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

DIVISION OF
CORPORATION FINANCE

December 2, 2025

David S. Huntington
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064

Re: **Virtu Americas LLC**
Request for Waiver of Disqualification Pursuant to Rule 506(d)(2)(ii) of Regulation D

Dear David S. Huntington:

This is in response to your letter dated November 21, 2025 ("Waiver Letter"), written on behalf of Virtu Americas LLC ("Virtu"), requesting a waiver of the disqualification arising under Rule 506 of Regulation D of the Securities Act of 1933 as a result of entry of a settlement and final judgment (the "Judgment") against Virtu on December 2, 2025 in the United States District Court for the Southern District of New York relating to the complaint filed by the Commission on September 12, 2023 against Virtu and Virtu Financial Inc., in *SEC v. Virtu,* et al., (No. 1:23-cv-08072-JGK).

Based on the facts and representations set forth in the Waiver Letter, we have determined that Virtu has made a showing of good cause under Rule 506(d)(2)(ii) that it is not necessary under the circumstances to deny it reliance on Rule 506 by reason of the entry of the Judgment. Any different facts from those represented or Virtu's failure to comply with the Judgment would require us to revisit our determination that good cause has been shown and could constitute grounds to revoke or further condition the waiver. The Commission reserves the right, in its sole discretion, to revoke or further condition this waiver under those circumstances.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Sincerely,

/s/ M. Hughes Bates

M. Hughes Bates
Chief, Office of Enforcement Liaison
Division of Corporation Finance

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November 21, 2025

BY E-MAIL

Office of Enforcement Liaison
Division of Corporate Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-3628

Re: *SEC* v. *Virtu*, No. 23-cv-8072 (S.D.N.Y.) (JGK)
Request for Waiver of Disqualification under Rule 506(d) of Regulation D

Dear Office of Enforcement Liaison:

We submit this letter on behalf of our clients Virtu Americas LLC ("VAL") and Virtu Financial, Inc. ("VFI," and together with VAL, the "Settling Persons"), in connection with a settlement between the Settling Persons and the Securities and Exchange Commission (the "Commission") in the above-referenced civil action (the "Action").

On behalf of VAL, we respectfully request a waiver of any disqualification arising under Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as a result of the entry of the Final Judgment (as defined below) in the Action.

BACKGROUND

VAL is a registered broker-dealer and a subsidiary of VFI. VAL's operating activities include execution services on behalf of institutions, banks and broker-dealers, market making in domestic equities, options, exchange traded funds and fixed income securities, placement agent services and other broker-dealer services.

The Commission commenced this Action against the Settling Persons on September 12, 2023, and filed an amended complaint on January 12, 2024 (the "Amended

Complaint"). The Amended Complaint alleges that VAL violated Section 15(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by allowing certain employees to have access to potentially non-permissioned data that constituted material, nonpublic information stored in VAL's Financial Services Database (the "FS Database"), via shared accounts that did not require unique log-in credentials, during the period between January 2018 and April 2019 (the "Relevant Period"). [1]

Since the filing of the Amended Complaint, the Settling Persons have engaged in settlement discussions with the Staff of the Division of Enforcement and have agreed to a settlement in principle, pursuant to which the Settling Persons consented to the entry of a judgment in the Action (the "Final Judgment") in the United States District Court for the Southern District of New York, without admitting or denying the allegations in the Amended Complaint (except as otherwise expressly provided in Defendants' Amended Answer). The Final Judgment enjoins VAL from violating Section 15(g) of the Exchange Act and require VAL to pay a civil penalty of $2,500,000.

DISCUSSION

VAL understands that, absent a waiver, entry of the Final Judgment would disqualify VAL from participating in offerings otherwise exempt under Rule 506 of Regulation D. The Commission has the authority to waive this disqualification upon a showing of good cause that such disqualification is not necessary under the circumstances. 17 C.F.R. § 230.506(d)(2)(ii). The Commission has delegated this authority to the Division of Corporation Finance (the "Division"), but retains the authority to consider and review actions taken pursuant to this delegated authority. 17 C.F.R. § 200.30-1(c).

As the Division has outlined, among the factors considered in deciding whether a waiver should be granted are: (i) the nature of the violation and whether it involved the offer and sale of securities; (ii) whether the conduct involved a criminal conviction or scienter-based violation, as opposed to a civil or administrative non-scienter-based violation; (iii) the duration of the misconduct; (iv) the party responsible for the misconduct; (v) what remedial steps have been taken; and (vi) the impact on the applicant and third parties if the waiver is denied.[2]

For the reasons described below, VAL believes there is good cause for granting the requested waivers.

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1 The Amended Complaint also alleges that VAL and VFI violated Sections 17(a)(2) and 17(a)(3) of the Securities Act by making false or misleading statements or omissions in connection with VAL's information barriers in communications with customers and investors during the Relevant Period. These claims have been dismissed in the Final Judgment without a violation finding or injunction.

2 U.S. Securities and Exchange Commission, Division of Corporation Finance, *Waivers of Disqualification under Regulation A and Regulation D* (updated Apr. 2, 2025).

1. <u>The Alleged Misconduct Did Not Involve the Offer and Sale of Securities</u>.

The conduct referenced in the Amended Complaint did not involve the offer or sale of securities. The violations in the Amended Complaint arise in connection with deficiencies in VAL's information barriers to prevent the misuse of certain information contained in post-trade data, through the way such data was stored and accessed in VAL's FS Database.

2. <u>The Alleged Misconduct Was Not Scienter-Based and Did Not Result in a Criminal Conviction</u>.

