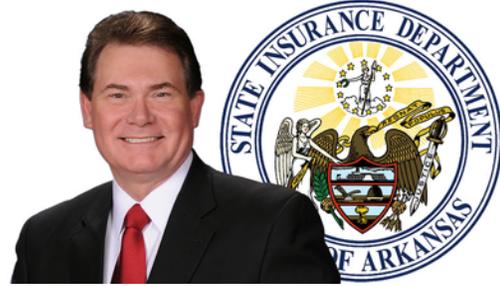


Arkansas Insurance Department

NEWS RELEASE

*Allen Kerr
Insurance Commissioner*



FOR IMMEDIATE RELEASE

January 7, 2016

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CONSUMER ALERT: Post-Disaster Rebuilding Scams

Kerr: "If you didn't request it, reject it."

LITTLE ROCK – Arkansas Insurance Commissioner Allen Kerr today released the following statement alerting Arkansans to avoid falling prey to post-disaster rebuilding scams:

"My simple statement in dealing with people going door-to-door offering repair services is this: If you didn't request it, reject it. As so many Arkansans are recovering from the flooding produced by the holiday storms, it saddens me to remind consumers that they are at continued risk of dishonest individuals that will prey upon a homeowner's need to repair damage, but instead pocket the payment and never do the work."

Kerr reminds Arkansas homeowners that if they think they might have damage from a storm, call your insurance company first. The insurer will honor its policy, so there is no need for a homeowner to rush into an agreement with a contractor who solicits for repair work without request.

The Arkansas Insurance Department (AID) offers these tips to homeowners who are seeking repairs to their home due to flooding:

- Never let a contractor discourage you from contacting your insurance company.
- Never let a contractor interpret your insurance policy for you. If you have questions about your policy, contact your insurer or AID's Consumer Services Division at **800-852-5494**.
- Make sure you review and understand all documents sent to your insurance company.
- Get more than one estimate. Demand references and check them out. Never let a contractor pressure you into hiring them.
- When choosing a contractor, make sure to ask if they are insured and/or bonded. Ask to see their insurance certificate, which includes the name and phone number of their insurer. Call the insurer to verify that the contractor's policy is current. If you need assistance, contact AID's Consumer Services Division at **800-852-5494**.

(More)

- Get everything in writing. Cost, work to be done, time schedules, guarantees, payment schedules and other expectations should be detailed.
- Never sign a contract with blanks; unacceptable terms can be added later.
- Never pay a contractor in full or sign a completion certificate until the work is finished and ensure reconstruction is up to current code.

Kerr also reminds Arkansans of Act 1360 of 2013, which allows a homeowner to cancel a signed real estate repair contract if their insurer notifies them that all or any part of their claim or repair contract is not a covered loss under the homeowner's policy.

For more information on the Arkansas Insurance Department, please visit <http://insurance.arkansas.gov>, follow us on Twitter at <http://twitter.com/ARInsuranceDept> and Facebook at <http://www.facebook.com/ArkansasInsuranceDepartment>.