“CRAMMING”

The practice of placing charges on your telephone bill for unauthorized products or services

CASES BY TYPE OF PHONE SERVICE:

<table>
<thead>
<tr>
<th>Wireline</th>
<th>Wireless</th>
</tr>
</thead>
<tbody>
<tr>
<td>82%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Cramming is one of the most common landline billing complaints handled by the FCC, after the general category of billing adjustments and refunds.¹

CONSUMER AWARENESS:

Only one out of 20 victims of cramming may be aware of cramming charges.²

15 TO 20 MILLION

Number of American households estimated to receive crammed charges on their wireline bills each year.³

0.1% USAGE RATE

One FCC investigation found only 20 of 17,384 consumers used the third-party service they were billed for. Another found that just 22 of 18,571 consumers charged for dial-around long distance actually used the service. Usage in both cases: roughly 0.1 percent.

WHAT DO CONSUMERS EXPERIENCE?

$19.99

Range of cramming charges from a single vendor per month.⁴ These charges can go undetected indefinitely.

$1.99

Charges sometimes appear as “service fee,” “service charge,” “other fees,” “voicemail,” “mail server,” “calling plan” or “membership,” and may be cramming if they were unauthorized or if the cost was misrepresented.

¹ FCC complaint data 2008-2010
² Expert Marylander survey conducted for Federal Trade Commission case
³ FCC projection based on Expert Marylander survey and California data
⁴ FCC Enforcement Bureau