



# Department of Justice

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FOR IMMEDIATE RELEASE  
Wednesday, September 17, 2008  
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## **INDIANAPOLIS WOMAN SENTENCED IN ARSON SCHEME TO MORE THAN 10 YEARS IN FEDERAL PRISON**

### PRESS RELEASE

Timothy M. Morrison, United States Attorney for the Southern District of Indiana, announced that VANESSA ALLEN HATCHER, 48, Indianapolis, Indiana, was sentenced to 121 months imprisonment today by U.S. District Judge Sarah E. Barker following her guilty plea to committing arson to perpetrate insurance fraud. This case was the result of a three year investigation by the Bureau of Alcohol, Tobacco, Firearms and Explosives and the Muncie Police Department.

ALLEN HATCHER participated in a conspiracy and scheme to use arson to collect insurance proceeds (arsons-for-profit) for at least eight years. The scheme, focused primarily in the Muncie and Indianapolis areas, involved acquiring interest in real property (typically a house or apartment), obtaining property and casualty insurance on the property, then causing a fire on the property to create damage, thus collecting on the insurance policy. The scheme often involved inflating claims to the insurance companies for the value of the property and the value of personal property damaged in the fire. In the course of resolving insurance claims, items material to the scheme, such as contracts, proofs of loss, release forms, and disbursement checks, are often sent through the United States postal system.

ALLEN HATCHER participated in this conspiracy primarily by setting fires for others, as she was particularly skilled at causing a fire that would appear to be accidental. She also provided advice and assistance in inflating insurance claims. Her payment for her services, typically ranging from \$2,000 to \$10,000, was paid from the insurance proceeds. ALLEN HATCHER's brother, Kenneth Allen, was also integral to the scheme. Besides setting fires himself, he also served as a conduit for information on how to perpetrate the scheme, including connecting ALLEN HATCHER with others who wanted to commit an arson-for-profit. He also referred an independent insurance adjuster, Douglas Haynes, to help inflate or maximize the insurance claims. Kenneth Allen received a share of the insurance proceeds for his role. Kenneth Allen was sentenced to 48 months imprisonment on April 9, 2008, and ordered to pay

restitution of \$1,070,764.39. Douglas Haynes was also charged and is scheduled to go to trial on November 3, 2008.

Phone calls between ALLEN HATCHER and others in close proximity to the time of the fires, her presence at or near the scene of fires, and independent statements from numerous people with personal knowledge that she assisted them or others in arsons-for profit, substantiate ALLEN HATCHER's involvement in the conspiracy. During the law enforcement investigation, as well as ALLEN HATCHER's own statements, it was determined that ALLEN HATCHER was involved with approximately 31 arson fires that involved houses, apartments, and vehicles during the course of the conspiracy. The amount of insurance losses exceeds \$2 million dollars.

According to Assistant U.S. Attorney Winfield D. Ong, who prosecuted the case for the government, Judge Barker also imposed 3 years supervised release following ALLEN HATCHER's release from imprisonment. During the period of supervised release, ALLEN HATCHER was ordered to undergo drug testing and make restitution in the amount of \$2,299,321.18.

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