

CONSUMER ACTION NEWS

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Prepaid wireless has clear benefits— even if you have a good credit history CA finds many alternatives to ‘postpaid’ cell plans

By Jennifer Daw Holloway

The cell phone industry has grown advertising “postpaid” calling plans to credit-worthy customers who enter one- or two-year contracts and pay monthly service fees for a predetermined number of minutes. Now an alternative to this system—prepaid wireless—is growing in popularity. The prepaid market, once reserved for low-income buyers or those with poor credit, now includes people who want to control costs. Even the phones offered by prepaid companies are keeping step, with camera phones and personal digital assistants available for a price.

Consumer Action (CA) looked at prepaid wireless plans offered by 12 companies and found that prepaid wireless is a

viable option to postpaid plans in terms of price and services. Rates of 10¢ per minute are common—but most come with daily access fees, rapid expiration or other strings attached. CA found that the NET10 plan delivers a 10¢ rate with the fewest requirements. Prices even lower than 10¢ per minute were found, but they require a significant monthly commitment.

The simplicity of pay-as-you-go plans is appealing, with no contracts and no credit checks. Prepaid wireless plans are not without conditions, however. Many insist that you buy minutes each month to keep the service active. Most plans require additional fees for roaming or extras like text messages and multimedia services.

“Don’t ignore the fine print,” said CA’s

Linda Sherry. “It’s striking how each plan has its own set of distinct rules.”

Most companies offer two types of prepaid plans: pay-as-you-go and monthly arrangements that require you to pay in advance for a certain number of minutes. The minutes are debited from your account every time you make a call. (With some plans, a minute is called a “unit.”)

Rates

CA found that rates vary depending on the amount of time you buy, whether the minutes are good for daytime or night/weekend calls or special promotions are in effect. Sherry notes that “it is almost impossible to directly compare rates because of factors including ‘unlimited’ night and weekend minutes, free mobile-to-mobile calls, expiration periods,

rollover minutes and other aspects of the market.”

“For people who just want a phone for emergencies, shoot for a rate of 10¢ per minute with the longest expiration policy you can find,” she recommends. “If you are really chatty, look for a plan that lets you reload minutes at a low price during the month if you run out, instead of a plan that charges you a much higher rate for additional minutes.”

The lowest per-minute rates are for the most part offered with monthly payment plans. The fewer minutes you purchase, the more you pay per minute. For example, with the T-Mobile To Go monthly plan, you can buy 30 minutes for \$10 with a per-minute rate of 33¢. The per-minute rate falls to 10¢ if you pay \$100 for 1,000 minutes.

Some companies charge extra activation and access fees. Alltel and Verizon users pay \$35 to activate their phones. At Cingular, Movida and Verizon, users may have to pay a daily access fee on certain plans. Cingular, for instance, charges a \$1 per day access fee with its 10¢ per

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CA’s fundraiser nets \$30,300

The 2005 Consumer Action (CA) anniversary party, held at the Marines Memorial Club in San Francisco on June 22, raised \$30,300. CA honored Assemblymember Judy Chu (D-Monterey Park), the Electronic Privacy Information Center (EPIC) and a Los Angeles television series serving Spanish-speaking consumers, “No Se Deje” (“Don’t Be Fooled”), with Consumer Excellence Awards.

CA Executive Director Ken McEl-downey said the money raised at the annual party provides valuable operating

capital for the organization. “Thanks to the continuing support of our friends, we have opened an office in Washington, DC, and are close to launching a completely revamped web site that will feature not only our award-winning publications in five languages, but breaking consumer news, a national database of complaint-handling agencies, book reviews, and monthly “top issues” reports from our hotline staff.

Helen Nelson remembered

CA board member Jim Conran spoke in memory of Helen Nelson, a longtime board member who died in March.

“Helen Nelson devoted most of her adult life to consumer advocacy and education,” said Conran, who knew the consumer rights maverick for more than two decades. “Today we take so many consumer rights for granted, but it was Helen Nelson and a handful of other dedicated activists who ensured that consumers are treated fairly in the marketplace.”

