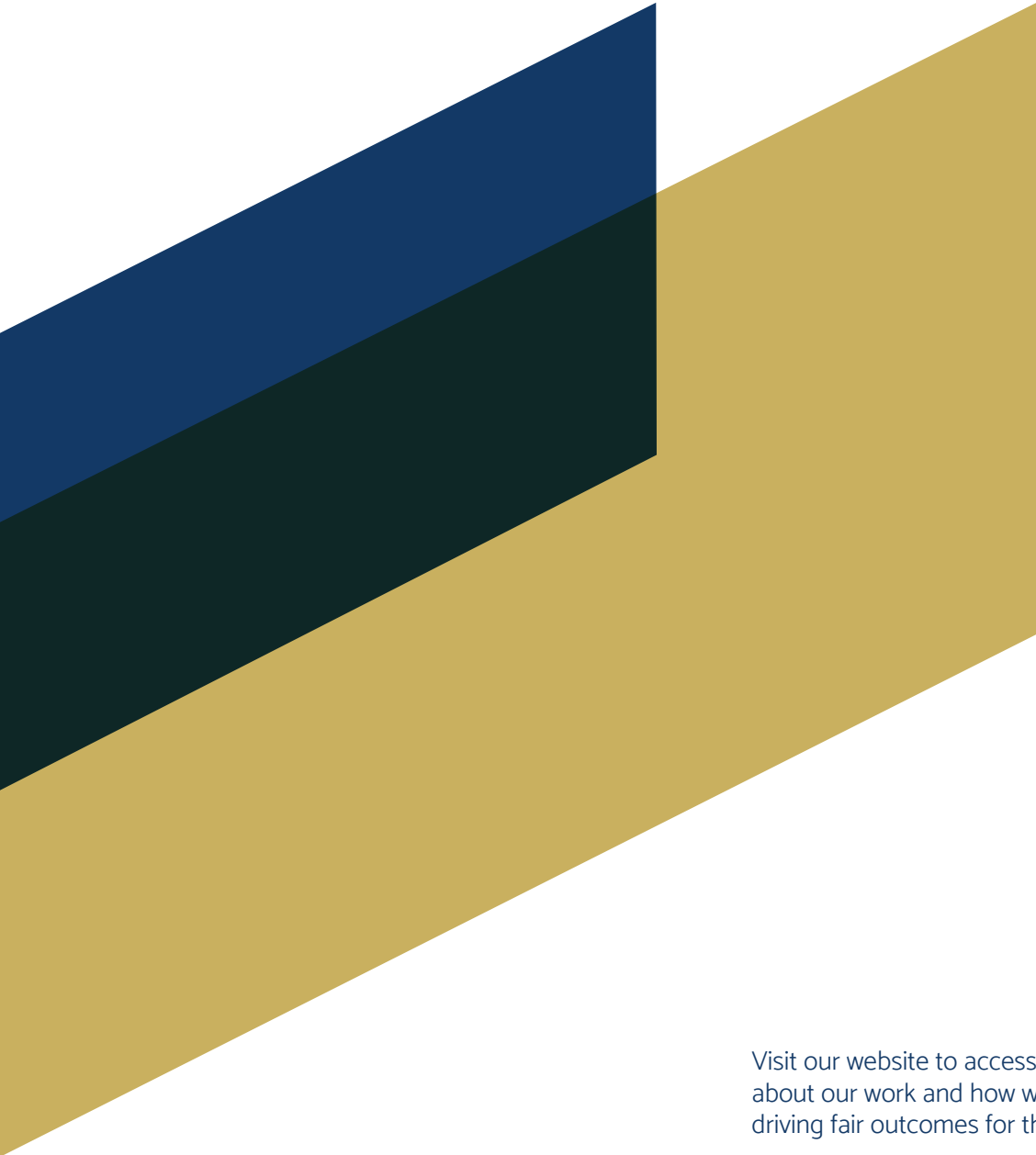
Question 25: Are there any changes to the Code that could be made that would improve the process of reimbursing customers?

Question 26: Are the current provisions of the Code, regarding the expectations of firms in relation to customer aftercare, clear and appropriate?

Question 27: Are the current principles for covering the cost of reimbursing customers appropriate, including in a scenario where both the sending and receiving firm have met their obligations under the Code?

Question 28: Should the Code continue to reference the no-blame fund as the means by which firms should recoup the cost of reimbursing a customer in a no-blame scenario?

Question 29: Should the Code be amended to accommodate other options for funding the reimbursement of customers in a no blame scenario? If so, what options should be accommodated?



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