
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported): **September 4, 2019**

VIRTU FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37352
(Commission File No.)

32-0420206
(IRS Employer
Identification No.)

**One Liberty Plaza
New York, NY 10006**
(Address of principal executive offices)

(212) 418-0100
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class:</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered:</u>
Class A common stock, par value \$0.00001 per share	VIRT	The NASDAQ Stock Market LLC

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 4, 2019, Virtu Financial, Inc. ("Virtu" or the "Company") announced changes to its senior management team. A copy of the press release is attached to this Report as Exhibit 99.1.

Chief Financial Officer Transition

The Company announced the departure of Joseph Molluso as of September 30, 2019, and named Alexander M. Ioffe, to serve as the Company's Chief Financial Officer effective as of the same date. Mr. Molluso is departing to pursue another opportunity.

Mr. Ioffe, 52, has more than 18 years of experience in financial services within the brokerage industry, including most recently as the Chief Financial Officer of the broker-dealer subsidiary of Interactive Brokers Group, Inc. Mr. Ioffe previously served in senior financial roles at Datek Online Holding Corp. and Bertelsmann, and as an information technology consultant at Accenture. Mr. Ioffe received a B.S. from Lehigh University and an M.B.A. from Columbia University.

In connection with Mr. Ioffe's appointment as Chief Financial Officer, the Company entered into an employment letter agreement with Mr. Ioffe on August 31, 2019 (the "Ioffe Employment Agreement") pursuant to which Mr. Ioffe will be employed by the Company's subsidiary, Virtu Financial Operating LLC ("Virtu Operating") on an "at will" employment basis. Under the Ioffe Employment Agreement, Mr. Ioffe's annual base salary is \$500,000 per year, and Mr. Ioffe will be eligible to receive annual bonuses based on the achievement of performance targets set by the Compensation Committee (the "Compensation Committee") of the Company's Board of Directors, payable in cash and equity awards in accordance with the Company's incentive and equity plans as in effect from time to time. Mr. Ioffe will also be eligible to receive a special award in connection with the commencement of his employment, subject to the terms and conditions of the Company's Amended and Restated 2015 Management Incentive Plan and the terms of a separate award agreement as well as additional annual awards beginning in the year 2020 as determined by the Compensation Committee.

Under the Ioffe Employment Agreement, if Mr. Ioffe's employment is terminated by Virtu Operating without cause or by Mr. Ioffe for good reason (each, a "Qualifying Termination"), then in addition to receiving his accrued amounts, Mr. Ioffe will be entitled to, subject to the execution of a release of Claims, a lump sum payment of one times his base salary plus the acceleration of certain unvested amounts under his special award. If a Qualifying Termination occurs upon or within 12 months following a change in control or such termination was in anticipation of a change in control, Mr. Ioffe will also receive a pro-rated bonus at target for the year of termination and a further bonus component in consisting of the highest of (w) the target bonus for the year of termination, (x) the prior year's actual discretionary bonus, or (y) the average of the two prior year's actual discretionary bonuses.

In connection with the Ioffe Employment Agreement, Mr. Ioffe entered into a restrictive covenant agreement that provides for confidentiality and non-disparagement restrictions and that he will not engage in any business that competes with the Company or its affiliates, and he will not solicit or hire employees, consultants or members of Virtu Operating, its subsidiaries or its affiliates during his employment and for a period of 12 months thereafter.

There are no arrangements or understandings between Mr. Ioffe and any other persons pursuant to which he was selected as an officer. Mr. Ioffe has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing description does not purport to be a complete statement of the parties' rights and obligations under the Ioffe Employment Agreement. The above description is qualified in its entirety by reference to the full text thereof, which will be filed as an exhibit to the Company's next quarterly report on Form 10-Q.

In connection with Mr. Molluso's departure, the Company and Mr. Molluso entered into a separation agreement and release of claims (the "Molluso Separation Agreement") that, among other things, provides Mr. Molluso, in exchange for signing a release of claims in favor of the Company and his agreement to comply with restrictive covenants in accordance with his existing employment letter and related documentation, with (i) a lump sum separation payment of \$1,250,000 (ii) payment of 75% of the premiums to continue Mr. Molluso's health care coverage for 6 months.

The foregoing description does not purport to be a complete statement of the parties' rights and obligations under the Molluso Separation Agreement. The above description is qualified in its entirety by reference to the full text thereof, which will be filed as an exhibit to the Company's next quarterly report on Form 10-Q.

Chief Operating Officer Appointment

On September 4, 2019, Virtu announced the appointment of Brett Fairclough to serve as the Company's Chief Operating Officer and Global Head of Business Development, effective immediately.

Mr. Fairclough, 36, has been an employee of the Company and its predecessors since 2007, previously serving as the Company's Managing Director of Asia Pacific and Chief Executive Officer of Virtu Singapore Pte. Ltd., the Company's Singapore based subsidiary, since 2014. Prior to this role, he served as Chief Compliance Officer of the Company's broker-dealer subsidiaries. Mr. Fairclough received a B.A. from University of California at Los Angeles.

