



# Scholarship Scams

Need Money for College?

Doesn't everybody?

Unfortunately, in efforts to pay the bills, many students fall prey to scholarship Scams.

The Federal Trade Commission (FTC) <http://www.ftc.gov/scholarshipscams> cautions students to look for tell tale lines:

- "The scholarship is guaranteed or your money back." or "You can't get this information anywhere else."
- "I just need your credit card or bank account number to hold this scholarship."
- "We'll do all the work" or "The scholarship will cost some money."
- "You've been selected by a 'national foundation' to receive a scholarship" or "You're a finalist" in a contest you never entered.

## Information for Students and Parents

- Looking for Student Aid <http://www.studentaid.ed.gov/PORTALSWebApp/students/english/lisa.jsp>
- Scholarship Scams <http://www.ftc.gov/scholarshipscams>
- Ouch! Students Getting Stung Trying to Find \$\$\$ for College <http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt009.shtm>

According to the FTC, unscrupulous companies guarantee or promise scholarships, grants or fantastic financial aid packages. Many use high-pressure sales pitches at seminars where you are required to pay immediately or risk losing out on the "opportunity."

The FTC says many legitimate companies advertise that they can get students access to lists of scholarships in exchange for an advance fee. Other legitimate services charge an advance fee to compare a student's profile with a database of scholarship opportunities and provide a list of awards for which a student may qualify; and, there are scholarship search engines on the World Wide Web. The difference: **Legitimate companies never guarantee or promise scholarships or grants.**

The FTC works to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or get free information on consumer issues, visit [ftc.gov](http://ftc.gov) or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. Watch a new video, How to File a Complaint, at [ftc.gov/video](http://ftc.gov/video) to learn more. The FTC enters consumer complaints into the Consumer Sentinel Network, a secure online database and investigative tool used by hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.