

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
INITIAL OPERATION REPORT, AMENDMENT TO INITIAL OPERATION REPORT AND
CESSATION OF OPERATIONS REPORT FOR ALTERNATIVE TRADING SYSTEMS

Date filed
(MM/DD/YY):
01/29/19

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WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of alternative trading systems would violate the federal securities laws and may result in disciplinary, administrative or criminal action.
INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS

INITIAL OPERATION REPORT AMENDMENT TO INITIAL OPERATION REPORT CESSATION OF OPERATIONS REPORT

1. Exact name, principal business address, mailing address, if different, and telephone number of alternative trading system:

A. Full name of alternative trading system (if sole proprietor, last, first and middle name):
POSIT

B. Name(s) under which business is conducted, if different from Item 1A:
N/A

C. CRD Number: 29299

D. SEC File No.: 8-044218

E. If this filing makes a name change on behalf of the alternative trading system, enter the previous name and specify whether the name change is of the _____ alternative trading system name (1A), or _____ business name (1B):

Previous name: _____

F. Alternative trading system's main street address (Do not use a P.O. Box):

One Liberty Plaza, 4th Floor, 165 Broadway

New York, New York 10006

G. Mailing address (if different):

H. Business telephone and facsimile number:

(Telephone) (Facsimile)

I. Contact employee:

(Name and Title) (Telephone Number) (Facsimile)

EXECUTION: The alternative trading system consents that service of any civil action brought by, or notice of any proceeding before, the SEC or a self-regulatory organization in connection with the alternative trading system's activities may be given by registered or certified mail or confirmed telegram, to the alternative trading system's contact employee at the main address, or mailing address if different given in Items 1F and 1G. The undersigned, being first duly sworn, deposes and says that he/she has executed this form on behalf of and with the authority of, said alternative trading system. The undersigned and alternative trading system represent that the information and statements contained herein, including exhibits, schedules, or other documents attached hereto, and other information filed herewith, all of which are made a part hereof, are current, true, and complete.

Date: 1/25/2019 (MM/DD/YY) ITG Inc. (Name of applicant)

By: _____ (Signature) _____ (Printed Name and Title)

Subscribed and sworn before me this 25 day of January, 2019 by _____ (Notary Public)

My Commission expires 9/6/2020 County of Queens State of New York

*This page must always be completed in full with original, manual signature and notarization.
Affix notary stamp or seal where applicable.*

DO NOT WRITE BELOW THIS LINE - FOR OFFICIAL USE ONLY

Tameka D. Franklin
Notary Public
State of New York
No. 01FR6347454
Qualified in Queens County
My Commission Expires: 09-06-2020

Form ATS Page 2	UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 INITIAL OPERATION REPORT, AMENDMENT TO INITIAL OPERATION REPORT AND CESSATION OF OPERATIONS REPORT FOR ALTERNATIVE TRADING SYSTEMS	OFFICIAL USE	OFFICIAL USE ONLY
Alternative trading system name: <u>POSIT</u>		CRD Number: <u>29299</u>	
Filing date: <u>01/29/19</u>		SEC File Number: <u>8-044218</u>	
<p>2. If this is an initial operation report, the date the alternative trading system expects to commence operation: _____</p> <p>3. Attach as Exhibit A, a description of classes of subscribers (for example, broker-dealer, institution, or retail). Also describe any differences in access to the services offered by the alternative trading system to different groups or classes of subscribers.</p> <p>4. Attach as Exhibit B:</p> <p>a. A list of the types of securities the alternative trading system trades (for example, debt, equity, listed, Nasdaq NM), or if this is an initial operation report, the types of securities it expects to trade. Note whether any types of securities are not registered under Section 12(a) of the Exchange Act of 1934 ("Exchange Act").</p> <p>b. A list of the securities the alternative trading system trades, or if this is an initial operation report, the securities it expects to trade. Note whether any securities are not registered under Section 12(a) of the Exchange Act.</p> <p>5. Attach as Exhibit C, the name, address, and telephone number of counsel for the alternative trading system.</p> <p>6. Attach as Exhibit D, a copy of the constitution, articles of incorporation or association, with all amendments, and of the existing bylaws or corresponding rules or instruments, whatever the name, of the alternative trading system. If this information is publicly available on a continuous basis on an Internet site controlled by the alternative trading system, the alternative trading system may indicate the location of the Internet web site where such information may be found in lieu of filing such information with the Commission.</p> <p>7. Attach as Exhibit E, the name of any entity, other than the alternative trading system, that will be involved in operation of the alternative trading system, including the execution, trading, clearing, and settling of transactions on behalf of the alternative trading system. Provide a description of the role and responsibilities of each entity.</p> <p>8. Attach as Exhibit F, the following information:</p> <p>a. The manner of operation of the alternative trading system;</p> <p>b. Procedures governing entry of orders into the alternative trading system;</p> <p>c. The means of access to the alternative trading system;</p> <p>d. The procedures governing execution, reporting, clearance, and settlement of transactions effected through the alternative trading system;</p> <p>e. Procedures for ensuring subscriber compliance with system guidelines; and</p> <p>f. A copy of the alternative trading system's subscriber manual and any other materials provided to subscribers.</p> <p>9. Attach as Exhibit G, a brief description of the alternative trading system's procedures for reviewing system capacity, security, and contingency planning procedures.</p> <p>10. If any other entity other than the alternative trading system, will hold or safeguard subscriber funds or securities on a regular basis, attach as Exhibit H the name of such entity and a brief description of the controls that will be implemented to ensure the safety of such funds and securities.</p> <p>11. Attach as Exhibit I, a list providing the full legal name of those direct owners reported on Schedule A of Form BD.</p>			

Exhibit A

A description of classes of Subscribers (for example, broker-dealer, institution, or retail). Also describe any differences in access to the services offered by the alternative trading system to different groups or classes of Subscribers.

ITG Inc. is the broker-dealer operator of POSIT and is wholly owned by Investment Technology Group, Inc. It is contemplated that, pursuant to the Agreement and Plan of Merger by and among Investment Technology Group, Inc., Virtu Financial, Inc. and Impala Merger Sub, Inc., dated November 6, 2018 (the “Merger Agreement”), Impala Merger Sub, Inc., which is currently a wholly owned indirect subsidiary of Virtu Financial, Inc., shall merge with and into Investment Technology Group, Inc. (the “Merger”). Upon the closing of the Merger, the broker-dealer operator, ITG Inc., will be converted to a limited liability company and will be renamed Virtu ITG LLC.¹

Upon the closing of the Merger, three broker-dealers that are currently clients of POSIT will also become affiliates under common control with ITG Inc., POSIT’s broker-dealer operator. Those three broker-dealers are: Virtu Financial Capital Markets LLC (CRD#45986); Virtu Financial BD LLC (CRD#148390); and Virtu Americas LLC (CRD#149823) (collectively, the “Virtu Broker-Dealers”). Following the closing of the Merger, the Virtu Broker-Dealers will continue to participate in POSIT as they had prior to the Merger, and as such may route orders to POSIT for customer facilitation purposes acting as agent, principal or riskless principal. Additionally, the Virtu Broker-Dealers will continue to route orders to POSIT in connection with market making and other principal trading activities not associated with customer facilitation. The entry of these proprietary orders, as described below, would occur after the later of the close of the Merger, which is expected to occur in late February or early March 2019, or 20 calendar days after the filing of this Amendment to Initial Operation Report on Form ATS.

