



FOR IMMEDIATE RELEASE
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FORMER SOCIAL SECURITY BENEFITS PAYEE ADMITS TO LOSS OF OVER \$100,000 THROUGH THEFT AND MISMANAGEMENT OF FUNDS

PHOENIX - Horatius Ike Onu Kemars, 49, of Glendale, Ariz., pleaded guilty yesterday to Social Security Representative Fraud before U.S. District Judge Earl H. Carroll. As a Representative Payee for over 120 beneficiaries receiving Social Security Supplemental Security Income benefits or Social Security Retirement Insurance Benefits, Kemars admitted that he used some of the beneficiaries' money for his own personal and business expenses instead of paying expenses on behalf of the beneficiaries he had been entrusted to assist. Sentencing is set before Judge Carroll on Monday, March 9, 2009 at 1:30 p.m.

Kemars admitted that between August 1, 1997 through February 26, 2004, he was a Representative Payee for approximately 73 beneficiaries receiving Social Security Supplemental Security Income benefits and approximately 54 beneficiaries receiving Social Security Retirement Insurance Benefits. In addition to using some of the beneficiaries' money for his own personal and business expenses, he also negligently failed to properly maintain records regarding additional payments for the benefit of the beneficiaries and negligently failed to establish accounting procedures that would prevent his employees from taking a portion of the money for their own personal expenses without authorization. By such actions, Kemars stole a significant portion of approximately \$102,449 in benefits to which he was not entitled and the remainder is unaccounted for. Due to the extremely poor record keeping and accounting procedures maintained by Kemars, the exact amount that was stolen is unknown.

A conviction for Social Security Representative Fraud carries a maximum penalty of five years in prison, a \$250,000 fine or both. In determining an actual sentence, Judge Carroll will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

The investigation in this case was conducted by the Social Security Administration, Office of Inspector General. The prosecution is being handled by Frederick A. Battista, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-07-1412-PHX-EHC
RELEASE NUMBER: 2008-333(Kemars)

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