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Case Comment

QUINCECARE DEVELOPMENTS IN THE STRUGGLE AGAINST SCAMMERS IN SINGAPORE: PAYMENT SERVICE PROVIDERS AND A DUTY OF RETRIEVAL

Hamblin v Moorwand Ltd
[2025] EWHC 817 (Ch)

This case comment examines the significance of *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) in Singapore's response to authorised push payment ("APP") scams. It argues that the decision elucidates promising avenues for Singapore law to better protect APP scam victims. Firstly, the extension of the *Quincecare* duty to payment service providers ("PSPs") is a natural consequence of the equivalence between banks and PSPs under the Payment Services Act 2019 (2020 Rev Ed). Secondly, the use of derivative actions may offer APP scam victims a principled route to overcome privity barriers associated with the *Quincecare* duty. Thirdly, the emerging concept of a retrieval duty may further strengthen private law protections against modern financial fraud in Singapore.

Damien **TEO**[1]
LLB (Summa Cum Laude) (Singapore Management University);
Justices' Law Clerk, Supreme Court of Singapore.

I. Introduction

1 Fraud far predates the Internet. Yet, the advent of digital transactions and online banking has allowed for a new manifestation in the form of authorised push payment ("APP") scams – where victims are induced into willingly transferring money to scammers through malicious social engineering. Singapore is no stranger to the struggle against APP scams. In 2025 alone, scam losses in Singapore totalled $913.1m million, with a staggering 81.8% of scam cases involving

1 This commentary is written in the author's personal capacity, and the opinions expressed in this commentary are entirely the author's own views.

self-effected transfers induced by deception.[2] In this context, it has been said that "it takes whole of government and society to combat scams".[3] How can Singapore's private laws respond?

2 This comment submits that the case of *Hamblin v Moorwand Ltd*[4] ("*Hamblin*"), though its result was ultimately overturned on appeal, elucidates promising avenues for the development of the *Quincecare* duty[5] in Singapore, with a view of better protecting victims of APP scams. Firstly, with reference to the Payment Services Act 2019[6] ("PSA"), this comment demonstrates how the extension of the duty to payment service providers ("PSPs") is a natural step. Secondly, it explores the feasibility of a derivative action in the context of APP scams in Singapore. Lastly, it contemplates the emerging concept of a Retrieval Duty.

II. Facts and decision in *Hamblin* and its appeal

3 The appeal in *Hamblin* arose out of an APP fraud in which Mr and Mrs Hamblin, the appellants, were induced to transfer £160,000 for a purported investment.[7] Payment was made to RND Global Ltd ("RND"), which held an electronic wallet account with Moorwand Ltd ("Moorwand"), a regulated electronic money institution.[8] Moorwand as a PSP rather than a bank, maintained stored-value accounts and enabled transactions, including in Bitcoin.[9]

4 Before the first instance trial judge, the appellants advanced three claims.[10] Firstly, a personal claim against Moorwand and RND. Secondly, a *derivative action on behalf of RND* against Moorwand. In essence, the derivative claim was that Moorwand wrongfully debited RND's account in circumstances where it was on inquiry that the payment

2 Singapore Police Force, "Annual Scam and Cybercrime Brief 2025" (2025) at paras 1 and 9 <https://www.police.gov.sg/-/media/SPF/Advisories/Scams/Annual-Scam-and-Cybercrime-Brief-2025.pdf> (accessed 20 April 2026).

3 Gan Kim Yong, Deputy Prime Minister and Minister for Trade and Industry, "Written Reply to Parliamentary Question on Effectiveness of Requirements Imposed by MAS on Banks to Protect Consumers from Scams" (13 January 2026) <https://www.mas.gov.sg/news/parliamentary-replies/2026/written-reply-on-effectiveness-of-requirements-imposed-by-mas-on-banks-to-protect-against-scams> (accessed 20 April 2026).

4 [2025] EWHC 817 (Ch).

5 See *Barclays Bank plc v Quincecare Ltd* [1992] 4 All ER 363 and para 8 below.

6 2020 Rev Ed.

7 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [3].

8 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [1]–[2].

9 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [1].

10 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [5]–[8].

instructions made on behalf of RND may have been unauthorised.[11] Thirdly, a separate derivative claim under the UK Payment Services Regulations 2009.[12] Only the second claim was allowed, and is therefore the focus of this comment.

5 The relevant facts began with the inception of RND's account.[13] Moorwand received an application supported by documentation that raised obvious concerns, including a utility bill in a different name, expired documents, and internal suspicions that the documents "look[ed] fake".[14] Despite these red flags, the account was promptly opened. It later emerged that the individual purportedly acting for RND used misappropriated identity documents.