Conran noted, “From fair weights and measures and labeling of food and cosmetic products, to truth in lending, minimum wage laws and model employee benefits programs, Helen Nelson leaves behind a legacy of consumer protection for all of us.”

Judy Chu was elected to the California State Assembly in May 2001. She represents California’s 49th Assembly District, which includes Alhambra, El Monte, Monterey Park, Rosemead, San Gabriel, San Marino and South El Monte. In addition to other appointments,

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California Assemblymember Judy Chu (D-Monterey Park) was honored for her consumer advocacy.

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And thanks to our network of 8,000 community-based organizations nationwide!

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www.consumer-action.org

Consumer Action is a non-profit 501(c)(3) advocacy and education organization founded in 1971. CA publishes surveys and distributes multilingual educational materials in printed form and on the Internet.

Referrals and advice

CA will provide nonlegal advice and referrals on consumer problems. Chinese, English and Spanish are spoken.

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Prepaid wireless

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minute plan. Movida charges 50¢ per day and Verizon, 99¢ per day.

Customers who travel a lot and use their phone on the road must shop carefully for a prepaid plan. Terms and prices may vary when long distance calls are made or when customers access another company's wireless network (roaming). Like the majority of postpaid plans, most prepaid wireless plans offer free state-to-state long distance. Alltel and MetroPCS require "credit card roaming"—meaning that the price of the call is charged to your card as soon as you hang up. Alltel requires that all long distance calls be charged to a credit card. Some plans don't even allow roaming. The cost of roaming can be high—Venture Mobile charges its Freedom plan users 93¢ per minute when calling out of its network.

International calls

NET10 includes international rates of 15¢ per minute to about 50 selected locations overseas, including Mexico. Movida, a company that markets heavily to the U.S. Spanish-speaking market, includes rates of 20¢-25¢ per minute to Mexico with its plans. Venture Mobile has an international plan with very low rates.

Watch out for fees to connect and even disconnect international calls. Some carriers require that users specially activate their phones to allow international calling and all calls are charged at separate international rates. Some companies include calls to Canada and Puerto Rico in U.S. calling rates. Go to each company's web site for a full list of overseas rates.

Text messaging

Most prepaid wireless plans allow text messaging if the phone you buy supports it. CA found that rates for text messaging range from 5¢-10¢ to send and/or receive, although some offer free receipt of text messages. MetroPCS charges a flat fee of \$3 per month for unlimited text messages.

Phones

Postpaid plans often come with a free phone or one at a discounted price, because customers must lock into one- or two-year contracts. In most cases, prepaid customers pay retail prices for the phones, which often come bundled with a calling plan. Prepaid plans, like their postpaid siblings, come with a variety of phones. Phones available with surveyed plans range in price from \$19.99 (TRAC-FONE) to more than \$200. Cingular and Virgin have low-priced phones at \$29.99

Fundraiser

Continued from page 1

Dr. Chu chairs the Select Committee on Hate Crimes and the California Asian and Pacific Islander Legislative Caucus.

Kathy Li, director of CA's San Francisco office, presented the award. "Consumer Action applauds Dr. Chu's work on AB 309, the language contract law," said Li. "This law protects non-English-speaking immigrants who are victimized by unscrupulous businesses that prey on their inability to communicate in English."

AB 309 requires that consumers who enter into purchase agreements or other contracts following sales discussions in languages other than English must be provided with contracts in the appropriate language. If sellers fail to do so, the agreement is not binding.

Li noted, "Dr. Chu has also authored consumer protection measures to prevent victimization of immigrants by fraudulent immigration consultants and deceptive bait-and-switch practices in car dealerships that often target immigrants."

Chris Hoofnagle, EPIC's West Coast Director, received the award on behalf of the Electronic Privacy Information Cen-

How low can prepaid wireless go?

