

# Department of Justice

United States Attorney William J. Hochul, Jr.  
Western District of New York

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CONTACT: BARBARA BURNS  
PHONE: (716) 843-5817  
FAX: (716) 551-3051

## **APPROXIMATELY \$9,000,000 TO BE RETURNED TO VICTIMS OF OIL AND GAS PONZI SCHEME**

ROCHESTER, N.Y.– The U.S. Attorney’s Office announced today that the Government will return approximately \$9,000,000 in forfeited funds to the victims of a Ponzi scheme allegedly perpetrated by the late Ashvin Zaveri of Honeoye Falls, N.Y. More than 120 victims of the scheme may be eligible to receive a share of the forfeited funds. The victims’ claims will be reviewed by the U.S. Department of Justice’s Asset Forfeiture and Money Laundering Section.

According to Assistant U.S. Attorney Grace Carducci, who is handling the case, Ashvin Zaveri of Honeoye Falls, N.Y. was indicted in 2009 on 16 counts of mail fraud, wire fraud and money laundering. Zaveri was accused of defrauding investors who, between April 2003 and March 2009, invested approximately \$35,000,000 in “oil and natural gas exploration partnerships” in Tennessee and Kentucky through his company Zaveri Oil & Gas, Ltd. The victims invested in a total of 25 partnerships that were allegedly utilized by Zaveri in the Ponzi scheme. Most of the proceeds were used to pay off previous investors and for Zaveri’s own personal use.

Ashvin Zaveri was under indictment at the time of his death in August 2010. Due to his death, the criminal case against Zaveri was dismissed. However, the U.S. Attorney’s Office continued with a civil forfeiture action against the assets involved in the offense or traceable to the entire Ponzi scheme allegedly operated by Zaveri. The Government pursued the proceeds of two of Zaveri’s life insurance policies and a bank account in order to repay victims for their losses.

“This case makes clear that our Office’s efforts on behalf of crime victims will continue even when we are no longer able to prosecute those who were alleged to have committed the crimes,” said First Assistant U.S. Attorney James P. Kennedy, Jr. “We will

pursue every legal remedy available to ensure that victims of crime are compensated and provided some measure of justice. Those remedies include using the forfeiture laws and suing the estate of the alleged wrongdoer in order to be able to get money to provide restitution to crime victims.”

This case was the result an investigation by Special Agents of the Federal Bureau of Investigation, under the direction of Special Agent in Charge Christopher M. Piehota.

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