



Office of the Secretary

UNITED STATES OF AMERICA  
Federal Trade Commission  
WASHINGTON, D.C. 20580

March 25, 2014

Z. Damani

*Re: In the Matter of Apple Inc., File No. 1123108*

Dear Sir or Madam:

Thank you for your comment on the Federal Trade Commission's consent agreement in the above-entitled proceeding. The Commission has placed your comment on the public record pursuant to rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

You express concern that the problem with in-app purchases is not limited to Apple devices and that other companies in the industry should be investigated as well. You correctly state that this proposed order only applies to Apple. The Commission cannot comment on whether the Commission has any investigations into other companies in the industry. However, the core concept of the case against Apple – that companies need to obtain consumers' informed consent before placing charges on their bills – applies to all companies.

The Commission is committed to protecting consumers from unauthorized charges, including those incurred by children. The Commission has forwarded your comment to the FTC's Consumer Response Center. In addition, the Commission encourages you to report any other business practices that may allow for unauthorized charges by children by contacting the FTC's Consumer Response Center at (877) 382-4357, or by filing a complaint online at [www.ftccomplaintassistant.gov](http://www.ftccomplaintassistant.gov).

The proposed complaint here alleges that Apple failed to obtain account holders' informed consent for in-app charges incurred by children. Under the proposed order, Apple must alter its business practices going forward to obtain express, informed consent to in-app charges before billing for such charges. The proposed order also will require Apple to provide full refunds to account holders who have been billed by Apple for unauthorized in-app charges incurred by minors. If Apple's payments total less than \$32.5 million, it would remit the difference to the FTC. To effectuate refunds, Apple must send an electronic notice to its consumers by April 15, 2014 that clearly and conspicuously discloses the availability of refunds and instructions on how to obtain such refunds.

After reviewing your letter, other public comments filed with the Commission, and the investigative record, the Commission has determined that the relief set forth in the proposed order is appropriate and sufficient to remedy the violations alleged in the proposed complaint, and it is in the public interest to issue the Decision and Order in final form. The final Decision

and Order and other relevant materials are available on the Commission's website at <http://www.ftc.gov/enforcement/cases-proceedings/112-3108/apple-inc>. It helps the Commission's analysis to hear from a variety of sources in its work. The Commission thanks you again for your comment.

By direction of the Commission, Commissioner Wright dissenting.

Donald S. Clark  
Secretary