Consumer Action (CA) surveyors found rates of 10¢ per minute for prepaid wireless airtime. Average rates on some plans fall even lower—as low as 1.9¢ per minute for off-peak calls if all minutes in all time periods are used. Some carriers offer free talk time between their own customers and unlimited off-peak (night and weekend) calls, which can add value. And the absence of long-term contracts with their huge early cancellation fees is a cost saver in itself. But CA's surveyors found that the lowest prepaid wireless rates usually come with a catch. Watch out for these policies—your true cost may be much higher than advertised:

- The fewer minutes you buy, the more you'll pay per minute.
 - All prepaid minutes come with an expiration date. You pay less for a short-term expiration period and more for a long-term one.
 - Even "pay as you go" plans have expiration dates and minimum purchase requirements.
 - Many plans require that you purchase a set amount of minutes each month or your phone will be deactivated.
 - Carriers that offer to roll over unused minutes from month to month usually do so only when you pay by the month or other predetermined schedule.
 - Daily access fees or a higher rate for your first minutes used each day may be required to get the lowest rates. To find the true rate, factor in these fees.
 - Some carriers charge as much as 45¢ per minute after your monthly plan minutes run out. Look for a plan that allows you to get more minutes at the same price if you need them.
 - If your plan is subject to a minimum minutes balance requirement, you may be required to purchase more time even before your account is totally depleted.
 - Calls placed outside your carrier's network (roaming) may not be included in the low rate plan and can cost up to 93¢ per minute.
 - International calls are rarely—if ever—included in prepaid wireless plans, although some carriers include Puerto Rico or Canada in your domestic allowance, or offer an additional low flat per-minute rate to certain countries such as Mexico.
 - Directory assistance calls (411) cost extra—up to \$1.75 for each call—in addition to your plan minutes.
 - Taxes and surcharges might be added to your monthly charge. Depending on the carrier, these charges might be included in your per-minute rate or added as a separate charge each month. ■
- L.S.

and \$39.99 respectively. Depending on the company, prepaid customers can, for a price, have all the bells and whistles available with the latest wireless technology—including camera phones, walkie-talkies and personal digital assistants (PDAs).

Prepaid phones and plans are available in many stores, from national discount, electronics and pharmacy chains to corner convenience markets. Some carriers have relationships with specific retailers, such as Verizon and Radio Shack, while large chains like K-Mart often sell plans offered by several different companies. Starter kits usually include the phone, recharging and carrying accessories and some free minutes. Most carriers offer phones and services directly on their web sites or by phone.

Know your limits

Expiration dates are a key piece of information for prepaid cell phone plan customers. If plans are allowed to expire, most companies yank the phone number and close the account. Some companies allow a "grace period" within which to reactivate service before the account

disappears. Some companies also charge a reactivation fee.

Depending on the plan, expiration occurs monthly, when your minutes run out, or is based on the dollar amount you purchased. For example, with one Cingular plan, your usage time expires in 30 days if you bought \$15 of airtime; if you bought \$75, you get 90 days.

Most prepaid phones alert you with a message when minutes run low. Boost Mobile phones warn you when your account is down to \$5. Cricket requires that you call to check your minutes.

More talk time

You can buy more minutes ("recharge" or "reload") online, by phone or, with Boost Mobile, at some ATM machines. You can also get more minutes by buying a prepaid wireless phone card at retail outlets. With monthly plans, you can arrange beforehand to have your checking account or credit card automatically debited each month. Some companies require that you provide a credit or debit card if you want to take advantage of prepaid monthly plans. ■

ter, headquartered in Washington, DC, for its vigilance in protecting consumer privacy.

Linda Sherry, CA's director of national priorities, presented the award. "When ChoicePoint, a large data broker with records on almost every adult American citizen, allowed fraudulent businesses set up by identity thieves to buy its data on 145,000 people, our worst fears as privacy advocates were realized," said Sherry.

"Long before the ChoicePoint breach, EPIC suggested that the federal government conduct an inquiry into data broker information, urging that ChoicePoint be subject to the consumer protections afforded by the Fair Credit Reporting Act," noted Sherry.

Diego Carro, producer of "No Se Deje," accepted the award on behalf of the program that aired on Telemundo TV Network's KVEA, Channel 52 in Los Angeles. ("No Se Deje" means "Don't Be Fooled" in Spanish.)

