

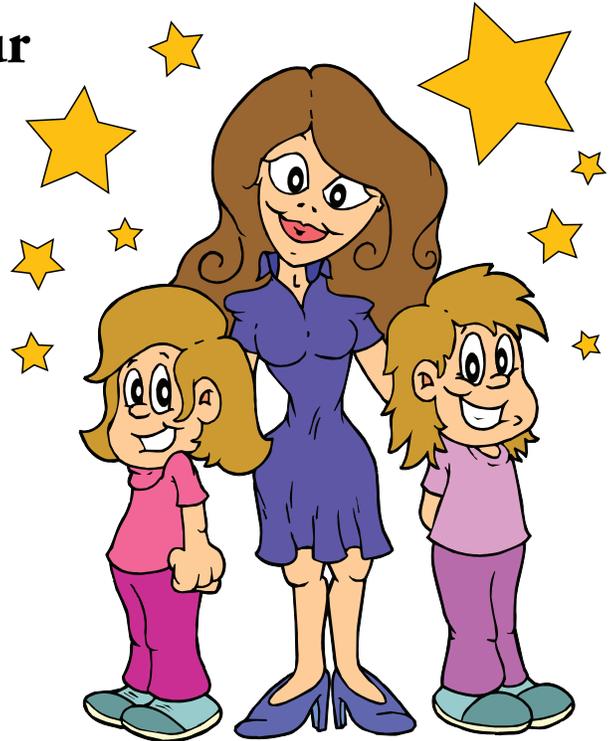


Beware of the Glitz and Glamour of Modeling Scams—Advice for Teens, Kids, and Parents

Perhaps you or your children have already encountered it. Someone approaches you at the mall or a concert or sporting event and says, “You could be a model. You’ve got the ‘look’ we’re after. Here’s my card. Give me a call to set up an appointment.” That first contact reinforces what other people have always said about you—you’re good looking. Now, visions of glamour, travel, and money flash before your eyes.

It’s true that some successful models have been discovered in everyday places like malls, boutiques, clubs, and airports. But according to the Federal Trade Commission (FTC) (www.ftc.gov), the vast majority of would-be models must try and make it in the real world—knocking on countless modeling agency doors before work comes their way.

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Teach Your Teen How to Handle Credit Cards

The ancient Chinese philosopher Lao Tse said, “Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for a lifetime.” The same principle applies to teens and credit cards. Teach them how to use credit responsibly and chances are they’ll enjoy a lifetime of wise money management free from nagging consumer debt.

Of course, teaching kids how to handle credit cards is easier said than done. Here are some proven tips you can adopt as is, or adapt to your particular needs and circumstances.

- Teach them first how to manage the cash they already have. As early as middle school age, kids can grasp budgeting and the concept of either spending all their allowance or cash for school clothes right away, or saving some of it to buy something later. Understanding spending limits is a key step in learning how to control credit spending. But remember to emphasize that once their money is spent, it’s gone. Resist the temptation to slip them extra cash if they discover they missed out on some “must-have” purchase. “Missing out”—or said a better way—“going without” is a learned behavior critical to managing future finances successfully.
- Help them “graduate” to a checking account. By the time your kids are in high school, help them open a checking account so they learn how to write checks, reconcile a bank statement, and avoid overdrafts and bank fees.

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ARTICLES

Modeling Scams

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It's a Good Act

If and when you make that follow-up appointment at the suggestion of the talent scout who first contacted you, you'll probably find yourself in an office filled with lots of other model and actor wannabes. Then the drama really starts. What you thought was a job interview with a talent agency turns into a high-pressure sales pitch for modeling or acting classes, or for 'screen tests' or "photo shoots" that can range in price from several hundred to several thousand dollars.

Man, woman, or child—it makes no difference to bogus model and talent scouts. Often, these scouts are after one thing—your money—and will say just about anything to get it. But what they say isn't always what they mean.

What They Say isn't What They Mean

The FTC says unscrupulous model and talent scouts have their acts down pat. What they say usually means something different than what is heard.

- "We're scouting for people with your 'look' to model and act."

