

Avoiding scams and frauds

Scammers and fraudsters often target people after natural disasters. Real contractors or handymen may also accept your money and then fail to do the work. These tips can help you avoid losing money after a disaster.

It is best to...

- Ask for an official ID from anyone claiming to be from the government, power company or insurance company.
- Contact your insurance company first if your property has been damaged by a disaster. Some insurance companies require the adjuster's approval before work can be done.
- Shop around and compare estimates for any major repairs. Legitimate contractors will also provide written estimates for home repairs.
- Avoid sharing personal information, such as social security numbers or bank account numbers, with anyone who contacts you first. If someone contacts you claiming to be from a government agency or organization, look up the number for that organization online and call to verify that the person is really an employee.
- Remember that you should not be asked to pay to file any disaster assistance applications.



When hiring a contractor...

- Beware of contractors who knock on your door offering services because they noticed your home is damaged or are already working in your area. This is a common tactic of scam artists.
- FEMA does not approve, endorse, certify, or recommend any contractors, individuals, or firms.
- Do not hire a contractor who does not have a physical address or refuses to show ID.
- Use a contractor who is backed by reliable references. The most reputable contractors have liability insurance, workers' compensation and are bonded.
- Perform a quick Google search before hiring any contractor. Do they have a website? Have they scammed previous clients? Read any reviews.
- Get a copy of your contract in writing from the contractor that includes the work to be done and, ideally, a completion date.
- Check credentials with the North Carolina Licensing Board for General Contractors. Any contractor taking jobs costing \$30,000 is required to be licensed in North Carolina.
- You may wish to request a copy of your contractor's Certificate of Insurance before they begin work, to ensure that the contractor is legitimate and that you will be covered if the contractor causes any damage to your home.

When making a payment...

- Be cautious about paying contractors before they begin work. If possible, wait until the work is finished and you are satisfied before paying. Reputable contractors generally do not expect customers to pay the entire price upfront.
- Pay contractors by credit card if you can, so that you can request a chargeback from your credit card company if they fail to do the work or if the work is unsatisfactory.
- If you cannot pay by credit card, pay by check or get a written receipt from the contractor – anything to keep a paper trail proving your payments.

If you have been affected by a scam or fraud, you should contact the North Carolina Attorney General's Office at 1-877-566-7226.

Under many circumstances, scams and frauds are a crime. You may wish to contact local law enforcement.

You can also contact an attorney to assist you. Call Legal Aid NC to learn if you qualify for free help.