6 Following the appellants' transfer, substantial sums were dissipated from RND's accounts through Bitcoin trading,[15] and significant outgoing payments, including a single payment of £34,500 for luxury watches.[16] Notwithstanding, the trial judge found no sufficient basis for Moorwand to refuse to execute instructions. He observed that these transactions, though typically associated with fraud, did not in context raise suspicion.[17]

7 On appeal, Smith J began by noting an important feature of the derivative action: although the case arose from an APP scam, it did not concern the paying bank's (appellants' bank) liability for executing the victims' payment instruction to RND; that claim had already failed at the first instance. Instead, the court's analysis focused on whether liability arose from Moorwand's act of debiting RND's account to the fraudster.[18]

8 Next, Smith J restated the principles in the seminal case of *Philipp v Barclays Bank UK plc*[19] ("*Philipp v Barclays*"). Briefly, a bank must comply with its strict mandate to carry out payment instructions by its customers. It must act with reasonable skill and care, but only where the bank has latitude in acting. Where instructions are clear, the bank has no option but to execute the order. Conversely, where a bank has reasonable grounds to believe that an agent of its customer is giving payment instructions dishonestly, there is a duty on the bank to make

11 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [7].
12 SI 2009 No 209 (UK).
13 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [15(i)]–[15(ii)].
14 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [15(iii)].
15 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [15(v)].
16 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [15(vi)].
17 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [15(vi)]–[15(vii)].
18 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [17].
19 [2024] AC 346; [2023] UKSC 25.

inquiries to verify that the instruction has been properly authorised – the eponymous *Quincecare* duty.

9 Applying those principles, Smith J held that the trial judge below erred in dismissing the derivative claim. The error was that the trial judge equated the fraudulent agent with RND itself, thereby treating the fraudster's knowledge as RND's knowledge.[20] Thus, the trial judge below treated the acts of the fraudster as those of RND itself.[21] Such attribution was erroneous because knowledge of a director or agent acting in fraud of the corporate principal is not attributable to the principal in a way that destroys the principal's claim against a third party.[22]

10 Once RND was properly distinguished as an innocent principal, Smith J spotlighted a number of material red flags which, in his view, were not considered.[23] Firstly, there was an inconsistency between RND's stated business being marketing consultancy, online marketing, and lead generation, from the actual use of the account for Bitcoin trading and exorbitant payments. In that regard, there was substantial material suggesting identity fraud. Secondly, the trial judge was wrong to dismiss Moorwand's missteps as mere regulatory failings – a fact does not cease to be relevant to the *Quincecare* duty inquiry simply because it may also bear on some other regulatory obligation.[24]

11 As a result, Smith J concluded that Moorwand was put on inquiry. Moorwand should not have debited RND's account without satisfying itself that the instructions it received from "Stanfield" were proper. Therefore, Smith J granted permission to appeal, and allowed the appeal on the derivative claim.[25]

12 That, however, proved not to be the final word. Moorwand appealed, and in *Moorwand Ltd v Hamblin*[26] ("*Hamblin (CA)*") the Court of Appeal allowed the appeal and restored the trial judge's original dismissal of the derivative claim.[27] Their Lordships held that both grounds on which Smith J had found the trial judge to have erred were themselves

20 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [20(i)]–[20(ii)].
21 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [20(iv)(b)].
22 The learned judge relied on the following cases as authority: *Re Hampshire Land Co* [1896] 2 Ch 743; *Bilta (UK) Ltd v Nazir* [2016] AC 1; [2015] UKSC 23; and *Singularis Holdings Ltd v Daiwa Capital Markets Europe Ltd* [2020] AC 1189; [2019] UKSC 50.
23 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [20(iv)].
24 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [20(vi)].
25 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [22].
26 [2026] EWCA Civ 942.
27 *Moorwand Ltd v Hamblin* [2026] EWCA Civ 942 at [97].

mistaken. As to the first ground, their Lordships found that the trial judge had not, in his reasoning, attributed the fraudster's conduct as RND's own; his description of the fraudster and RND as effectively a single entity instead captured how matters would have reasonably been perceived by Moorwand for the purposes of determining whether it was put on inquiry. Thus, there was no conflation between agent and principal.[28] As to the second ground, their Lordships agreed with Smith J that it would be an error of law to treat facts relevant to Moorwand's obligations under anti-money-laundering regulations as *ipso facto* irrelevant to the *Quincecare* inquiry, but held that the trial judge had not actually made that error.[29]

13 With both premises removed, the threshold for disturbing the trial judge's evaluative, fact-specific conclusion was not met, and Smith J's contrary assessment could not stand. In this regard, it must be emphasised that Smith J was overruled not because his assessment of the facts was itself untenable. Their Lordships said as much: had the question been one for Smith J to decide at first instance, rather than on a second appeal from the trial judge's own evaluative finding, they "would have seen no basis for interfering with his conclusion to the contrary effect".[30]

III. Discussion

14 It follows that the two features of *Hamblin* with which this comment is chiefly concerned remain undisturbed, as neither were challenged on appeal. The first is the extension of the *Quincecare* duty to PSPs. The second is the innovative strategy of allowing a derivative action in the context of APP fraud. It is submitted that these features present a potential to positively alter the landscape of *Quincecare* litigation in Singapore, and ought to be adopted.

