



A CONSUMER'S GUIDE:
TIPS FOR STORM VICTIMS



Lynn Fitch
ATTORNEY GENERAL

Knowing best practices, being a savvy consumer, and taking time to evaluate your options are always the best safeguards against becoming a victim of a scam. But in an emergency situation, it may feel like time is not on your side and you have to move quickly. Con artists and scammers prey on people who are down on their luck.

Familiarizing yourself with the tips in this guide can help you protect yourself from becoming a victim of fraud or deception. Of course, even the smartest consumer can sometimes be deceived. Do not hesitate to contact the Attorney General's Office for help.

Call: 1-800-281-4418

Email: consumer@ago.ms.gov

Complete our complaint form: www.ago.state.ms.us/divisions/consumer-protection/consumer-complaint-form/

In addition, contractors who have accepted payment without ever making the repair or who have provided false documentation or other misrepresentations may be reported to the Mississippi State Board of Contractors:

Call: 1-800-880-6161


File a complaint:

www.msbec.us/general-info/file-a-complaint/

**IF YOU FEEL YOU HAVE BEEN A VICTIM,
CALL THE CONSUMER PROTECTION
DIVISION AT 1-800-281-4418**

SCAN ME





GUIDELINES FOR HOME REPAIR CONTRACTING

CHOOSING A CONTRACTOR:

Get at least 3 estimates/bids. Each contractor should bid on exactly the same work and all bids should be itemized and detailed.

Be wary of door-to-door repair solicitations or people who demand deposits or payments in cash.

Residential repair or improvement projects \$10,000 or more and commercial projects \$50,000 or more require a valid contractor's license.

Ask for proof that the contractor is licensed.

Consumers can verify if the contractor is properly licensed by using the CONTRACTOR SEARCH feature at www.msbec.us or by calling the MS State Board of Contractors at 800-880-6161.

Request a Certificate of Insurance from the contractor and verify it is valid by contacting the party who issued it.

Request and verify the contractor's references. When possible, inspect work they've done for others. Get a guarantee in writing. Do not accept verbal agreements.

Be specific. Have samples, model numbers, and/or pictures of what you want. If you do not specify the quality of the materials you want, you are leaving it up to the contractor to decide.

CONTRACTING & PAYING FOR WORK:

Require a written contract that details the work to be done, materials to be used, a payment schedule that is based on completion of work, and a timeline for work to be completed. If your contractor does not offer you a written contract, use the model contract included at the back of this guide and ask him to complete and sign it.

Contact the local permitting office or inspections department to determine if permits are required to

assure building code compliance. If permits are required, the contractor should pull them. Confirm with the permit office that the contractor has acquired them before construction begins.

Do not pay in full up-front. A reputable contractor can usually charge building materials, which makes a large up-front payment less likely. Where one is required it should not exceed 10% or 25% of the total cost of the job.

You can also accompany the contractor to the building supply store and purchase the materials yourself or have the materials delivered directly to the jobsite instead of the contractor's shop.

Changing your mind in the middle of a construction project can cost you more, so make sure the materials you have selected are what you want. Any changes in the contract should be in writing and initialed by both parties.

On large projects, payment is often based on portions of completed work. For example, 25% of total payment is due when 25% of total work has been satisfactorily completed.

Do not make payments before work specified on the payment schedule is completed and approved by you in writing before additional work begins.

Before making final payment, evaluate the completed work and require the contractor to confirm that all subcontractors and suppliers have been paid to eliminate potential liens on your property.

Pay by check or money order and keep a receipt. Write all checks to the company, not an individual worker. A worker requesting individual payment may be working "on the side" and not be bonded or insured like the company.

Keep a signed, legible copy of the contract in a safe place.

Additional Tips to Keep in Mind

PRICE GOUGING:

Price gouging occurs when someone charges exorbitant and unjustified prices for products or services that disaster victims have little choice but to buy. If you think you see price gouging, report it to the Attorney General's Office. A time-and-date-stamped picture of the price sign at the business is helpful.

FAKE OFFICIALS:

Ask for identification from anyone who comes to your home posing as a representative of FEMA or another official agency. If someone represents themselves as a broker who can help you obtain FEMA funds for a fee, be skeptical. FEMA does not charge an application fee. And verify credentials of people offering low-interest government loans by calling the agency using a number you obtain from their official website.