Guadalupe Aguilar, a community consumer advocate with CA who left the organization this fall, presented the award. Aguilar praised the series of consumer awareness news stories that aired during KVEA's evening news from 2002-2004. "The segment focused on the most frequent scams and abuses



Chris Hoofnagle, West Coast director of EPIC, accepted an award on behalf of the DC-based organization.

affecting Spanish-speaking consumers in the U.S. We applaud Telemundo 52 and the producers of 'No Se Deje' for their stories on diet products, long distance calling services and ID theft, among other issues," said Aguilar. ■

Consumer Action Prepaid Wireless Survey

The Consumer Action Prepaid Wireless Survey is designed to educate consumers about the prepaid wireless marketplace and as an aid to comparison shopping. Use this survey as a guide only, as companies change their offers frequently. On page 2, you will find tips about how to shop for prepaid wireless, and on page 4, a glossary of prepaid terms and questions to ask when comparing plans.

The survey was conducted by Jennifer Holloway and Linda Sherry, Consumer Action staff members, from Sept. 21-Nov. 14, 2005. If you wish to communicate with us about this survey, send an e-mail to Editor@consumer-action.org.

Note: You are prohibited from using Consumer Action's name or any reference to its surveys in advertising or for any other commercial purpose.

Company/Web Address/Phone	Calling Plan Name	Plan Cost	Plan Description	Expiration Policy
Alltel www.alltel.com 800-255-8351	Prepaid Wireless Pay As You Go	Initial minimum purchase, \$20; after activation, \$10 minimum	Per-minute cost: 25¢. Activation fee: \$35. Access fee: None. Long distance: Free long distance and roaming in Alltel network; cost of out-of-network calls is charged to your debit/credit card. International: Calls to Canada, Mexico and Puerto Rico included. Text messages: 5¢ each to send/receive. Recharging: Online or phone with credit card, or buy another prepaid card. Miscellaneous: Limited network. Phones: \$34.99-\$224.99	When minutes are used up. Maintain active account or service will be cut off.
Alltel www.alltel.com 800-255-8351	Prepaid Wireless Monthly Plans	\$29.99, \$39.99 and \$69.99	Per-minute cost: \$29.99 plan includes 200 daytime minutes/1,000 off peak. If all minutes are used, 14.9¢ per minute daytime/2.9¢ off peak. \$39.99 plan includes 400 daytime minutes, 2,000 off peak. If all minutes are used, 9.9¢ per minute daytime/1.9¢ off peak. \$69.99 plan includes 700 daytime minutes, 3,000 off peak minutes. If all minutes are used 9.9¢ per minute daytime/2.3¢ off peak. All additional minutes are 35¢. All other terms same as Alltel pay-as-you-go plan.	Monthly or when minutes are used up. Replenish monthly for continuous service (otherwise service will be cut off and reactivation required).
BoostMobile www.boostmobile.com 888-266-7848	Chirp Days, Chat Nights	\$20 minimum purchase for credit/debit card charges. Prepaid wireless cards, \$20-\$50.	Per-minute cost: 10¢ nights and weekends, 20¢ daytime. Activation fee: None. Access fee: None*. Text messages: 10¢ each to send/receive free. Recharging: Online, phone, stores and selected ATM machines. Miscellaneous: Talk to any Boost, Sprint PCS and most Nextel subscribers for 10¢ a minute. Phones: \$79.99-\$299. *Walkie-talkie communication with other Boost users, \$1.50 each day used.	Recharge every 60 days to carry over unused balance. Lose phone number if account lapses.
Cingular GoPhone www.cingular.com/gophone 888-333-0701	Pick Your Plan (Monthly)	\$29.99-\$69.99	Per-minute cost: 10.8¢-15¢, depending on plan. Activation fee: None. Access fee: None. Long distance: Included at no extra charge. International: Mexico and Canada, 15¢ per minute. Text messages: 5¢-10¢ each to send/receive. Recharging: Online, phone or designated locations. Miscellaneous: Free calls with other Cingular users with \$69.99 plan. Phones: \$29.99-\$149.99	Minutes carry over if not used as long as monthly payment is made. Service will be disconnected if account isn't maintained.
Cingular GoPhone www.cingular.com/gophone 888-333-0701	Pay As You Go - Unlimited Mobile to Mobile Pay As You Go - 25¢	\$15 (30 days)-\$100 (180 days)	Per-minute cost: 10¢. Activation fee: None. Access fee: \$1 per day every day that phone is used. Text messaging: 5¢-10¢ each to send/receive. Miscellaneous: Free calls with other Cingular users with 10¢ plan. Per-minute cost: 25¢ per minute. Access fee: None. All other terms same for both plans.	Same for both plans: Minutes expire in 30-180 days, depending on purchase. Service will be disconnected if you do not buy more time and unused balances forfeited.
