

T-Mobile accused of making money off bogus billing (Update)

July 1 2014, by Anne Flaherty

Federal regulators are urging consumers to go through their phone bills line by line after a lawsuit this week against a high-profile mobile provider.

The Federal Trade Commission says T-Mobile US wrongly charged customers for premium services like horoscope texts and quirky ringtones that the customers never authorized.

The FTC said Tuesday it is suing T-Mobile in a federal court in Seattle with the goal of making sure every unfairly charged customer sees a full refund. The lawsuit, the first of its kind against a mobile provider, is the result of months of stalled negotiations with T-Mobile, which says it is already offering refunds.

The practice is called "cramming": A third party stuffs a customer's bill with bogus charges such as \$10-per-month horoscopes or updates on celebrity gossip.

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