

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 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.

(More)



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 My Pre-Paid Phone Card?

First, try calling the customer service number provided with the card. If that doesn't work, call or write 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.) You can also file a complaint with the Federal Trade Commission (FTC). You can file a complaint with the FTC on-line at <https://www.ftccomplaintassistant.gov/> You can also submit a complaint by calling the FTC toll-free at 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 telecommunications issues, visit the FCC's Consumer & Governmental Affairs Bureau Web site at www.fcc.gov/cgb, or contact 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.

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

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