Cricket Communications www.mycricket.com 800-274-2538	Jump	\$15-\$50 (Initial minimum purchase \$25)	Per-minute cost: 10¢. (Free incoming calls.) Activation fee: None. Access fee: None. Long distance: Limited calling area; limited coverage areas; no ability to roam on other networks. Text messaging: 10¢ each to send/receive free. Recharging: Must replenish airtime by expiration date or lose service. Phones: \$129-\$159	Number of days to expiration relates to dollar purchase (i.e. if you purchased \$15, you have 15 days until expiration).
Liberty Wireless www.libertywireless.com 800-449-8730	10 Cents Flat Rate Liberty Anytime	\$29.99 \$44.99-\$99.99	Per-minute cost: 10¢. Activation fee: \$10. Access fee: None. Long distance: Included. Text messaging: Cannot send/receive free. Phones: \$49.99-\$99 Per-minute cost: 4.9¢ per minute (2,000 minute purchase)-9.9¢ (300 minute purchase). Additional minutes: 45¢. All other terms same as Liberty 10 Cents Flat Rate plan.	All plans: Automatic payment from bank account or credit/debit card required. Minutes expire monthly. Month-to-month service agreements can be terminated with 10 days written notice.
MetroPCS www.metropcs.com 888-863-8768	Unlimited Local Calling Unlimited Local and Long Distance Calling	\$30-\$35 \$40-\$45	Per-minute cost: None (unlimited calling plans). Activation fee: None. Access fee: None. Long distance: Included with long distance plans. (Pay extra with a credit/debit card for out-of-network roaming.) International calls: International calls can be made at an additional cost. Text messaging: \$3 per month for unlimited send/receive. Recharging: Automatic payments using credit/debit card, online, by phone or at MetroPCS stores. Miscellaneous: Limited availability in areas of CA, FL, GA. Phones: \$99-\$249	Minutes expire monthly. If no payment is made in the 30 days following expiration date, phone will be disconnected and a fee will be charged to reactivate.
Movida www.movidacelular.com 877-366-8432	Movida Uno or Movida Plus	Prepaid wireless cards \$20-\$50. (\$20 minimum purchase)	Per-minute cost: For Uno plan, 20¢ per minute. (25¢ to Mexico all times.) For Movida Plus plan, 10¢ per minute weekdays; 5¢ per minute weekends. (20¢ to Mexico all times.) Activation fee: None. Access fee: Uno plan, none; Plus plan, 50¢ per day. Long distance: Included as long as Sprint PCS national network coverage exists. International calls: Mexico only. Text messaging: 10¢ each to send/receive free. Recharging: Buy a new Movida prepaid wireless card. Phones: \$38 to \$105	Same for both plans: Balances expire in 60 days. Phones stay active for 61-120 days and can be reactivated during that period without additional fees if you add to your balance.
NET10 www.net10.com 877-836-2368	NET10 Prepaid Wireless Card	\$30, 300 minutes, 60 days/\$60, 600 minutes, 90 days/\$180, 1,800 minutes, 6 months/\$300, 3,000 minutes, 1 year	Per-minute cost: 10¢ local, long distance. Activation fee: None. Access fee: None. Long distance: Long distance and roaming on other networks is included, if available. International calls: 15¢ per minute (regular rate of 10¢ per minute + 5¢) to about 50 foreign locations, including Mexico (see web site for full list). Text messaging: 5¢ each to send/receive. Recharging: Online, from the cell phone or purchase prepaid cards at retailers. Phones: \$29.99-\$89.99	Expiration date depends on dollar amount purchased, from 60 days to one year. (Date shows on phone screen.) Must recharge by due date to keep service active. Minutes carry over if account remains active.
T-Mobile www.t-mobile.com 877-387-4324	Pay as you go	\$10-\$100 for 30 to 1,000 Anytime Minutes with free long distance	Per-minute cost: 10¢-33¢ depending on amount purchased. Activation fee: None. Access fee: None. (\$1 per day with "Sidekick.") Long distance: Limited to T-Mobile network; cannot roam on other networks. International calls: International long distance and roaming plans available at extra cost. Text messaging: 10¢ each to send/receive free. Recharging: Online or at many T-Mobile stores. Phones: \$79.99-\$399	Depends on dollar amount of purchase; from 30 days to one year. Must recharge by expiration date to keep service active. Minutes carry over if account remains active.

