

Verizon Wireless to pay \$25M for spurious fees

October 28 2010, By PETER SVENSSON , AP Technology Writer

(AP) -- Verizon Wireless has agreed to pay \$25 million to the U.S. government and at least \$52.8 million in refunds to customers who inadvertently racked up data charges on their phones over the last three years, federal regulators said Thursday.

The Federal Communications Commission said the settlement is the largest in its history.

To forestall action by the FCC, Verizon Wireless said earlier this month that it would issue refunds, mostly of \$2 to \$6, to about 15 million subscribers. It didn't give a total value for the refunds.

The FCC started asking Verizon Wireless last year about \$1.99-a-megabyte data access fees that appeared on the bills of customers who didn't have data plans but who accidentally initiated data or Web access by pressing a button on their phones.

The FCC said it would check to see that Verizon paid out the agreed-to refunds.

After the Cleveland Plain Dealer raised awareness of the spurious fees, Verizon Wireless said last year that it would take steps to prevent the charges from appearing and that it would issue refunds to customers who complained.

In a statement Thursday, Verizon Wireless said the charges were

inadvertent and its software is being changed to prevent such charges in the future.

Verizon Wireless, the largest cell phone carrier in the U.S., is a joint venture between Verizon Communications Inc. and Britain's Vodafone Group PLC.

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