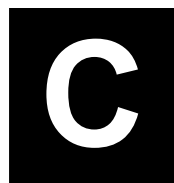


# FTC FACTS for Consumers

## TOLL-FREE TELEPHONE NUMBER SCAMS



alls to 800 and 888 numbers are almost always free, but there are some exceptions. Companies that provide audio entertainment or information services may charge for calls to 800, 888 and other toll-free numbers, but only if they follow the Federal Trade Commission's 900-Number Rule.

This Rule requires a company to ask you to pay for entertainment or information services with a credit card *or* to make billing arrangements with you *before* they provide the service. If you don't use a credit card, the law says companies also must provide you with a security device, such as a personal identification number (PIN), to prevent other people from using your phone to charge calls to these services.

## Presubscription Agreements

For a company to charge you for a call to an 800 or 888 entertainment or information service, it must obtain your agreement to the billing arrangement in advance. The company must tell you all relevant information about the arrangement, including the company's name and address, rates and rate changes, and business telephone number.

The company also must use a security device, like a PIN, to prevent unauthorized charges to your telephone. The "presubscription agreement" must be in place before you reach the entertainment or information provided by the service. If you authorize a company to charge your credit card for an 800 or 888-number call, the company has met the Rule's requirements.

## Prohibitions and Unlawful Practices

Certain practices relating to 800 and 888 numbers are prohibited by the 900-Number Rule. For example, a company can't charge you for dialing an 800 or 888 number unless you have entered into a valid presubscription agreement. Also, if you dial an 800 or other toll-free number, the company is prohibited from automatically connecting you to a 900-number service, and from calling you back collect. However, the law allows a company to *promote* a 900-number service during the 800-number call, as long as you would have to hang up and dial the 900 number to reach the service.

Some companies break the law by charging improperly for entertainment and information services that you reach by dialing an 800 or 888 number. For example, some services ask you during the course of a call to simply "Press 1" to be charged automatically. Others advertise a service as "free" but then

unlawfully charge for calls placed to that service. Still others may charge for calls you place to 800 or 888 numbers by billing you for calls to a different type of service — such as calls to an international number. Some will charge a "monthly club fee" on your phone bill after you call an 800 or 888 number. Other services fail to take adequate precautions to prevent the unauthorized use of your telephone to make these calls; they may charge you for 800-number calls you didn't make or approve.

## Minimize Your Risk

Here's how to minimize your risk of unauthorized charges:

- ❖ Remember that dialing a number that begins with 888 is just like dialing an 800 number; both are often toll-free, but not always. Companies are prohibited from charging you for calls to these numbers unless they set up a valid presubscription agreement with you first.
- ❖ Recognize that not all numbers beginning with "8" are toll-free. For example, the area code 809 serves the Dominican Republic. If you dial this area code, you'll be charged international long distance rates.
- ❖ Make sure any 800 or 888 number you call to get entertainment or information that costs money provides security devices — including PINs — before you enter into a pre-subscription agreement with them.
- ❖ Check your phone bill for 800, 888 or unfamiliar charges. Calls to 800 and 888 numbers should be identified. Some may be mislabeled as "long-distance" or "calling card" calls and are easy to overlook.
- ❖ Dispute charges on your phone bill for an 800 or 888 number if you don't have a pre-subscription arrangement. Follow the instructions on your billing statement.
- ❖ Realize that if the telephone company removes a charge for an 800 or 888-number

call, the entertainment or information service provider may try to pursue the charge through a collection agency. If this happens, you may have additional rights under the Fair Debt Collection Practices Act.

## For More Information

The following organizations can provide additional information and help you file a complaint.

- Your state Attorney General usually has a division that deals with consumer protection issues.
- The Federal Communications Commission's National Call Center at 1-888-CALL-FCC (1-888-225-5322). The Center answers consumer inquiries relating to communications law and policy, matters pending before the FCC, and any possible violations of FCC law or policy.
- You also can file a complaint with the FTC. The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint, or to get free information on any of 150 consumer topics, call toll-free, **1-877-FTC-HELP** (1-877-382-4357), or use the complaint form at [www.ftc.gov](http://www.ftc.gov). The FTC enters Internet, telemarketing, and other fraud-related complaints into **Consumer Sentinel**, a secure, online database available to hundreds of civil and criminal law enforcement agencies worldwide.

# Facts for Consumers

<b>FEDERAL TRADE COMMISSION</b>	<b>FOR THE CONSUMER</b>
<b>1-877-FTC-HELP</b>	<b><a href="http://www.ftc.gov">www.ftc.gov</a></b>

**Federal Trade Commission**  
Bureau of Consumer Protection  
Office of Consumer and Business Education

May 1997