The survey continues on page 4.

Company/Web Address/Phone	Calling Plan Name	Plan Cost	Plan Description	Expiration Policy
TRACFONE www.tracfone.com 800-867-7183	Double Minutes Yearly Plan* Airtime Cards	\$129.99 per year, 300 minutes \$19.99-\$79.99; \$89.99 (1 year)	Per-minute cost: 10¢-33¢ depending on plan/cards and usage. *Double Minutes Yearly Plan comes with double minutes on future airtime purchases for one service year. Activation fee: None. Access fee: None. Long distance: Included; out of network, 2 units per minute. International calls: International plan required. Text messaging: 3 to 5 units each to send/Zero-5 units to receive. Recharging: Buy airtime cards. Phones: \$19.99-\$129.00	Expiration depends on type of plan or card purchased. Airtime cards expire in 60 days unless you buy and add another card. Unused minutes carry over if refilled before expiration date.
Venture Mobile www.venturemobile.com 866-334-5726	Freedom Usage	\$18.99-\$199	Per-minute cost: 9.9¢-29.9¢ for daytime minutes, depending on plan purchased. Additional minutes, 20¢. Activation fee: None. Access fee: None. Long distance: Free in-network long distance/93¢ per minute for roaming on other networks. International calls: International calling plan required at additional cost. Text messaging: 8¢ each to send/receive. Recharging: Pay monthly online, by phone, at stores or "autopay" with checking account withdrawals or debit or credit card. Miscellaneous: To avoid overage rates for additional minutes during the month, buy a prepaid card. Does not cut off calls when balance reaches zero. Unlimited nights/weekends feature requires a \$5 minimum balance. Phones: \$49.99-\$99.99	Five-day grace period after expiration date to recharge the account.
Verizon www.verizonwireless.com 800-922-0204	EasyPay	\$50 and \$70	Per-minute cost: 14¢ (\$50) or 10¢ (\$70) weekday daytime minutes; unlimited nights and weekends. Activation fee: \$35. Access fee: None. Long distance: All calls inside the Verizon Easy Pay network are included. If available, roaming on other networks is 99¢ per minute. International calls: Puerto Rico calls at regular airtime rates. Calls to other countries are subject to additional charges. Text messaging: 10¢ each to send/receive. You can send to Mexico, Canada and Puerto Rico for the same rate. Recharging: Online, by phone or at stores. To pay by phone you must register for a Verizon prepay account. Miscellaneous: Free calls between Verizon phone subscribers. Phones: \$79.99	All payments expire 30 days from the date made. If you don't add money by deadline, account is closed and minutes are forfeited.
Verizon www.verizonwireless.com 800-922-0204	INpulse	Initial \$50 in airtime included when you buy an INpulse phone	Per-minute cost: 10¢ per minute daytime; unlimited nights. Activation fee: \$35. Access fee: 99¢ per day. Long distance: Free long distance on Verizon network; 69¢ per minute for out of network roaming. Text messaging: 5¢ each to send/receive. (Send to U.S., Mexico, Canada and Puerto Rico.) Recharging: Online (\$15 minimum payment) or at Verizon stores or Radio Shack (refill cards in \$30 and \$50 increments). Miscellaneous: Free calls between Verizon phone subscribers. Phones: \$199.99-\$149 including \$20 set-up fee.	Expiration varies by purchase. \$15-\$29.99, 30 days; \$30-\$74.99, 60 days; \$75-\$149.99, 90 days; \$150+, 120 days. Buy more time before the expiration date, and unused minutes roll over. If you don't add money in time, account is closed and minutes are forfeited.
Virgin Mobile www.virginmobileusa.com 888-322-1122	Minute2Minute and Day2Day Month2Month	Minimum purchase of at least \$20 every 90 days is required \$29.99-\$49.99 per month	Per-minute cost: Minute2Minute, 25¢ for first 10 minutes each day, then 10¢; Day2Day, 35¢ daily access charge, 10¢ per minute. Activation fee: None. Access fee: Only on Day2Day plan. Long distance: Included to 50 states, Puerto Rico, and the U.S. Virgin Islands; no out-of-network roaming available. International calls: Must enable international calling and pay additional charges. Text messaging: 10¢ each to send/receive. Recharging: Online, phone and at retail locations. Phones: \$39.99-\$249.99 Automatic billing required. If all base price minutes are used in appropriate time periods, the cost averages 12¢ per minute. Two payments of \$10 each are automatically applied if balance is depleted within the month, reducing the average price per minute to 4¢ if all minutes are used.	Pay \$20 every 90 days to keep account active. To become exempt from expiration policy, make one \$90 payment or use automatic billing with a debit/credit card. Month2Month: Service will be disconnected if account is not paid as agreed.

