

The complaint

Mr K, as a director of a limited company I'll refer to as "K", complains on behalf of K, that Wise Payments Limited ("Wise") won't reimburse funds lost to what Mr K believes was a scam.

Though the complaint has been brought by K as it was K's account the funds were paid from, for ease of reading, I will mostly refer to Mr K as he was the one that made the payments in dispute from K's account.

What happened

The background to this complaint is well known to both parties. So, I won't repeat everything again in detail here, but in summary I understand it to be as follows:

Mr K was looking to purchase a flight ticket. In December 2025, he was put in touch with someone by a colleague, who he was told could provide discounted flight tickets with a well-known airline. Mr K made two payments from K's account, one on 10 December 2025 for £1,800 and one on 14 December 2025 for £411. Mr K says he was told this was the ticket cost and taxes.

Mr K was provided with a booking confirmation and reference. He went to the airport on 15 December 2025 but was told that his name wasn't spelt correctly and he'd been placed on a staff travel standby list. Mr K returned home and told the person who'd arranged the ticket. He was reassured that the problem would be sorted out within 24 hours. Mr K went back to the airport on 16 December 2025, his name had been corrected but the booking was still a standby staff ticket, not a confirmed seat. The flight happened to be full, so Mr K was unable to travel.

Mr K raised a scam claim with Wise on the same day and then later a complaint. Wise concluded that what had happened wasn't an authorised push payment (APP) scam, but more likely a civil dispute, and so it wouldn't refund the payments. Unhappy with this outcome, Mr K brought K's complaint to our service. One of our Investigators looked into things. But they agreed with Wise that this was most likely a civil dispute, and so Wise was not required to reimburse K.

Mr K didn't agree with the outcome and raised several points. In summary, he feels he was deceived because he wasn't told that the booking was a standby staff ticket, he believed he was purchasing a confirmed ticket. He's also said that he wouldn't have ever been able to use the ticket even if there was a seat because he wasn't a family or friend of the airline staff member. As such Mr K believes Wise should reimburse K, and it failed to prevent the scam from happening.

As the case could not be resolved informally, it's been passed to me for a decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

I have summarised this complaint in less detail than has been provided. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must take into account what I consider to have been good industry practice at the time.

Having considered everything carefully, I agree with the findings of our Investigator and I'm not upholding the complaint. I do appreciate how disappointing this will be for Mr K but, while I'm sorry to hear of what's happened, I don't think I can fairly hold Wise liable for the loss. I'll explain why.

When considering what is fair and reasonable in this case, I've thought about the relevant rules that were in place at the time the disputed payments were made. From 7 October 2024, Payment Services Providers in the UK, like Wise, have been bound by the Faster Payments Scheme (FPS) and the CHAPS reimbursement rules ('the Reimbursement Rules'). Under these rules, most victims of APP scams should be reimbursed – but "private civil disputes" are not covered.

I've therefore considered whether what has happened between Mr K and the seller meets the Reimbursement Rules' definition of an APP scam or could more reasonably be classed as a civil dispute. The rules define an APP scam as:

"Where a person uses a fraudulent or dishonest act or course of conduct to manipulate, deceive or persuade a consumer into transferring funds from the consumer's relevant account to a relevant account not controlled by the consumer, where:

- The recipient is not who the consumer intended to pay, or*
- The payment is not for the purpose the consumer intended"*

By contrast, a private civil dispute is defined as a:

"dispute between a consumer and payee which is a private matter between them for resolution in the civil courts, rather than involving criminal fraud or dishonesty".

So, in order to consider what has happened here as an APP scam, I need to consider whether the payments were made for the purpose Mr K intended and then, if they weren't, whether this was the result of fraud or dishonesty on the part of the seller. I would need to be satisfied that it involves criminal deception. The evidence for this would therefore need to be convincing.

I've thought very carefully about this, and I think it's a finely balanced matter in this case. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is more likely to have happened, based on the evidence I do have.

The two payments were made to an account that Mr K was provided with by the person arranging the flight ticket, and I've seen nothing to suggest that this was not who Mr K intended to pay. So, Mr K, on behalf of K, cannot be said to have paid a recipient he did not intend to pay, as per the definition above.

Mr K's broad purpose for the payments was to purchase a seat on a flight for a discounted price, and while I appreciate that he wasn't able to fly on either occasion he went to the airport, I'm not satisfied that the evidence suggests the seller of the ticket didn't intend to provide that service.

