
**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): **April 30, 2020**

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 May 4, 2020, 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.

Appointment of Co-Presidents and Co-Chief Operating Officers

The Company announced the appointments of Brett Fairclough and Joseph Molluso as Co-Presidents and Co-Chief Operating Officers.

Mr. Fairclough, 37, was previously promoted to Chief Operating Officer and Global Head of Business Development at Virtu in September of 2019, where he has worked since 2007. He previously served as Managing Director of Asia Pacific and Chief Executive Officer of Virtu Singapore Pte. Ltd., the Company’s Singapore based subsidiary, since 2014 and served as the Chief Compliance Officer of Virtu’s broker-dealer subsidiaries from 2012-2014. Mr. Fairclough received a B.A. from University of California at Los Angeles.

On February 26, 2020, the Company entered into an amended and restated employment letter agreement (the “Fairclough Employment Agreement”) with Mr. Fairclough which was described in a current report on Form 8-K filed on February 26, 2020 and which was filed as an exhibit to the Company’s annual report on Form 10-K on the same date, each of which is incorporated herein by reference.

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.

Mr. Molluso, 51, will rejoin the Company as of a date to be agreed in June 2020 after having previously served as the Company’s Chief Financial Officer from 2013 until October 2019. Mr. Molluso has served as the Chief Financial Officer of Capitolis since October 2019. Prior to joining Virtu in 2013, Mr. Molluso was a Managing Director in Investment Banking at J.P. Morgan from March 2006 to November 2013 and previously at Donaldson, Lufkin & Jenrette and its successor, Credit Suisse. Mr. Molluso received his M.B.A. from New York University in 1997 and his B.B.A. from Pace University in 1991.

In connection with Mr. Molluso’s appointment as Co-President and Co-Chief Operating Officer, on April 30, 2020, the Company entered into an employment letter agreement (the “Molluso Employment Agreement”) with Mr. Molluso pursuant to which Mr. Molluso will be employed by the Company’s subsidiary, Virtu Financial Operating LLC (“Virtu Operating”). Under the Molluso Employment Agreement, Mr. Molluso’s annual base salary will be \$500,000 per year, and Mr. Molluso will be eligible to receive annual bonuses with a minimum bonus opportunity equal to \$2,000,000 for the year ended December 31, 2020 and \$1,500,000 for subsequent periods during the Term (as defined below) and a maximum bonus opportunity equal to \$2,500,000. Eighty percent (80%) of the annual bonus will be based on the achievement of quantitative targets set the Company’s Chief Executive Officer together with the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”) and twenty percent (20%) of the annual bonus will be based on the achievement of qualitative goals set by the Company’s Chief Executive Officer together with the Compensation Committee. To the extent earned, such annual bonuses shall be payable in cash and equity awards in proportions determined by the Company but which are currently expected to be 40% in cash and 60% in restricted stock units, which shall be 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, in the form previously filed with the SEC as Exhibit 10.2 to the Company’s annual report on Form 10-K for the year ended December 31, 2019. Mr. Molluso will also be eligible to receive annual equity awards as determined by the Compensation Committee together with the Company’s Chief Executive Officer.

Mr. Molluso will also each receive a special long term equity award in the form of 150,000 restricted shares of the Company’s Class A common stock that are subject to performance and service conditions, vesting in three annual installments. The number of shares earned under the long term equity award will be based on the percentage of budgeted EBITDA achieved in each applicable calendar year during the vesting period, with a minimum of 50% of shares for a given installment earned upon at least 70% achievement for the applicable year, and 100% of shares for a given installment earned upon at least 75% achievement for the applicable year, subject also to the terms and conditions of the Company’s Amended and Restated 2015 Management Incentive Plan and the terms of a separate award agreement, in the form previously filed with the SEC as Exhibit 10.2 to the Company’s annual report on Form 10-K for the year ended December 31, 2019.