On April 17, 2019, the Company entered into an employment letter agreement (the "Fairclough Employment Agreement") with Mr. Fairclough on an "at will" employment basis.

The Fairclough Employment Agreement provides that Mr. Fairclough will be employed by Virtu Operating. Under the Fairclough Employment Agreement, Mr. Fairclough's minimum annual base salary is \$160,452 per year and he is eligible to receive an annual bonus and equity award in accordance with the Company's incentive and equity plans as in effect from time to time and annual equity grants on terms and conditions determined by the Company.

In connection with the Fairclough Employment Agreement, Mr. Fairclough entered into a restrictive covenant agreement that provides for confidentiality and non-disparagement restrictions and that he will not engage in any business that competes with the Company or its affiliates, and he will not solicit or hire employees, consultants or members of Virtu Operating, its subsidiaries or its affiliates during his employment and for a period of thirty-six months thereafter. He is also subject to similar restrictive covenants under the limited liability company agreement of Virtu Employee Holdco (as amended and restated, "Virtu Employee Holdco Limited Liability Company Agreement") with a three-year post-employment period. Additionally, in connection with his relocation from Singapore, Mr. Fairclough and the Company entered into a letter agreement and supplemental letter agreement regarding certain benefits and relocation support related to his expatriate assignment and relocation.

There are no arrangements or understandings between Mr. Fairclough and any other persons pursuant to which he was selected as an officer. Mr. Fairclough has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing description does not purport to be a complete statement of the parties' rights and obligations under the Fairclough Employment Agreement. The above description is qualified in its entirety by reference to the full text thereof, which will be filed as an exhibit to the Company's next quarterly report on Form 10-Q.

Chief Accounting Officer Appointment

On September 4, 2019, Virtu appointed Hyungtaek (Henry) Kim to serve as the Company's Chief Accounting Officer, effective immediately.

Mr. Kim, 33, has been an employee of the Company and its predecessors since 2011, serving in roles of increasing responsibility including as Financial Operating Principal of the Company's broker-dealer subsidiaries. Mr. Kim received a B.S. from Lehigh University and an M.B.A. from Columbia University.

On March 26, 2011, the Company entered into an employment letter agreement (the "Kim Employment Agreement") with Mr. Kim on an "at will" employment basis. The Kim Employment Agreement provides that Mr. Kim will be employed by Virtu Operating. Mr. Kim's annual base salary is currently \$175,000 per year and he is eligible to receive an annual bonus and equity award in accordance with the Company's incentive and equity plans as in effect from time to time and annual equity grants on terms and conditions determined by the Company.

In connection with the Kim Employment Agreement, Mr. Kim entered into a restrictive covenant agreement that provides for confidentiality and non-disparagement restrictions and that he will not engage in any business that competes with the Company or its affiliates, and he will not solicit or hire employees, consultants or members of Virtu Operating, its subsidiaries or its affiliates during his employment and for a period of eighteen months thereafter. He is also subject to similar restrictive covenants under the Virtu Employee Holdco Limited Liability Company Agreement with a three-year post-employment period.

There are no arrangements or understandings between Mr. Kim and any other persons pursuant to which he was selected as an officer. Mr. Kim has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing description does not purport to be a complete statement of the parties' rights and obligations under the Kim Employment Agreement. The above description is qualified in its entirety by reference to the full text thereof, which will be filed as an exhibit to the Company's next quarterly report on Form 10-Q.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Virtu Financial, Inc., dated September 4, 2019.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

EXHIBIT INDEX

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

VIRTU FINANCIAL, INC.

By: /s/ JUSTIN WALDIE

Name: Justin Waldie

Title: *Senior Vice President, Secretary and General Counsel*

Dated: September 6, 2019



Virtu Announces Expansion of Executive Team and CFO Transition

NEW YORK, NY, September 4, 2019 – Virtu Financial, Inc. (NASDAQ: VIRT), a leading provider of financial services and products that leverages cutting edge technology to deliver liquidity to the global markets and provide execution services and data, analytics and connectivity products, today announced new executive hires and changes to its leadership team.

“These appointments and new hires are a testament both to Virtu’s deep bench of internal talent and our ability to retain and attract industry leaders,” said Virtu’s Chief Executive Officer, Douglas A. Cifu. “As Virtu executes on its mission to deliver valuable trading products and services across its multi-asset global platform, the strengthening of our executive team enables us to expand our reach while maintaining the operational excellence necessary to drive our business to new heights.”

The following leaders join Virtu’s executive leadership team:

Brett Fairclough has been promoted to Chief Operating Officer and Global Head of Business Development at Virtu, where he has worked since 2007. He led our Asia Pacific operations from 2014-2019 and was the Chief Compliance Officer of Virtu’s broker-dealer subsidiaries from 2012-2014. In his previous roles, Brett worked closely with exchanges and other industry participants to foster the growth and development of securities markets globally. Mr. Fairclough attended the University of California at Los Angeles.