A. Extension of the **Quincecare** *duty to payment service providers*

15 While *Hamblin* confirms, in the UK at least, that the *Quincecare* duty applies to non-bank PSPs, Smith J stopped short of reasoning such an extension despite acknowledging "the differences between payment service providers like Moorwand and banks".[31]

28 *Moorwand Ltd v Hamblin* [2026] EWCA Civ 942 at [88].
29 *Moorwand Ltd v Hamblin* [2026] EWCA Civ 942 at [90].
30 *Moorwand Ltd v Hamblin* [2026] EWCA Civ 942 at [95].
31 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [18(i)].

16 Should Singapore extend the *Quincecare* duty to PSPs, such an extension would not be a doctrinal innovation, but a natural consequence of the statutory architecture introduced by the Payment Services Act 2019[32] ("PSA"). The intentions of the PSA were to, *inter alia*, "level the playing field for banks and non-banks" in regulation,[33] and to introduce an "overarching framework which encompasses the issuance of payment accounts and e-money, money transfers (both domestic and cross-border), merchant acquisition and cryptocurrencies".[34] Indeed, the PSA statutorily affirms PSPs as functionally equivalent to financial gatekeepers, in a sense, occupying the same space as banks in relation to the control and transfer of customer funds.

17 The first point of equivalence is in the definition provided for by the PSA itself. Under s 2(1) of the PSA, a payment account is defined as an account, device or facility (physical or electronic), used for the "initiation of a payment order or the execution of a payment transaction".[35] E-wallets and similar digital payment products, such as the account held by the appellants in *Hamblin*, fall squarely within this definition, functioning as a virtual container holding e-money, and enabling users to initiate and execute transactions.[36] Whether held in a traditional bank account, or through a digital wallet, PSPs are able to perform the same essential role as banks to their customers in receiving instructions and effecting transfers.[37] Definitional parity is reinforced in s 13 of the PSA, where banks are classified as "exempt payment service providers",[38] yet remain subject to PSA obligations when providing payment services.[39]

18 Equivalence is also observed over questions of control over customer funds. Under s 23(4) of the PSA, PSPs are required to safeguard funds immediately upon receipt, through mechanisms such as trust accounts, guarantees or undertakings.[40] Similar to banks, PSPs in this regard acquire control in the handling of customer funds upon receipt, and ought to be subject to obligations analogous to those imposed on banks to immediately safeguard those funds. In facilitating domestic or

32 2020 Rev Ed.
33 Singapore Parl Debates; Vol 94, Sitting No 87; [14 January 2019] (Ong Ye Kung, Minister for Education).
34 Samson Leo, "A Guide to the Payment Services Act for E-Wallets and Digital Payment Businesses" [2022] SAL Prac 25.
35 Payment Services Act 2019 (2020 Rev Ed) s 2(1).
36 Samson Leo, "A Guide to the Payment Services Act for E-Wallets and Digital Payment Businesses" [2022] SAL Prac 25 at para 4.
37 Functionally similar to the bank's mandate: See *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [35].
38 Payment Services Act 2019 (2020 Rev Ed) s 13(1)(*a*).
39 Payment Services Act 2019 (2020 Rev Ed) s 13(2).
40 Payment Services Act 2019 (2020 Rev Ed) s 23(4).

cross-border transfers, both banks and PSPs that exercise control over the execution of payment instructions must collect and transmit detailed information on the transaction, and details of parties on both ends of the transaction.[41] Lastly, similar to the account-keeping functions of banks, s 14(3) of the PSA requires PSPs to "keep … books of all [of their] transactions" relating to payment services.[42]

19 Taken together, the PSA establishes regulatory parity between banks and PSPs. Both are subject to licensing and supervisory oversight by the Monetary Authority of Singapore, and the regulatory and statutory obligations designed to ensure their integrity. Crucially, the PSA's explicit inclusion of banks confirms that the distinction between the two, at least in relation to the degree of control over the execution of payment instructions, is one of form rather than function.