The conduct referenced in the Amended Complaint is not scienter-based and will not result in a criminal conviction, and therefore is not subject to the heightened burden to show good cause in connection with scienter-based violations and criminal convictions.

3. <u>The Alleged Misconduct Was of Limited Duration</u>.

The Relevant Period is from January 2018 through April 2019—approximately 16 months in total length.

4. <u>Responsibility for the Alleged Misconduct</u>

Following VFI's acquisition of VAL's previous ultimate parent company in July 2017, VAL began the process of importing post-trade execution data into the FS Database in January 2018. The access control issue, which arose from the possibility that certain traders had potential access to non-permissioned data in the FS Database via a shared account login, occurred in the period thereafter, from January 2018 to April 2019 (when the issue was successfully resolved). The access control issue does not reflect any broader organizational deficiency beyond the specific issue of account access management that occurred in the period after the acquisition of VAL's previous ultimate parent company, and was not caused or prolonged by any systematic failures in the broader culture, control or procedures of VAL or VFI to maintain customer confidentiality and information security barriers. No members of senior management of VAL or VFI directed, condoned, or participated in the conduct.

The conduct occurred at VAL and does not reflect any organizational, systematic or management-level deficiency in the broader culture, control or procedures of VAL or VFI.

5. <u>The Settling Persons Self-Identified and Remediated the Issue Underlying the Alleged Misconduct Before the Commission Brought Suit</u>.

Before the Commission initiated this Action and its preceding investigation, VAL self-identified the access control issue, and successfully developed and implemented measures to fully resolve the issue more than six years ago.

In late August 2018, VAL identified that certain employees had the potential ability to access non-permissioned data on the FS Database, through "view only" accounts shared among employees that do not require any unique login credentials. Following identification of the potential issue, VAL's developers promptly began developing technical solutions to resolve the issue and ensure that only appropriately permissioned information would be displayed in response to a direct database query by any given employee. The development of a feasible solution was complicated by the need to impose additional permissioning restrictions while concurrently keeping the FS Database functional and running. The remediation process, which entailed the development, repeat testing, troubleshooting, refinement, and implementation of such developed solutions took a total of eight months and lasted from August 2018 through the early months of 2019.

On April 4, 2019, VAL successfully implemented a comprehensive solution that applied the same permissioning scheme to all employee access requests to the FS Database, whether through a "view only" shared account or individual account login. Post remediation, the system only displayed data consistent with each user's permissioning status and restrictions, and all employees are since effectively blocked from accessing or viewing non-permissioned data. VAL successfully performed testing in connection with the implementation of this solution to confirm that the new permissioning coding was effective. The Amended Complaint does not assert that any potential access to non-permissioned data continued at VAL post April 2019.

Throughout the Relevant Period, and even before VAL's self-identification and remediation of the access control issue, VAL's policies, procedures and trainings have always prohibited employees from accessing non-permissioned data regardless of technical access. VAL had also had additional checks in place to ensure no trader utilized improperly accessed client data, including post-trade execution reports, automatic lockdowns triggered by pre-approved parameters and hedge trading strategies designed to detect aberrational trading via additional supervisory involvement. After VAL successfully remediated the access control issue in April 2019, VAL conducted internal reviews that encompassed trading scripts, emails, internal posts and other documents, as well as trader interviews, and uncovered no evidence that any non-permissioned employee attempted to utilize non-permissioned data during the Relevant Period. The Amended Complaint does not assert that any customer trading data was actually misused, deliberately or otherwise. Nor is VAL aware of any evidence that any investor or market has suffered resulting financial harms.

6. Disqualification Could Have a Disproportionate Impact upon VAL and Investors.

In the absence of a waiver, VAL would be disqualified from relying on the exemption in Regulation D for five years. Such disqualification would prevent VAL from serving as a compensated solicitor in private placement transactions relying on Rule 506 exemptions. This could result in a disproportionate impact upon both VAL and the third-party investors it serves.

VAL is engaged in a variety of broker-dealer activities, including advising clients as a placement agent in a wide range of capital raising transactions. Clients routinely engage in and/or intend to engage in private placement offerings as part of their ordinary course of business, and they may look to VAL to rely upon Regulation D exemptions whenever the situation requires. The inability for VAL to participate in private placements relying on

Regulation D could disadvantage VAL vis-à-vis its competitors, and could ultimately result in financial and reputational harm to VAL's broker-dealer business. It could also adversely affect the interests of VAL's current clients and investors in those clients, should any such clients have immediate need of private placement assistance.

In addition, VAL maintains an active and ongoing business strategy as an acquirer of other entities in the market making and brokerage services businesses. Absent a waiver, VAL could be unable to effectively engage with any target acquiree companies that assist in or plan to assist in Regulation D private placement offerings. This restriction could impact VAL's ability to act as an attractive and strategic acquirer of broker-dealer businesses, and could cause disproportionate harm to VAL's business and to investors in VAL's affiliate companies, including VFI.

REQUEST FOR WAIVER

In light of the grounds for relief discussed above, and under the specific and unique facts and circumstances presented here, we believe that disqualification is not necessary for the protection of investors, and that good cause has been shown that relief should be granted. Accordingly, we respectfully request that the Division or the Commission, pursuant to Rule 506(d)(2)(ii) of the Securities Act, determine that VAL has met its burden to show good cause, and that it is not necessary under the circumstances that the Regulation D exemptions be denied.

Please do not hesitate to contact me at (212) 373-3124 should you have any questions regarding this request.

Sincerely,

David S. Huntington

David S. Huntington

cc: Tom Merritt, Virtu Financial, Inc.
Justin Waldie, Virtu Financial, Inc.