- Virtu Financial Capital Markets LLC: This post-Merger affiliate is a U.S. broker-dealer that may enter or direct the entry of orders to POSIT on an agency basis under the MPID EWTT. The orders that are entered on POSIT are orders that Virtu Financial Capital Markets LLC routes on behalf of Virtu Americas LLC.
- Virtu Financial BD LLC: This post-Merger affiliate is a U.S. broker-dealer that may enter or direct the entry of proprietary orders that are not to facilitate customer trades to POSIT under the MPID VIRT.
- Virtu Americas LLC: This post-Merger affiliate is a U.S. broker-dealer that may enter or direct the entry of orders to POSIT on a principal basis under the MPID NITE; or on an agency or riskless principal basis, or as principal in order to facilitate a client order, under the MPIDs GFLO, VALR, or VALX. This affiliate may begin using the MPID VALX to also enter or direct the entry of proprietary orders that are not to facilitate customer trades to POSIT.

¹ Prior to the Merger, “ITG” refers to ITG Inc. Upon the closing of the Merger, “ITG” refers to Virtu ITG LLC.

Upon the closing of the Merger, POSIT clients will be able to opt out of interacting with principal orders of the Virtu Broker-Dealers placed in POSIT in connection with market making and other principal trading activities not associated with customer facilitation. See Exhibit F(d) for a description of the opt-out.

Institutions and broker-dealers that are clients of ITG are eligible to execute in POSIT, including affiliates of ITG.

Order flow from clients using the Alternative Trading System (“ATS”) (collectively, “Users”) can be broken down into four non-exclusive groups:

- **Subscriber Order flow.** Clients that access POSIT directly with a FIX connection dedicated exclusively to POSIT are considered “Subscribers” of POSIT.
- **Multi-destination Order flow.** Clients may access POSIT via FIX connections that are not dedicated exclusively to POSIT. This includes FIX connections through which clients can access destinations in addition to POSIT, which may be external (orders routed to other brokers), internal (ITG’s algorithms and Smart Order Router), or Direct Market Access (“DMA”).
- **Order flow originating from ITG Algorithms, Smart Order Routing Technology (“SOR”) and internal trading desks.** If a client submits an order to ITG’s algorithms or SOR, the respective algorithm or SOR is the POSIT “User,” not the client. ITG’s SOR routes to POSIT as an initial routing destination for IOC orders. With respect to Day Orders, POSIT positioning in the SOR routing table varies based on an empirical analysis of execution results. ITG’s algorithms may access POSIT depending on algorithm type and client instructions. Clients can opt-out of interacting with POSIT (or any other non-exchange execution venue) when using the SOR and/or ITG’s algorithms. Additionally, certain internal ITG trading desks are Users of POSIT.
- **Order flow facilitated by POSIT Alert.** ITG operates POSIT Alert (“Alert”), an indication matching system. Alert exists outside of POSIT, and identifies potential contra-side matches among participants of Alert and other conditional orders generated by institutions, broker-dealers, and child orders from ITG algorithms (collectively known as “Participants”). Alert notifies Participants of a matching opportunity so that they can submit Orders to POSIT for crossing. Following the notification of the Alert matching opportunity, POSIT will attempt to cross orders submitted to it by these Alert Participants in response to the notification with orders from other Alert Participants and other Day Orders resting in POSIT that meet certain size criteria. For additional detail on POSIT Alert, see Exhibit F(b).

Additionally, and as described further in Exhibit F, ITG may place a constraint on Users’ orders in the POSIT system to prevent trading against certain other Users based on a variety of factors, including but not limited to historical execution quality. Further, based on client request, ITG may apply limited and specially-tailored counterparty controls without disclosing the identities of the restricted counterparties and/or other confidential information of its Users.

Exhibit B

a. A list of the types of securities the alternative trading system trades (for example, debt, equity, listed, NASDAQ NM), or if this is an initial operation report, the types of securities it expects to trade. Note whether any types of securities are not registered under Section 12(a) of the Exchange Act of 1934 (“Exchange Act”).

Any NMS stock, as that term is defined in Rule 600(b)(47) of Regulation NMS, is eligible for trading through POSIT.

b. A list of the securities the alternative trading system trades, or if this is an initial operation report, the securities it expects to trade. Note whether any securities are not registered under Section 12(a) of the Exchange Act.

See above.

Exhibit C

Name, address, and telephone number of counsel for the alternative trading system.



Exhibit D

Copy of the constitution, articles of incorporation or association, with all amendments, and of the existing by-laws or corresponding rules or instruments, whatever the name, of the alternative trading system. If this information is publicly available on a continuous basis on an Internet site controlled by the alternative trading system, the alternative trading system may indicate the location of the Internet web site where such information may be found in lieu of filing such information with the Commission.

- Attachment D1: Amended Certificate of Incorporation of ITG Inc. (sponsor of POSIT) – previously provided as an Exhibit to each of the Initial Operation Report on Form ATS for the Continuous Anonymous Trading System (the original name for POSIT Now), filed January 30, 2002, and the Initial Operation Report on Form ATS for POSIT (the original name for POSIT Match), dated May 11, 1999. POSIT Now and POSIT Match have been consolidated into a single ATS, POSIT.
- Attachment D2: Bylaws of Investment Technology Group, Inc. – previously provided as an Exhibit to the Forms ATS referenced above.
- Attachment D3: Amended and Restated Bylaws of ITG Inc. (sponsor of POSIT) – previously provided as an Exhibit to the amended Form ATS filed on December 21, 2016.
- Attachment D4: Limited Liability Company Agreement of Virtu ITG LLC is included as Attachment D4, which is to become the controlling document upon the closing of the Merger.

Exhibit E

Name of any entity, other than the alternative trading system, that will be involved in operation of the alternative trading system, including the execution, trading, clearing, and settling of transactions on behalf of the alternative trading system. Provide a description of the role and responsibilities of each entity.

ITG is the broker-dealer sponsor and operator of POSIT. ITG is responsible for executing all trades matched by POSIT. Support functions for POSIT may be performed by shared compliance, legal, operations, technology, and other support personnel of ITG or its affiliates. ITG also is responsible for clearing and settling the majority of POSIT trades. In certain circumstances, POSIT trades may be cleared by National Financial Services LLC; trades may also clear and settle via a “step-out” arrangement with another party.

