

Suspect a Scam? Contact:



National Fraud Information Center (NFIC)

c/o National Consumers League
1701 K Street NW
Suite 1200
Washington, DC 20006
1-800-876-7060
www.fraud.org

Federal Trade Commission (FTC)

Consumer Response Center
600 Pennsylvania Avenue NW
Washington, DC 20580
1-877-382-4357
www.ftc.gov

Better Business Bureau of Greater Maryland (BBB)

1414 Key Hwy.
Suite 100
Baltimore, MD 21230
410-347-3990
www.baltimore.bbb.org



300 Water Street, Suite 300
Baltimore, MD 21202
Tel. 410.783.2905
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Dr. Craig E. Spilman, Executive Director



CollegeBound Foundation

Building the Pipeline from High School to College to Work

Scam Alert



How to Protect Yourself from Scholarship Scams

Go to college. We'll show you how.

Protect Yourself from Scholarship Scams

Have you encountered the following?



Sound too good to be true? Chances are, it is.

The sad truth is, there are scammers out there posing as scholarship providers or scholarship matching services that take your money and leave you with nothing. Legitimate consulting services can be found, but are often very costly. **However, the services they offer can be obtained for free from your guidance counselor or CollegeBound Specialist.**

Scams come in many forms. Don't be fooled by an official sounding name. Just because a company uses words like *National*, *Federal*, *Foundation*, or *Administration* in its title doesn't mean it is a legitimate operation. You can protect yourself from scholarship scams with a little knowledge and a little caution.

Know Your Scams

- ◆ **The phony scholarship:** You receive a notice about a scholarship that promises you cash. All you need to do is pay the registration fee. So why not apply? Because there is no award. Or there is only a small award used to lure you in.
- ◆ **The phony scholarship matching service:** *"Pay a fee, and we'll do all the work. We'll find information that you can't get anywhere else! Not only that, we will guarantee that you'll win."* The outcome? You never hear from them again or you receive a list of inappropriate or defunct awards. And forget your money back guarantee+ the company is long gone.
- ◆ **The phony educational loan:** a low interest loan in exchange for an up front fee. You pay the fee, but never receive the loan.
- ◆ **The phony free financial aid seminar:** A thinly disguised sales pitch for a bogus scholarship search or insurance offer.

Bottom Line:
They want your money.



Scam Warning Signs

- ◆ **The fee.** Your best rule of thumb: **financial aid should never cost you.** Never invest anything beyond the cost of a postage stamp in your search for financial aid.
- ◆ **The "money back guarantee."** A company guarantees+that you will win an award.
- ◆ **Credit card verification.** If they ask for a checking account or credit card number for verification+or to confirm+eligibility, stop listening. Scammers use this ploy to get your financial information and then drain your account or run up charges on your credit card.

If You Suspect a Scam

- ◆ Document all your dealings with any company that you suspect is fraudulent. Include details about the offer, your response and the dates of your communications.
- ◆ Take notes during any telephone conversation with these organizations. Record the date and time, the name of the person and a detailed account of the conversation.
- ◆ Report them! Refer to any of the organizations on the back of this pamphlet, your guidance counselor, or your CollegeBound Specialist.