

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon. Michael A. Shipp
:
v. : Crim. No. 21-
:
ALEKSANDER ZARETSEK : 18 U.S.C. § 371
: (Conspiracy to Defraud the
: Internal Revenue Service)
:

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark, charges as follows:

Background

1. Unless otherwise indicated, at all times relevant to this Indictment:
 - a. Defendant ALEKSANDER ZARETSEK (“ZARETSEK”) resided in Brooklyn, New York and claimed ownership of Prime Aid & PHA Corp. (“Prime Aid PHA”), a company incorporated in New York.
 - b. Individual-1, a coconspirator not charged in this Indictment, resided in New Jersey and was friends and business associates with ZARETSEK.
 - c. The “Prime Aid Pharmacies” were specialty pharmacies located in Union City, New Jersey (“Prime Aid Union City”) and Bronx, New York (“Prime Aid Bronx”). Individual-1 worked for Prime Aid Union City and was an on-paper owner of Prime Aid Bronx. ZARETSEK had no affiliation with the Prime Aid Pharmacies.
 - d. Prime Aid PHA was a shell company unaffiliated with the Prime

Aid Pharmacies that ZARETSEK used to cash checks made payable to the Prime Aid Pharmacies.

e. “Company-1” was a holding company linked to multiple bank accounts that Individual-1 used as personal accounts.

f. Individual-2 and Individual-3 both resided in New York and did business with ZARETSEK. Individual-2 previously worked at a Brooklyn, New York check cashing business.

The Conspiracy

2. From in or about June 2011 to in or about March 2018, in the District of New Jersey and elsewhere, defendant

ALEKSANDER ZARETSEK

knowingly and willfully conspired and agreed with Individual-1 and others to defraud the United States by impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service (“IRS”) to ascertain, compute, assess, and collect income taxes.

Goal of the Conspiracy

3. The goal of the conspiracy was for ZARETSEK, Individual-1, and others to conceal taxable income from the IRS by diverting insurance reimbursement checks from the Prime Aid Pharmacies.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:
 - a. From in or about June 2011 to in or about March 2016, ZARETSEK, Individual-1, and others diverted millions of dollars in insurance reimbursement checks made payable to the Prime Aid Pharmacies (the “Diverted Checks”) before those checks were accounted for or deposited into the Prime Aid Pharmacies’ operating accounts.
 - b. Individual-1, aided by a Prime Aid Union City employee, took Diverted Checks from mail that arrived at the Prime Aid Pharmacies.
 - c. ZARETSEK subsequently accepted the Diverted Checks from Individual-1. For a fee, ZARETSEK cashed those checks at check cashing businesses in New York City and delivered the cash to Individual-1, either at Individual-1’s New Jersey home or New York office.
 - d. To cash checks made payable to the Prime Aid Pharmacies, ZARETSEK, among other things, fraudulently used check cashing accounts associated with Prime Aid PHA by, among other things, falsely claiming that he owned one or more of the Prime Aid Pharmacies.
 - e. ZARETSEK also helped funnel Diverted Checks through Canadian bank accounts controlled by individuals located in Canada. For a fee, those individuals caused the funds to be wired back to Individual-1’s Company-1 bank

accounts in New Jersey.

f. ZARETSEK texted with Individual-1 about Diverted Checks sent to individuals in Canada and wires sent back to Individual-1 in the United States.

g. ZARETSEK also helped Individual-1 send Diverted Checks to individuals in Canada as loan repayments.

h. During a meeting with Individual-3 in which ZARETSEK attempted to exchange approximately \$40,000 in Diverted Checks for cash, ZARETSEK stated, in substance and in part, that for a 12% fee he could send checks totaling over \$200,000 to Canada and get money wired back to the United States.

i. During a separate meeting with Individual-2, ZARETSEK, in substance and in part, discussed lowering his Canada transaction fee to 9% when he was told that at 12% people could just as easily put money in the bank and pay taxes. ZARETSEK claimed that Canada was “the best place” because it was purportedly more lenient “for white collar crime,” and he attempted to minimize his criminal activity by stating, “We don’t steal from people we steal from fuckin’ government.”

j. In or about 2018, after law enforcement attempted to question ZARETSEK about the Diverted Checks, ZARETSEK asked Individual-1 to pay for his legal fees and stated, in substance and in part, that he would stay quiet and not cooperate with law enforcement.

k. In or about September 2020, during two conversations with

Individual-1, ZARETSER: confirmed knowing about checks from “insurance” companies sent to Canada; provided assurances that the individuals in Canada would not talk to or cooperate with law enforcement; encouraged Individual-1 to lie to law enforcement by denying knowledge of the Diverted Checks; and, in response to Individual-1’s concern that law enforcement might discover that Individual-1 and ZARETSER “were hiding checks from [the] IRS,” confirmed that he would not provide any information to law enforcement.