Exhibit F – Equity Trading

- (a) **Manner of Operation of the Alternative Trading System**
- (b) **Procedures Governing Entry of Orders into the Alternative Trading System**
- (c) **Means of Access to the Alternative Trading System**
- (d) **Procedures Governing Execution, Reporting, Clearance, and Settlement of Transactions Effected through the Alternative Trading System**
- (e) **Procedures for Ensuring Subscriber Compliance with System Guidelines**
- (f) **Copy of the Alternative Trading System’s Subscriber Manual and any Other Materials Provided to Subscribers**

(a) Manner of Operation of the Alternative Trading System

POSIT is an equity crossing system operated by ITG. POSIT is an alternative trading system that offers confidentiality of client orders and liquidity in a continuous trading environment, supplemented by certain types of matches as described below. POSIT will generally allocate trades for matching in equity securities on a size *pro rata* basis for price-eligible orders, as detailed in Section (d) below.

Any institutional client, broker-dealer client, or affiliate of ITG is eligible to become a POSIT User. ITG employs system controls and imposes constraints on certain orders that may prevent the interaction between certain types of User orders. The motivations for these controls are to: (1) protect User orders from adverse selection, gaming, and/or potential market manipulation; (2) ensure the stability of POSIT’s order handling and execution systems; and (3) maintain the quality and integrity of POSIT’s liquidity pool. These measures are primarily employed to secure best execution for all User orders, which is a paramount consideration of ITG and POSIT.

Transactions in POSIT are executed using a Regulation NMS-compliant National Best Bid and Offer (“NBBO”) constructed from a combination of direct market data feeds from third party vendors and market data disseminated by the Securities Information Processors (“SIPs”).

If the direct market data feeds cannot be reliably obtained from one or more exchanges, ITG may switch to the SIP market data feeds for the impacted exchanges, while continuing to use a combination of direct market data and SIP feeds for other exchanges. In addition, if any issues arise with respect to the use of the constructed NBBO, ITG may choose to rely upon the SIP feeds alone for the NBBO. All of the executions in POSIT match at the NBBO midpoint, the NBB, and/or the NBO of the constructed NBBO or SIP NBBO, as applicable.

As a registered ATS, POSIT is required to conduct its trading operations in accordance with federal securities laws and regulations, as well as rules of Self-Regulatory Organizations (“SROs”), including but not limited to the Plan to Address Extraordinary Market Volatility (“Limit Up – Limit Down Plan”) and the Market Wide Circuit Breakers that were approved by the U.S. Securities and Exchange Commission (“SEC”) on May 31, 2012. Specifically, with regard to

NMS securities, POSIT will execute crosses at prices within the permissible price bands established under the Limit Up – Limit Down Plan. In addition, POSIT will honor all trading halts and/or trading pauses that are announced pursuant to the Limit Up – Limit Down Plan and the Market Wide Circuit Breakers.

During a regulatory halt for a security, POSIT will (1) accept Day Orders in the security, but not execute trades, and (2) accept IOC orders in the security but immediately cancel them back to the User. Furthermore, ITG retains discretion to suspend trading in a given security at any time for any reason, and may accept, reject, or cancel User orders.

ITG matches orders and executes trades within POSIT in an agency capacity. These transactions will be reported by POSIT as agency crosses to the NASDAQ Trade Reporting Facility (“TRF”) under the market participant identifier “ITGP” for publication on the Consolidated Tape. In the event that POSIT is unable to report transactions to the TRF, POSIT will cease trading, cancel existing orders, and reject new orders and will communicate to Users with open orders in POSIT either telephonically or via email.

(i) Continuous Crossing

POSIT matches orders on an essentially continuous basis during standard U.S. market hours. User orders that are not otherwise designated to participate in one of POSIT’s other match types participate in these continuous matches for as long as the User’s order is in force or until it is fully executed according to its terms. Agency Closing Cross executions, as described in Section (d)(1)(ii) below, may be executed outside of U.S. market hours.

(ii) VWAP Matches for Equity Securities

POSIT also may conduct a pre-opening continuous Volume Weighted Average Price (“VWAP”) crossing session between or among Users’ market orders submitted for a VWAP match. These VWAP matches run on a continuous basis from 8:00 a.m. to 9:27 a.m., before trading begins for the day at 9:30 a.m., and are priced using a third-party benchmarking service. If their VWAP orders are indicatively paired during this session, Users will receive reports from ITG indicating the results of their matched orders including the share volume. For User orders that are not paired as part of a VWAP match, the residual shares will be cancelled back to the User pre-open. Orders matched prior to the open cannot be cancelled. After the close of regular trading on national securities exchanges, trades matched during the pre-opening period are priced based on the VWAP in that security during the trading day.² If a trading halt is announced by a regulatory authority after orders are indicatively paired, POSIT will consummate the VWAP cross only if the

² If a stock does not trade for a portion of the day due to a trading halt, trades reported during the portion of the day during which the stock traded will be used to calculate the VWAP. Orders matched in the VWAP crossing session for stocks that do not trade at all during the regular trading day are cancelled and returned unexecuted. In addition, short sell VWAP orders in non-actively traded securities (as defined under Regulation M) that are received after the circuit breaker is triggered under Rule 201 of Regulation SHO will not be executed at a price at or below the NBB; consequently, if the VWAP price calculated at the end of the trading day is at or below the then-current NBB, those orders will be cancelled and returned unexecuted.

halt is lifted later during the same trading day. If the halt is not lifted on the same trading day that it is announced, the indicatively paired orders will be cancelled back to the Users.

(iii) Agency Close Crossing Session

Users must submit Agency Close Crossing Orders during the last 10 minutes of trading to participate in a closing cross. Orders must be designated as market orders with a time-in-force instruction of “at-the-close”. Limit orders with an “at-the-close” instruction will be rejected. Only Buy and Sell orders will be accepted; short sell orders will be rejected. The closing price for each security will be the closing price disseminated to POSIT from the primary exchange data feed. Clients will receive indicative fills ahead of the close as soon as there is a match. Trades executed in an Agency Close Crossing match are reported to the Consolidated Tape and reported to the FINRA trade reporting facility after the close as prior reference price transactions. Portions of the Agency Close Crossing orders that have not yet been indicatively matched, can be cancelled at any time up to 4:00 p.m. POSIT will reject orders submitted to the Agency Close Crossing session, if the security is halted or paused at the time of submission. If an Agency Closing Cross cannot be consummated because a security is halted or paused or the primary closing price for the security is not published by the primary exchange for any reason, POSIT will cancel any indicative fills and return the unfilled portion of the affected orders.

(iv) POSIT Alert Matches

As more fully described in Section (b)(iii) below, POSIT will conduct separate matching sessions for potential matches between or among orders submitted to POSIT by Alert Participants and certain resting orders in POSIT whose order size meets a pre-determined size threshold.