Note: You are prohibited from using Consumer Action's name or any reference to its surveys in advertising or for any other commercial purpose.

Prepaid wireless glossary

Airtime: The time that a wireless phone is connected to another caller. Airtime includes incoming and outgoing calls. Airtime is sold in blocks of time (prepaid or postpaid).

Battery life: The length of time before a battery needs to be recharged.

Cash accounts: Used to pay for additional services such as downloads like screen pictures, games or special ring tones. Funded using a credit/debit card or electronic bank account withdrawals.

Landline: A phone that operates only when it is plugged into a traditional wall jack.

Mobile virtual network operators (MVNOs): Carriers that purchase and resell cellular airtime from major U.S. telecommunications companies.

Network: Coverage area served by a wireless carrier.

Porting: The right to keep your existing landline or cell phone number when you move to a new carrier.

Postpaid wireless: Cell phone service in which subscribers pay each month according to a contractual agreement with the carrier. Services are subject to credit approval and require a cancellation fee if the contract is broken.

Prepaid wireless: Cell phone service that is bought in advance and not subject to credit checks or contracts.

Push to talk (PTT): Some phones can be used as walkie-talkies.

Reload: To buy more prepaid wireless minutes.

Ring tone: The sound your phone makes to signal that a call is incoming.

Standby time: When a cell phone is turned on and able to receive a call. Dependent on battery life and the number of calls placed between charges.

Talk time: The length of time you can talk on a cell phone without having to recharge the battery.

Text messaging: Short messages sent via the phone to another phone using the letters on the telephone keypad. ■

Questions to ask about prepaid wireless

- How much do the phones cost?
- What's the per-minute cost of calls? Is there a daily access fee?
- Are there extra charges for long distance calls? Where is your network coverage?
- Can I place calls on other networks (roaming)? If so, what is the cost for roaming?
- When do my minutes expire? Can I carry over unused minutes?
- How often must I replenish my minutes to maintain my active account? Is there a grace period before my account is closed?
- How do I add minutes—by phone, online or in a retail outlet?
- What's the best plan if I just want to use the phone for emergencies?
- Is there a plan that's better for high volume use?
- What features—such as voice mail—come with my phone?
- What will it cost me to send text messages and photos (if I buy a camera phone)?
- How much will taxes and surcharges add to my plan?
- Can I get a refund if I'm not satisfied?

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