



Test Your Knowledge About Wireless Communications

Check "True" or "False" or "Maybe" to answer the following questions:

- 1. Both prepaid and postpaid cellular service are bought in advance and subject to a credit check.**
 True False Maybe

- 2. The National Consumer Telecom & Utilities Exchange is used to determine if you are required to pay a deposit for wireless service, as well as to determine the amount of the deposit.** True False Maybe

- 3. You can usually try out a cell phone and cancel it without paying an early termination fee.** True False Maybe

- 4. Many postpaid wireless plans offer tools for managing your family's usage by suspending or restricting minutes or block messaging.**
 True False Maybe

- 5. Family plans are a cheap way to add multiple phones and service to one account.**
 True False Maybe

- 6. You can keep your existing phone number when you switch to a new carrier.**
 True False Maybe

- 7. All cell phone numbers were released to telemarketing companies in 2010.**
 True False Maybe

- 8. If your cell phone is lost or stolen, you are not responsible for unauthorized calls if you report the theft within 30 days of receiving your billing statement.**
 True False Maybe

- 9. You should consider purchasing a replacement plan for your phone.**
 True False Maybe

- 10. You can receive a free wireless AMBER alert on your cell phone.**
 True False Maybe

11. There are legal restrictions on using a camera phone.

True False Maybe

12. The government can track your movements if you have your cell phone with you.

True False Maybe

13. For a small fee, anyone can obtain a record of your cell phone calls.

True False Maybe

14. If you receive a SPAM email on your mobile cell phone, you can file a complaint against the sender with the FCC.

True False Maybe

Consumer Action empowers low to moderate income and limited-English-speaking consumers nationwide to financially prosper through education and advocacy. Visit us on the Web at www.consumer-action.org.



Wireless Quiz Answer Key

1. Both Prepaid and postpaid cellular service are bought in advance and subject to a credit check.

FALSE

Prepaid wireless cellular service is bought in advance but is not subject to a credit check or contract. Postpaid wireless is a monthly subscription service that requires credit approval and imposes a cancellation fee if the contract is broken.

There are two types of prepaid plan: pay as you go, and monthly arrangements that require you to pay in advance for a certain number of minutes. Minutes are debited from your account as you use them and can be reloaded as needed using a credit card online or by telephone. All prepaid minutes come with an expiration date. You pay less for short-term expiration period and more for a long-term one.

When buying prepaid wireless service, watch out for activation fees. Or, the carrier may close the account, which means you lose the phone number. Whether you choose prepaid or postpaid service, you'll save money by finding a plan that closely matches your usage pattern.

Postpaid contract plan often come with a free or discounted phone. If you take advantage of a free or discounted phone upgrade after you start service, it may extend your contract.

TURN—The Utility Reform Network—lists several questions that you should ask before signing up for a prepaid cell phone plan:

- *What's the coverage area and are there roaming charges?* Some pre-paid wireless vendors offer service in a very limited area. If you need to make a call outside that area you could be hit with very stiff roaming fees. Also, the provider may not have a robust network, which means the quality of your calls could be very poor.
- *What do the minutes really cost?* Some plans will not let you make a call if you are out of minutes. Other plans will allow you to continue to make calls but at a rate as high as 45 cents per minute. Will you be allowed to send text messages? If so, what is the cost?
- *Are you protected against unauthorized charges?*
- *How good is the phone?* How's the quality? Are the keys responsive? Is the phone set up for you to send a text message without you constantly having to use a function key to toggle between numbers and text?

2. The National Consumer Telecom & Utilities Exchange is used to determine if you are required to pay a deposit for wireless service, as well as to determine the amount of the deposit.

TRUE

According to information on “The National Consumer Telecom & Utilities Exchange” website (NCTUE) is a member-owned database housed and managed by Equifax. Membership is available to the nation's leading telecommunication and utility companies.

NCTUE exchanges information on new connects and defaulted and/or fraudulent accounts among members. It provides access to current contact information on defaulted consumers and customized treatment and collection strategies for new applicants and existing customers who have unpaid final bills. In addition, information is available to assist in determining objective methodology for assessing deposits and identification of higher-risk consumer applicants.

NCTUE’s stated objectives are:

- Early identification of higher-risk accounts for new residential service applicants.
- Locating former customers whose service was terminated with an unpaid balance.
- Identification and implementation of additional uses of the data to benefit members.