(b) Procedures Governing Entry of Orders into the Alternative Trading System

(i) POSIT Order Types

Users can enter orders into POSIT through a variety of means, including via ITG’s front-end systems, ITG algorithms and routers, the ITG agency trading desk, or any third-party order routing systems.³ POSIT accepts market or limit orders. Additionally, POSIT will accept Agency Closing Cross orders as described more fully in section (d)(1)(ii).

Orders submitted to POSIT must also be designated with a time in force: “Day” or, as permitted by ITG, Immediate-or-Cancel (“IOC”). Day Orders (also known as “resting orders”) may be submitted to POSIT prior to the market open and at any time during the regular trading day and are held in the system’s order book until they are matched, cancelled or until they expire. Users may submit Day Orders and IOC Orders that include various forms of trading constraints

³ When an ITG algorithm or router is submitting an order, the algorithm or router is considered the User.

such as expiration time (if applicable) or price protection.⁴

All orders in POSIT contain peg instructions, designated as “Passive,” “Midpoint,” or “Aggressive.”⁵ Each order submitted to POSIT is assigned a default peg instruction. These default instructions are set at the User’s request or by ITG. Unless the User otherwise specifies a different peg instruction on a given order, the default peg instruction will govern an order’s execution. POSIT will, however, reject Passive IOC Orders. In certain cases, IOC orders may be prohibited in ITG’s discretion.

Users can include a minimum execution quantity constraint on their orders. In that event, POSIT will not execute the order in an amount less than such minimum quantity. However, when the remaining quantity on the order is less than the minimum execution quantity, POSIT will not automatically cancel back the remaining quantity of the order, but will attempt to execute that unfilled portion in a single execution. Users can also request that they only execute against a single contra that meets the minimum quantity constraint for their order. If Users do not request this, POSIT may consolidate contra interest to meet a User’s minimum execution quantity constraint. Further, Users can request that POSIT always cancel remaining shares after an execution where the remaining quantity on the order is less than the minimum execution quantity.

Users may request that POSIT apply certain default constraints or attributes to the User’s orders submitted to POSIT. Minimum share quantity constraints and, as noted above, default pegging instructions may be overridden by Users on an order-by-order basis. User-requested default behavior (and any customizations to the processing of FIX messages requested by the User), however, may reduce the likelihood of receiving an execution in POSIT and also may result in added processing latency.

Orders must be in round or mixed lots. Odd-lot orders are cancelled back to the Users. If a mixed-lot order is sent to POSIT, only round lot portions of that order will be eligible for trading, and the odd lot residual is cancelled.

When an Order is submitted to POSIT, the system scans for available liquidity to determine whether there is a contra-side Day Order residing in the system. If there is no contra-side Day Order in POSIT, a Day Order will continue to rest in the system and an IOC Order will be cancelled and returned. Unexecuted Day Orders are cancelled in accordance with the instructions of the submitting Users, or by default at the close of regular trading in the market.

⁴ If POSIT receives unsupported order types or attributes, POSIT will either reject the order or ignore the unsupported attributes. An order that contains a value in a FIX field other than a value recognized by ITG (as described in its FIX specifications), will be rejected. An order containing a value in a non-utilized FIX field will be accepted, but that instruction will not be processed.

⁵ A Passive buy order is tradable at the NBB and a Passive sell order is tradable at the NBO. A Midpoint buy order is tradable at the NBB or NBBO midpoint and a Midpoint sell order is tradeable that NBO or NBBO midpoint. An Aggressive order is tradable at the NBB, NBBO midpoint, or NBO.

As noted, Subscribers send their Orders to POSIT on a FIX session dedicated to POSIT-only flow, which is optimized for lower latency. These dedicated FIX sessions are available to all Users upon request.

(ii) POSIT Alert Crosses: Interaction of Alert Orders Executed in POSIT

As referenced above in Exhibit A, ITG operates Alert, an indications matching system. Alert exists outside of POSIT, and identifies potential contra-side matches among participants of Alert and other conditional orders generated by institutions, broker-dealers, and orders from ITG algorithms (collectively known as “Participants”). Alert informs Participants of a matching opportunity so that they can submit orders to POSIT for crossing. Once a Participant receives the notification from Alert of a potential match, the Participant has a defined period of time to submit an order to POSIT through a separate Alert destination. Orders submitted by Alert Users/Participants to an Alert destination may only participate in Alert crosses executed in POSIT.

The Alert system has the following interactions with POSIT:

- a. Alert informs POSIT of anticipated order counts for Participant buy and sell orders to be submitted to POSIT, as well as any changes in those order counts.
- b. Alert informs POSIT of a time before which all Participants may submit orders to the Alert destination.
- c. POSIT informs Alert of all information associated with the orders submitted through the Alert destination, including the outcome of a match, which may include POSIT Day Orders participating in the match.
- d. POSIT also communicates to Alert static client information prior to the start of trading, including configurations that may restrict crossing outcomes, or instances where a match may not be consummated- for example, based upon a default minimum share constraint.
- e. POSIT will inform Alert of operational status information.

Upon request, POSIT will apply a maximum notional value constraint to an Alert User’s order. In addition, upon request, POSIT will aggregate an Alert User’s orders for execution. Where such Alert orders have a common minimum execution quantity constraint, POSIT will apply the minimum execution quantity constraint on the aggregated Alert order.

Once Alert informs POSIT of expected Participant order count and maximum time period before which Participants may submit orders, POSIT starts a cross timer. POSIT will attempt to run an Alert cross on a continuous basis once the expected count of orders has been received. If not all Participant orders arrive at the end of the pre-determined maximum time, POSIT will attempt an Alert cross among the Participant orders received and other eligible orders resting in POSIT. POSIT returns all open shares submitted for an Alert cross at the earlier of completion of a successful cross or upon the lapse of the cross timer. Participant orders routed to POSIT in response to an Alert may only execute in an Alert cross and may be cancelled or corrected before the cross occurs. Following an Alert cross, any remaining quantity is cancelled back to the Participants. Resting orders in POSIT are eligible to participate in these Alert crosses where the size of such orders meets a pre-determined size threshold of at least 5,000 shares. During the

period of the cross timer and following its expiration, resting orders in POSIT remain free to execute against any other order flow in POSIT outside of the Alert interaction. In the event a cross is not possible due to a marketability constraint, POSIT will retry crossing with every NBBO change while the cross timer runs and there is one or more non-marketable Alert order. If all Alert orders are marketable and a cross still cannot be consummated due to other constraints, POSIT will return all Alert orders. POSIT will return unmatched shares for Alert orders once a cross is consummated, or upon the lapse of the cross timer. Alert matches are subject to the POSIT price/size pro-rata allocation logic described below.