PHONY PHONERS:

Scammers often call flood victims offering "flood safety kits" for hundreds of dollars. Ask for details in writing and be wary when they use the term "government approved."

BASEMENT WATERPROOFING:

If your basement has been flooded, it may need to be re-waterproofed; but not always. If possible use fans to dry out the basement and wait until the next heavy rain to see if there is truly a leak before seeking out a waterproofing contractor. If you do need waterproofing, get several opinions on how to address the problem and ask for written analyses. Under most circumstances, the pressure pumping method is not effective and should not be used unless you have a verified engineer's analysis stating it is the most effective method to correct your problem. If you do contract, refer to the tips in this guide and remember that only those areas of the basement that are treated will be covered.

WATER TREATMENT DEVICES:

If you suspect your private well or drinking water may have been affected by a storm, contact the public health protection and no single device can solve all kinds of water problems. Offers to test the tap water in your house are almost always a part of a sales promotion.

AUTO REPAIR:

If your car was submerged or standing in a foot or more of water for more than an hour, have the car checked out by a car dealer or repair shop. Even if the car runs, there may be hidden damage that can cause serious problems at a later date. Be sure to get detailed, written estimates and keep your receipts and invoices in a safe place. If you are looking to buy a used vehicle, inspect it carefully. Look at hidden parts or crevices to check for mud or silt, signs the car was damaged by water.

JOB REFERRALS:

Beware of job listings offered through 800 or 900 phone numbers. Classified ads asking you to call a 900 number may be nothing more than an expensive way to hear someone read the classified ad listing while charging you a per-minute fee for the call.

FOUNDATION REPAIR:

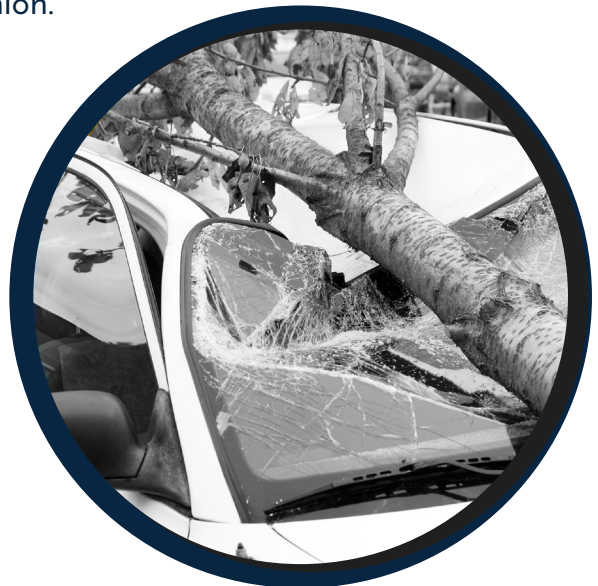
Visually check any foundation work before it is covered. If possible, get an independent, qualified individual to double-check the work.

PEST CONTROL:

Receding flood waters will bring out pests. Beware of free inspections that could result in unnecessary or expensive treatments. Second opinions are always a good idea.

APPLIANCES:

If a repair person says an expensive appliance should be replaced, get the opinion and replacement cost in writing, then get a second opinion.



MODEL CONTRACT

This model contract is distributed by the *Office of the Attorney General*. The *Attorney General's Office* does not endorse or recommend any company or individual who might use this form.

Company's Name _____

Street Address _____

Mailing Address _____

Telephone Number _____

Representative's Name _____

Buyer's Name _____

Street Address _____

Telephone Number _____

Telephone Number _____

Representative's Name _____

Proposal: _____

Starting Date: _____

Completion Date: _____

Itemized Costs

Materials: Type, Description, Quantity

Labor Description:

Total Costs

Material & Labor _____

Down Payment _____

Balance Due _____

(To be paid on satisfactory completion
or schedule based on completed work)

Warranty/Guarantee

ACCEPTANCE OF PROPOSAL: The above prices, specifications and conditions are satisfactory and I accept them as written. Any additions to this proposal will be in writing and initialed by both parties.

Buyer's Signature _____

Date of Acceptance _____

Seller's of Seller _____

Date _____

RECEIPT FOR CASH DOWN PAYMENT (NOT TO EXCEED 25% OF TOTAL CONTRACT)

Received From _____

\$ _____

Signature of Seller _____

Date _____