20 Once funds are entrusted to a PSP, it acquires control over its customers' funds. Control is then exercised over the execution of its customers' payment instructions. Therefore, similar to a bank, it should owe a strict duty to comply with its mandate to carry out the payment instructions of its customers,[43] and this duty should equally be subject to the PSP's duty to take reasonable care in all the circumstances.[44] It naturally follows that the *Quincecare* duty applies – where a PSP has reasonable grounds to believe that an agent of its customer is giving payment instructions dishonestly, there is a duty on the PSP to make inquiries to verify that the instruction has been properly authorised. In fact, PSPs are already under a similar statutory and regulatory obligation to file suspicious transaction reports where they have "reasonable grounds to suspect" that funds deposited are linked to criminal conduct.[45] As both the Court of Appeal and Smith J observed, regulatory breaches on the part of a bank (or PSP, in this case) is relevant in the analysis of whether the bank had also breached its *Quincecare* duty owed to its customers. Given the functional equivalence between banks and PSPs, there is little reason why the doctrinal basis of the *Quincecare* duty should not apply generally with equal force to PSPs.

41 For banks, see, *eg*, Monetary Authority of Singapore, "Notice 626 Prevention of Money Laundering and Countering the Financing of Terrorism – Banks" at paras 6.13A and 11.3 (last revised 30 June 2025) <https://www.mas.gov.sg/regulation/notices/notice-626>. For PSPs specifically, see Samson Leo, "A Guide to the Payment Services Act for E-Wallets and Digital Payment Businesses" [2022] SAL Prac 25 at para 26.

42 Payment Services Act 2019 (2020 Rev Ed) s 14(3).

43 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [29].

44 *Selangor United Rubber Estates Ltd v Cradock (No 3)* [1968] 2 Lloyd's Rep 289 at 324.

45 Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 (2020 Rev Ed) s 45; Samson Leo, "A Guide to the Payment Services Act for E-Wallets and Digital Payment Businesses" [2022] SAL Prac 25 at paras 36–40.

21 Notwithstanding, it is acknowledged that the PSA encompasses a diverse range of payment services,[46] and not all PSPs perform the same functions. On the facts of *Hamblin*, Moorwand went further than merely processing payment instructions: it operated accounts into which customers' funds were deposited and from which payments were executed,[47] and had the ability to monitor or refuse transactions.[48] As discussed, it is the combination of control over the transfer of customers' funds that render PSPs functionally analogous to banks in relation to the payment mandate from which the *Quincecare* duty is derived.

22 Surely the *Quincecare* duty would not have been so readily extended to Moorwand if it had acted purely as a payment gateway. If Moorwand had merely transmitted payment data between its customer and a bank without holding funds or the ability to exercise discretion over whether a transaction should proceed, the decision to approve or reject the payment would instead have belonged to the paying bank – this seems to fall squarely within the definition of a "merchant acquisition service" under the PSA.[49] In such a configuration, PSPs function as mere infrastructure, rather than as a decision-maker: the paying mandate remains with the paying bank. Consequently, following *Hamblin*, the extension of the *Quincecare* duty to PSPs in Singapore is a natural step forward, but ought not to be applied indiscriminately. Where a PSP does not exert control over the execution of payment instructions, it does not operate with the same mandate as a bank. There would be no latitude for the duty to take reasonable skill and care, and the attendant *Quincecare* duty to arise.

B. An innovative derivation

23 One of the only occasions where the *Quincecare* duty was scrutinised locally was in *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd*[50] ("*Hsu Ann Mei*"). There, an elderly customer who displayed observable signs of confusion instructed a bank to open a joint account with her daughter, and transfer substantial funds.[51] Bank officers suspected she was being pressured.[52] Their concerns were reinforced when, during a home visit, she failed to recall the transaction.[53] Thus, the

46 Payment Services Act 2019 (2020 Rev Ed) First Schedule, Pt 1.
47 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [3].
48 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [33].
49 Payment Services Act 2019 (2020 Rev Ed) First Schedule, Pt 3.
50 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178.
51 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [8]–[9].
52 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [9].
53 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [10].

bank did not open the account.[54] The customer later returned to close all accounts, but appeared disorientated, while the daughter's conduct was "commanding".[55] Concluding that the customer lacked mental capacity, the bank again refused instructions. The Court of Appeal found that the bank was justified in its refusal.[56] In particular, the bank was put on notice, and the customer's instructions did not reflect her "real intentions".[57] The bank acted reasonably without breaching its *Quincecare* duty.