(c) Means of Access to the Alternative Trading System

Users can submit orders to POSIT through a variety of means, including via ITG's front-end systems, ITG algorithms and routers, the ITG agency trading desk, or any third-party order routing system. Based on specific client instructions, ITG's U.S. broker-dealer affiliate, AlterNet Securities, Inc. ("AlterNet"), may submit orders to POSIT in an agency capacity, or to facilitate broker-dealer client orders on a riskless principal and/or net trading basis. Additionally, as discussed in Exhibit A, following the closing of the Merger, the Virtu Broker-Dealers will continue to participate in POSIT as they had prior to the Merger.

(d) Procedures Governing Execution, Reporting, Clearance, and Settlement of Transactions Effected Through the Alternative Trading System

(1) POSIT Matching of Orders

(i) Pre-Opening VWAP Crossing Session for Equity Securities

VWAP matches are run on a continuous basis from 8:00 a.m. to 9:27 a.m. Clients must submit VWAP Orders prior to 9:27 a.m. in order to participate in one of these matches. The VWAP for each security will be determined based on (1) calculating raw values for regular session trades reported by the Consolidated Tape during the regular trading day by multiplying each such price by the total number of shares traded at that price; (2) compiling an aggregate sum by adding each calculated raw value from step one above; and (3) dividing the aggregate sum by the total number of reported shares for that day in the security. Trades executed in a VWAP match are reported to the Consolidated Tape as required by applicable regulation after calculation of the VWAP (approximately at 4:15 p.m.). POSIT will only execute short sale VWAP orders for the 300 most actively traded securities on a 21-day moving average basis. Additionally, if POSIT determines that the price test restriction under Rule 201 of Regulation SHO has been triggered in a security with a VWAP order pending, POSIT will prevent the execution of a short sale order at a VWAP price that is at or below the current national best bid.

(ii) Agency Close Crossing Session

Users must submit Agency Close Crossing Orders during the last 10 minutes of trading to participate in a closing cross. Orders must be designated as market orders with a time-in-force instruction of "at-the-close". Limit orders with an "at-the-close" instruction will be rejected. Only Buy and Sell orders will be accepted; short sell orders will be rejected. The closing price for each

security will be the closing price disseminated to POSIT from the primary exchange data feed. Clients will receive indicative fills ahead of the close as soon as there is a match. Trades executed in an Agency Close Crossing match are reported to the Consolidated Tape and reported to the FINRA trade reporting facility after the close as prior reference price transactions. Portions of the Agency Close Crossing orders that have not yet been indicatively matched, can be cancelled at any time up to 4:00 p.m. POSIT will reject orders submitted to the Agency Close Crossing session, if the security is halted or paused at the time of submission. If an Agency Closing Cross cannot be consummated because a security is halted or paused or the primary closing price for the security is not published by the primary exchange for any reason, POSIT will cancel any indicative fills and return the unfilled portion of the affected orders.

(iii) Continuous Crossing for Equity Securities

Although Users may submit orders to POSIT prior to the opening of the market, no matches will be effected unless one of the following triggering events occurs: (1) an actual round lot trade in that security on the primary market for the security has been reported pursuant to a consolidated transaction reporting plan; or (2) a bid and offer for the security has been posted on that primary market. Following the occurrence of one of the triggering events, POSIT will begin crossing Users orders at the midpoint of or at the current NBBO. Based on specific instructions received from Users, POSIT may refrain from crossing certain Users orders until both triggering events occur.

On an essentially continuous basis, POSIT assesses Day Orders residing in the system and matches contra-side Day Orders in the same security that satisfy applicable trading constraints. Additionally, Day Orders in POSIT will be matched immediately with contra-side IOC Orders if all applicable trading constraints are met. Day Orders can be matched with Day Orders and/or IOC orders; however, IOC orders can only be matched with Day Orders.

As described above, POSIT matches Orders only at the midpoint of the NBBO, the NBO or the NBB. In the first instance, POSIT will attempt to cross eligible Orders at the midpoint of the NBBO.⁶ If midpoint pricing is unavailable, POSIT will then look to other matching opportunities at the NBB or NBO, as applicable. For example, when an Aggressive Order is received by POSIT, POSIT will first seek to match that Order with a Midpoint Order or Aggressive Order capable of execution at the NBBO midpoint, and would subsequently seek to match that Order with Passive Orders and price-protected Midpoint Orders that were not capable of being crossed at the NBBO midpoint due to their limit price but whose limit price is at or within the NBBO.⁷

The following are examples of this process. For purposes of each example, assume the NBBO for security XYZ is \$20.00 x \$20.04 (unless otherwise stated). In addition, in each

⁶ A Passive Order may only trade against an Aggressive Order, and only if neither order is price-protected in such a way as to prevent the trade. A Passive buy order may trade against an Aggressive sell order at the NBB, assuming no prohibitive price protection. If, for example, the Aggressive sell order has a limit price greater than the NBB, the orders are not capable of crossing.

⁷ Aggressive Orders to sell short, however, will not be crossed at the NBB if the circuit breaker under Rule 201 of Regulation SHO is triggered.

example, assume there are no other XYZ orders in the system other than those described in the example.

Example 1:

In POSIT there is a Passive Day order to buy 1,500 shares of XYZ, without price protection. An Aggressive Day order to sell 1,000 shares XYZ with price protection of \$20.00 arrives in POSIT. The Aggressive Day order will cross with the Passive Day order, and a trade for 1,000 shares at \$20.00 will be executed.

Example 2:

In POSIT there is a Passive Day order to buy 1,500 shares of XYZ with price protection of \$20.01. An Aggressive IOC Order to sell 2,000 shares XYZ with price protection of \$20.00 arrives in POSIT. The Aggressive IOC order will cross with the Passive Day order, and a trade for 1,500 shares of XYZ will be executed at \$20.00.

Example 3:

In POSIT there are two Midpoint Day Orders to sell XYZ – (1) an order to sell 3,000 shares without price protection, and (2) an order to sell 5,000 shares with price protection of \$20.03. An Aggressive IOC order to buy 4,000 shares of XYZ arrives. POSIT will first cross the marketable IOC Order with the Midpoint Order without price protection and execute a trade of 3000 shares at the midpoint of the NBBO (\$20.02). The second Midpoint Order cannot be executed at the midpoint because of the User's specified price protection of \$20.03. However, the remaining 1000 shares of the Aggressive IOC Order will be crossed against the Midpoint Order with price protection of \$20.03 at the offer, or \$20.04, as that price is consistent with that Order's price protection.

Example 4:

In POSIT there is a Midpoint Day Order to sell 1000 shares of XYZ with price protection of \$20.03. An Aggressive IOC Order to buy 400 shares of XYZ is received by POSIT. Since the prevailing midpoint (\$20.02) does not satisfy the Midpoint Day Order's price protection, it cannot be executed at the then-current midpoint of the NBBO. Because it can, however, be executed at the offer, a trade of 400 shares at \$20.04 will be executed. The remaining 600 shares of the Midpoint Day Order will remain in POSIT and will continue to have price protection of \$20.03.

