



Virtu Financial

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September 21, 2016

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Proposed Rule Change to Adopt the CHX Liquidity Taking Access Delay.

Dear Ms. Murphy:

Virtu Financial LLC (together with its affiliates, “Virtu” or “we”) is submitting this letter to share our views about the Proposed Rule Change to Adopt the CHX Liquidity Taking Access Delay (“LTAD Proposal”). In light of the continuing changes in our markets in recent months and the dynamic nature of market structure, we think it is important to consider the LTAD Proposal and other policy changes in the broader context of the US equity markets.

By way of background, Virtu is a leading technology-enabled market-maker and liquidity provider to the global financial markets, operating from offices in New York, Austin, Singapore and Dublin. Our affiliate, Virtu Financial BD, LLC, (“VFBD”) operates as a market-maker across numerous exchanges in the U.S., is a member of all U.S. registered stock exchanges including the CHX. As such, CHX is the designated examining authority for VFBD. Another Virtu affiliate, Virtu Financial Capital Markets, LLC, is a Designated Market Maker on the floor of the New York Stock Exchange.

Virtu provides liquidity in more than 12,000 instruments on more than 235 venues and market places, and seeks to provide liquidity across all liquid instruments traded on transparent electronic markets globally. As such, Virtu does not favor any

particular exchange or market structure but broadly supports innovation and enhancements to transparency and fairness which benefit all marketplace participants.

We believe that while the U.S. equity markets continue to be among the most robust, transparent and fair markets in the world, they can be further improved for all stakeholders with measures that enhance investor confidence, facilitate price discovery and encourage healthy marketplace competition. It is for these reasons we applauded the improvements made by IEX to enhance the vibrancy of the market.

For the same reasons, we ask the Commission to consider the LTAD proposal favorably. We believe that the LTAD will effectively protect resting limit orders submitted by all market participants from those using speed advantages for the sole purpose of removing “stale” quotes on the CHX order book in Chicago or New Jersey data centers. As a result, market participants will be more inclined to post larger displayed orders at better prices on CHX with confidence that their orders will not be “picked off” by speed arbitrageurs. This will enhance displayed liquidity available to institutional investors, in fact all investors, without limiting their ability to access liquidity. We believe that the LTAD will also improve price discovery in NMS securities on lit, protected exchanges.

In conclusion, we urge the SEC to approve the LTAD Proposal and believe that it is a positive marketplace innovation that enhances liquidity provision.

We appreciate this opportunity to share our views on these important issues and would be pleased to discuss in further detail as and when appropriate.

Sincerely,



Douglas A. Cifu
Chief Executive Officer
Virtu Financial