The evidence available to me suggests that a booking was made in Mr K's name, and that it was through the airline's staff related travel scheme – which as I understand it, allows airline staff members to get discounted flights and share them with people they nominate. Two of the people involved in arranging the ticket appear to have been working for the airline at the time. One of the screenshots I've seen appears to be from the staff travel website. It shows the booking reference and confirms that the booking was completed and paid for. It also shows that the class type was "Premium Standby" and included Mr K's name – albeit with a spelling error, and a priority code. There is also a screenshot that shows Mr K was added to a list of nominees that could fly as a companion of the staff member of the airline. None of these screenshots look doctored or faked.

In his submissions to our service, Mr K has said he wasn't able to fly the first day because his name wasn't spelt correctly. He says it was at this point he was also told it was a staff standby ticket. When he returned the next day, his name had been changed and was correct, but the ticket was still a staff standby ticket, and the plane was full so he couldn't fly. Mr K has since said that he'd never have legally been able to board the plane because he didn't have any link to the staff member. But as mentioned above, Mr K had been added as a nominee of the staff member and had a genuine booking reference that appears to have been paid for. Although he wasn't actually a friend or family of that person, and that would likely mean the staff member has broken the airline's rules, Mr K hasn't said at any point that the airline told him he couldn't board the plane because his ticket wasn't a genuine ticket or that he was ineligible for it because he didn't know the staff member.

I'm also mindful that when Mr K told the seller that his name was wrong, they took steps to correct it – without asking Mr K for more money. This isn't the actions I'd expect of a fraudster, who would more likely than not have simply ignored Mr K at that point, or continued to try and get more money from him.

I've considered what Mr K has said about being deceived into paying for what he thought was a confirmed ticket, and that he didn't know that the ticket was a standby ticket.

Unfortunately, the full chat history between Mr K and the person who arranged the ticket is not available, so I'm unable to see what exactly was discussed and what Mr K was told about the type of ticket he was purchasing and on what terms. Mr K told us that he had checked the booking before he travelled but didn't see anything indicating that it was a standby ticket. As explained above, the screenshots I've seen do show that it was a "Premium Standby" ticket. The screenshot also had information about the benefit of "*using Staff Travel*". The accompanying message also says that the contact will check in the morning to see how many seats were in business class and that "*Hopefully he [Mr K] gets business*".

Though I accept that this appears to be after Mr K made the payments. This suggests that Mr K didn't have a confirmed seat or class of seat, and along with the information he was given that shows the ticket was a standby seat, suggests the seller wasn't trying to hide that fact.

As explained above, I must make my decision on what I think is most likely to have happened, based on the evidence available to me. With the above in mind, I'm not persuaded the available evidence is sufficient to safely conclude that the purpose the seller intended for the payments was fundamentally different to the purpose Mr K intended, or that the payments weren't made for the purpose Mr K intended. I think both Mr K's and the

seller's intended purpose for the payments were broadly the same – to pay for a discounted flight ticket. While Mr K feels he was misled about the type of ticket he was purchasing, I don't think this meets the definition of a scam from the Reimbursement Rules. And so I think Wise has acted reasonably in saying the circumstances here don't meet the definition of a scam from the Reimbursement Rules, and in not agreeing to refund the payments Mr K made as a result.

I also don't think there are any other grounds on which it would be fair and reasonable to require Wise to refund the payments made here. Mr K has said he feels Wise should have recognised the payments were for flights but the company he was paying had nothing to do with travelling and so it should have done more to protect him. Having reviewed the payments and compared them to the usual activity on K's Wise account, I don't think either stood out as unusual or indicative of a risk of financial harm. The account is a fairly busy account, and it was not unusual for significantly large transfers to be made out of it. The payments in dispute here were relatively low in value in comparison. And while one of the payments included "flight" in the reference, and the other included "travel" – I don't think I'd reasonably have expected Wise to identify either payment as suspicious. In any event, even if I thought Wise could have done more to prevent the payments, I would only expect Wise to refund the payments if I thought that they had been made as a result of an APP scam. And as explained above, I do not think what happened meets the definition of an APP scam.

I sympathise with the situation and recognise that Mr K was unable to fly when he needed to and as a result, K has lost money because of it. I'm also not saying Mr K, on behalf of K, doesn't have a legitimate grievance against the seller of the ticket. But I can only look at Wise's responsibilities and, for the reasons I've explained above, I don't think it would be fair to hold Wise responsible for the payments made here.

My final decision

For the reasons explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K, on behalf of K to accept or reject my decision before 29 May 2026.

Mike Southgate
Ombudsman