

# Special Report

## “10 Dodgy Internet Scams That You **Must** Avoid”

by Ben Catt

**Version 1.2** – 27<sup>th</sup> February 2008  
(Previous version 1.1 published 25<sup>th</sup> February 2008)  
(Previous version 1.0 published October 2007)

## **Dodgy Scam Number 1:**

### **Data Entry and “Type From Home” scams**

These websites promise that, for a “small fee”, they will show you where to find 1,000s of companies prepared to pay you for completing data entry tasks at home. All you have to do, they say, is type a few lines of text into a particular web-site and you will be paid every two weeks by cheque.

Sounds great but the sales pages neglects to mention that you aren't actually guaranteed a wage.

Rather than paid work, you will be writing adverts and spending your own money in order to try and sell certain online information products. Your “pay” is performance related. Make no sales and you make no money, no matter how many adverts you submit.

The big danger here is that you have to pay for every click on your adverts, whether they make money or not so you could find yourself with a huge advertising bill and no commission to offset your costs.

***Our Opinion:*** Avoid. This is not data entry at all just a misleading attempt to con you out of \$50+ and you are in danger of losing more still through advertising charges.

## **Dodgy Scam Number 2:**

### **Paid Surveys**

“Make £100 per hour from home by giving your opinion to companies online”

So says the website that promises you lots of money by participating in online consumer groups.

However, there is a price to pay – usually \$10-\$50 and for that you receive a number of links which are supposed to show you where to sign up so that you can be considered for market research.

It's all a big con. No company is willing to pay you \$100 an hour for your opinion, they are more likely to give you entry into a prize draw or a coupon for \$1 off their product.

Don't get taken in by the promise of easy money. Paid surveys are very scarce online.

If you do manage to find some valid survey sites you are likely to discover that they are extremely over-subscribed and pay very little.

***Our Opinion:*** Not worth your time to fill out the forms.

### **Dodgy Scam Number 3:**

#### **High Yield Investment Programs (HYIPs)**

The internet is awash with these types of programs and, without exception, they all end up collapsing and taking thousands, or even millions, of dollars with them.

If a website promises you that it can turn \$50 into \$10,000 (or similar) in 2 weeks then you can be certain that it is a complete scam.

Forget whatever current members of the “program” tell you, they are all desperate to have you sign up through their link so they can earn a vast commission.

Walk away and don't think anymore about it.

Randomizers, 1-Up and 2-Up programs, autosurfs, reverse pension plans, lottery systems, they are all the same and almost always illegal.

The owners set them up, promote them like crazy and then grab as much money as possible before either one of two things happens:

- (a) the authorities step in and put a halt to the proceedings
- (b) they run out of money and cannot pay members and so simply disappear overnight.

***Our Opinion:*** It's the same for all HYIPs – the initial members make some money but everyone else gets shafted. And if the authorities get involved, you could find yourself in a legal nightmare...

### **Dodgy Scam Number 4:**

#### **“Free Money-Making Website”**

These are hawked all over the place at the moment and are, in our professional opinion, complete and utter junk.

The idea is that you sign up and receive a one-page website which is written to encourage visitors to buy one of three recommendations through your affiliate link. You get a commission on any sales you make.

All the products offered on the website are useless “Get Rich Quick” schemes with names like the “Ultimate Wealth Package” and “Paid Survey Program”.

Now, although this may seem a great deal at the price (“free”), the problem is that your site is free for 30 days but then you have to upgrade to a paid version which is usually priced at around \$150 per year.

For a one-page website, this is ridiculously expensive.

Watch out for these sites, they are all over the place – it's easy to tell when you've found one, it will have a banner offering a free website “worth \$1097”.

***Our Opinion:*** Don't get taken in by the scam, these one page websites are completely and utterly useless - and make money only for the marketer who offers them for “free”.

### **Dodgy Scam Number 5:**

#### **“E-Currency Exchange”**

The websites hawking this dodgy scheme claim you can get outstanding returns on your investment e.g. 2 to 5% per day. All you have to do, they claim, is buy their course for \$250 and they will walk you through the process.

It all sounds great but don't be fooled. My contacts tell me this **did** work for a short time a few years ago but now the returns are more like 0.002-0.005% per day.

Perhaps more importantly, reliable sources have confided that it is almost impossible to get your investment money back.

***Our Opinion:*** Pure drivel. Don't waste your time and money on e-currency exchange scams...

### **Dodgy Scam Number 6:**

#### **“The Domain Name Appraisal Scam”**

This one is clever and works on the fact that everybody thinks that their domains are worth a fortune.

Basically, you receive an email asking you if you are prepared to sell one of your domains. The enquirer writes to say that they are very interested and would be prepared to pay, for example, \$5,000.

Now, this may sound wonderful but the scam is that this nice “buyer” will request that you have the domain appraised at a special website which he will provide the details for.

The appraisal can cost anywhere from \$50 upwards.

So, you go and get your domain appraised and send off the details to your buyer, fully expecting him to forward the money. However, you never hear from him again.

