**John’s 'free' phone on a 'capped' plan**

****John is 18 and desperately wanted to get rid of the pre-paid mobile his mum gave him when he was 15. One phone shop offered him a free phone on a 24-month contract for $29 per month that would give him calls and texts worth $150 each month.

(This is called a $29 cap plan.)

When John got his first bill, it was $160 because he had made more calls than were covered by his cap. He didn’t have that amount of money so he put the bill in a draw to worry about later. The next bill was $170 because John had browsed the web on his phone, but data downloads are not included in his plan. This bill also has an overdue fee of $15 because he hasn’t paid the last bill! He now owes $345 and is starting to panic!

John knows he can’t ask his parents for money so continues to ignore the letters and bills (which keep coming with extra fees added on.)

**What will happen if John keeps ignoring the bills?**

**What could John have done to avoid this situation?**

**How could John’s mobile phone decisions affect his future?**