

## **WARNING SIGNS OF A POSSIBLE SCHOLARSHIP SCAM**

1. **Application fees:** Beware of any “scholarship” which requests an application fee. Legitimate scholarship sponsors do not require an application fee.
2. **Loan fees:** If you have to pay a fee in advance of obtaining an educational loan, be careful. Legitimate educational loans deduct the origination fees from the disbursement check.
3. **Other fees:** If you must pay to get information about an award, apply for the award, or receive the award, be suspicious. Never spend more than a postage stamp to get information about scholarships and loans.
4. **Guaranteed winnings:** No legitimate scholarship sponsor will guarantee you’ll win an award, and no scholarship matching services can guarantee that you’ll win any scholarships because they have no control over the decisions made by the scholarship sponsors. Also, when such “guarantees” are made, they often come with hidden conditions that make them hard to redeem or worth less than they seem.
5. **Everybody is eligible:** All scholarship sponsors are looking for candidates who best match certain criteria. Certainly there are some scholarships that do not depend on academic merit, and some that do not depend on athletic prowess, and some that do not depend on minority student status, but some set of restrictions always applies. No scholarship sponsor hands out money to students simply breathing.
6. **The unclaimed aid myth:** You may have been told that millions or billions of dollars of scholarships go unused each year because students don’t know where to apply, but this simply isn’t true. Most financial aid programs are highly competitive. No scholarship matching service has ever substantiated this myth with a verifiable list of unclaimed scholarship awards.
7. **We apply on your behalf:** To win a scholarship, you must submit your own applications, write your own essays, and solicit your own letters of recommendation. There’s no way to avoid this work.
8. **Claims of influence with the scholarship sponsors:** Scholarship matching services do not have any control over the awarding of third party scholarships.
9. **High success rates:** Overstated claims of effectiveness are a good tip-off to a scam.
10. **Excessive hype:** If the brochure or advertisement uses a lot of hyperbole (e.g., “free money”, “win your fair share”, “guaranteed”, “first come first served”, and “everybody is eligible”), be careful. Also be wary of letters and postcards that talk about “recent additions to our file”, “immediate confirmation”, and “invitation number”.

[www.finaid.org/scholarships/scams.phtml](http://www.finaid.org/scholarships/scams.phtml)

extensive information on scholarship scams

[www.ag.state.oh.us](http://www.ag.state.oh.us)

learn about and/or report consumer fraud