



## **Virtu Announces Merger with Madison Tyler and Strategic Growth Investment from Silver Lake**

### **Combination Creates Premier Global Electronic Market Maker**

**New York, NY, May 31, 2011** – Virtu Financial LLC (“Virtu”) has entered into definitive agreements to merge with Madison Tyler Holdings, LLC (“Madison Tyler”), forming a clear leader in both electronic market making and the development of financial market technologies. Vincent Viola, an industry veteran and current Chairman and CEO of Virtu, will serve in this same capacity for the combined business, which will operate under the Virtu Financial name. The company will conduct its operations from five offices around the world located in New York City, Los Angeles, London, Dublin and Sydney.

Virtu will receive a strategic growth investment in support of the transaction from Silver Lake, the world’s largest technology investment firm. Silver Lake has a distinguished track record of sponsoring strong management teams to build leading franchises at the nexus of financial services and technology. Prior Silver Lake investments in financial technology have included Ameritrade, Instinet, Interactive Data Corporation, IPC, Island, Mercury Payment Systems, NASDAQ OMX, and SunGard.

The combination of Virtu and Madison Tyler will create one of the world’s preeminent financial technology companies. Virtu’s proprietary financial market technologies consist of a broad suite of highly scalable and efficient applications and tools that facilitate market data distribution, market surveillance, risk management, clearing and price formation across asset classes. Virtu utilizes its state-of-the-art technology to provide liquidity and execution services to a broad set of financial market participants across geographies, asset classes, and trading centers, delivering its services with unparalleled reliability and at the lowest price.

“Recent and continuing advances in the distribution of price information and the increased number of market venues highlight the critical need for committed, regulated market makers across asset classes and geographies that fulfill concrete and meaningful obligations.” said Vincent Viola, Chairman and CEO of Virtu. Mr. Viola continued, “Virtu’s mission is twofold. First, to provide market participants and regulators with access to its proprietary market data distribution, market surveillance, risk management, clearing and price discovery tools. Second, to provide retail and institutional investors with reliable, real time competitive prices so that they can continue to benefit from further compression of bid/ask spreads and reduced trading commissions.”

Mr. Viola has approximately 30 years of experience as an entrepreneur and executive in the capital markets and financial technology sectors. Known throughout the regulated exchange space as an innovative and creative business leader, he served in various leadership roles during more than 20 years at the New York Mercantile Exchange, including serving as the Chairman, during which time he was responsible for the introduction of NYMEX Clearport, an OTC swap clearing platform. A graduate

of the United States Military Academy at West Point, Mr. Viola has founded several notable financial services and related technology companies in addition to Virtu and Madison Tyler. Mr. Viola co-founded Madison Tyler with David Salomon, a former arbitrage trader at Goldman, Sachs & Co. and a pioneer in the development of algorithm based trading. Mr. Salomon's interest in Madison Tyler is being acquired in the transaction.

"We are thrilled to partner with Vincent Viola and his extremely talented management team" said Mike Bingle, Managing Director and Co-Head of North America of Silver Lake. "Virtu is a tremendous technology-enabled franchise, and this investment aligns powerfully with Silver Lake's decade-long investment thesis surrounding the electronification of the global capital markets."

Virtu's senior leadership team has deep interdisciplinary expertise. Douglas Cifu is a co-founder of Virtu and previously served as a member of the management committee of the international law firm Paul, Weiss, Rifkind, Wharton & Garrison, LLP; Chris Concannon is a renowned market structure and market regulation expert and has been an industry pioneer in the formation of fair, efficient and transparent marketplaces, most recently serving as an EVP in charge of Transaction Services at NASDAQ OMX Group and before that as President of Instinet and as a regulatory attorney in private practice and with the SEC; Graham Free is a co-founder of and head trader at Virtu, having previously served as the head trader at Madison Tyler responsible for making markets across a broad array of asset classes; and Mike Gould, currently the Co-CEO of Madison Tyler, has spent his entire eight year career at Madison Tyler in varying operational and trading roles, including as head trader and acting as a market maker across a multitude of asset classes. Robert Turfe, currently Co-CEO of Madison Tyler, will continue as a partner at Virtu and as a consultant to Mr. Viola.

In support of the Transaction, Credit Suisse, Bank of America Merrill Lynch and Barclays Capital have been engaged to act as Joint Lead Arrangers and Bookrunners for the debt financing. Paul, Weiss, Rifkind, Wharton & Garrison LLP advised Virtu in the transaction; Silver Lake was advised by Simpson Thacher & Bartlett LLP, Goodwin Procter LLP and Rosenblatt Securities Inc., who served as an Industry Advisor; Madison Tyler was advised by Moelis & Company LLC and Irell & Manella LLP; Madison Tyler's management members were advised by Gibson, Dunn & Crutcher LLP and Mr. Salomon was represented by Latham & Watkins LLP.

## **About Virtu**

With connections to over 100 prominent market centers and membership to most of the leading principal exchanges, Virtu is one of the world's largest electronic market makers and financial technology developers, dedicated to advancing efficient price discovery, deep liquidity and robust price competition in financial marketplaces globally. With its internally developed core trading platform comprised of fully-integrated, scalable trading, processing and risk-management technologies, Virtu provides liquidity by offering competitively priced bids and offers over a broad base of thousands of instruments, where Virtu's market making activities regularly interact with a substantial portion of the cash and futures markets for commodities, currencies, equities, and fixed income. In addition, Virtu is a registered U.S. broker-dealer, a registered market maker in thousands of financial instruments and an Authorized Participant in numerous ETFs. Virtu has offices located in New York and Dublin. For more information, please visit [www.virtufinancial.com](http://www.virtufinancial.com).

## **About Madison Tyler**

Madison Tyler was co-founded in 2002 by Vincent Viola and David Salomon and is a leading market maker and electronic trading firm. Madison Tyler's proprietary market making strategies provision liquidity across multiple asset classes and geographies, leveraging the company's suite of fully integrated, multi-currency, multi-asset class trading and risk-management technologies. The company's sophisticated technology platform serves as a key source of competitive advantage, providing automated trade selection and low-cost, high quality and high speed trade execution and clearing. Since 2002, Madison Tyler's business has grown to comprise significant market share in several asset classes, playing a vital role in contributing to the healthy and efficient functioning of the global financial markets. Madison Tyler and its affiliates are members of more than 100 exchanges and market centers around the world. Madison Tyler has offices located in Los Angeles, London and Sydney.

## **About Silver Lake**

Silver Lake is the global leader in private investments in technology and technology-enabled industries. Silver Lake invests with the strategic and operational insights of an experienced industry participant. The firm has over 90 investment professionals located in New York, Menlo Park, San Francisco, London, Hong Kong and Tokyo and manages over \$14 billion across large cap and middle market private investment strategies as well as a credit investment strategy. The large cap Silver Lake Partners fund has made numerous investments in technology industry leaders such as Allyes, Ameritrade, Avago, Avaya, Business Objects, Flextronics, Gartner, Gerson Lehrman Group, Instinet, Intelsat, Interactive Data Corporation, IPC Systems, MCI, Mercury Payment Systems, MultiPlan, the NASDAQ OMX Group, NetScout, NXP, Sabre, Seagate Technology, Serena Software, Skype, Spreadtrum, SunGard Data Systems, UGS and Vantage Data Centers. For more information, please visit [www.silverlake.com](http://www.silverlake.com).

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