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DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY CIDC
6010 6TH STREET
FORT BELVOIR, VIRGINIA 22060

CIOP-IN

7 Jan 09

CRIMINAL INTELLIGENCE BULLETIN

MEMORANDUM FOR See Distribution

SUBJECT: Criminal Intelligence Bulletin (0007-09-CID101) Suspicious Website Targeting Army Personnel

1. Reference: The following information was originally derived from email correspondence from the Defense Threat Reduction Agency (DTRA), dated 5 Jan 09, and is considered reliable.
2. The Command Intelligence Operations Center (CIOC) was notified by DTRA of a website targeting Army Personnel, claiming to offer low-cost personal computers, laptops, and online educational resources. The website, www.armyedcenter.com, offers computers with preloaded training software as a bundle package. According to the website, access to career training in Microsoft Office, Web Design, and Graphic Arts can be obtained by utilizing their service. The website also has testimonials by supposed Army Soldiers.

The online application form to purchase computer and software requires the Soldier to submit Personally Identifiable Information (PII) (i.e. Social Security Number, Date of Birth) and specific military information (i.e. Enlistment Date, Estimated Time of Separation, Unit of Assignment). The Soldiers are also required to provide official documentation, such as a Leave and Earning Statement, to verify that they are active or retired Enlisted Soldiers. The service/product costs approximately \$3,500.00, paid over a two year period. The only authorized method of payment is by allotment from the Soldier's pay. Active duty status qualifies the Soldier for no money down and easy payment options. The website also claims to have the capability to rebuild a Soldier's bad credit with "a low cost student loan" (05 Jan 09, www.armyedcenter.com).

3. CIOC Analyst Comment: This website illustrates the extent individuals will go to potentially defraud Soldiers. While this site's intent may be to assist financially unstable Soldiers; the potential to manipulate such Soldiers further into debt is significant. The cost of the training service and computer/ laptop through the website is approximately \$3,500.00 to be paid \$143.00 each month, over two years by automatic allotment, ensuring the company receives their payments. The website advertises the computers in such a way to attract Soldiers (i.e. Desktop computers: Predator, Terminator, Warrior, Stealth, and Laptop Computers: Sniper II & III). However, the computers are otherwise 'no-name' and are worth roughly \$500.00, by comparison to other computers with similar components¹. The potential profit for the company over the 24 months is approximately \$3,000.00 at the expense of the Soldier. The company has the potential

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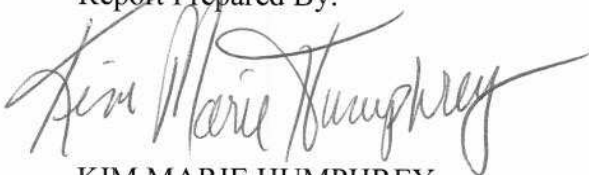
to offer the Soldier a \$500.00 product, while charging an interest rate of approximately 340%ⁱⁱ. The website's training courses include, but not limited to: Microsoft Word Applications (PowerPoint, Excel, Outlook, Access, etc), Windows Vista, and Photoshop. Training opportunities obtained at www.armyedcenter.com are already available to all active Soldiers, retired Soldiers, and DA civilians at no cost from Army e-learning. The website does not readily identify any apparent correlation to the US Army. Furthermore, the website does not include a disclaimer stating the PII provided by the Soldier would not be sold to other agencies; leaving Soldiers vulnerable to other various marketing schemes and solicitations. The PII and military information provided could also be collected in an effort to assess a unit's strength by providing sensitive Operational Security (OPSEC) to nefarious individuals or organizations.

This same marketing tactic has been used by other companies, such as Blue Hippo, to defraud the general US population. The Blue Hippo scam is currently undergoing court ordered refunds to individuals who were promised low-cost computers as a means to rebuild bad creditⁱⁱⁱ. Although there is no proven evidence that www.armyedcenter.com is not a legitimate company earnestly intended to offer Soldiers educational opportunities and an avenue to repair bad credit, there are similarities to the illegitimate marketing tactics of Blue Hippo.

4. This message is intended for direct release to all activities/agencies Army wide. Suggest entire message be reproduced and shared with Commanders and Education Center Personnel as a means to educate and protect Soldiers from fraud and to recognize other similar schemes.

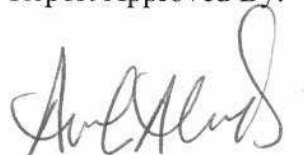
5. Point of contact for this CIB is Ms. Kim Marie Humphrey, Criminal Intelligence Specialist, at telephone (703) 806-2159, email: kim.marie.humphrey@conus.army.mil, or the undersigned.

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ⁱ <http://www.nextag.com/HP-Pavilion-Slimline-S3200N-562289024/prices.html>

ⁱⁱ www.efunda.com

ⁱⁱⁱ http://www.wnct.com/nct/news/local/article/nc_attorney_general_nearly_100_customers_file_complaints_against_blue_hippo/26573/