

# Beware of Fraudulent Contractors

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FEMA cautions disaster survivors to be aware of post-disaster fraud and scams. Attempts to scam residents can be made over the phone, by mail or email, through the internet or in person. It is important to remain alert, as con artists are creative and resourceful. If an offer sounds too good to be true, it should be questioned.

## Be Alert to Potential Scams

Fake or unlicensed contractors may try to take advantage of the situation to scam residents affected by the Jan. 12 severe storms, straight-line winds, and tornadoes. As insurance settlements, grants and loans put homeowners in a position to pay for work on their homes, residents need to be sure the people they hire are authorized to do the work, will complete it and will do a good job.

Out-of-town scam artists may arrive at your front door after a disaster. Do your research. To find out if a potential contractor is licensed to work in Alabama, contact the Alabama Licensing Board for General Contractors at <https://genconbd.alabama.gov/DATABASE-SQL/roster.aspx> or the Better Business Bureau at <https://www.bbb.org/us/al> to find accredited contractors. FEMA does not certify contractors.

## Be Aware of These Contractor Scams and Warning Signs

- Door-to -door solicitations
- Inadequate references
- Verbal agreements or no written contract
- High pressure sales or scare tactics
- Out of state, no permanent place of business or no insurance
- Demand for cash, unusually large down payments or advanced full payments
- Special deals or extremely low bids

## Ways to Protect Yourself



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- Do your research. Scam artists will usually come to you to offer their services — either at your door, on the phone or through email — so be especially wary of solicitors.
- Ask for references from past customers.
- Reputable contractors will provide the customer with a written contract detailing the scope of work, the general time frame of when the work will be done, and the cost of the project. Do not sign documents that give a contractor right to your insurance claims.
- Verify insurance. Contractors should have disability and workers' compensation insurance. If they don't, you may be liable for accidents on your property.
- Make sure contractors have the proper licensing and are bonded.
- Ensure the contractors obtain the necessary permits to do the job.
- Take a picture of your contractor, their vehicle and license plate.
- Take a picture of your contractor's business card and driver's license.
- Do not sign insurance checks over to a contractor. Be sure to get an invoice from your contractor and pay them directly, preferably with a credit card, so that charges may be disputed, if necessary.
- Demand satisfaction. Don't sign completion papers or make final payment until the work is done correctly.

If you believe you are the victim of a scam, report it immediately to your local police or sheriff's department or contact the Alabama Office of the Attorney General by calling 800-392-5658. To file a fraud complaint, go online to [Attorney General's Office - State of Alabama \(alabamaag.gov\)](https://attorneygeneral.alabama.gov).

If you suspect fraudulent activity involving FEMA, you can report it to the FEMA Fraud Branch at: [StopFEMAFraud@fema.dhs.gov](mailto:StopFEMAFraud@fema.dhs.gov), fax: (202) 212-4926 or write to: FEMA Fraud and Internal Investigation Division, 400 C Street SW Mail Stop 3005, Washington, DC 20472-3005.

