Broker-Dealer Regulation

Broker-dealers face a complex and ever-changing regulatory environment — with the potential for severe penalties if problems arise. Katten's Broker-Dealer Regulation team combines industry and regulatory experience with a proactive approach to help broker-dealers thrive in highly regulated markets.

Timely analysis, practical guidance

As a seasoned team, we provide comprehensive legal counsel that addresses the needs of our clients in all market climates. We combine high-level analysis with strong industry knowledge. We have long-established relationships, many decades long, with a wide range of market participants, from full-service broker-dealers to institutional trading firms, and from retail firms and placement agents to market makers, proprietary traders and other electronic and algorithmic trading firms.

We are highly knowledgeable in a number of areas, including core compliance practices and supervisory systems; net capital, customer protection, margin and other financial considerations; and sales, trading, research and investment banking issues. We have deep knowledge of market structure issues, including compliance with best execution, Regulation NMS, Regulation ATS, Regulation SHO and other related Securities and Exchange Commission (SEC) and self-regulatory organization (SRO) requirements.

We offer skilled counsel to broker-dealers engaged in market-making activities, proprietary trading and algorithmic trading, working with clients in the United States, the United Kingdom and Europe. Katten attorneys in the United States and UK regularly address cross-border issues, assisting clients engaged in permitted activities outside their home countries, such as guiding European firms' activities in US markets and US firms' activities in Europe and Asia.

Our work is multifaceted and covers all aspects of a broker-dealer's regulatory needs. For example, we:

- Provide guidance on broker-dealer formation, registration issues and regulatory approvals attendant to potential changes in business operations.
- Represent clients in regulatory examinations, investigations and enforcement matters, bringing practical and substantive knowledge

Key Contacts



Wayne M. Aaron

Partner and Co-Chair, Broker-Dealer Regulation

New York
+1.212.940.6441
wayne.aaron@katten.com



Susan Light

Partner and Co-Chair, Broker-Dealer Regulation

New York
+1.212.940.8599
susan.light@katten.com

to each matter and coordinating with our Financial Markets Litigation and Enforcement group when warranted.

- Apply our honed sense of Street practice to guide on everything from general core compliance issues to the most specialized and complex matters affecting retail, institutional, cross-border, electronic and algorithmic firms.
- Evaluate firms' new business lines for regulatory and compliance matters, conduct due diligence and other evaluations in mergers, acquisitions, and other investments or divestments of broker-dealer businesses, coordinating with our Financial Trading and Markets team when necessary.

Avoiding preventable risks

The high stakes of noncompliance with complex regulations make our team's real-world experience particularly valuable to our broker-dealer clients. We have attorneys who have worked in-house at large brokerage firms. Others served as senior lawyers at the SEC, Financial Industry Regulatory Authority (FINRA) and the New York Stock Exchange (NYSE). Our team brings years of good judgment, practical thinking and deep relationships, and the inside perspective needed to help clients clear their regulatory hurdles.

When regulatory matters escalate, we represent broker-dealer clients and their senior employees in regulatory and self-regulatory investigations and other proceedings, arbitration and litigation. In the event litigation is necessary, we focus on obtaining the best possible results consistent with our clients' business goals.

Recognitions

Recognized or listed in the following:

- *Chambers USA*
  - Derivatives
    - Nationwide, 2014–2026
  - Nationwide Financial Services Regulation: Broker Dealer (Compliance & Enforcement)
    - Nationwide, 2025-2026

> ***"The team at Katten give us confidence and comfort in regulatory environment that is overly aggressive, impractical and heavy handed!"***
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> ***U.S. News – Best Lawyers® "Best Law Firms"* 2023 (Securities Regulation) survey response**