24 Nearly a decade later, the UK Supreme Court in *Philipp v Barclays* undertook a "root and branch re-examination of the juridical basis of the *Quincecare* duty".[58] As discussed, the *Quincecare* duty was affirmed to be a specific strand of agency law applied in the banking context – an agent of the bank's customer acting dishonestly lacks actual authority, and where there are circumstances suggestive of dishonesty, the bank cannot rely on the agent's apparent authority without making reasonable inquiries.[59] This characterisation in *Philipp v Barclays* was significant: it confined the *Quincecare* duty only to situations where there exists a contractual relationship with the bank on notice of fraud.[60] Accordingly, in APP fraud cases, a victim who authorises a transfer from their paying bank to the fraudster's receiving bank, cannot invoke the *Quincecare* duty against the receiving bank, even if the receiving bank were put on notice of fraud.[61]

25 One could view the characterisation as a missed opportunity for the *Quincecare* duty to be developed as a form of common law protection against APP scams, which were recognised by the UK Supreme Court itself as being increasingly concerning.[62] These concerns were encapsulated in Professor Sandra Booysen's article, where she criticises the narrow formulation adopted in *Philipp v Barclays*, and convincingly argues that it is ill-suited to address the modern realities of APP fraud.[63] Indeed, these anxieties are well placed. As mentioned, APP scams are rife in Singapore and sole dependence on law enforcement agencies is not a sufficient combative strategy. There exists, at the very least, a normative inclination for the common law to step in to provide enhanced protection for APP scam victims.

54 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [11].
55 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [12].
56 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [21] and [35].
57 *Hsu Ann Mei Amy v Oversea-Chinese Banking Corp Ltd* [2011] 2 SLR 178 at [31].
58 *Envy Asset Management Pte Ltd v CH Biovest Pte Ltd* [2024] SGHC 46 at [77].
59 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [90].
60 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [52].
61 See generally, *JP SPC 4 v Royal Bank of Scotland International Ltd* [2023] AC 461.
62 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [20].
63 Sandra Booysen, "The Bank's Duty of Care as Payment Agent: *Philipp v Barclays Bank UK Plc*" [2024] Sing JLS 149 at 154–155.

26 Further, she observed that, at the time of writing, Singapore courts were positioned to take a broader conception of the *Quincecare* duty than the UK Supreme Court in *Philipp v Barclays*. In particular, the Court of Appeal in *Hsu Ann Mei* had seemingly framed the *Quincecare* duty as a more general duty of care in payment execution that can arise even where instructions came directly from the customer, so long as the bank has good reasons to believe that the instructions are not reflective of the customer's true intentions.[64] Such a general formulation would have alleviated the harshness of the *Quincecare* duty as characterised in *Philipp v Barclays*, in the context of APP scams, as discussed above.

27 In a later case, however, the Singapore High Court in *Inter-Pacific Petroleum Pte Ltd v Goh Jin Hian*[65] ("*Goh Jin Hian*") aligned itself with the UK Supreme Court's reasoning in *Philipp v Barclays*,[66] narrowing any perceived divergence between Singapore and English law. The court observed that the case of *Hsu Ann Mei* was, after all, a case "involving a customer [the elderly customer] giving instructions to the bank … through an agent [the daughter], such that there was scope for the *Quincecare* duty to be engaged".[67] The court thus treated the duty not as a freestanding, generalised duty of care in payment execution, but as a specific application of orthodox agency principles within the banking context.[68] Thus, Singapore's approach now substantially converges with the UK position, with the *Quincecare* duty being confined to cases involving defective authority and dishonest agents.

28 While a consistent approach in the *Quincecare* jurisprudence is no doubt desirable, there remains the anxiety that the common law could do more to protect APP scam victims in situations where the fraudulent payments were self-effected through deception. That is where, it is submitted, the developments in *Hamblin* are largely welcomed. Consider the following scenario:[69] An APP scam victim authorises, induced by deception, a transfer of funds from his bank account ("Paying Bank") to another bank account ("Receiving Bank"). The Receiving Bank account is, however, owned by a company that is controlled by the fraudster who had been inducing the APP victim. At the material times, there were many red flags that would have put the Receiving Bank on inquiry of the fraudster's malicious intentions. Nonetheless, the fraudster issues

64 Sandra Booysen, "The Bank's Duty of Care as Payment Agent: *Philipp v Barclays Bank UK Plc*" [2024] Sing JLS 149 at 157.
65 [2024] SGHC 178.
66 [2024] AC 346; [2023] UKSC 25.
67 *Inter-Pacific Petroleum Pte Ltd v Goh Jin Hian* [2024] SGHC 178 at [295].
68 *Inter-Pacific Petroleum Pte Ltd v Goh Jin Hian* [2024] SGHC 178 at [293]–[294].
69 This was essentially the factual matrix of *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch), without the interposition of a payment service provider, being Moorwand Ltd.

a payment instruction to withdraw the ill-begotten funds from his Receiving Bank account. The Receiving Bank disregards the red flags and proceeds to comply with the fraudster's payment instructions.

29 Prior to the development in *Hamblin*, the APP victim would have no recourse to the *Quincecare* duty because he had no contractual relationship with the Receiving Bank. There is also no recourse against the Paying Bank, as the Paying Bank would not have been privy to the red flags which were apparent to the Receiving Bank. Relying on *Hamblin*, litigants in this situation avail themselves of the strategy to bring a derivative claim on behalf of the company holding the account with the Receiving Bank.[70] Consequently, the APP scam victim would be able to rely on the facts known to the Receiving Bank, to allege that there were reasonable grounds for the Receiving Bank to believe that the fraudster lacked the actual authority to withdraw the funds.

