

Ex-Jefferies & Co. Managing Director Has Warning for Court



Any business transaction involving simple negotiations could be subject to prosecution, former Jefferies & Co. managing director Jesse Litvak warned an appeals court in an attempt to have his securities fraud conviction thrown out, Bloomberg Businessweek reported.

Litvak, found guilty in March of lying to customers about the price of mortgage-backed securities, on Nov. 18 asked the U.S. Court of Appeals in Manhattan to throw out the conviction, saying it could be used to turn “garden-variety statements” made in all kinds of negotiations – even car lot negotiations – into the basis for charges.

“Every car salesman who tells a customer that he cannot lower his price any further because he would earn only a minuscule profit on the sale as it is would be guilty of fraud,” Litvak’s lawyers said in a filing.

Read the story.