I need to sign up as many people as possible. My commission depends on it.

- "Your deposit is totally refundable."

Your deposit is refundable only if you meet very strict refund conditions.

- "You must be specially selected for our program. Our talent experts will carefully evaluate your chances at success in the field and will only accept a few people into our program."

We take almost everyone.

- "There's a guaranteed refund if you're not accepted into the program."

Everyone's accepted into the program. Forget the refund.

- "You can't afford our fees? No problem. You can work them off with the high-paying jobs we'll get you."

We demand payment, whether or not you get work.

- "Commissions from our clients are our major source of income."

Our income comes from the fees we charge you.

Pose-itioning Yourself

To break into the business, you — the talent — need

professional photos. There are two types of standard photographs — a "head shot" and a "composite card."

- The typical marketing tool for an actor, experienced or not, is the head shot—typically an 8" x 10" black and white photo of your face, with your resume printed on the back.
- A "comp card," the typical marketing tool for the experienced model or the wannabe, usually features several shots on the same sheet, showing off the talent in different attire or settings.
- Agencies and schools offer separate and distinct services. Make sure you know the difference.
- Modeling (or talent) agencies secure employment for experienced models and actors. Some agents require that you sign up exclusively with them; others may allow you to register with them as well as with other agencies in town.
- Modeling and acting schools claim to provide instruction—for a fee—in poise, posture, diction, skin care, make-up application, the proper walk, and more. Modeling schools do not necessarily act as agents or find work for you — after you take their classes, you may be on your own.

Talent Tips:

- Steer clear of modeling companies that require you to use a specific photographer. Compare fees and the work quality of several photographers.
- Be suspicious if a company requires an up-front fee to serve as your agent.
- Be cautious if the school has a special referral relationship with a specific modeling agency. The two could be splitting your fees, or the agency may not be suited to your needs.

Avoiding a Model Rip-Off

- Ask yourself, "why me?" Don't let your emotions—and the company's flattery—take control. Think carefully and critically about how you were approached: if it was in a crowded mall, think how many others may have also been approached.
- Avoid high-pressure sales tactics. Never sign a document without reading and understanding it first. In fact, ask for a blank copy of the contract to take home and review with someone you trust. If the company refuses, walk away.

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- Be leery of companies that only accept payment in cash or by money order. Read it as a strong signal that the company is more interested in your money than your career.
- Be wary of claims about high salaries. Successful models in small markets can earn \$75 to \$150 an hour, but the work is irregular.
- Ask for the names, addresses, and phone numbers of models and actors who have secured successful work—recently—based on the company's training.
- Check out client claims. If an agency says it has placed models and actors in specific jobs, contact the companies to verify that they've hired models and actors from the agency.
- Be skeptical of local companies claiming to be the "biggest" agency or a "major player" in the industry, especially if you live in a smaller city or town.
- Realize that different parts of the country have different needs. For example, New York is recognized for fashion modeling; the Washington/Baltimore area is known for industrial or training films.
- Ask if the company/school is licensed or bonded, if that's required by your state. Verify this information with the appropriate authorities, such as your local consumer protection agency or state Attorney General. Make sure the license is current.
- Ask your local Better Business Bureau, consumer protection agency, and state Attorney General if there are any unresolved consumer complaints on file about the company.
- Get everything in writing, including any promises that have been made orally.
- Keep copies of all important papers, such as your contract and company literature, in a safe place.

Where to Complain

If you think you've been scammed by a bogus model or talent scout, contact your local consumer protection agency, state Attorney General, or Better Business Bureau. They're in your local directory assistance.

The FTC works for the consumer 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 to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. ■

You've Got the Cutest Little Baby Face—A special word to parents of infants and toddlers

Think your child is model material? Bogus talents scouts do. And they'll gladly set up a professional photo shoot to allegedly help you get modeling and acting jobs for your youngster. But what they conveniently forget to tell you is that the market for infant models and actors is very small. What's more, because an infant's looks change quickly, the photos become outdated. In truth, few infants are marketed with professional photos. Legitimate agents, advertising agencies, casting directors and producers generally ask for casual snapshots of infants that have been taken by family members or friends.