30 Apart from presenting a new litigation avenue, the derivative action framing also provides an additional analytical lens in the identification of red flags in the *Quincecare* inquiry. In *Hamblin* (*CA*), their Lordships ultimately found no quarrel with the trial judge's findings that Moorwand was not put on inquiry because RND had opened a dedicated Bitcoin account from the outset, so the Bitcoin purchases were not obviously inconsistent with its apparent purpose, and the payment for the watch was, set against the account's overall turnover, relatively small.[71] The same reasoning suggests that, perhaps on different facts, where a company's stated business and its actual payment instructions are more starkly at odds, this separation exercise is likely to yield a more obvious inconsistency, and correspondingly stronger grounds for finding the bank put on inquiry.

31 Further, by separating the fraudster from the company (which holds the account with the Receiving Bank) through which he operates, any suggestion that the fraudster's own knowledge should be attributed to the company he has used as a front is foreclosed. Instead, the dishonest payment instructions must be assessed against the company's stated business and authorised agency structure. This accords with Hoo J's observation in *Public Prosecutor v Soh Chee Wen*[72] ("*Soh Chee Wen*") that attribution is a context-specific inquiry.[73] The broader principle is that the attribution would not operate where "there is no principle, rule,

70 Laura Feldman, "The Ongoing Risks and Challenges of APP Fraud and the *Quincecare* Duty" (2025) 40(11) *Journal of International Banking Law and Regulation* 402 at 405.
71 *Moorwand Ltd v Hamblin* [2026] EWCA Civ 942 at [97].
72 [2023] SGHC 299.
73 *Public Prosecutor v Soh Chee Wen* [2023] SGHC 299 at [997].

policy, or, indeed, any good sense or logic, which justifies the attribution of a fraudulent agent's knowledge to his principal".[74] Surely, in the context of APP scams where fraudulent agents act through corporate vehicles, there would be little reason why attribution of knowledge ought to be allowed to mask otherwise suspicious circumstances. This approach may therefore encourage banks, and PSPs,[75] to scrutinise payment instructions more contextually, reducing the tendency to take instructions at face value merely on the basis that they emanate from a corporate customer.

32 The derivative action approach is also likely compatible with Singapore's statutory framework under s 216A of the Companies Act 1967.[76] The question is whether an applicant has a "clear interest and sufficient connection to the company".[77] In the context of APP fraud, a victim arguably qualifies as a "proper person" if the action was framed as one which seeks to restore assets to the company, since the fraudulent agent had no actual authority to deal with the victim, or withdraw the assets, in the first place.

33 *Hamblin* thus represents a pragmatic response to the realities of modern APP scams in Singapore. This is especially pertinent in the context of an increasing number of scam cases involving shell companies as vehicles of fraud.[78] The derivative action approach strikes a delicate balance between protection of APP scam victims, and fidelity to existing principles of agency law as established in *Philipp v Barclays* and affirmed in *Goh Jin Hian*.

34 Notwithstanding, the *Hamblin* approach is not a complete solution. A derivative claim can only be brought where the fraudster operates through a corporate vehicle. Where the fraudster instead receives funds into a personal account, or through informal arrangements without a corporate structure, the derivative action approach is unavailable. In such cases, the APP victim remains without a clear pathway to invoke the *Quincecare* duty against the Receiving Bank for want of a contractual relationship.

74 *Public Prosecutor v Soh Chee Wen* [2023] SGHC 299 at [998], referencing the decision of the UK Supreme Court in *Bilta (UK) Ltd v Nazir (No 2)* [2016] AC 1.
75 If the *Quincecare* duty were so extended.
76 2020 Rev Ed.
77 *Ganesh Paulraj v A&T Offshore Pte Ltd* [2019] SGHC 180 at [12]; *Mytsyk, Viktoriia v Med Travel Pte Ltd* [2022] 5 SLR 510 at [19].
78 Singapore Police Force, "Annual Scam and Cybercrime Brief 2025" (2025) at [21] <https://www.police.gov.sg/Media-Hub/Police-Life/2026/02/Scams-and-Cybercrime-Fell-by-Almost-a-Quarter-in-2025> (accessed 20 April 2026).

35 A further limitation lies in the destination of any recovery. A derivative action vests any successful claim in the company, not the individual claimants. As acknowledged by Smith J himself,[79] where the company is in administration or insolvency – a scenario that is far from unlikely in cases involving corporate vehicles used for fraud – the recovered funds will be distributed according to insolvency rules. The APP victim, unless also a creditor, may receive little or nothing. The derivative action strategy therefore offers a litigation pathway, but not a direct recovery route.