3. You can usually try out a cell phone and cancel it without paying an early termination fee.

TRUE

Most wireless companies offer a period of time for customers who sign contracts to use the service and phone to see if it meets their needs. During that return period, typically 14-30 days, consumers can cancel service without incurring an early termination fee (but you might be on the hook for an activation charge). If you cancel after the return period, you usually will be charged an early termination fee that could be \$200 or more. Be sure you understand how the early termination fee works and what you have to do to make sure you are not charged an early termination fee.

4. Many postpaid wireless plans offer tools for managing your family’s usage by suspending or restricting minutes or blocking messaging.

TRUE

Many postpaid wireless plans offer free and paid tools for managing your family’s usage, such as the ability to suspend or restrict minutes or block messaging. A prepaid plan also might help you control family members’ usage because you purchase only the number of minutes you want your family members to use.

Ask your wireless provider about parental control available for kids' wireless devices. Visit www.wiredkids.org to learn more. (Many parental control programs have monthly fees.)

5. Family plans can be a cheap way to add multiple phones and service to one account.

MAYBE

Generally, family plans (or shared plans) are a less expensive way to add multiple phones and services to one account. Family plans allow the users to share plan minutes. The alternative—paying individual monthly fees—can cost considerably more. The downside of a family plan is that some users find it hard to control the use of shared minutes.

6. You can keep your existing phone number when you switch to a new carrier.

MAYBE

If you are staying in the same locale, you can keep your existing phone when you switch to a new carrier. The process is called phone number “porting.” If you’re already a wireless customer, you have the right to port your current phone number when you switch carriers. But before you switch, make sure that you are not still under contract with your current carrier and liable for a termination fee.

If you are “cutting the cord” from landline to wireless service, you can port your home phone number to your wireless service. Make sure to:

- Keep your service with your current carrier until the switch takes place or you may lose the number you wish to port.
- Ask your new carrier if it charges a porting fee.
- Have a recent phone bill handy. Your new wireless carrier will need information about your old account.
- Ask to be notified by your new wireless carrier when the port is complete, usually in a matter of hours. Your old service probably will be cancelled automatically, but it’s a good idea to check.

Carriers are allowed to charge a fee to customers at the time their number is switched. However, your new carrier may cover your old carrier’s switching cost. Negotiate, negotiate, negotiate! The Federal Communication Commission (FCC) does not regulate porting charges, but it does require that they be “just and reasonable.”

7. All cell phone numbers were released to telemarketing companies in 2010.

FALSE

CTIA-The Wireless Association says it has received tons of emails from consumers who got “spam” with a hoax warning that cell phone numbers were being released to telemarketing companies. CTIA says that FCC regulations prohibit telemarketers from using automated dialers to cell phone numbers. Automated dialers are standard in the industry—so this prevents most telemarketers from calling

consumers on their cell phones unless there is an existing business relationship and you provided your cell phone to the marketer.

The federal government does not maintain a specific Do Not Call list for cell phones, but allows you to add your cell phone and landline numbers to the National Do Not Call Registry. Do it online at www.donotcall.gov or call 888-382-1222 from the telephone number you wish to register. Registrations become effective within 31 days of signing up.

- The FTC also provides a simple guide on cell phones and the Do Not Call Registry at www.ftc.gov/opa/2008/04/dnc.shtm
- If you are interested in learning more about the origin of the hoax read 'Snopes' at www.snopes.com/politics/business/cell411.asp

8. If your cell phone is lost or stolen, you are not responsible for unauthorized calls if you report the theft within 30 day of receiving your billing statement.

FALSE

If your cell phone is lost or stolen, you are responsible for all of the charges that are made *until* you report the theft.

According to CTIA, if your mobile device is lost or stolen you should immediately contact your carrier and ask it to turn off your phone so you're not responsible for charges. If your cell phone is stolen, you should contact the police to file a report on the theft. If your cell phone has GPS tracking services the police, working with your carrier, may be able to locate your phone.

Additional tips offered by CTIA:

- Know and use the security feature of your cell phone, such as the password to lock and unlock your phone.
- Use the personalization features and put your name and a different phone number and/or email address on the phone, so if someone finds it they can contact you.
- Keep a back up of your contacts, calendar, etc. outside of your phone.
- Know where your phone is at all times.
- If you are a person who has a tendency to lose things, you may want to consider mobile phone insurance. But make sure you know what the insurance plan does and does not cover.

9. You should consider purchasing a replacement plan for your phone.

MAYBE

During the sales process, you will be asked if you want to pay more for optional services, such as insurance to replace your phone if it's lost or damaged. New phones come with warranties, so if the device breaks down within the warranty period, you should be able to get it repaired or replaced at little or no cost. (If you

cause the damage by dropping the phone or getting it wet, the warranty might not apply.)