“Brett has served Virtu in numerous roles over the last 12 years and has consistently raised the standard of excellence across the firm with operational rigor and deep market structure expertise,” said Mr. Cifu. “We are pleased to have him returning to New York in this executive leadership role.”

Alex Ioffe will be joining Virtu as its Chief Financial Officer, effective September 30, 2019. Alex will succeed Joseph Molluso, Virtu’s current Chief Financial Officer since 2013, who has decided to depart Virtu following a transition period in order to pursue other interests. Alex has almost 20 years of experience within the electronic brokerage industry and over 25 years’ experience in financial leadership roles, including most recently as the Chief Financial Officer of the U.S. broker-dealer subsidiary of Interactive Brokers Group, Inc. He previously served in senior financial roles at Datek and Bertelsmann and as an information technology consultant at Accenture. Mr. Ioffe attended Lehigh University and earned an M.B.A. from Columbia University.

“Virtu is delighted to welcome Alex to our senior management team and we look forward to benefiting from his deep expertise in financial leadership as Virtu continues to mature as an organization,” said Mr. Cifu. “After six years at Virtu, Joe has decided to pursue other interests. We thank Joe for his dedicated leadership and the instrumental role he played in our successful public offering, the KCG and ITG acquisitions, and in expanding the scope of the firm globally. We wish him well in his future endeavors.”

Marc Rosenthal joins Virtu’s executive team as Executive Vice President of Strategy and Corporate Development. Prior to joining Virtu, Marc was a Managing Director in Morgan Stanley’s Equity Division and a senior member of the electronic trading management team. During his more than 22 years at Morgan Stanley, Marc’s responsibilities included MS’s global liquidity strategy across its global venues and managing several of MS’s successful strategic investments. Mr. Rosenthal attended Yeshiva University.



“We are thrilled to have Marc join our team to lead corporate and strategic development. Marc brings a deep understanding of industry dynamics and deal skills that add significant value to Virtu as we continue to seek growth opportunities,” said Mr. Cifu.

Hyungtaek (Henry) Kim has been promoted to Chief Accounting Officer. Henry has worked at Virtu since 2011, serving in roles of increasing responsibility, including Financial Operations Principal of Virtu’s broker-dealer subsidiaries. Mr. Kim attended Lehigh University and received an M.B.A. from Columbia University.

“Henry’s financial acumen and comprehensive understanding of our global operations contribute significant value to Virtu. His appointment as CAO ensures continuity of leadership within our finance and accounting team as Virtu continues its evolution,” said Mr. Cifu.



About Virtu Financial, Inc.

Virtu is a leading provider of financial services and products that leverages cutting-edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to its clients. Leveraging its global market making expertise and infrastructure, Virtu provides a robust product suite including offerings in execution, liquidity sourcing, analytics and broker-neutral, multi-dealer platforms in workflow technology. Virtu's product offerings allow clients to trade on hundreds of venues across 50+ countries and in multiple asset classes, including global equities, ETFs, foreign exchange, futures, fixed income and myriad other commodities. In addition, Virtu's integrated, multi-asset analytics platform provides a range of pre and post-trade services, data products and compliance tools that clients rely upon to invest, trade and manage risk across global markets.

Cautionary Note Regarding Forward-Looking Statements

This press release may contain "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements regarding Virtu Financial, Inc.'s ("Virtu's", the "Company's" or "our") business that are not historical facts are forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved. The Company assumes no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, and if the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. Forward-looking statements are based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties, some or all of which are not predictable or within Virtu's control, that could cause actual performance or results to differ materially from those expressed in the statements. Those risks and uncertainties include, without limitation: fluctuations in trading volume and volatilities in the markets in which we operate; the ability of our trading counterparties and various clearing houses to perform their obligations to us; the performance and reliability of our customized trading platform; the risk of material trading losses from our market making activities; swings in valuations in securities or other instruments in which we hold positions; increasing competition and consolidation in our industry; the effect of the acquisition of Investment Technology Group, Inc. ("ITG") on existing business relationships, operating results, and ongoing business operations generally; the significant costs and significant indebtedness that we have incurred and expect to incur in connection with the acquisition of ITG; the risk that we may encounter significant difficulties or delays in integrating the two businesses and the anticipated benefits, cost savings and synergies or capital release may not be achieved; the assumption of potential liabilities relating to ITG's business; the risk that cash flow from our operations and other available sources of liquidity will not be sufficient to fund our various ongoing obligations, including operating expenses, capital expenditures, debt service and dividend payments; regulatory and legal uncertainties and potential changes associated with our industry, particularly in light of increased attention from media, regulators and lawmakers to market structure and related issues; potential adverse results from legal or regulatory proceedings; our ability to remain technologically competitive and to ensure that the technology we utilize is not vulnerable to security risks, hacking and cyber-attacks; risks associated with third party software and technology infrastructure. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in forward-looking statements, see Virtu's Securities and Exchange Commission filings, including but not limited to Virtu's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC.

CONTACT

Media

Andrew Smith
Virtu Financial, Inc.
(212) 418-0195
media@virtu.com