The scam? Well, this “buyer” is actually the owner or an affiliate of the appraisal website. All he wanted was for you to use his services and pay an over-the-top fee for a bogus appraisal.

Now you've paid, he's got his money and he is gone... and you still haven't sold your domain!

***Our Opinion:*** These scams are becoming more common. Be wary of anyone who offers a large amount of money for your website out-of-the-blue. If they then ask you to get an appraisal, tell them where to go!

## **Dodgy Scam Number 7:**

### **“Domain Registration Rip Off”**

Still on the subject of domains, this particular scam has been around for years and still catches people out on a regular basis.

A letter arrives, through the post, explaining that your domain is about to expire and that you should act quickly so you don't lose it forever.

At the bottom of the letter is an official looking form which you fill in and post in order to extend the registration of your domain.

All sounds pretty legit? Well, it's not.

The company sending these letters out is not your original registrar, but one going by the name of the “Domain Registry of America” or something similar.

If you fall for the letter and send money, they will transfer the domain to their company and then over-charge you for the yearly renewal.

Basically, through attempting to mislead you into thinking they are your current registrar, they hope to persuade you into paying up to 10 times what you usually pay for domain renewals.

If you get a letter like this, bin it. Or, if you aren't sure, double check with your current registrar about how to go about renewing for another year.

***Our Opinion:*** These companies pray on people who are new to the internet or not particularly knowledgeable about the domain registration process. When their mailings stop making money, they will stop mailing so by working together and ignoring their dodgy letters, we can all help to put them out of business.

## **Dodgy Scam Number 8:**

### **The “419” Scam**

You probably already know this one but please bear with us. It never hurts to repeat these warnings about fake Nigerian princes and such.

This particular scam has been around for years but has increased in popularity because it is now very easy to contact millions of people. The internet has made it very easy for the 419 to get into anyone's email inbox.

The emails are always the same – some rich foreigner has died along with all his family and so all his money is going to be claimed by the Government unless an heir steps forward.

The sender puts forward the proposition that if you pretend to be the heir and claim the money, he will give you a large portion of it.

Of course, it's all complete rubbish – there is no money or rich foreign accident victim. The sender wants you to help him by sending money to pay for the “official forms” needed to process the transaction.

Funnily enough, the more money you send, the more he requires. Each time you seem to get closer to the money, other officials appear and other fees need to be paid.

Some victims of this scam have been taken for hundreds of thousands of dollars before they realised what was going on. The scammers usually always disappear with all the money and it is pretty much impossible to trace them.

***Our Opinion:*** Any email asking for your help to release funds from some foreign country should be immediately filed in the trash. It's all a complete con.

## **Dodgy Scam Number 9:**

### **Chain Letter/Email Scams**

Here's another old con which has moved online over the past few years.

Whereas five years ago you would get a letter through the post, now you get an email – often it comes from somebody who you have dealt with via PayPal.

The idea is you send \$3 (the amount differs) to the name in the number 1 spot and then add your name to the bottom of the list. You then send the email to a load of people, hoping they will do the same.

What's supposed to happen is that each time this is remailed, your name is moved up until you are

in the number one spot and at that point you receive several hundred \$3 payments into your PayPal account.

What actually happens is that everybody who you send the letter to thinks you are a complete idiot, and PayPal closes your account!

***Our Opinion:*** Ridiculous idea which didn't work in the past and won't work in the future. Don't ruin your reputation by even considering this one.

## **Dodgy Scam Number 10:**

### **Phishing Emails**

Word is spreading about this one and so it is nowhere near as effective as it used to be for the scammers. However, you still need to be very vigilant at all times.

An email arrives in your inbox claiming to be from either your bank, eBay or PayPal. It may even be from a bank that you do not have an account with.

No matter, it's all a scam.

The sender has set up a fake site which looks exactly like that of your bank's. They tell you that there is a problem with your account and you need to “verify your details”. If you click on the link in the email, you will be asked for lots of personal information such as account passwords, credit card details etc.

**DO NOT GIVE THEM ANYTHING!**

Delete the email.

If you are worried that there could be a problem with your bank account, ring your bank and confirm with them.

If you are worried that there are problems with your eBay or PayPal account, go to eBay.com or PayPal.com, log into your account and any problems will be highlighted there.

***Our Opinion:*** Delete any emails that claim to come from a bank. Your bank will not inform you of problems via email – EVER. As for eBay or PayPal, everything you need to know about your account, including any warnings, will be clearly displayed when you login. Type the address into your browser when logging into PayPal or eBay, do not click on the links given in these dodgy emails.

**Recommended Action:**

Hopefully you are now a lot more aware about the more dubious internet-related scams that are out there at the moment.

The first battle you have when starting out with an internet-based business is to avoid all the junk so that you don't waste money.

The second is to start making some profit...

If you want to discover what works and what doesn't work when it comes to the murky world of "make money" schemes, make sure to check out BizOppsUK at:

<http://www.BizOppsUK.com>