



Zombie Fees!

**Are They Taking a
Bite Out of
Your Wallet?**

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Are Zombies taking a bite out of your wallet?

Right now with Halloween decorations on sale for 50% off, the last thing that you may want to think about are zombies, but today they seem to be everywhere. If you live in a family community, such as I do, you probably noticed lots of trick or treaters walking around with fake blood dripping everywhere, glazed expressions on their faces and that noticeable zombie gait – limping along with one leg dragging behind them.

One of the hottest TV shows is AMC's "The Walking Dead", and the season 4 premiere had an estimated 16.1 million viewers.ⁱ Locally, downtown Phoenix was overrun by the Zombie hordes on October 26th.



The Department of Zombie Defense ready for action at Phoenix Comicon May 2012

Fortunately, there are ways to protect yourself from zombie invasion. An organization – the Department of Zombie Defense – was formed to help eradicate zombies from Maricopa county. Knowing that the brave men of the D.O.Z.D. are armed and ready for zombie apocalypse certainly helps me sleep better at night. I don't have to worry about becoming the next victim of a flesh eating undead zombie grabbing me with their pale, ever-clutching hands.

The D.O.Z.D. helps protect our flesh from zombies – but what about our wallets? There may be zombie fees charged by your bank or credit card company. Sadly, the D.O.Z.D. cannot protect you from this menace.

You may be wondering "What is a zombie fee?"

In recently published reportⁱⁱ by the Aite Group, zombie fees are on the list of 11 so called "Grey Charges" that may be appearing on your credit card statement.

I first learned about these sneaky types of fees when I was a child and my younger brother, Darrell joined a record club. He picked out 10 **FREE** albums and then every month the record company automatically sent the latest album. As a condition of the membership, Darrell was required to buy a certain number of albums over the course of the next 2 years. The price of the music was much higher than the record store prices and the shipping and **handling** costs were astronomical! After much correspondence with the company, the membership was cancelled. My savvy mom pointed out to the record company that Darrell was 8 years old and not legally competent. The good news is that we didn't have to return the ill gotten goods and were able to enjoy *The Partridge Family's Greatest Hits* for years to come. These "membership" type fees are still around and the Aite Group study estimates the annual cost to consumers to be \$340,800,000.

The most common type of grey charge is in the "Free to Paid" type. This is when you sign up for something like "one month free ____" and then you don't get around to cancelling before the free period runs out. Similarly you may also be hit with auto renewal fees for subscriptions you no longer want or need. Per the same report, the estimated cost to consumers was over 6 billion dollars!

The so called “zombie” charge is when you thought you had cancelled a charge – and, like a zombie – it rises from the dead to eat your wallet.

So what do you do to protect yourself from these fees? You treat them the same as real life zombies:

1. Be aware – know the terms of service before you sign up for free trials.
2. Be vigilant – review your credit card statements monthly.
3. Be persistent – pursue and report unknown charges. The D.O.Z.D. motto of “If it’s

Dead – We’ll Kill It!” is appropriate whenever you encounter a financial zombie.



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ⁱ <http://www.amctv.com/shows/the-walking-dead>

ⁱⁱ Aite Group *The Economic Impact of Grey Charges on Debit & Credit Card Issuers*, July 2013