



United States Army Criminal Investigation Command

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FOR IMMEDIATE RELEASE



Army CID Warns Army Community of Disaster Fraud Schemes, Scams

QUANTICO, VA. (Sept. 17, 2018) – The U.S. Army Criminal Investigation Command is alerting the Army community to be on the lookout for “Disaster Fraud” charitable schemes and repair scams.

“Disaster Fraud occurs after man-made or natural catastrophes such as the recent damage, storm surge and flooding caused by Hurricane Florence. Often dishonest individuals or contractors will use this opportunity to inflate damage estimates, or swindle homeowners in home repair, debris removal and other cleanup scams,” said Chris Grey, CID spokesman. “These scammers will also exploit the disaster by seeking out those wishing to support and assist affected victims by soliciting fictitious charitable donations, sending fraudulent e-mails or creating phony websites to solicit contributions or personal information resulting in identity theft.”

CID agents warn that some of these organizations are fraudulent, or misleading at best because they do not have the infrastructure to support the affected disaster area. Do not respond to unsolicited email (spam), links or attachments from these fake groups because in addition to stealing your identity, these links may also contain computer viruses and/or hijack your computer files for ransom.

The scammers will also focus on getting their victims to become emotionally invested to help those in need. Special Agents from CID recommend that people who want to give do research before donating. Ask detailed questions about the charity or organization, which includes basic information such as their name, address, telephone number, and if the charity is registered. Also request proof that a contribution is tax deductible or if the organization is tax exempt. Be cautious of out of state organizations – especially if their address is a post office box.

Officials also urge would-be-givers to ensure monies are donated to trustworthy organizations and make contributions directly to known and verified organizations rather than relying on a third party to do so.

Experts also advise that copycat websites are very active during natural disasters. Copycat websites will have links that will appear authentic to similar known web addresses. It's the same for some social media platforms. An increased use of social media platforms using copycat websites and accounts of trusted organizations will be used to display devastating and emotional images combined with a link in an effort to get you to donate to those in need.

If you decide to donate, go directly to the organization's website and do not donate using a link that has been sent via email or social media, CID advises. Be sure to check the organization's verification. Most sites use a check mark behind the name to let you know that you are on or viewing a verified account.

Additionally, some crowdfunding and fundraising websites and accounts may not be used for the intended purpose of helping disaster victims, so beware of solicitations from these sites posing as legitimate and fake organizations. It is important to verify all organizations before donating.

In addition to charitable donations and email scams, victims should also beware of contractor and home repair fraud.

"Please keep in mind that legitimate and licensed repair contractors are quickly booked," said Special Agent William Stakes Jr., CID's Economic Crime program manager. "Do not overlook normal precautions and do not hire an untrustworthy or questionable freelancing handyman because you are eager to start the repairs quickly. Do your research when hiring repair contractors."

Stakes provided some red flags and important points to consider when hiring a contractor:

- Ensure contractor hired is legitimate. Seek companies licensed obtaining three itemized bids before choosing a contractor.
- Contractor asks for cash up front (advanced fee scheme)
- Get a written estimate and don't sign a blank contract. Get a second set of eyes to look over the contract. Always best to get a second opinion.
- Don't sign over your insurance settlement check and don't pay with cash but by credit card or check and never the full amount up front.
- Have the work inspected; holding the final payment until repair completed to your satisfaction.
- Don't be pressured or fall for someone claiming to offer a "one-day-only" special or discount for hiring them on the spot. Often after disasters, disreputable contractors will solicit door to door offering to repair or clean up damage.
- Beware swindlers peddling "Mold-Free" certificates – there are no laws requiring homeowners to produce this credential.
- Another good proactive measure is to take pictures with the contractor; business cards, contractor/vehicle licenses – fraudsters are unlikely to cooperate.

If you think you've been the victim of any of these scams, you can file a complaint with the Federal Trade Commission.

Resources

National Center for Disaster Fraud: (866) 720-5721

Email: disaster@leo.gov

Department of Homeland Security / FEMA Fraud Hotline: (800) 323-8603

<https://www.oig.dhs.gov>

Federal Trade Commission: <https://www.ftccomplaintassistant.gov/#&panel1-1>

Helpful Links:

- <https://www.consumer.ftc.gov/articles/0074-giving-charity>
- Directory of national charities: <http://give.org/charity-reviews/national>

Editor's note: Some information contained in this advisory is courtesy of the FBI, the National Center for Disaster Fraud and the National White Collar Crime Center.

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