Phone insurance costs between \$4-\$6 per month. Consider a replacement plan if your phone is very expensive or if you often lose your possessions. Always read the fine print—some plans don't replace phones if you caused the damage. Most plans have deductibles you must pay before getting a new phone and you might get a refurbished phone instead of a new one. If you received a free or low cost phone when you entered a contract, the price to replace it might be surprisingly high.

10. You can receive a free wireless AMBER alert on your cell phone.

TRUE

You must sign up to receive wireless AMBER alerts—free text messages available to wireless subscribers to let you know that a child is missing, or has been abducted. A partnership between the National Center for Missing & Exploited Children, the U.S. Department of Justice, and the wireless industry, these real-time alerts rely on customers like you to send in tips that can help find missing children. You can sign up to receive Wireless AMBER Alerts at www.wirelessamberalerts.org or at your wireless carrier's website. The text message will include information including a description of the alleged abductor and the suspected vehicle's make, model and license plate number; the age and description of the alleged abducted child or children; and a contact phone number for tips.

Spanish language: Visitors to www.wirelessamberalerts.org now have the option to select a Spanish translation by choosing the "En Español" button in the upper right-hand corner of the homepage. The Spanish language site provides consumers with translated alerts and provides an opt-in menu in Spanish, but the AMBER Alerts sent to wireless phones will still be in English.

11. There are legal restrictions on using a camera phone.

TRUE

The federal Video Voyeurism Prevention Act of 2004 prohibits knowingly capturing an improper image of an individual without that person's consent in circumstances where the individual has a reasonable expectation of privacy. Improper images are defined as photos of people without clothes or wearing only underwear.

12. The government can track your movements if you have your cell phone with you.

MAYBE

According to the Privacy Rights Clearinghouse, the Federal Communications Commission (FCC) mandates that the majority of wireless providers be able to provide location information for 911 calls for the originating cellular phone so that emergency services can find the callers. This is called E911. For more information

on the wireless 911 service read FCC Consumer Facts at www.fcc.gov/cgb/consumerfacts/wireless

Carriers can provide location information from the cellular network (triangulation of location based on the distance of the cell phone's signal to nearby cellular towers) or rely on satellite data from global positioning system (GPS) chips embedded in customer handsets. Wireless carriers that use CDMA technology, such as Verizon and Sprint Nextel, employ GPS technology to fulfill E911 requirements. AT&T and T-Mobile use network-based technology that computes a phone's location using signal analysis and triangulation between towers.

The Privacy Rights Clearinghouse says this location-tracking feature has privacy implications. Even without a warrant, law enforcement personnel may obtain either retrospective or prospective location data on your calls. Retrospective data is kept by cellular carriers for billing purposes and may not be very detailed. In contrast, prospective data can reveal where you are in real time and is used by some apps and software programs, as well as marketing programs such as coupon providers.

13. For a small fee, anyone can obtain a record of your cell phone calls.

FALSE

Only the authorized owner of the cell phone can obtain the cell phone records for that account. The Telephone Records and Privacy Protection Act of 2006 prohibits "pretexting" to buy, sell or obtain personal phone records, except when conducted by law enforcement or intelligence agencies. Violators are subject to jail terms of up to 10 years.

As a consumer, you can also take action to ensure the security of your cell phone by creating account passwords to control access to your wireless account.

14. If you receive unsolicited commercial email (spam) on your mobile phone, you can file a complaint against the sender with the FCC.

TRUE

If you receive a spam email on your mobile device, you can file a complaint with the FCC. The FCC's CAN-SPAM rule applies to email messages—but not texts—sent to cell phones and pagers. You can tell if the message is an email if it uses an Internet address that includes an Internet domain name (such as @YOURDOMAIN.COM). The FCC rule does not prohibit unsolicited texts or 'short messages' sent from one mobile phone to another.

Bills in the U.S. Senate (S. 788) and House (H.R. 1391) would include text messages in the CAN-SPAM ban. If you want to see that bill passed, please contact your elected officials.

In California, the Business and Professions Code (Section 17538.41) prohibits the transmission of message ads to cell phones or pagers equipped with short message capability.

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Submit consumer complaints about credit cards (or another consumer problems) to our advice and referrals hotline: hotline@consumer-action.org or 415-777-9635 | Chinese, English and Spanish spoken

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