

[Securities Regulation Daily Wrap Up, TOP STORY—N.D. Ill.: Hung jury unable to render a verdict for software developer ensnared in spoofing scheme, \(Apr. 10, 2019\)](#)

Securities Regulation Daily Wrap Up

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By [Brad Rosen, J.D.](#)

A deadlocked federal jury voted 10-2 to acquit a Naperville, Illinois computer programmer charged with two counts of aiding and abetting spoofing.

The trial of Jitesh Thakkar, who was charged with two counts of aiding and abetting the illegal trades of renown spoofer Navinder Sarao, concluded with a hung jury. After [a hard-fought battle](#), the parties reconvened in Judge Robert Gettleman's Chicago loop courtroom to determine the next phase in this case ([U.S. v. Thakkar](#), R. Gettleman).

The chain of command has some decisions to make. After yesterday's declaration of a mistrial, Judge Gettleman, who has previously described the government's case as weak, indicated he had some thoughts to share. However, this morning the judge indicated he will keep those thoughts to himself for the time being. Also, he noted "there are very important decisions for the government to make and they will need to go up the chain of command." The judge gave the government two weeks to determine its next course of action.

Notably, earlier in the trial, the judge granted the defense's motion for a judgment of acquittal on count one of the indictment for conspiracy to commit spoofing pursuant to [Rule 29 of the Federal Rules of Criminal Procedure](#).

Another Rule 29 motion may be in the offing from the defendant. Defense attorney Renato Mariotti has been urging the government to give up its pursuit of what he describes as a misguided case. Absent that, Mariotti indicated he is prepared to file a Rule 29 motion in connection with the two deadlocked aiding and abetting counts. Essentially, Mariotti asserts that no rational jury could find Thakkar guilty of having aided and abetted Navinder Sarao in connection with his spoofing activities.

Mariotti also advocated for a speedy resolution of the case, suggesting that a bench trial might be appropriate. Additionally, Mariotti specifically advised the court of Mr. Thakkar's middle-class status and limited resources, as well as the financial toll this proceeding continues to take on him and his family. If the case, is retried, Judge Gettleman indicated the earliest that could likely happen would be in October of this year.

The CFTC's companion enforcement action remains. Even after the criminal matter has been resolved, Mr. Thakkar will still be faced with [a parallel CFTC enforcement action](#) that was filed against him at the same time he was charged criminally. As is often the case with parallel proceedings, the civil enforcement matter has been held in abeyance pending resolution of the criminal matter.

At the time the CFTC filed its action against Mr. Thakkar in January 2018, the CFTC's Director of Enforcement [James McDonald stated](#): "In its effort to root out spoofing from our markets, the CFTC will work vigorously to hold accountable not only the individuals who engage in the spoofing, but also those who produce and sell the tools designed to spoof." Time will tell whether the CFTC will reconsider its position with regard to Mr. Thakkar in light of the DOJ's setbacks in this matter.

The next status for this case is scheduled for April 25, 2019 at 9:00 a.m. At that time, the government is expected to apprise the court as to whether it seeks to retry the remaining two counts in this case.

The case is [No. 18-CR-36](#).

Attorneys: Mark John Cipolletti, United States Department of Justice, Patrick Morgan Mott, Michael Thomas O'Neill, Matthew Francis Sullivan, - Chicago, United States Attorney's Office. Renato Mariotti and Holly Campbell (Thompson and Coburn LLP) for Jitesh Thakkar

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