If the NBBO adjusts so that the bid/offer is now \$20.01 x \$20.05 (with a midpoint of \$20.03), and an Aggressive IOC Order to buy 600 shares is received, a trade will be executed against the residual of that same Midpoint Day Order. Because the client's price protection now allows that trade to be executed at the current midpoint of the NBBO, a midpoint trade for 600 shares will be executed at a price of \$20.03.

Example 5:

In POSIT there is a Midpoint Order to buy 2,000 shares of XYZ with price protection of \$20.02 and a Passive Order to buy 5,000 shares of XYZ with price protection of \$20.00. An Aggressive IOC Order to sell 1,500 shares of XYZ with price protection of \$20.00 arrives. The Midpoint order and the IOC order will cross 1,500 shares of XYZ at a price of \$20.02. The Passive buy order does not receive any fill.

POSIT matches and executes trades in equity securities on a size *pro rata* basis, subject to the trading constraints attached to the orders available for matching and other eligibility criteria (e.g., parameters relating to size of orders that can be broken up for allocation purposes). The allocation logic in the examples below, unless otherwise specified, reflects interactions of orders with no execution related trading constraints.

Standard pro-rata allocation:

POSIT allocates the available shares on a pro-rata basis, i.e., a larger allocation will be given to a larger order, as seen in the two examples below.

Example 6:

Side	Size	Pro-rata allocation	Traded
B	1000	400	400
B	500	200	200
S	600	600	600

Example 7:

Side	Size	Pro-rata allocation	Traded
B	5000	2500	2500
B	5000	2500	2500
B	10000	5000	5000
S	10000	10000	10000

Pro-rata allocation and rounding:

Example 8:

When pro-rata allocation would not result in a round lot size, the pro-rata allocation is rounded up to or down to the next round lot size depending on whether the odd lot portion is greater than or equal to 50 shares or less than 50 shares, respectively.

Side	Size	Pro-rata allocation	Traded	Remarks
B	1000	333 → 300	300	rounded down to the next round lot size
B	500	167 → 200	200	rounded up to next round lot size
S	500	500	500	

Example 9:

Equal size orders can be chosen randomly for pro-rata allocation; orders are not allocated based on a pre-determined methodology. Because orders are allocated in a random manner, orders of the same size will experience variations in allocation, as demonstrated in the following example:

Side	Size	Pro-rata allocation	Traded	Remarks
B	1000	250 → 300	300	rounded up to next round lot size
B	1000	250 → 300	300	rounded up to next round lot size
B	1000	250 → 300	300	rounded up to next round lot size
B	1000	250 → 100	100	received only the remaining 100 shares
S	1000	1000	1000	

Example 10:

In certain instances, pro rata logic can result in no allocation being given to an order based on logic that rounds down allocations of less than 50 shares:

Side	Size	Pro-rata allocation	Traded	Remarks
B	1000	91 → 100	100	rounded up to next lot size
B	100	9 → 0	0	
S	100	100	100	

Mixed-lot allocations will be rounded up or down to the nearest round lot until the available shares are exhausted. In cases where the rounding logic would result in more than the total contra order size, the allocation for remaining orders will be decremented. The examples below demonstrate different potential outcomes under the random allocation logic:

Example 11:

Side	Size	Pro-rata allocation	Traded	Remarks
B	1000	500	500	
B	1000	500	500	
B	500	250 → 300	300	rounded up to next round lot size
B	500	250 → 200	200	rounded down to the next round lot size
S	1500	1500	1500	

Example 12:

Side	Size	Pro-rata allocation	Traded	Remarks
B	500	250 → 300	300	rounded up to next round lot size
B	500	250 → 300	300	rounded up to next round lot size
B	1000	500	500	simple pro-rata, no rounding up needed
B	1000	500 → 400	400	100 shares decremented from pro-rata due to rounding up others
S	1500	1500	1500	

POSIT trades in round lots of 100 shares. If POSIT receives a mixed-lot sized order, POSIT will attempt to trade the round-lot portion of the order and return the remaining odd-lot quantity.

For an order sent with a mixed-lot size as minimum shares, POSIT will attempt to satisfy the constraint while assuming the closest round-lot quantity that is greater-than the sent minimum shares constraint.

Example A:

Side	Size	Traded	Remarks
B	650	600	only round-lot portion is traded
S	650	600	only round-lot portion is traded

Example B:

Side	Size	Traded	Remarks
B	650	600	only round-lot portion is traded
S	350	300	only round-lot portion is traded
S	300	300	fully traded; order size in round lot

Example C:

Side	Size	Minimum Shares	Traded	Remarks
B	950	910	0	No trade; contra shares < min shares
S	800		0	

Pro Rata Logic to Accommodate Orders with Minimum Shares

POSIT has two parameters that influence allocation behavior where an order has a minimum execution quantity constraint specified by the client:

1. The percentage of pro-rata allocation can be re-allocated. The pro-rata reallocation ratio is 80/20. This means that if an order is getting 1000 shares as per initial pro-rata calculation,

80% (800 shares) will be allocated, and 20% (200 shares) can be used to satisfy the minimum shares of other, larger orders with a minimum quantity size.

2. There is a threshold above which the 80/20 rule applies. Orders with pro-rata allocations equal to or less than 200 shares are not guaranteed any allocation. A higher minimum threshold of 50,000 shares exists for application of the 80/20 rule in Alert Crosses in POSIT.

If multiple orders do not meet their Minimum Execution Quantity Constraints (“MEQ Constraint(s)”) in the initial allocation, order size priority is used as a tie-breaker to allocate additional shares to satisfy MEQ Constraints. In cases where order size is the same, orders will be chosen similarly to the pro rata share allocations described above.

Scenarios with MEQ Constraints:

The below examples demonstrate the re-allocation logic where orders have MEQ Constraints:

Example 13:

Minimum of 500 shares is met by re-allocating 100 shares (round lot size):

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	500	400	500	re-allocated to meet MEQ Constraint
B	500		200	100	initial allocations equal to or less than 200 shares are not guaranteed any allocation
S	600		600	600	

Example 14:

Minimum of 600 shares is met by re-allocating 200 shares:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	600	400	600	re-allocated to meet MEQ Constraint
B	500		200	0	initial allocations equal to or less than 200 shares are not guaranteed any allocation
S	600		600	600	

Example 15:

Minimum of 700 shares is met by re-allocating 100 shares (20% rounded up to round lot size):

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	700	600	700	reallocated 100 shares to meet MEQ Constraint
B	500		300	200	100 shares of the 300 share original pro rata allocation are reallocated from this order (i.e., a reallocation of up to 20% (60 shares), rounded up to the round lot size of 100 shares)
S	900		900	900	

Example 16:

Pro rata allocation where multiple MEQ Constraints are not met and the largest order not satisfying these constraints is given priority:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	700	600	900	re-allocated to meet MEQ Constraint
B	500	400	300	0	pro rata share allocation does not meet MEQ Constraint
S	900		900	900	

Example 17:

Where a pro rata allocation falls below a MEQ Constraint, POSIT may not reallocate, leaving orders partially filled:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	800	600	0	MEQ Constraint not satisfied
B	500		300	500	under the 80/20 rule, this pro-rata allocation could only be reduced by 100 shares; since 700 shares would not meet the larger order's minimum, the larger order is not filled and this order is filled in its entirety
S	900		900	500	seller receives a partial fill

Example 18:

Minimum of 1000 shares is met by re-allocating all shares from smaller orders:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000	1000	700	1000	MEQ Constraint satisfied
B	300		200	0	initial allocations equal to or less than 200 shares are not guaranteed any allocation
B	200		100	0	initial allocations equal to or less than 200 shares are not guaranteed any allocation
S	1000		1000	1000	

Meeting MEQ Constraints with multiple counterparties:

Example 19:

Unless otherwise specified, POSIT will satisfy MEQ Constraints by aggregating contra side orders.

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000		1000	1000	
B	1000		1000	1000	
S	2000	2000	2000	2000	MEQ Constraint satisfied by aggregating contra side orders

Users may opt out of having their order(s) executed against the aggregated orders of multiple counterparties. If the orders have a minimum shares per contra party requirement, and there are multiple parties to trade on the other side, POSIT allocates the available shares pro-rata while honoring any MEQ Constraint.

Example 20:

Simple pro-rata, Seller with MEQ Constraints with multiple counterparties resulting in no execution:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000		0	0	no pro rata allocation or trade; contra MEQ Constraint not met
B	1000		0	0	no pro rata allocation or trade; contra MEQ Constraint not met
S	2000	2000	0	0	could not trade all 2000 with any single contra

Example 21:

Simple pro-rata, Seller with MEQ Constraints with multiple counterparties resulting in an execution:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	1000		1000	1000	
B	500		0	0	no pro rata allocation or trade; contra MEQ Constraint not met
B	900		0	0	no pro rata allocation or trade; contra MEQ Constraint not met
B	1000		1000	1000	
S	2000	1000	2000	2000	traded with contras that can trade at least 1000

Example 22:

Simple pro-rata, multiple orders with MEQ Constraint:

Side	Size	MEQ Constraint	Pro-rata allocation	Traded	Remarks
B	20000	4000	0	0	no pro rata allocation or trade; MEQ Constraint not met
B	10000		5000	5000	this order trades against the two sell orders
S	2000	1000	2000	2000	
S	3000	1000	3000	3000	

Trading in Locked and Crossed Markets

POSIT will accept and may execute orders during locked markets. Users may opt out of this functionality except in the case of Alert crosses. POSIT will accept orders, but not execute them, during crossed markets.

Sub-Penny Priced Orders

POSIT does not accept sub-penny priced orders, except with respect to orders for shares priced below \$1.00, as permitted by Rule 612 of Regulation NMS.

Spread Greater Than \$0.50

Except for a midpoint cross, POSIT will not perform a cross in instances where the spread between the NBB and NBO is greater than \$0.50.

Presently, Subscribers cannot opt out from interacting with the orders and trading interest of an affiliate of ITG, Inc in POSIT. Post-Merger, Subscribers will be offered the opportunity to opt out of interacting with proprietary orders that are not to facilitate customer trades entered by two of the Virtu Broker-Dealers identified above in Exhibit A, Virtu Financial BD LLC and Virtu Americas LLC, (“Virtu Proprietary Orders”). This opt-out will allow Subscribers to submit instructions on orders or at the session level that will prevent these orders from interacting with Virtu Proprietary Orders. This instruction will not prevent interactions with orders submitted by Virtu Broker-Dealers in an agency or riskless principal capacity or that are entered as principal orders for the purpose of client facilitation.

(2) Reporting, Clearance, and Settlement.

Users receiving matches through POSIT are automatically notified of such “fills” or “partial fills” by the system. All orders matched by POSIT are reported to the NASDAQ Trade Reporting Facility (“TRF”) under the market participant identifier “ITGP” for publication on the Consolidated Tape.

Unless otherwise specified by the Users, all orders that are executed through POSIT are cleared and settled regular way by ITG on an RVP/DVP basis. Trades involving Users that are registered broker-dealers may be cleared and settled on a broker-to-broker basis, either through a Qualified Service Representative (“QSR”) arrangement, correspondent clearing, or through the TRF.

(e) Procedures for Ensuring Subscriber Compliance with System Guidelines

ITG provides Users with information concerning the functionality of the POSIT system. ITG’s internal controls are designed to ensure that only orders containing ticker symbols for NMS stocks are eligible for matching by POSIT.

ITG and POSIT employ several measures, controls, and reviews to protect Users orders from gaming strategies. These tools include POSIT’s pre-and post-trade controls. ITG uses these controls to monitor trading activity in the ATS for execution quality, potential regulatory violations, and inappropriate Users trading behavior.

ITG employs anti-gaming technology – called Liquidity Guard – to help ensure quality executions for POSIT Users. Liquidity Guard has two components: Prevention and Detection. Liquidity Guard Prevention, which is built into POSIT’s matching logic, assigns restrictive configurations to certain Users that are designed to minimize poor execution quality outcomes for resting Day Orders of other Users. ITG assigns and sets the restrictive configurations within Liquidity Guard Prevention as it deems appropriate. Liquidity Guard Prevention works to prevent matches between certain Users in certain stocks that meet a liquidity standard (based on the average spread and historical average daily trading volume) outside of dynamic price parameters. The price parameters are established using certain analytical measures and are updated throughout the trading day based on recent price movements. The decision whether and how to apply the Liquidity Guard Prevention price parameters is based on an analysis of execution quality data, order attributes, and Users trading behavior. These parameters do not apply to crosses generated

by Alert. For a brief period upon arrival in the POSIT matching engine, Liquidity Guard Prevention also prevents crosses of orders from certain Users against Day Orders for certain other Users. Users may opt out of having their Day Orders protected by the price parameters of Liquidity Guard Prevention at any time, but not the delay component, which applies to all orders, including Alert crosses. Liquidity Guard Prevention is not available for IOC orders, and will not affect crosses generated from Alert.

Liquidity Guard Detection analyzes just-completed POSIT trades and flags any potentially problematic activity, such as cases of phishing, latency arbitrage, and short-term reversion, so the POSIT team can examine them further, arrive at a conclusion, and take appropriate action when necessary. In addition to analyzing just-completed POSIT trades, Liquidity Guard Detection also uses research on historical trades to identify specific instances of poor execution outcomes. Users identified as engaging in activity that may deteriorate the quality of the liquidity pool or other Users' experience in POSIT may be subject to additional restrictions enforced by changing Liquidity Guard Prevention settings. Additionally, such Users may be restricted from interacting with certain contra Users on the basis of such activity. Both Liquidity Guard Prevention and Detection may be refined to address new gaming strategies.

