

## JQ Bank Grant Scam (posted 7/12/07)

According to the Better Business Bureau, law enforcement and other agencies, a new type of online scam for grant money has victims solicited online regarding grants that may be available to them. These grants may be for education, debt relief, low income subsidy, or any other type of financial aid. Responding victims apply for their grant and are sent printed information along with a check, typically for \$4,975.00. They are then directed to a website for instructions. The site instructs the victim to purchase a variety of stored value credit cards and load it with the grant brokers' commission. The stored value credit card is the GREENDOT Reloadable/MoneyPak stored value credit card, which are legitimate cards but are being used as part of this scam.

The victim is then promised a second, larger check after the stored value card number is e-mailed to the broker. Of course, the card is quickly liquidated and the original check is later returned as counterfeit, or account closed.

The websites reportedly used in the scam are [www.jqbank.com](http://www.jqbank.com), [www.grantchecks.com](http://www.grantchecks.com), [www.beverlyhillsgroups.com](http://www.beverlyhillsgroups.com) and [www.grantoutlet.com](http://www.grantoutlet.com). The scammers move their operation to a new website when they start attracting too much scrutiny.

### Scam Details:

- A grant seems like a reasonable explanation for receiving a large sum of money and is very attractive to college students.
- The counterfeit checks are often drawn on an active and verifiable account, typically at Wells Fargo.
- Convincing printed information is provided to the victim with a plausible explanation for why the funds need to be sent back to the broker. (Conflict of interest, regulations, etc.)
- Money is transferred back to the scammer via stored value credit card. Thus, avoiding the suspicion often generated by wire transfers. This method also facilitates further laundering of the stolen funds.

OR:

- Grant money is received for a mere commission of 10% of the check amount.
- The receiver of the grant money deposits the check, and then via Electronic Funds Transfer, sends 10% of the check amount back through a given website.
- The check is returned as counterfeit and the thief now has the depositor's good money along with their bank account information.

### Loss Prevention Recommendations:

If you receive an unsolicited e-mail about the availability of grant to you and are suspicious of the offer, you should take the following steps:

- DO NOT respond to the e-mail.
- Contact your local law enforcement, US Postal Inspector or FBI.
- Report the incident to Better Business Bureau at [www.bbb.org](http://www.bbb.org) and to the Internet Crime Complaint Center at [www.ic3.com](http://www.ic3.com).

Please also see our Loss Prevention Recommendations on the Scam Alerts page of our website.