



## **Virtu Financial LLC**

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August 18, 2017

Brent J. Fields  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: Proposed Rule Change to Adopt a Fee Schedule to Establish the Fees for Industry Members Related to National Market System Plan Governing the Consolidated Audit; Order Instituting Proceedings to Determine Whether to Approve or Disapprove Rule Changes to Establish Fees for Industry Members to Fund the Consolidated Audit Trail (“CAT”) Release No. 34-81067.

Dear Mr. Fields:

Virtu Financial LLC (together with its affiliates, “Virtu” or “we”) is submitting this letter to share our views about the proposal filed by the Plan Participants to the CAT NMS Plan (“the CAT Fee Proposal” or “Proposal”). We commend the Securities and Exchange Commission (“Commission”) for suspending effectiveness of the CAT Fee Proposal and for instituting proceedings to determine whether to approve the proposal.

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 affiliates, Virtu Financial BD LLC, Virtu Financial Capital Markets LLC, and Virtu Americas LLC are members of numerous exchanges in the U.S. We leverage cutting edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to our clients. As a market maker, Virtu provides deep liquidity that creates more efficient markets around the world.

Our market structure expertise, broad diversification, and execution technology enables us to provide competitive bids and offers in over 19,000 securities, at over 235 venues, in 36 countries worldwide.

We believe that the U.S. equity markets are among the most robust, transparent and fair markets in the world, and they play a major role in enhancing investor confidence, facilitating price discovery and encouraging healthy marketplace competition.

We support the overall goals of the CAT NMS Plan and agree that it is important for SROs to have a consolidated audit trail that is complete, accurate, timely and easily accessible to the SROs for analysis and surveillance. However, we respectfully submit that the CAT NMS Plan will ultimately prove useful only if it reduces duplicative retention requirements by providing access to the owners of the data and eliminates overlapping audit trails and reporting requirements, thereby reducing costs.

Under the CAT Fee Proposal, broker-dealers are expected to pay in excess of 80% of the cost of building and operating CAT according to the Proposal's tiering methodology. In that context, it is important that any new fees are thoroughly examined and analyzed prior to approval. It is equally important that the cost of building and operating the CAT is equitably allocated among the SROs and the broker-dealers.

We appreciate the opportunity to comment on the proposed rule change and encourage additional analysis to help ensure equitable allocation of the CAT costs.

Sincerely,



Joseph Molluso  
Executive Vice President and CFO  
Virtu Financial