1. As a result of the scheme, ZARETSER and Individual-1 concealed income from the Diverted Checks from the IRS, which Individual-1 failed to report on his personal income tax returns for tax year 2013 through 2016, resulting in a tax loss of approximately \$9,098,112.

Overt Acts

5. In furtherance of the conspiracy, and to achieve its illegal objectives, ZARETSER, Individual-1, and others committed, and caused to be committed, the following acts in the District of New Jersey and elsewhere:

a. On or about February 28, 2012, ZARETSER accepted insurance reimbursement checks totaling approximately \$45,139 that were taken from Prime Aid Union City in New Jersey and caused those checks to be cashed in Brooklyn, New York.

b. On or about April 9, 2012, ZARETSER accepted insurance

reimbursement checks totaling approximately \$130,956 that were taken from Prime Aid Union City in New Jersey and caused those checks to be cashed in Brooklyn, New York.

c. On or about May 7, 2012, ZARETSEK accepted insurance reimbursement checks totaling approximately \$158,088 that were taken from Prime Aid Bronx and caused those checks to be cashed in Brooklyn, New York.

d. On or about May 25, 2012, ZARETSEK accepted insurance reimbursement checks totaling approximately \$113,065 that were taken from Prime Aid Bronx and caused those checks to be cashed in Brooklyn, New York.

e. On or about August 12, 2013, ZARETSEK attempted to cash checks made payable to the Prime Aid Pharmacies, totaling approximately \$40,000 through Individual-3 in Brooklyn, New York.

f. From on or about January 22, 2015 to on or about January 28, 2015, ZARETSEK texted with Individual-1 about approximately \$300,000 in insurance reimbursement checks made payable to the Prime Aid Pharmacies that ZARETSEK and others diverted to Canadian bank accounts.

g. On or about January 29, 2015, ZARETSEK and others caused a wire payment of approximately \$198,236 to be sent from a Canadian bank account to one of Individual-1's Company-1 bank accounts in New Jersey.

h. On or about April 28, 2015, ZARETSEK texted with Individual-1 about approximately \$900,000 in Diverted Checks that ZARETSEK and others diverted to Canadian bank accounts.

i. From on or about April 28, 2015 to on or about May 15, 2015, ZARETSEK and others caused approximately three wire payments totaling approximately \$729,940 to be sent from a Canadian bank account to one of Individual-1's Company-1 bank accounts in New Jersey.

j. From on or about January 12, 2016 to on or about February 24, 2016, ZARETSEK and others caused approximately four insurance reimbursement checks totaling approximately \$917,359 that were taken from Prime Aid Union City in New Jersey to be deposited in a Canadian bank account.

k. From on or about January 13, 2016 to on or about February 25, 2016, ZARETSEK and others caused approximately six wire payments totaling approximately \$949,910 to be sent from a Canadian bank account to one of Individual-1's Company-1 bank accounts in New Jersey.

l. On or about October 14, 2014, Individual-1, while residing in New Jersey, caused the filing of Individual-1's materially false personal income tax return for tax year 2013.

m. On or about October 15, 2015, Individual-1, while residing in New Jersey, caused the filing of Individual-1's materially false personal income tax

return for tax year 2014.

n. On or about October 17, 2016, Individual-1, while residing in New Jersey, caused the filing of Individual-1's materially false personal income tax return for tax year 2015.

o. On or about March 23, 2018, Individual-1, while residing in New Jersey, caused the filing of Individual-1's materially false personal income tax return for tax year 2016.

In violation of Title 18, United States Code, Section 371.

A TRUE BILL

FOREPERSON



RACHAEL A. HONIG
Acting United States Attorney