

Background

A pre-paid phone card is a card you purchase to make long distance phone calls. Many people use a pre-paid phone card because of the card's convenience – it can be used anywhere and, because you pay in advance, there is no bill. Pre-paid phone cards are popular among travelers, students, people who frequently call overseas, and those who haven't selected a preferred long distance telephone company. The cards are sold in stores everywhere.

International Calls

Rates for international calls using pre-paid phone cards can vary dramatically, based on the country that you call or the way that you make the call. Pre-paid phone cards may offer rates that are much lower than a telephone company's basic international rates.

How Do I Use a Pre-Paid Phone Card?

A toll-free access phone number and a personal identification number (PIN) are usually printed on each phone card. To make a phone call, you dial the access number and then enter the PIN.

An automated voice will ask you to enter the phone number you are calling, and tell you how much time you have left on your card. It might also give you other information or options.

Tracking Time

Phone card companies keep track of how much of a card's calling time is used by the card's PIN number. You can add time to some pre-paid phone cards, and the added cost can usually be billed to a credit card. Other cards are designed to be discarded once you have used all the time. Also, pre-paid phone cards often have expiration dates. Make sure to keep track of the date on which your card expires so you don't lose unused minutes.

Who Makes Your Pre-Paid Phone Card Work?

- **Telephone Companies** are responsible for the telephone lines that carry calls;
- **Resellers** buy telephone minutes from the telephone companies;
- **Issuers** set the card rates and provide toll-free customer service and access numbers;
- **Distributors** sell the cards to the retailers; and
- **Retailers** sell the cards to consumers, but may have no control over the quality of service.

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Common Complaints Associated with Pre-Paid Phone Cards

As pre-paid phone cards are increasing in popularity, some common complaints are:

- access numbers and/or PINs that don't work;
- service or access numbers that are always busy;
- card issuers that go out of business, leaving people with useless cards;
- rates that are higher than advertised, or contain undisclosed fees;
- cards that charge you even when your call does not go through;
- poor quality connections;
- cards that expire without the purchaser's knowledge; and
- per-call fees deducted from the time.

How Can I Avoid Any Problems?

Make sure you understand the rates in effect for your particular phone card. Also check the expiration date, look for a toll-free customer service number provided with or on the card, and make sure you understand the instructions on how to use the card. You may also want to ask your friends and family to recommend cards they have used and liked.

What Should I Do if I Have a Problem with a Pre-Paid Phone Card?

First, try contacting the card issuer, who is usually listed on the back of the card (or who can be determined by calling the customer service number listed on the card). If that doesn't work, you can file a complaint with the FCC. You can file your complaint using an FCC on-line form found at esupport.fcc.gov/complaints.htm.

What Should I Do if I Have a Problem with a Pre-Paid Phone Card? (cont'd.)

You can also file your complaint with the FCC's Consumer Center by e-mailing fccinfo@fcc.gov; calling 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY; faxing 1-866-418-0232; or writing to:

Federal Communications Commission
Consumer & Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, SW
Washington, D.C. 20554.

What to Include in Your Complaint

The best way to provide all the information the FCC needs to process your complaint is to complete fully the on-line complaint form. When you open the on-line complaint form, you will be asked a series of questions that will take you to the particular section of the form you need to complete. If you do not use the on-line complaint form, your complaint, at a minimum, should indicate:

- your name, address, e-mail address, and phone number where you can be reached;
- the names and phone numbers of any companies involved with your complaint (it's a good idea to provide ALL of the information obtained on the calling card at issue, including any associated information that came with the card);
- the amount of any disputed charges, whether you paid them, whether you received a refund or adjustment to your bill, the amount of any adjustment or refund you have received, an explanation if the disputed charges are related to services in addition to residence or business telephone services; and
- the details of your complaint and any additional relevant information.

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Other Problems?

If you are having a problem with the local retailer (such as a discount store, local market, etc.) from which you purchased the card, try calling or writing your local Consumer Affairs or Better Business Bureau or state Attorney General. These phone numbers are often found in the blue pages or government section of your local telephone directory.

In some cases, pre-paid phone cards are marketed by companies other than the telephone company or service provider. If you have concerns about deceptive or false advertising or marketing practices by these entities, you can seek additional assistance from the Federal Trade Commission by visiting:

www.ftc.gov/bcp/consumer.shtm. You can also submit a complaint to the FTC on-line at: <https://www.ftccomplaintassistant.gov/>; by calling toll-free to 1-877-382-4357 (voice) or 1-866-653-4261 (TTY); or writing to:

Federal Trade Commission
CRC-240
600 Pennsylvania Ave., NW
Washington, DC 20580.

For More Information

For information about other communications issues, visit the FCC's Consumer & Governmental Affairs Bureau Web site at www.fcc.gov/cgb, or contact the FCC's Consumer Center using the information provided for filing a complaint.

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For this or any other consumer publication in an accessible format (electronic ASCII text, Braille, large print, or audio) please write or call us at the address or phone number below, or send an e-mail to FCC504@fcc.gov.

To receive information on this and other FCC consumer topics through the Commission's electronic subscriber service, visit www.fcc.gov/cgb/contacts/.

This document is for consumer education purposes only and is not intended to affect any proceedings or cases involving this subject matter or related issues.

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