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- Introduce them to some "plastic training wheels." Once your kids master the checkbook, a debit card allows them to withdraw funds from an ATM, but it can also be used like a credit card. The good thing is that the charge is deducted directly from the account's balance, so there's no lingering credit balance that accrues exorbitant interest. So kids get the experience of using plastic while avoiding the potential pitfalls.
- Ease into credit cards with the prepaid variety or a low-limit card. Keep in mind that a prepaid credit card like a Visa Secured card lets you set spending limits and track where your kids are spending money, both through monthly statements and through Internet accounts that show daily transactions. What's more, you can transfer money from your own checking account to the card for a minimal transaction fee, and the card can be used like any other credit card to make purchases.

Or, as an alternative, your child can apply for a real credit card where you co-sign for an account with a \$200 to \$300 limit. Such an approach makes more sense than adding a child to one of your own accounts. We all know that teenagers are prone to lose things, and you don't want to open yourself up to fraudulent charges on your own high-limit account by some thief. ■

Students Getting Stung Trying to Find Money for College

If you're looking to find money for college, be on your guard. As reported by the Federal Trade Commission (FTC), students and their families are looking for creative ways to finance a college education because of skyrocketing tuition costs and room and board fees. Unfortunately, however, many students are falling prey to scholarship and financial aid scams.

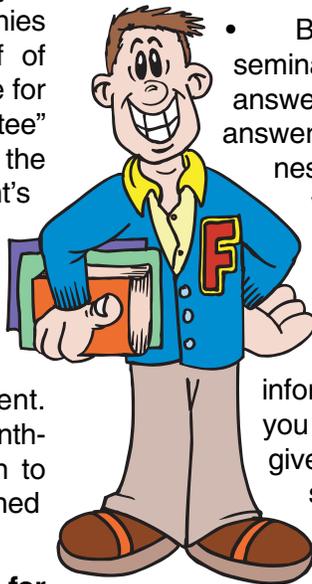
For example, unscrupulous companies guarantee or promise scholarships, grants or fantastic financial aid packages. Many use high pressure sales pitches at seminars where you're required to pay immediately or risk losing out on the "opportunity." Some companies guarantee they can get scholarships on behalf of students or award them "scholarships" in exchange for an advance fee. Most offer a "money back guarantee" but attach conditions that make it impossible to get the refund. Others provide nothing for the student's advance fee—not even a list of potential sources. Still others tell students they've been selected as "finalists" for awards that require an up-front fee. Sometimes, these companies ask for a student's checking account to "confirm eligibility," then debit the account without the student's consent. Other companies quote only a relatively small "monthly" or "weekly" fee and then ask for authorization to debit your checking account—for an undetermined length of time.

The FTC cautions students to look and listen for such lines as:

- "The scholarship is guaranteed or your money back."
- "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."
- "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.

If you attend a seminar on financial aid or scholarships, follow these steps:

- Take your time. Don't be rushed into paying at the seminar. Avoid high-pressure sales pitches that require you to buy now or risk losing out on the opportunity. Solid opportunities are not sold through nerve-racking tactics.
- Investigate the organization you're considering paying for help. Talk to a guidance counselor or financial aid advisor before spending your money. You may be able to get the same help for free.
- Be wary of "success stories" or testimonials of extraordinary success—the seminar operation may have paid people to give glowing stories. Instead, ask for a list of at least three local families who've used the services in the last year. Ask each if they're satisfied with the products and services received.
- Be cautious about purchasing from seminar representatives who are reluctant to answer questions or who give evasive answers to your questions. Legitimate business people are more than willing to give you information about their service.
- Ask how much money is charged for the service, the services that will be performed, and the company's refund policy. Get this information in writing. Keep in mind that you may never recoup the money you give to an unscrupulous operator, despite stated refund policies.



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. The difference is that legitimate, above-board companies never guarantee or promise scholarships or grants. ■

Family Financial Education Foundation

ACCESS EDUCATION SYSTEMS

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