POSIT's other pre-trade control involves Users-requested counterparty restrictions that are applied based on data analysis. Specifically, a User may request that ITG perform an analysis of its trades to identify contras whose interactions are negatively affecting the User's executions in POSIT and to limit their interactions within POSIT. ITG applies these limited and specially-tailored counterparty controls without disclosing the identities of the restricted counterparties and/or other confidential information of its Users.

In addition to the above, ITG maintains and enforces policies and procedures designed to ensure that POSIT matches User orders in accordance with applicable law. Specifically, ITG employs a range of reviews and monitoring controls to detect and prevent potential violations of federal securities laws and regulations, as well as SRO rules, including, but not limited to, Regulation SHO, Rule 611 of Regulation NMS (Order Protection Rule), and FINRA Rule 5310 (Best Execution).

(f) Copy of Alternative Trading System's Subscriber Manual and any Other Materials Provided to Subscribers

A copy of the POSIT Frequently Asked Questions, available on ITG's website, is included as Attachment F(f)-37.

A copy of the Introduction to ITG POSIT FIX Protocol was previously included as Attachment F(f)-25 to the amended POSIT Form ATS filed on October 23, 2017.

Copies of marketing materials relating to POSIT are included as Attachments F(f)-38 through F(f)-48.

Copies of marketing materials relating to POSIT were previously included as Attachment F(f)-1 to the amended POSIT Form ATS filed on February 3, 2011, Attachments F(f)-2 and F(f)-

3 to the amended Form ATS filed on October 29, 2013, Attachments F(f)-5 through F(f)-12 to the amended Form ATS filed on January 26, 2015, Attachment F(f)-14 to the amended Form ATS filed on April 12, 2016, Attachments F(f)-18 through F(f)-21 to the amended Form ATS filed on October 28, 2016, Attachment F(f)-23 to the amended Form ATS filed on December 21, 2016, and Attachments F(f)-26 through F(f)-36 to the amended Form ATS filed on October 23, 2017.

Notices provided to Users describing POSIT's implementation of the SEC's Tick Size Pilot were included as Attachments F(f)-16 and F(f)-17 to the amended Form ATS filed on October 28, 2016.

A Plain English Guide to Executions in POSIT was previously made available on the Firm's website, and versions of that document were included as Attachment F(f)-4 to the amended Form ATS filed on July 30, 2014, Attachment F(f)-13 to the amended Form ATS filed on April 24, 2015, Attachment F(f)-15 to the amended Form ATS filed on October 28, 2016, and Attachment F(f)-22 to the amended Form ATS filed on December 21, 2016.

Exhibit G

A brief description of the alternative trading system's procedures for reviewing system capacity, security, and contingency planning procedures.

ITG actively monitors the system to ensure that it is functioning properly. It reviews POSIT system capacity on an ongoing basis with real-time data threshold monitoring for server, storage, and network usage through several automated monitoring tools within the ITG infrastructure. The system provides various alerts regarding potential problems within the system, such as when capacity thresholds are approached, to personnel on the POSIT support desk. In addition, ITG conducts an annual capacity planning exercise that involves tying both the projected growth of the business volumes as well as current system capacity to forecast both system and storage growth for the following year.

Personnel who operate POSIT and who are responsible for its compliance with applicable rules have access to all User order and execution information.

With respect to Subscriber orders, personnel responsible for the operations, monitoring, functionality, and compliance with applicable rules related to POSIT and its related infrastructure have access to Subscribers' order and execution information.

Due to the interrelationship of the Firm's execution / order management and routing systems, additional support (which may include sales, trading and operations staff) and technology personnel have access to order and execution information for Users that are not Subscribers. Personnel who support Alert, ITG's algorithms, SOR, and/or trading desk and these systems' related infrastructure have access to information about POSIT orders and executions routed through connections that also route order flow to non-POSIT systems. Additional infrastructure support personnel, which includes the ITGNet support team, have access to information about POSIT orders and executions routed through FIX connections also used to access ITGNet,⁸ the Firm's broker-dealer neutral routing platform.

POSIT order and execution information is available on a post-trade basis to support functions including, Compliance, Legal, Operations, and Technology.

ITG has written compliance policies and procedures governing the access to and use of confidential information. Employees must provide written acknowledgment regarding the safeguarding of confidential information and provide annual affirmations regarding Firm policies.

ITG employs an in-depth defense security strategy, leveraging multiple layers of technology and processes to detect, defend, and mitigate potential risks to the confidentiality and integrity of POSIT data and to the availability of POSIT services.

⁸ FIX connections provided by ITGNet enable clients to access third party broker venues. ITGNet clients may use such connections to access both external venues and internal destinations (POSIT, SOR, Algorithms, DMA, etc.). ITGNet personnel's access to information concerning orders directed to POSIT is incidental to their need to monitor orders submitted to non-POSIT, third-party venues on the same FIX connection.

POSIT is subject to ITG's contingency planning and business continuity procedures, which include system back-ups, diverse utility and network provider networks, and alternate data center and office facilities. These procedures are tested annually and the findings are summarized in a report to ITG's senior management. If ITG implements disaster recovery procedures, some Users may be unable to access POSIT due to capacity constraints.

Following the closing of the Merger, certain operations staff, technology personnel, and compliance staff associated with the Virtu Broker-Dealers will have access to POSIT information on a need to know basis and on the same basis that ITG persons operating in similar capacities have such access currently.

Exhibit H

If any other entity, other than the alternative trading system, will hold or safeguard Subscriber funds or securities on a regular basis, attach as Exhibit H the name of such entity and a brief description of the controls that will be implemented to ensure the safety of such funds and securities.

All Users, including Subscribers, who receive executions through POSIT do so through: (1) delivery versus payment (DVP)/receive versus payment (RVP) accounts that are held by and cleared through ITG; (2) a QSR arrangement; (3) correspondent clearing; and/or (4) Automated Confirmation Transaction (“ACT”) Service. Trades will generally settle within the standard settlement cycle for broker-dealer securities transactions set forth in Exchange Act Rule 15c6-1. As a self-clearing broker-dealer, ITG complies with Exchange Act Rule 15c3-3 (the “Customer Protection Rule”).

Exhibit I

Attach as Exhibit I, a list providing the full legal name of those direct owners reported on Schedule A of Form BD.

POSIT is owned and operated by ITG a broker-dealer registered with the SEC and FINRA and a wholly-owned subsidiary of Investment Technology Group, Inc. Investment Technology Group, Inc. is a publicly-traded company listed on the NYSE. Pursuant to the Merger Agreement, Investment Technology Group, Inc. will continue as the surviving direct owner of ITG, and will subsequently be reclassified as a single member limited liability company and renamed Virtu ITG Holdings LLC.