

### What does it all meme? An exploration of meme stock litigation, regulatory scrutiny and defenses for broker-dealers

Published by *Journal of Financial Compliance*

August 11, 2021

The *Journal of Financial Compliance* published a practice paper covering US financial market regulators' interest in retail trading and broker-dealer practices following the January 2021 'meme stock' market volatility. The authors examined broker-dealer practices and trading rules that were the subject of pending litigation. The paper reviewed areas of potential regulatory interest in the aftermath of the trading frenzy, including payment for order flow and related customer disclosures. It also examined the rationale for certain trading restrictions implemented by some broker-dealers during the period of extreme volatility. It further reviewed defenses for broker-dealers in pending investor litigation and the potential criminal and regulatory liability for amateur traders active on social media and online forums.

["What does it all meme? An exploration of meme stock litigation, regulatory scrutiny and defences for broker-dealers,"](#) *Journal of Financial Compliance*, Volume 5, Number 2, August 11, 2021

*Subscription required for article access*

---

## CONTACTS

For more information, contact your Katten attorney or any of the following attorneys.



**Susan Light**

+1.212.940.8599

[susan.light@katten.com](mailto:susan.light@katten.com)



**Michael J. Lohnes**

+1.312.902.5341

[michael.lohnes@katten.com](mailto:michael.lohnes@katten.com)



**Carrie M. Stickel**

+1.312.902.5355

[carrie.stickel@katten.com](mailto:carrie.stickel@katten.com)

Attorney advertising. Published as a source of information only. The material contained herein is not to be construed as legal advice or opinion.

©2026 Katten Muchin Rosenman LLP.

All rights reserved. Katten refers to Katten Muchin Rosenman LLP and the affiliated partnership as explained at [katten.com/disclaimer](https://katten.com/disclaimer).