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NEWS RELEASE

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**INSURANCE COMPANY CLAIMS ADJUSTER SENTENCED
IN FEDERAL CROP INSURANCE FRAUD SCHEME**

Gretchen C. F. Shappert, United States Attorney for the Western District of North Carolina, announced that United States District Judge Lacy Thornburg sentenced Thomas Jeffrey Marsh, an insurance company claims adjuster, following his guilty plea to conspiring to defraud the Federal Crop Insurance Corporation ("FCIC"). Mr. Marsh was one of six defendants indicted by a grand jury on October 8, 2003. The indictment charged Robert and Viki Warren, Mr. Marsh, two of the Warrens' employees, and an insurance agent with participating in an extensive scheme to defraud the FCIC and several private insurance companies of more than \$9 million between 1997 and 2001, and attempting to obtain an additional \$2.8 million in 2001 through 2003.

On June 15, 2004, Mr. Marsh pled guilty to the lead count of the indictment, conspiracy to make false statements to the FCIC. Mr. Marsh was a claims adjuster for the insurance companies Rain & Hail and E.L. Ross. In that capacity, between 1997 and 2000 he adjusted federal crop insurance claims filed by the Warrens totaling more than \$6 million. Many of these claims were fraudulent. As the Government stated at Mr. Marsh's sentencing hearing, the federal crop insurance program is dependant upon the insurance companies' claims adjusters to be the first line of defense

against fraud. When those adjusters breach their duty and assist in the fraud, a corrupt policyholder is able to reap massive illegal payments from the taxpayers.

Following his guilty plea, Mr. Marsh cooperated with the Government in its investigation. As a result, the Government filed a motion with the Court asking for a reduced sentence to reflect Mr. Marsh's assistance.

Yesterday, Judge Thornburg imposed a sentence on Mr. Marsh of 14 months imprisonment, to be followed by three years of supervised release, a \$100 special assessment, and \$768,000 in restitution to the USDA.

On September 7, 2005, Judge Thornburg sentenced Robert Warren to 76 months imprisonment and Viki Warren to 66 months imprisonment. The Warrens were also ordered to forfeit \$7.3 million, and to pay \$9.15 million in restitution to the USDA

The agencies involved in the investigation of this case are the Office of Inspector General of the U.S. Department of Agriculture, the Special Investigations Branch of the USDA's Risk Management Agency, and the Internal Revenue Service, Criminal Investigations. The United States was also been assisted by the North Carolina State Bureau of Investigation and the Henderson County Sheriff's Office. The case was prosecuted by Assistant United States Attorneys Richard Lee Edwards and Don Gast.

USA v. Robert Warren, et al
WDNC Criminal Docket No. 1:03CR076-T

Thomas Jeffrey Marsh
Date of Birth: 10/16/1963
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Whitesburg, Tennessee 37891

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