36 To address these lacunas, there may perhaps remain another arrow in the quiver in the form of the emerging "Retrieval Duty".

IV. Emergence of a Retrieval Duty

37 Though the Retrieval Duty is not the focus of this comment, and is likely to benefit from more rigorous academic discussions and litigation in time to come, it is prudent to contemplate how it could be developed to better protect APP fraud victims. The idea of a duty on a bank to take steps to retrieve funds after being notified of fraud was first raised in *Philipp v Barclays* itself. There, Lord Leggatt suggested that it was at least arguable that the bank could have taken "sooner" steps to recover the victim's money, once it was notified of fraud.[80]

38 Later, the English and Wales High Court ("EWHC") in *Santander UK Plc v CCP Graduate School Ltd*[81] ("*Santander UK Plc*") rejected an argument that such a duty could ever arise for Receiving Banks, whether in tort or contract.[82] Receiving Banks cannot be imposed with a Retrieval Duty because they do not undertake to protect APP fraud victims, and there is no assumption of responsibility.[83] Similarly, the duty cannot arise in contract simply because there is no contractual relationship between APP fraud victims and Receiving Banks.[84] This position must be right: As observed by Eady J,[85] imposing such a duty on a Receiving Bank would place banks in an untenable position which requires them to effectively act on every unverified third-party fraud alert, override customer instructions, and make rapid attempts to seek an immediate recall of sums or otherwise not allow further movements of those monies.

79 *Hamblin v Moorwand Ltd* [2025] EWHC 817 (Ch) at [34].
80 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [118].
81 [2025] EWHC 667 (KB).
82 *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB).
83 *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB) at [51].
84 *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB) at [51].
85 *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB) at [47].

39 The door, however, remained open for Paying Banks in the context of APP fraud. In *Dawn Barclay-Ross v Starling Bank Ltd*,[86] the EWHC in refusing to strike out by summary judgment found it arguable that the Paying Bank "breached its contractual and/or co-terminous tortious duties to execute its mandate with due care and skill by failing to seek [the victim's] instructions to recover the money paid from her accounts once it was notified that the payment had been induced by fraud".[87] This is a sound position given that the objections to imposing such a duty on Receiving Banks do not apply to Paying Banks; there would surely be either sufficient proximity or the necessary contractual relationship between the APP fraud victim and his Paying Bank.

40 It is submitted that if such a duty were to exist, it is unlikely to be derived in tort. Instead, it is more likely to arise from the contractual obligation owed by a bank in carrying out its mandate. As discussed, a bank's duty to comply with its mandate is strict,[88] and there is "nothing in the contract between a bank and its customer which could require a banker to consider the commercial wisdom or otherwise of the particular transaction".[89] As was put in *Santander UK Plc*:[90]

> The (arguable) duty identified is thus recognisable as a further potential application of the duty of care owed by a bank to interpret, ascertain an act in accordance with its customer's instructions … *This is a duty arising from the contractual obligation owed by a bank to exercise reasonable skill and care.* Akin to the *Quincecare* duty, *this potential extension of the obligation owed by a bank in such circumstances is similarly no more than a facet of its contractual duty to properly ascertain and comply with its customer's instruction*.
>
> [emphasis added]

41 The question which remains is, what contractual principle could form the basis for the operation of a retrieval principle? It is further submitted that there may be two angles to approach this question. First, it may be argued that, as the maxim goes, fraud unravels all. Where a payment instruction is derived from fraud, the customer's consent was induced by deception and dishonesty. Therefore, the mandate underpinning that instruction is voidable. There is some conceptual similarity with cases of forgery, where it has been recognised that "[f]orged instructions vitiate the customer's mandate".[91] Such an

86 *Dawn Barclay-Ross v Starling Bank Ltd* [2025] WL 01853812.
87 *Dawn Barclay-Ross v Starling Bank Ltd* [2025] WL 01853812 at p 5.
88 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [30].
89 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [30], referencing May LJ's speech in *Lipkin Gorman v Karpnale Ltd* [1989] 1 WLR 1340 at 1356.
90 *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB) at [39].
91 *Jiang Ou v EFG Bank AG* [2011] SGHC 149 at [75].

analogy, however, is strained. Customers in forgery cases are typically unaware that the instruction was made in the first place, rendering the transaction void, not voidable. By contrast, the instructions given by customers in relevant APP fraud scenarios are often self-effected. A doctrinal tension arises because while fraud may vitiate consent, the bank is nonetheless acting on an instruction that is ostensibly authorised by the customer. Indeed, as has been observed elsewhere, it is less clear that the maxim that fraud unravels all applies with equal force in situations where fraud is perpetuated by an employee or agent of an organisation.[92]

42 The second avenue is that a customer who reports APP fraud could simultaneously expressly instruct the bank to retrieve the misappropriated funds. On this analysis, the bank's obligation is not anchored in undoing the original mandate, but in responding to a *new* mandate to retrieve the relevant funds. In this regard, the contractual duty to exercise reasonable care and skill to retrieve the funds operates. This could perhaps take the form of promptly contacting the Receiving Banks, and demonstrating a reasonable effort in invoking recovery mechanisms. In this light, the general tenor of the emerging Retrieval Duty is simply this: Paying Banks ought not to be reduced as passive waystations for misappropriated funds when faced with express instructions to retrieve those funds.

