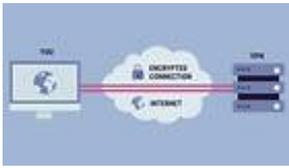


The Big Deception: How Free VPN Providers Make Money on Their Users

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Beware: Free VPNs Sell Data to 3rd Parties

Do you still believe that free VPNs just donate you bandwidth and take nothing in return? You are sorely mistaken: they do make money on their services like any commercial organization. More than that, they make money on you. A recent expert research has revealed that almost 1/4 of the so-called “free” VPN providers do keep user logs and personal information and trade on it. While some of them honestly state it in their Privacy Policy (though, usually, in fine print), others renege on their own claims and commitments. So, if you are looking for the [best free VPN for Mac](#) or Windows, keep reading to learn what the real price you’ll have to pay is.

How Free VPNs Make Money

Let’s assume that providers of free VPNs are not charity organizations with a noble mission of rendering free assistance to people. They need to pay for their servers, for their equipment, for developers’ work, and so on. Finally, they want to get a reward for their services. There are several potential sources of financing for a typical free VPN provider.

- Forcing users to watch ads in their browsers or right inside the app. This is a relatively honest but annoying method.
- Using their customers’ computers as intermediate nodes of their network. This is dishonest, not to say illegal. To put it simply, they use your bandwidth or provide (sell) it to other users. Thus, instead of getting protected with a VPN, you become a part of this VPN. This is not good, as you don’t know what kind of traffic passes through your IP. It can be something criminal, and you are responsible for it!
- Collecting user logs and selling this data to 3rd parties. Usually, these are their marketing partners. But nobody prevents them from selling the same data to the authorities or law enforcement agencies.

The idea about free VPN services is a myth. You always pay for using any private network, but the cost is not always expressed in money. You may pay with your own security or with your time, but it doesn’t change anything - there’s no such thing as a free lunch.

The Shocking Truth

All in all, there are over 100 free VPN providers. Inexperienced users intuitively tend to choose the most popular companies with the largest audience and a (seemingly) good reputation. However, a series of recent researches, including the CSIRO research of 2016, have revealed the facts about numerous violations of the largest and the best-reputed providers. Here are just a couple of examples.

Hola

Hola, with the audience of over 100 million users, is a real giant of the free VPN market. It is one of the few free VPNs that offer unlimited bandwidth and are capable of unlocking Netflix. These two features make Hola one of the absolute leaders among VPN providers. People download it without reading the Terms and Conditions, especially the fine print. Meanwhile, according to its officially claimed policy, the provider reserves the right to:

- share the anonymous information with 3rd parties for marketing (and other) purposes;
- share users' emails to its marketing partners;
- make users the peers of its paid Luminati network (read: use users' computers for 3rd parties traffic processing).

To Hola's credit, it honestly warns its users about the possible risks in its T & C. But do you often read Terms and Conditions?

HotSpot Shield

HotSpot Shield is another mega-popular provider of free VPN services. An enormous audience of 500 million users is a clear evidence of its popularity. However, despite its excellent reputation, the company is not flawless. If you read its Privacy Policy, you'll see that it can:

- share your information to its "ad partners";
- display ads in the browser and in the app;
- limit the bandwidth available to 500 Mb per day.

But that's not all. In the framework of the latest researches, it was discovered that Hotspot Shield also redirects users' traffic to its affiliate partners, though it doesn't say about it directly.

Conclusion

It is always for you to decide whether to use the services of free VPN providers or not. But if you still believe that they are free, please, part with your illusions as soon as possible. In any "provider-consumer" relations, it is a consumer who pays. If you don't pay for a product, it's high time to think – maybe, the "product" is you?

Source: <http://newswire.net/newsroom/blog-post/00104902-the-big-deception-how-free-vpn-providers-make-money-on-their-users.html>