In consideration of certain compensation otherwise expected to be earned by Mr. Molluso from his former employer but expected to be forfeited in connection with the commencement of his employment with the Company. Mr. Molluso will also receive a special cash bonus in the amount of \$2,500,000 and a special equity award in the form of 200,000 restricted stock units 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.

The Molluso Employment Agreement has a term of three years, with automatic one-year renewal periods unless either party elects not to renew (the "Term").

Under the Molluso Employment Agreement, if Mr. Molluso's employment is terminated by Virtu Operating without cause or by Mr. Molluso for good reason (each, a "Qualifying Termination"), then in addition to receiving his accrued amounts, Mr. Molluso will be entitled to, subject to the execution of a release of claims, then in addition to receiving his accrued amounts, Mr. Molluso will be entitled to, subject to the execution of a release of claims, a lump sum payment of the greater of (a) one times his base salary or (b) the amount of base salary that would have been paid through end of the Term but for the termination, plus the acceleration of certain unvested amounts under his special awards. 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. Molluso will receive a lump sum payment equal to two times the sum of (a) Mr. Molluso's base salary plus (b) the total annual bonus most recently awarded to Mr. Molluso, plus the acceleration of certain unvested amounts under his special awards.

The Molluso Employment Agreement also provides for certain non-competition, non-solicitation, non-disparagement, intellectual property assignment and confidentiality obligations applicable to Mr. Molluso.

There are no arrangements or understandings between Mr. Molluso and any other persons pursuant to which he was selected as an officer. Mr. Molluso 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 Molluso 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

Exhibit No.	Description
<u>99.1</u> 104	<u>Press release of Virtu Financial, Inc., dated May 4, 2020.</u> The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

EXHIBIT INDEX

Exhibit No.	Description
<u>99.1</u> 104	<u>Press release of Virtu Financial, Inc., dated May 4, 2020.</u> The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

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: May 5, 2020

Virtu Announces Appointments of Co-Presidents and Expansion of Management Team

NEW YORK, May 4, 2020 (GLOBE NEWSWIRE) -- 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 it has appointed Mr. Brett Fairclough and Mr. Joseph Molluso as Co-Presidents and Co-Chief Operating Officers of Virtu Financial. Mr. Molluso will re-join Virtu after a brief period away from the company.

Mr. Fairclough was promoted to Chief Operating Officer and Global Head of Business Development at Virtu in September of 2019, 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.

"Since assuming his expanded role last year, Brett has excelled in applying his market knowledge and expertise in driving results at Virtu," said Douglas Cifu, Chief Executive Officer of Virtu.

Mr. Molluso rejoins Virtu after having served as its Chief Financial Officer from 2013 until October 2019. During his tenure as CFO, Mr. Molluso provided overall leadership to Virtu and played a key role in Virtu's Initial Public Offering as well as the successful acquisitions and integrations of KCG Holdings, Inc. and Investment Technology Group, Inc.

"We are very pleased Joe is rejoining Virtu. His significant knowledge of Virtu from his many successful years at the company will allow him to have an immediate impact in his expanded role. Joe will join Brett as Co-President and Co-COO, Steve Cavoli our Global Head of Execution Services and the management team as we work to continue growing our businesses," said Cifu.

Messrs. Cavoli, Fairclough and Molluso will report directly to Virtu's CEO, Douglas Cifu.

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: risks relating to the COVID-19 pandemic, including the possible effects of the economic conditions worldwide resulting from the COVID-19 pandemic and governmental and other responses thereto; 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 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.

About Virtu Financial, Inc.

Virtu is a leading financial services firm that leverages cutting-edge technology to provide execution services and data, analytics and connectivity products to its clients and deliver liquidity to the global markets. 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.

Contact

Investor Relations

Deborah Belevan, CPA, IRC
Virtu Financial, Inc.
investor_relations@virtu.com

Media Relations

Andrew Smith
media@virtu.com