43 There is, of course, the concern of commercial feasibility. How much evidence of fraud would be sufficient to trigger the Retrieval Duty imposed on the Paying Bank? What if the report arrived long after the funds had been dissipated?

44 These are fair questions, but they are arguably not the right questions to ask in ascertaining the duty's existence. Indeed, it is submitted that while banks cannot be expected to pounce with equal fervour on every instance of reported fraud, they should not be allowed to do nothing in the face of a substantiated allegation. If the view that Retrieval Duty can be characterised as a contractual obligation, being a fresh instruction under the bank's mandate, is accepted, then the need for commercial feasibility informs the *content* of the duty itself. Where the duty is framed in terms of reasonable care and skill, the scope of what is required necessarily depends on the circumstances, including the strength of the evidence of fraud, the timing of the report, and the practical prospects of recovery. In other words, commercial feasibility is not a reason to deny the existence of the duty, but operates to inform the *standards* required of banks in carrying out such a duty.

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92 Alexander F H Loke, "Framing Contractual Freedom Within the Precept of 'Honesty, Reliability and Integrity'" [2012] Sing JLS 174 at 175.

45 Should liability be established, then the appropriate measure of damages, to reflect the uncertainty about whether retrieval would have succeeded, may well be framed as a loss of chance as suggested in English case law.[93] Where there was no chance of retrieving any fraudulently transferred funds, perhaps due to the report being objectively unsubstantiated or unrealistic, or because the funds have long been dissipated, damages are minimal. On the other hand, banks who fail to act reasonably in the face of substantiated fraud reports are not let off the hook merely because recovery was never guaranteed.

46 A final point that could be made against the recognition of a Retrieval Duty is one of moral hazard: if victims of APP fraud know that their Paying Bank is contractually obliged to attempt retrieval of misappropriated funds, they may take more risks in issuing payment instructions. The duty may reduce personal vigilance, which ought to be the first line of defence against APP scams. Two considerations are offered in response. Firstly, the same objection could be levelled at the *Quincecare* duty itself,[94] as it could arguably cultivate over-reliance on banks as safeguards against APP fraud. Yet, courts have not regarded this as a reason to deny the duty's existence. If the doctrinal foundation for both duties remain rooted in the bank's mandate, it is arguably inconsistent to accept moral hazard as a bar to the Retrieval Duty, but not the *Quincecare* duty. Secondly, a Retrieval Duty does not guarantee recovery. It is framed in terms of reasonable efforts, calibrated to the circumstances upon the report of fraud. Additionally, the approach of couching the attendant damages as a loss of chance further circumscribes the prospects of recovery. In this light, banks are not treated as mere insurers. These inherent features of the duty attenuate concerns of moral hazard, as customers cannot rationally assume that recovery is guaranteed, but only that reasonable steps are taken.

V. Conclusion

47 Despite the English Court of Appeal's reversal of Smith J's judgment on the facts, *Hamblin* nevertheless presents a potentially meaningful, if incremental, development in the law's response to APP scams in Singapore. In particular, the extension of the *Quincecare* duty to PSPs, grounded in the equivalences under the PSA, and the deployment of derivative actions to overcome barriers imposed by

93 *Philipp v Barclays Bank UK plc* [2024] AC 346; [2023] UKSC 25 at [119]; *Santander UK Plc v CCP Graduate School Ltd* [2025] EWHC 667 (KB) at [36]; *Dawn Barclay-Ross v Starling Bank Ltd* [2025] WL 01853812 at p 6.

94 Shirley Quo, "The Plight of Banks and Financial Institutions in Addressing Cross-Border Crime" (2026) 47(2) *Company Lawyer* 39.

privity considerations, offer a principled pathway for enhancing victim protection. This case therefore represents the willingness of the common law to adapt to meet the realities of modern financial fraud. Fraud and scams have evolved, private law in Singapore ought to follow suit; the treatment of the *Quincecare* duty in *Hamblin* offers a glimpse of how it might do so. At the same time, limitations are acknowledged. It is in the residual space that the emergence of a Retrieval Duty is contemplated.