

Advice on Scholarship Scams -- Don't be a Victim!

Every year, thousands of unsuspecting families fall prey to fraudulent scholarship companies that pose as legitimate scholarship sponsors, foundations, or search services. These scam artists hook you in by promising "free money for college" or other similar "too-good-to-be-true" tag lines.

Be wary. These scams are usually advertised in campus newspapers, flyers, direct mail, and on the Web.

The Federal Trade Commission's Bureau of Consumer Protection cautions you to beware of companies that tell you:

- "The scholarship is guaranteed or your money back." No one can guarantee that you'll get a grant or scholarship. Refund guarantees often have conditions or strings attached. GET REFUND POLICIES IN WRITING.BEFORE YOU PAY.
- You can't get this information anywhere else." There are many free lists of scholarships currently available. Check with your school guidance counselor or local librarian before you decide to pay someone to do the work for you.
- "I just need your credit card number or bank account number to hold this scholarship." NEVER give your credit card or bank account number, even if they claim it will "hold" the scholarship for you. Always ask for the information in writing first.
- "We'll do all the work." Beware of anyone promising to "do all the work for you." You and only you must apply for scholarships and grants yourself.
- "The scholarship will cost some money." Do not pay anyone who claims to be "holding" a scholarship for you. Free money shouldn't cost a thing.
- "You've been selected" by a 'national foundation' to receive a scholarship or "You're a finalist" in a contest you never entered. Get the facts first. Do not send any money before you find out whether or not the foundation or program is legitimate.

For more information on how to recognize or report a scholarship scam, you may:

- visit the Federal Trade Commission's Bureau of Consumer Protection website at <http://www.ftc.gov/bcp/online/edcams/scholarship/index.html>
- write to the Federal Trade Commission, Washington, D.C., 20850
- call the National Fraud Information Center at 1-800-876-7060.