



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

KC MAN INDICTED FOR DEFRAUDING INSURANCE COMPANIES

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Kansas City, Mo., man was indicted by a federal grand jury today for defrauding two insurance companies after his house was damaged in a fire.

Marcellous Adams, 38, of Kansas City, Mo., was charged in a four-count indictment returned by a federal grand jury meeting in Kansas City.

The indictment alleges that **Adams** maintained a homeowner's policy with American Family Mutual Insurance Company as well as a homeowner's policy with Farmers Insurance Group. According to the indictment, **Adams'** home was damaged by a fire on Dec. 21, 1977, when Christmas tree lights apparently overheated following contact with a dry Christmas tree. The indictment alleges that **Adams** filed claims with both insurance companies, but certified to Farmers Insurance that he had no other insurance covering the property, which enabled him to fraudulently collect \$97,249 from American Family and \$77,398 from Farmers Insurance.

The indictment also alleges that **Adams** caused false and fraudulent contractor's invoices to be submitted to both of the insurance companies. Although the invoices reflected **Adams'** payment to a contractor for repair of the residence, the indictment alleges, such repairs never occurred and **Adams** never made a payment to the contractor. According to the indictment, **Adams** submitted a fraudulent invoice for \$60,939.81 to Farmers Insurance and a fraudulent invoice for \$64,678.79 to American Family.

Each of the four counts contained in the federal indictment alleges a separate incident in which **Adams** mailed or caused to be mailed letters, checks or other material during the course of the scheme to defraud the insurance companies.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

The case is being prosecuted by Assistant U.S. Attorney William L. Meiners. It was investigated by the U.S. Postal Service.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow